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

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

Time: 9:30am
Date: Thursday, 18 November 2021
Venue: Ngake (16.09)
Level 16, Tahiwi
113 The Terrace
Wellington

MEMBERSHIP

Mayor Foster
Deputy Mayor Free
Councillor Calvert (Chair)
Councillor Condie
Councillor Day
Councillor Fitzsimons
Councillor Foon (Deputy Chair)
Liz Kelly
Councillor Matthews
Councillor O'Neill
Councillor Pannett
Councillor Paul
Councillor Rush
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 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.

AREA OF FOCUS

The Pūroro Tahua | Finance and Performance Committee has the following responsibilities:

- Financial oversight
- Procurement policy
- Financial and non-financial performance oversight in relation to the Long-term Plan and Annual Plan
- Health and Safety
- Non-strategic asset investment and divestment as provided for through the LongTerm Plan and recommending to Council for matters not provided for in the LongTerm Plan.
- Council Controlled Organisation oversight and performance, with the exception of Wellington Water Limited which sits with the Infrastructure Committee
- Council Controlled Organisation director review and appointments
- WellingtonNZ oversight and performance

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

To read the full delegations of this committee, please visit wellington.govt.nz/meetings.

Quorum: 9 members

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1. Meeting Conduct

1.1 Karakia

The Chairperson will open the meeting with a karakia.

Whakataka te hau ki te uru,	Cease oh winds of the west
Whakataka te hau ki te tonga.	and of the south
Kia mākinakina ki uta,	Let the bracing breezes flow,
Kia mātaratara ki tai.	over the land and the sea.
E hī ake ana te atākura.	Let the red-tipped dawn come
He tio, he huka, he hauhū.	with a sharpened edge, a touch of frost,
Tihei Mauri Ora!	a promise of a glorious day

At the appropriate time, the following karakia will be read to close the meeting.

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

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

The minutes of the meeting held on 21 October 2021 will be put to the Pūroro Tahua | Finance and Performance Committee for confirmation.

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

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, 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.

2. General Business

DISSOLUTION OF WELLINGTON REGIONAL STRATEGY COMMITTEE

Kōrero taunaki
Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee is to acknowledge the dissolution of the Wellington Regional Strategy Committee by the Greater Wellington Regional Council and the resulting changes to the governance arrangements for Wellington Regional Economic Development Agency Ltd (trading as WellingtonNZ).

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

☒ Sustainable, natural eco city
☒ People friendly, compact, safe and accessible capital city
☒ Innovative, inclusive and creative city
☒ Dynamic and sustainable economy

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

☐ Functioning, resilient and reliable three waters infrastructure
☐ Affordable, resilient and safe place to live
☐ Safe, resilient and reliable core transport infrastructure network
☐ Fit-for-purpose community, creative and cultural spaces
☐ Accelerating zero-carbon and waste-free transition
☐ Strong partnerships with mana whenua

Relevant Previous decisions

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

2. This report does not have financial implications for Council.

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

Author	Warwick Hayes, Team Leader Economic & Commercial
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

3. In response to the establishment of the Wellington Regional Leadership Committee, the Wellington Regional Strategy (WRS) Committee was dissolved by the Greater Wellington Regional Council on 27th May 2021. This has resulted in changes to the governance arrangements for WellingtonNZ.
4. Previously the WRS Committee was tasked with carrying out the oversight and monitoring of WellingtonNZ in terms of s64 of the Local Government Act 2002. This responsibility has now returned to both shareholding councils, Greater Wellington Regional Council (GWRC) and Wellington City Council.
5. The Shareholders' Agreement between GRWC and this Council requires amendment to remove references to the WRS Committee and to acknowledge that the LGA responsibilities plus the arrangements for director appointments have returned to the shareholding councils.
6. The principles to be embedded in the amended Shareholders' Agreement are that Wellington City Council as majority shareholder will lead the development of the Statement of Expectations and the process will include a mechanism for input and consultation with GWRC.
7. The appointment and re-appointment of Directors will also be led by Wellington City Council with the appropriate input and consideration by GWRC and the amended Agreement will specify this.
8. The amended draft Shareholders' Agreement has been prepared by this Council's legal team and it has been agreed with GWRC.
9. The amended Shareholders' Agreement is expected to be signed by the parties during November 2021.

Takenga mai

Background

10. The Wellington Regional Strategy (WRS) Committee was established by the Greater Wellington Regional Council (GWRC) to implement and develop the Wellington Regional Strategy, including overseeing WellingtonNZ. Its membership included one Councillor from GWRC, four elected members from this Council, one elected member from each of Porirua City Council, Hutt City Council, Kapiti Coast District Council and Upper Hutt City Council, and one member nominated by the three Wairarapa district councils.
11. The WRS Committee provided regional leadership in economic development and performance monitoring and oversight for the activities of WellingtonNZ on behalf of the two shareholders (Wellington City Council and GWRC).

12. WellingtonNZ is a Council-controlled Organisation (CCO) under the Local Government Act 2002 (LGA) and is jointly owned by this Council with 80% shareholding and GWRC with 20% shareholding.

13. As a CCO there are governance requirements and arrangements that must be met, particularly under s64 of the LGA. These were previously undertaken by the WRS Committee under its Terms of Reference which tasked the Committee with:
    - Receiving and considering half-yearly and annual reports, agreeing the statement of expectations, to receive, consider and agree the final SOI and request any modifications and to provide recommendations to the shareholding councils regarding director appointments and remuneration.
    - It also had responsibility for implementing and developing the Wellington Regional Strategy. This strategy was considered outdated and has been replaced by a new regional economic development plan which is governed and overseen by the Wellington Regional Leadership Committee.

14. The WRS Committee was a committee of the Greater Wellington Regional Council and was dissolved on 27 May 2021.

15. The Wellington Regional Leadership Committee was created to replace the WRS Committee. The new regional economic development plan is now governed by the Wellington Regional Leadership Committee and its establishment and its purpose are well understood by this Council.

16. The responsibilities for the governance of WellingtonNZ under s64 of the LGA, has now returned to its two shareholding councils. The Shareholders' Agreement between the councils now needs to be amended to remove references to the WRS Committee and to record the shareholding councils' agreements.

Kōrerorero

Discussion

17. Implications of the dissolution of the WRS Committee on 27 May 2021:

    a. The need for a revised Shareholder Agreement between Wellington City Council and Greater Wellington Regional Council:

        i. The Shareholder Agreement contains reference to the governance role of the WRS Committee, in particular in relation to the director's appointments and the Statement of Intent process. A modified process will be developed between the two shareholders for directors appointments.

        ii. The Shareholders Agreement also details the base funding arrangements. GWRC has established a Funding Agreement between with WellingtonNZ which will outlines the funding and the expected deliverables. This Council continues to rely on the Statement of Intent process to capture its funding of WellingtonNZ and expected deliverables.

    b. The termination of the Multilateral Agreement:

        i. The Multilateral Agreement details the funding and governance arrangements of WellingtonNZ. This document outlines the principles of the WRS and, by including the territorial authorities in the region as parties to the agreement, provides a regional commitment to the WRS.

        ii. The Wellington Regional Leadership Committee provides an alternative forum to discuss and agree regional economic development priorities.

iii. The Multilateral Agreement terminated upon the dissolution of the WRS Committee.

Ngā mahinga e whai ake nei

Next actions

18. Officers of the shareholding councils have begun a process for developing a new shareholders agreement.

19. The principles to be included in the amended Shareholders' Agreement are:

- That Wellington City Council as majority shareholder will lead the development of the Statement of Expectations and and will develop a process for input and consultation with GWRC.
- That the appointment and re-appointment of Directors will also be led by Wellington City Council with appropriate input and consideration by GWRC.

20. The principles have been agreed between the shareholding councils. The legal team for this Council has drafted the amended Shareholders' Agrement and it is currently with GWRC for signing.

Attachments

Nil

STATEMENTS OF EXPECTATION TO COUNCIL-CONTROLLED ORGANISATIONS

Kōrero taunaki

Summary of considerations

Purpose

- This report to Pūroro Tahua - Finance and Performance Committee seeks the Committee's consideration and input into the Statements of Expectation addressed to the following Council Controlled Organisations (CCOs).
    - 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 Ltd (trading as WellingtonNZ)
    - Wellington Regional Stadium Trust (trading as Sky Stadium)
    - Wellington Zoo Trust

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☒ Sustainable, natural eco city ☒ People friendly, compact, safe and accessible capital city ☒ Innovative, inclusive and creative city ☒ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	Outline relevant previous decisions that pertain to the decision being considered in this paper.
Significance	The decision is Choose an item. in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

☐ Nil	☒ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

1. The financial implications are budgeted in the Counicl's 2021-31 Long-term Plan.

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

2. Overall, this is rated as low risk on the Council's risk framework.

Author	Warwick Hayes, Team Leader Economic & Commercial
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That Pūroro Tahua - Finance and Performance Committee:

1) Receive the information

2) Agree that the Statement of Expectations in terms of section 64B of the Local Government Act 2002 will outline Council's strategic direction and its enduring expectations of Council-controlled Organisations.

3) Agree the individual messages in the Statements of Expectation to the following organisations:
    a. Basin Reserve Trust
    b. Karori Sanctuary Trust
    c. Wellington Cable Car Limited
    d. Wellington Museums Trust
    e. Wellington Regional Economic Development Agency Ltd
    f. Wellington Regional Stadium Trust
    g. Wellington Zoo Trust

4) Agree that officers will prepare Statements of Expectation incorporating the directions of the Pūroro Tahua - Finance and Performance Committee for signing by the Chair of the Committee.

Whakarāpopoto

Executive Summary

4. The Council sets out its expectations of CCOs in a Statement of Expectation (SOE) per Section 64B of the Local Government Act 2002. The SOE serves to reiterate or emphasise some of the Councils enduring expectations while also alerting the entities to new Council initiatives or programmes or expected outcomes from the entities.

5. This report outlines the key messages to be presented to each CCO and is designed to assist the entity with business planning and with the preparation of its Statement of Intent.

6. Attached to this report is a sample SOE which is a representative example of the SOEs that this report will initiate.

Takenga mai

Background

7. Council-controlled Organisations are required under Section 64 of the Local Government Act 2002 to prepare a draft Statement of Intent for the Council by 1 March of the preceding financial year. The Council sets out its expectations of its CCOs in a Statement of Expectation (SOE) per Section 64B of the Local Government Act 2002.

8. This report outlines the key messages to be presented to each CCO in a SOE. The SOE is designed to assist the entity with business planning and with the preparation of its Statement of Intent.
9. The SOE serves to reiterate or emphasise some of the Councils enduring expectations while also alerting the entities to new Council initiatives or programmes or expected outcomes from the entities.
10. Officers will incorporate any feedback from this Committee into the SOE that will be signed by the Chair of this Committee.
11. 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.
12. 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.

Kōrerorero

Discussion

13. The overarching context for both Council and Council-controlled Organisations is the requirement for a focus on robust financial management and delivering services in a financially sustainable and affordable manner.
14. To a large degree, the Council's expectations are enduring, including that CCOs are expected to maintain an ongoing alignment to the Council's strategic direction and its annual and long-term plans.
15. The Council's 2021-31 Long-term Plan (LTP) focuses on four wellbeing outcomes that will influence Wellington over the next ten years. The long-term strategic vision: "Wellington 2040 – an inclusive, sustainable and creative capital for people to live, work and play" is supported by four community outcomes that reflect each of the four dimensions of wellbeing and are at the centre of our long-term plan. The outcomes are the basis for all of Council's activities, with the rationale for delivering each of its services connecting back to achieving of one or more of them.

    - **Environmental**: A sustainable, climate friendly eco capital
    - *A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations.*
    - **Social**: A people friendly, compact, safe and accessible capital city
    - *An inclusive, liveable, and resilient city where people and communities can learn, are connected, well housed, safe and healthy.*
    - **Cultural**: An innovative, inclusive and creative city

- *Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities, and openly express, preserve and enjoy arts, culture and heritage.*

- **Economic**: 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 working towards an environmentally sustainable future.*

16. Wellington city is facing significant challenges from the effects of earthquakes and an aging three-waters network to the current and future impacts of climate change. The LTP is Council's response. Through it, Council will build the strong foundations that Wellington needs to meet the challenges of today and prepare it for the challenges of the future. Whether it be: building a more resilient three-waters network; earthquake strengthening Council's buildings; mitigating and preparing for climate change; or investing in the partnership with Māori and mana whenua; the LTP lays the foundations for a dynamic, attractive city fit for the future.

17. Council's Priority Objectives for the next three years

    - A functioning, resilient and reliable three waters infrastructure – with improving harbour and waterway quality and reducing water usage and waste.
    - Wellington has affordable, resilient and safe housing – within an inclusive, accessible, connected, and compact city.
    - The city's core transport infrastructure is a safe, resilient, reliable network – that supports active and public transport choices, and an efficient, productive and an environmentally sustainable economy.
    - The city has resilient and fit-for-purpose community, creative and cultural spaces – including libraries, marae, museums and community halls, where people connect, develop and express their arts, culture and heritage.
    - An accelerating zero-carbon and wastefree transition – with communities and the city economy adapting to climate change, development of low carbon infrastructure and buildings, and increased waste minimisation.
    - Strong partnerships with mana whenua – upholding Te Tiriti o Waitangi, weaving Te Reo Māori and Te Ao Māori into the social, environmental and economic development of our city and, restore the city's connection with Papatūānuku (nature).

18. Kia eke panuku Māori Strategic Direction within our city.

    - The Council is committed to ensuring mana whenua and Māori meaningfully participate in, contribute to, and inform Council decisions. Improved partnerships and capacity building are the cornerstones of this new strategic direction.

    - To ensure this is successful, Council has agreed a new strategic focus on three key priorities:

        a) Māori Partnerships – inspiring meaningful relationships so that our partnerships are mana enhancing

        b) Māori Strategy – weaving te ao Māori knowledge and research together so that Māori prosper as Māori

c) Māori Capability and Success – providing Māori organisational leadership so that Māori are empowered to engage with the Council

• Together with strong, open and transparent relationships, these priorities will provide the platform for further opportunities for Māori to participate in and create a positive future for Wellington.

19. Council's SOE to CCOs will request that the Statements of Intent acknowledge the operating environment as well as accommodating the following general expectations as applicable to individual CCOs.

20. In relation to Kia eke panuku Māori Strategic Direction, Council's SOE will ask how CCOs plan to, or already positively contribute to Council's commitment to:

a) strengthening its partnership with mana whenua and Māori

b) delivering better outcomes for Māori.

21. Some of the focus areas of these commitments could include:

- Enhancing and promoting Te Ao Māori

  • *Council would like to see a dedication to elevating the status of te reo Māori across the city. For example, how are CCOs ensuring that access to, resourcing of and investment in Te Ao Māori is a priority?*

- Building capability

  • *Council would like to know how CCOs are developing trusted relationships and partnerships that are mutually beneficial and collaborative and ensures the direction is co-designed with our mana whenua partners.*

- Caring for our environment

  • *Council would like to know what efforts are being made to work alongside mana whenua and other community groups to address environmental challenges in the city?*

- Thriving communities

  • *In what ways are CCOs increasing opportunities to grow Māori business, leaders and entrepreneurs and invest in greater representations and presence of mana whenua and Māori culture, language, and identity within and across our city?*

22. The implementation of Te Atakura: First to Zero is well under way.

a) Council has reset the 2030 city emissions reduction target to a science-based target of a 57% reduction compared to 2020.

b) Council's 2050 net zero commitment remains unchanged.

c) Over the next 2 years Council is also planning for how it can adapt to the unavoidable impacts of climate change. This will include examining how Wellington grows and how it protects the land and infrastructure from extreme weather events.

23. These goals cannot be achieved by Council or its CCOs alone. Both Council and CCOs will need to provide leadership and develop relationships with many other organisations across the city to achieve this transformational change. The next year

will be critical in bringing the city on a journey as Council seeks to gather support from Wellingtonians for the changes needed.

24. Council is developing three important wellbeing strategies to support the city economy, to leverage its arts and culture sector and to look after its children and young people. CCOs will be expected to commit to aligning with Council's strategic direction which is underpinned by these strategies, for the betterment of Wellington city.

    - **Aho Tini 2030 – Arts, Culture and Creativity Strategy**

      • *The strategy focuses on access and inclusion, higher visibility of Ngā Toi Māori, and the success of the city's artists and arts organisations, and includes a key theme of activating the city's places and spaces.*

    - **Strategy for Children and Young People**

      • *This strategy gives context and direction to the work of the Council about the wellbeing of children and young people in Wellington.*

    - **Economic Wellbeing Strategy**

      • *The city is attracting and developing creative talent to enterprises across the city, creating jobs through innovation and growth while working towards an environmentally sustainable future.*

25. CCOs that are facing challenges to third party revenue or managing cost pressures over and above the Council operating grant are expected to have robust plans to manage these pressures.

26. Given the challenges facing Council, new investment that does not align closely with the Council's priorities is unlikely to be supported. Council and CCOs will continue to work together on how best to maximise limited resources.

27. In addition to the foregoing, the following specific points will be addressed to individual CCOs in the SOE.

    -

- BASIN RESERVE TRUST

28. Council will work with the Trust to develop a practical approach to the ongoing management and maintenance of the Basin Reserve assets.

29. The Trust will work closely with Council in support of its zero-carbon and zero-waste aspirations.

30. Let's Get Wellington Moving will have a significant influence on the city and it is acknowledged that the Basin Reserve represents an important part of the LGWM programme. The Trust should engage constructively with the programme to ensure that the interests of the Basin Reserve are well understood as options are developed for this part of the route.

-

- KARORI SANCTUARY TRUST

31. Council expects that the Trust will provide an update on the development of Tanglewood House, acknowledging Council's contribution toward this project.

32. The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant.

- WELLINGTON CABLE CAR LTD

33. Council expects the company to outline its plans and priorities for improving the seismic resilience of its network in the context having the budgeted Waka Kotahi funding for the project withdrawn.

34. The company has demonstrated its adaptability in supporting cultural activities in the city using the Cable Car as a stage. Council would like to see the company commit to developing new opportunities to strengthen the alignment with this important Council strategy, both for the benefit of the city and the Cable Car service.

35. The company's SOI should give Council confidence that the company is using the current operating environment well to prepare for the return of domestic and international tourists to Wellington and that its service is refreshed and ready to thrive.

36. The Kelburn terminus precinct of the Wellington Cable Car is a critical point for both visitors and locals as it offers both iconic views of Wellington city and access to a variety of attractions and environments which are important to Wellington. The Cable Car provides both critical transport and the opportunity to provide a unique experience for people accessing the precinct to get to other attractions such as Space Place, Zealandia, the Botanic Garden and Kelburn village.

37. The Council expects the company to work together with Council and other stakeholders in this area to improve its vibrancy and appeal to locals and visitors now and to into the future. Together with Experience Wellington and WellingtonNZ, the company should lead the planning for early interventions to add value to the cable car journey and celebrate the historic area, and to develop longer term plans for its future that create an integrated experience which leads to more frequent visitation.

38. Council expects the Cable Car to leverage its modest carbon footprint in the messaging and profile-building as the company rebuilds its business in the post-Covid economy.

- WELLINGTON MUSEUMS TRUST

39. Council continues to expect that the Trust will return to a breakeven financial position in 2022/23, inclusive of funding depreciation, and the Statement of Intent should respond to this.

40. The Trust should discuss its plans for Capital E and its intended tenancy within Te Matapihi. In this context, the trust is expected to recognise that Council is making a significant capital investment in Te Matapihi which also generates additional operational costs for Council that are ongoing. Council does not expect to increase its operational funding for the Trust in relation to the Capital E activity, beyond its annual inflation adjustments.

41. The SOI is expected to articulate the opportunities that Trust sees in response to Council's Aho Tini strategy and how the Trust will be able contribute to Council's focus areas in this strategy, within its current operational funding.

42. Council will work with the Trust to develop a consistent and practical approach to the management and maintenance of various building assets owned by Council and operated by the Trust.
43. Council sees a role for the Trust, Wellington NZ, and the Cable Car to work together in planning opportunities to leverage the Cable Car journey. Council expects the Cable Car to lead the planning for early interventions to celebrate the historic area at the top of the Cable Car, and to develop longer term plans for its future.
44. The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant.

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- WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY LTD

45. Takina is an important Council project and represents a significant investment in economic development for the city. Takina is expected to open in July 2023. Given the significance of this investment and its importance to the city, it is imperative that the time between now and the planned opening date is used to drive the sales and marketing activities for this new venue. This period should also be used to ensure Venues Wellington are developing and advancing planning as to how they will transition from less emphasis on business events to a greater focus on performance, entertainment and community.
46. Council would like to see consideration around these matters and specifically:
    - How WellingtonNZ will provide support to Tākina to raise its profile as an exhibition destination for New Zealanders and, through playing a key part in the promotion of hosted exhibitions, maximise the number of visitors to those exhibitions and Wellington
    - How WellingtonNZ will provide the marketing support required by the Business Events Wellington team to fully activate their Sales and Marketing activity plans to reach targeted audiences that help secure business events for Tākina from international sources, in particularly Australia, as well as domestically.
    - WellingtonNZ should provide clarity around the overall marketing plans for the Australian visitor market, based on a range of border scenarios, and the levels of investment including partner-leveraged support.
    - The planning and supporting actions that will be undertaken to reflect a greater emphasis on performance, entertainment and community events across the civic venues operated by Venues Wellington.
47. In addition to Council's strategic direction and the focus areas and emphasis of its new strategies, and in the context of the travel status both nationally and internationally, Council continues to expect WellingtonNZ to market Wellington strongly as a destination for visitors, migrants, investors and students.
48. WellingtonNZ is expected to continue to support businesses to grow and innovate in Wellington and to attract events to the city in support of Council's economic wellbeing outcomes.

49. Together with Experience Wellington and the Cable Car, WellingtonNZ is expected to support the planning for early interventions to add value to the cable car journey and celebrate the historic Kelburn area with longer-term plans for its future.

-

- WELLINGTON REGIONAL STADIUM TRUST

50. The Council is committed to supporting the FIFA Women's World Cup Australia & New Zealand 2023 when it comes to the Southern Hemisphere for the first time. In collaboration with WellingtonNZ and the Council, the Trust is expected to ensure that the stadium and the city is well prepared to deliver a world class experience for fans and teams for this event.
51. The Trust will finalise the design, budget and programme for the seismic strengthening works planned for the stadium that will be partially funded by both settlor councils through the 2021-31 LTP.
52. In the context of a post-lockdown environment with relatively free domestic travel and international borders opening, the stadium will continue to deliver a strong programme of stadium-filling events that return economic benefit to the city and region.
53. Council is mindful of the financial burden that insurance places on the stadium's viability. The Trust could work collaboratively with its settlor councils to determine an optimal insurance structure for the stadium.
54. The Trust will work with closely with Council to support the zero-carbon and zero-waste aspirations of the city as the implementation of Te Atakura: First to Zero gathers momentum.

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- WELLINGTON ZOO TRUST

55. The Trust's SOI will update the Snow Leopards project and the plans for fundraising for this project.
56. The Trust will provide a forward programme of the planned asset renewals which are funded by Council and supported by third-party fund raising. The renewals programme will be underpinned by an Asset Management Plan.
57. The Council expects that the Trust will maintain its commitment to paying the Living Wage. The annual operating grant is expected to be sufficient for the Trust to maintain this commitment and Council does not expect to receive additional requests for funding beyond the operating grant.

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Kōwhiringa

Options

58. Not applicable.

Whai whakaaro ki ngā whakataunga

Considerations for decision-making

Alignment with Council's strategies and policies

59. This report has explicit alignment with Council's strategies and policies and requires that this alignment is adopted by CCOs.

Engagement and Consultation

60. Not applicable.

Implications for Māori

61. The report addresses Kia eke panuku Māori Strategic Direction within our city. There are no known implications for Iwi.

Financial implications

62. This report does not create financial implications for the Council, except as already agreed in the 2021-31 Long-term Plan.

Legal considerations

63. Not applicable.

Risks and mitigations

64. Overall, this is rated as low risk on the Council's risk framework.

Disability and accessibility impact

65. Not applicable.

Climate Change impact and considerations

66. This report responds positively to Wellington's zero carbon goals by extending expectations to CCOs to support Council in this challenge.

Communications Plan

67. Not applicable.

Health and Safety Impact considered

68. Not applicable.

Ngā mahinga e whai ake nei

Next actions

69. Council officers will prepare Statements of Expectation and covering letters to be signed by the Chair of the Committee.

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Attachments

Attachment 1. Sample Statement of Intent

STATEMENT OF EXPECTATIONS *Section 64B, Local Government Act 2002*	
WELLINGTON CABLE CAR LIMITED *For the Statement of Intent for the period 2022-23 to 2024-25*	
ENDURING EXPECTATIONS	
No Surprises	Wellington City Council has a No Surprises policy that operates both ways between Council and its Council-controlled Organisations in relation to items of public interest or matters of significance. The policy is forward looking and requires judgement as to significance. It relies on the open, honest, and thoughtful sharing of information, as legally permitted, between the parties so that each party is aware of significant decisions or matters of interest, at the earliest practicable opportunity and/or before public dissemination.
Legislation & Compliance	The Council expects its Council-controlled Organisations to maintain a high degree of awareness of legislation that is applicable to its activities and in particular on relevant Health and Safety legislation.
Governance	The Council-controlled Organisation 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 a report 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 and reported to Council by 30 September each year. It is good governance for an entity to maintain a skills matrix in relation to its board of directors or trustees. Council would like to receive a copy of the Trust's skills matrix, reviewed annually, by 31 March each year.
Risk Management	The Council-controlled Organisation is expected to have robust processes at a governance level to identify and manage risks. This should be documented and regularly maintained. Council will seek assurance about CCO's risk management processes. In accordance with the No Surprises principle, the CCO will notify the Council of significant risks that may impact on the Council or the wider group. The Council's Audit and Risk Subcommittee will ensure that all affected entities are aware of and appropriately managing risks of this nature.

ALIGNMENT WITH COUNCIL'S STRATEGIC DIRECTION

Council-controlled Organisations are expected to maintain an ongoing alignment to the Council's strategic direction and its annual and long-term plans.

The Council's 2021-31 Long-term Plan (LTP) focuses on four wellbeing outcomes that will influence Wellington over the next ten years. The long-term strategic vision: "Wellington 2040 – an inclusive, sustainable and creative capital for people to live, work and play" is supported by four community outcomes that reflect each of the four dimensions of wellbeing and are at the centre of our long-term plan. The outcomes are the basis for all of Council's activities, with the rationale for delivering each of its services connecting back to achieving of one or more of them.

- **Environmental**: A sustainable, climate friendly eco capital

  A city where the natural environment is being preserved, biodiversity improved, natural resources are used sustainably, and the city is mitigating and adapting to climate change – for now and future generations.

- **Social**: A people friendly, compact, safe and accessible capital city

  An inclusive, liveable, and resilient city where people and communities can learn, are connected, well housed, safe and healthy.

- **Cultural**: An innovative, inclusive and creative city

  Wellington is a vibrant, creative city with the energy and opportunity to connect, collaborate, explore identities, and openly express, preserve and enjoy arts, culture and heritage.

- **Economic**: 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 working towards an environmentally sustainable future.

Wellington city is facing significant challenges from the effects of earthquakes and an aging three-waters network to the current and future impacts of climate change. The LTP is Council's response. Through it, Council will build the strong foundations that Wellington needs to meet the challenges of today and prepare it for the challenges of the future. Whether it be: building a more resilient three-waters network; earthquake strengthening Council's buildings; mitigating and preparing for climate change; or investing in the partnership with Māori and mana whenua; the LTP lays the foundations for a dynamic, attractive city fit for the future.

Council's Priority Objectives for the next three years

- A functioning, resilient and reliable three waters infrastructure – with improving harbour and waterway quality and reducing water usage and waste.
- Wellington has affordable, resilient and safe housing – within an inclusive, accessible, connected, and compact city.
- The city's core transport infrastructure is a safe, resilient, reliable network – that supports active and public transport choices, and an efficient, productive and an environmentally sustainable economy.
- The city has resilient and fit-for-purpose community, creative and cultural spaces – including libraries, marae, museums and community halls, where people connect, develop and express their arts, culture and heritage.
- An accelerating zero-carbon and wastefree transition – with communities and the city economy adapting to climate change, development of low carbon infrastructure and buildings, and increased waste minimisation.
- Strong partnerships with mana whenua – upholding Te Tiriti o Waitangi, weaving Te Reo Māori and Te Ao Māori into the social, environmental and economic development of our city and, restore the city's connection with Papatūānuku (nature).

ALIGNMENT WITH COUNCIL'S STRATEGIC DIRECTION

Council-controlled Organisations are expected to maintain an ongoing alignment to the Council's strategic direction and its annual and long-term plans.

In relation to Kia eke panuku Māori Strategic Direction, Council would like to see in each CCO's Statement of Intent, a description of how it is now, or intends to:

- Strengthen its partnership with mana whenua and Māori
- Deliver better outcomes for Māori.

Some of the focus areas of these commitments could include:

- Enhancing and promoting Te Ao Māori

  Council would like to see a dedication to elevating the status of te reo Māori across the city. For example, how are CCOs ensuring that access to, resourcing of and investment in Te Ao Māori is a priority?
- Building capability

  Council would like to know how CCOs are developing trusted relationships and partnerships that are mutually beneficial and collaborative and ensures the direction is co-designed with our mana whenua partners.
- Caring for our environment

  Council would like to know what efforts are being made to work alongside mana whenua and other community groups to address environmental challenges in the city?
- Thriving communities

  In what ways are CCOs increasing opportunities to grow Māori business, leaders and entrepreneurs and invest in greater representations and presence of mana whenua and Māori culture, language, and identity within and across our city?

The implementation of Te Atakura: First to Zero is well under way.

- Council has reset the 2030 city emissions reduction target to a science-based target of a 57% reduction compared to 2020.
- Council's 2050 net zero commitment remains unchanged.
- Over the next 2 years Council is also planning for how it can adapt to the unavoidable impacts of climate change. This will include examining how Wellington grows and how it protects the land and infrastructure from extreme weather events.

These goals cannot be achieved by Council or its CCOs alone. Both Council and CCOs will need to provide leadership and develop relationships with many other organisations across the city to achieve this transformational change. The next year will be critical in bringing the city on a journey as Council seeks to gather support from Wellingtonians for the changes needed.

In addition to reporting on carbon emissions, Council would like to see in each CCO's Statement of Intent, a description of how it intends to:

1. Support the strategic goal of a more than halving in city carbon emissions in the next eight years
2. Support the zero-carbon and zero-waste aspirations of the City and Council
3. Incorporate climate change impacts and risks into your strategic planning

Ā mātau mahi mō te huringa āhuarangi What we're doing about climate change

Learn about Council's climate change action plan, Te Atakura - First to zero, the key actions areas, and how we measure the city's emissions. https://wellington.govt.nz/climate-change-sustainability-environment/climate-change/what-were-doing-about-climate-change

ALIGNMENT WITH COUNCIL'S STRATEGIC DIRECTION

Council-controlled Organisations are expected to maintain an ongoing alignment to the Council's strategic direction and its annual and long-term plans.

Aho Tini 2030 – Arts, Culture and Creativity Strategy

The strategy focuses on access and inclusion, higher visibility of Ngā Toi Māori, and the success of the city's artists and arts organisations, and includes a key theme of activating the city's places and spaces.

Four focus areas will direct the work of the Council to bring the vision to life.

- Aho Tangata Our people – connected, engaged, inclusive communities

  Our communities are connected by diverse arts and cultural expression
- Aho Hononga Partnership with mana whenua and Māori

  We honour te Tiriti o Waitangi and the Council's partnership with mana whenua in the outcomes we deliver
- Aho Whenua Our places and spaces – our city is alive

  The entire city is alive with the possibility of art around every corner
- Aho Mahi – Pathways – successful arts and creative sector, and careers

  Wellington is an incredible place to create, live, learn and work

Strategy for Children and Young People

Making Wellington a great pace for children and young people to play, live, study and work.

https://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies/strategy-for-children-and-young-people

This strategy gives context and direction to the work of the Council about the wellbeing of children and young people in Wellington. The plan will tackle these areas in particular.

- Our Central City

  You feel safe in the city at any time of day.
- Hauora (wellbeing across the city)

  Spaces, places and programmes support your hauora throughout the city.
- The basics

  You can access food, safe and healthy housing, and support if you become homeless.
- You belong

  Wellington celebrates and includes the diversity of all children and young people.
- Pathways

  Our libraries and places can help you be a life-long learner and provide pathways to opportunities.
- Participating in change

  We want you to have a say on the decisions that impact you.

ALIGNMENT WITH COUNCIL'S STRATEGIC DIRECTION

Council-controlled Organisations are expected to maintain an ongoing alignment to the Council's strategic direction and its annual and long-term plans.

Economic Wellbeing Strategy

Council is currently working on its Economic Wellbeing Strategy, which includes engagement with CCOs. When the strategy is finalised, CCOs will be expected to be aware of its implications and how these can be addressed in the Statement of Intent.

Principles

- Regenerative & Zero Carbon Economy
  Making the city resilient for the future
- Honouring the Te Tiriti by partnering with mana whenua
  We will work with mana whenua to deliver Te Mataraua a Maui
- Collaboration
  Collaborating with business sector, councils in the region, and central government
- A city for all people
  We value diversity, inclusivity, accessibility, creativity and communities

Outcomes

- A Dynamic and Flourishing City
  Celebrating diversity, enhancing safety, and sparking curiosity
- A Regenerating City
  We regenerate the city and invest to make the city future-ready
- A City that Retains its Workforce
  Wellington attracts a skilled and diverse workforce to enable the city to thrive
- Creative, Innovative, Digital City
  Using our Digital Advantage to create a more informed, open and connected city
- Easy to do Business
  Inspire and encourage business to thrive
- Well-connected and celebrated Capital
  Making the most of our capital city status – a place of decision making and activity

Accessible Wellington

The Accessible Journey Action Plan June 2019

https://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies/accessible-wellington-action-plan

Improving accessibility to Council's activities and services remains focus for the Council and it is expected that CCOs will continue support this by planning to improve accessibility where possible.

Our Strategic Relationship

In the drafting of the Statement of Intent, CCOs are invited to articulate to Council what is expected of a strategic relationship between the parties. Council will respond with feedback to reach a common understanding.

SPECIFIC EXPECTATIONS

Council's explicit expectations of a Council-controlled Organisation in relation to its Statement of Intent

1. Council expects the company to outline its plans and priorities for improving the seismic resilience of its network in the context having the budgeted Waka Kotahi funding for the project withdrawn.
2. The company has demonstrated its adaptability in supporting cultural activities in the city using the Cable Car as a stage. Council would like to see the company commit to developing new opportunities to strengthen the alignment with this important Council strategy, both for the benefit of the city and the Cable Car service.
3. The company's SOI should give Council confidence that the company is using the current operating environment well to prepare for the return of domestic and international tourists to Wellington and that its service is refreshed and ready to thrive.
4. The Kelburn terminus precinct of the Wellington Cable Car is a critical point for both visitors and locals as it offers both iconic views of Wellington city and access to a variety of attractions and environments which are important to Wellington. The Cable Car provides both critical transport and the opportunity to provide a unique experience for people accessing the precinct to get to other attractions such as Space Place, Zealandia, the Botanic Garden and Kelburn village.
5. The Council expects the company to work together with Council and other stakeholders in this area to improve its vibrancy and appeal to locals and visitors now and to into the future. Together with Experience Wellington and WellingtonNZ, the company should lead the planning for early interventions to add value to the cable car journey and celebrate the historic area, and to develop longer term plans for its future that create an integrated experience which leads to more frequent visitation.
6. Council expects the Cable Car to leverage its modest carbon footprint in the messaging and profile-building as the company rebuilds its business in the post-Covid economy.

SAMPLE

REVIEW OF QUARTER ONE REPORTS FOR THE COUNCIL-CONTROLLED ORGANISATIONS FOR THE PERIOD ENDING 30 SEPTEMBER 2021

Kōrero taunaki
Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee provides the Committee with a review of the first quarter reports submitted by Council-controlled Organisations for consideration in accordance with the requirements of the Local Government Act 2002.

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☒ Sustainable, natural eco city ☒ People friendly, compact, safe and accessible capital city ☒ Innovative, inclusive and creative city ☒ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☐ Low	☐ Medium	☐ High	☐ Extreme

Authors	Warwick Hayes, Team Leader Economic & Commercial Jennifer Jimenez, Portfolio Advisor Economic and Commercial
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga
Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

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

Takenga mai

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 is jointly owned (80% / 20%) by the Wellington City Council and the Greater Wellington Regional Council respectively.
4. Wellington Water Limited is owned by six shareholding council's as to: Wellington City Council 25%, Upper Hutt 13.57%, Hutt City 17.85%, Porirua City 15.0%, Greater Wellington Regional Council 16.07%, and South Wairarapa District Council 12.5%. The shareholders jointly monitor the company via the Wellington Water Committee.
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.

Kōrerorero

Discussion

7. Quarterly reports have been received from the following entities for consideration by the subcommittee and are 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)
- Welllington Zoo Trust

8. The first 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. Representatives of the entities covered in this report will attend a workshop to present the quarterly report and answer any questions.

10. BASIN RESERVE TRUST (Q1 to 30 Sep 2021)

ACTIVITY SUMMARY

Quarter one is the quietest event delivery period for the Basin Reserve Trust. The ground is transitioned from winter to summer sport and taking the opportunity to carry out field maintenance.

Quarter highlights

- Commencement of embankment toilet upgrades and construction of new media facilities
- Execution of agreements with Cello as new Naming Rights Partner for the Cello Basin Reserve
- Completion of a signed agreement with Tui Trademark Licence Agreement for Cello Basin Reserve Lawn Seed product
- Commencement of NZ Cricket Museum exhibition fit out
- Completion of Junior Rugby and Football winter fixtures
-

To date, the Trust secured $981k of fundraising for capital projects, including $30k from the International Cricket Council, towards the build of the new media facilities.

SUMMARY FINANCIALS (Year To Date)

Variance (Actual minus Budget). ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	30 Sep 19 Actual	30 Sep 20 Actual	**30 Sep 21 Actual**	30 Sep 21 Budget	*30 Sep 21 Variance*	30 Jun 22 Budget
Total Revenue	307	386	**385**	394	*(9)* ✘	1,846
Total Expenses	218	188	**231**	214	*17* ✘	1,819
Surplus (Deficit)	88	198	**154**	180	*(26)* ✘	26
FINANCIAL POSITION						
Total Assets	1,081	907	**990**	939	*50* ✔	796
Total Liabilities	415	126	**179**	119	*59* ✘	129
Equity	666	781	**811**	820	*(9)* ✘	667
CASH FLOWS					*0*	
Total Net Cash Flows	391	217	**186**	151	*35* ✔	(28)
Opening Cash	152	223	**400**	269	--	269
Closing Cash	543	440	**586**	421	--	241

As previously noted, quarter one is the quietest event delivery period for the Trust. Revenue was lower than forecast due to a delay in invoicing for the deposit relating to ground hire (other events).

Expenses are higher primarily due to an unbudgeted expenditure ($19k) for a full building wash of

SUMMARY FINANCIALS (Year To Date)

the Old Pavilion Stand, RA Vance Stand, Players Pavilion and Groundsmen Cottage.

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 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**	**STATUS Full Year**
Cricket Event Days	YTD Actual	3	0	**1**	**On track**
	YTD Target	*6*	*4*	***3***	
	Full Year Target	*50*	*33*	***55***	
Delayed pre-season fixtures due to Covid-19.					
Other Sports Event Days	YTD Actual	10	0	**10**	**On track**
	YTD Target	*12*	*0*	***6***	
	Full Year Target	*25*	*20*	***20***	
Target exceeded due to extending junior rugby and football fixtures into July with five weekends (ten event days).					
Community Event Days	YTD Actual	0	0	**0**	**At risk**
	YTD Target	*2*	*0*	***1***	
	Full Year Target	*21*	*20*	***3***	
No community events scheduled due to Women's Cricket World Cup and International/Domestic Cricket hosting requirements.					
Function Days	YTD Actual	18	6	**20**	**On track**
	YTD Target	*6*	*0*	***15***	
	Full Year Target	*25*	*15*	***40***	
Black and Gold function space at the venue was utilised more due to unavailability of other venues.					
Practice Facility Usage (days)	YTD Actual	9	16	**15**	**On track**
	YTD Target	*15*	*15*	***15***	
	Full Year Target	*100*	*100*	***100***	
The Firebirds commenced training at the venue in September.					
Ground Hire Income	YTD Actual	$11,418	$38,900	**$12,152**	**On track**
	YTD Target	*n/a*	*n/a*	***n/a***	
	Full Year Target	*$290,200*	*$79,100*	***$1,127,340***	
International Cricket revenue that was previously unbudgeted for due to Covid-19.					
Numbers Attending Events	Actual	2,050	n/a	**4,000**	**On track**
	YTD Target	*n/a*	*n/a*	***n/a***	
	Full Year Target	*41,000*	*15,000*	***74,150***	
There was 4,000 recorded attendance at all events in the quarter. The quarter experienced COVID-19 lockdown and alert levels.					

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

Operating Grant per Attendee	Actual	$135.47	n/a	**$89.76**	**Annual measure**
	YTD Target	*n/a*	*n/a*	***n/a***	
	Full Year Target	*$16.50*	*$46.30*	***$9.68***	
Q1 is distorted as the ground is prepared for summer sports and few (if any) events are hosted.					

ISSUES & OUTLOOK

No issues to note.

Covid-19 poses an ongoing risk to events and the capital programme.

The Trust continues to work with Council in progressing the vision for the ground. Work is underway to deliver the projects in the 2021 winter ahead of the 2021-22 season and the ICC Women's Cricket World Cup in February 2022.

- New media facilities in the RA Vance Stand.
- Upgrade of the embankment toilet blocks
- In-venue Wi-Fi connectivity upgrade
- Renewals & upgrades to both north and south entrances
- Perimeter fence renewals

The key events planned for quarter two are as follows

- Beers at the Basin in December
- Start of the domestic cricket season
- Black and Gold conferences and events throughout the year.

-

11. KARORI SANCTUARY TRUST (Q1 to 31 Sep 2021)

ACTIVITY SUMMARY

ZEALANDIA hosted 17,555 visitors during the first quarter, up 74% on the SOI quarter target of 10,093. This quarter's visitation is lower compared to the same quarter in prior years (2020: 34,297 2019: 24,065). The locals (49%) and rest of North Island (33%) make up the bulk of the visitor numbers, with South Island at 15% and international visitors at 1%.

Visitation during the July school holidays was stronger than anticipated and was boosted by a seasonal offer of "kids go free". Visitation continued to be stronger than forecast, but the COVID-19 Alert Level 4 impacted the visitation. Since reopening at level 2, visitation has been below expectations. However, Zealandia continues to look for ways to boost visitor numbers, including repeating the offer of "kids go free" during the October school holidays.

Visitor Comments

"I was treated to a Night Tour for a gift. It was absolutely fantastic. Almost 3 hours on a guided tour kicking off at dusk, so we got the benefits of the wonderful bird sounds pre and post dark. We were keeping our fingers crossed that we might see a kiwi and we were so fortunate to see not one but three spotted kiwis on different parts of our walk. We were so close to them, it was amazing."





Membership

At the end of September, ZEALANDIA had 17,051 members, slightly lower than the same quarter in 2020 and higher than 2019 (2020: 17,355, 2019 11,096). Retention of new members continues to be a key focus area for Zealandia.

Highlights

- Dr Danielle Shanahan has been announced as Zealandia's new Chief Executive. She will take over from Paul Atkins on 15 November after six years in the role. Danielle is currently the Director of the Zealandia Centre for People and Nature, and the Deputy Chief Executive. She has extensive knowledge of the organisation and an outstanding track record of achievements, including leadership of the restoration of the lower reservoir (roto kawau).
- Zealandia coordinated a unique pua o te Rēinga (Dactylanthus taylorii) wānanga at Te Rau Karamu marae, Massey University, involving all six iwi of the Wellington region. This group is focusing on the next steps for creating a brighter future for the threatened parasitic plant species. To coincide with this, also launched the new exhibition on the pua o te Rēinga translocation.
- The pest audit revealed no incursions following the COVID-19 lockdown.
- The bird breeding season is underway, with early signs suggesting a productive year.
- Zealandia celebrated the huge contribution made by volunteers with the annual volunteer appreciation evening where awards were presented to acknowledge and recognise the mahi of both the long-serving and newer volunteers.
- The new 'Zealandia at dawn' tours were launched in July and have continuously sold out, hosting 116 visitors. The tours provide a unique opportunity for visitors to experience the awakening of the valley and hear the beautiful dawn chorus. The Zealandia by Dawn tour will be available again in May 2022.
- Zealandia is in the final stages of infrastructure work related to the reservoir restoration – in August the Zealandia boat Ara Kawau was craned back into the water, ready to carry passengers across the lake again.
- Zealandia has formalised a partnership with Predator Free Wellington and the Biological Heritage National Science Challenge to progress key socio-ecological research into Predator Free Wellington.
- The Trust has accelerated efforts to engage 'every business in restoring nature' through the Sanctuary to Sea Kia Mouriora te Kaiwharawhara project. This project also involves CentrePort and the Department of Conservation as leading organisations.



Ara Kawau being craned back in to the lower reservior

Photo credit: Zealandia Te Mara a Tane

SUMMARY FINANCIALS (Year To Date)

* Variance (Actual minus Budget). ✔ Favourable variance to budget ✘ Unfavourable variance to budget

FINANCIAL PERFORMANCE ($000)	30 Sep 19 Actual	30 Sep 20 Actual	**30 Sep 21 Actual**	30 Sep 21 Budget	*30 Sep 21 Variance*	30 Jun 22 Budget
Total Revenue	1,129	1,032	**1,047**	964	*83* ✔	5,399
Op. Exp. before Dep'n & Int.	1,172	1,085	**1,299**	1,295	*4* ✘	5,399
Earnings before Dep'n & Int.	(43)	(53)	**(251)**	(331)	*80* ✔	0
Surplus (Deficit)	(132)	(142)	**(333)**	(431)	*98* ✔	(400)
FINANCIAL POSITION						
Total Assets	6,098	7,171	**8,130**	6,440	*1,690* ✔	6,301
Total Liabilities	1,058	1,239	**2,110**	890	*1,220* ✘	720
Equity	5,040	5,932	**6,020**	5,550	*470* ✔	5,581
CASH FLOWS						
Total Net Cash Flows	177	232	**260**	(713)	*973* ✔	(2,202)

SUMMARY FINANCIALS (Year To Date)

Opening Cash	2,663	3,793	**4,750**	3,638	--	3,638
Closing Cash	2,840	4,024	**5,010**	2,925	--	1,436

^ Includes term deposits & investments

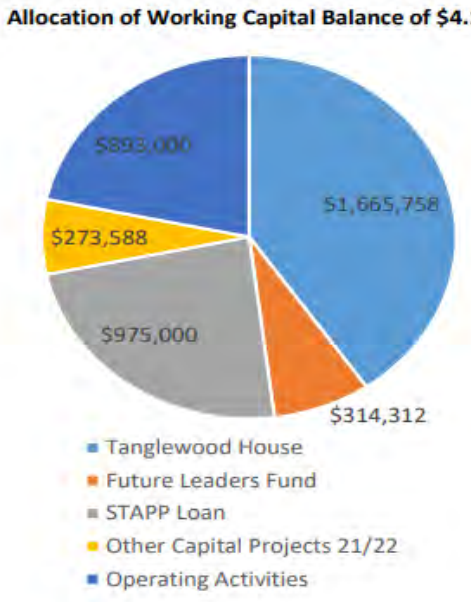
The Covid 19 lockdown and Alert Levels affected the Trust's overall revenue for the quarter. Of the total revenue, 49% relates to trading —admissions, membership, tours, café and retail sales. The lower revenue is partly alleviated by other operating income including sponsorships, grants and donations ($136k), the wage subsidy ($91k), and the resurgence support payment ($21.5k).

Retail sales is up 9% on the budget but down 28% last year (2021: $48k, 2020: $67k). The lower retail sales are due to the Covid-19 lockdown and alert levels, and lower visitor numbers.

Rātā Café sales revenue totalled $133k, down 15% on budget and down 34% on last year (2021: $133k, 2020: 201k). Lower café sales revenue is also driven by lower visitor numbers relative to last year and the closure of Zealandia during the COVID-19 Level 4 lockdown. Reopening under level 2 restrictions also affects café revenue. Zealandia will continue to monitor this closely.

Despite the challenges for the quarter, the operating deficit before depreciation is $80k above budget. This is mainly due to revenue from appeals, additional revenue to support research, and underspends to date on conservation and arborist costs.

The balance sheet remains strong, with a working capital balance (current assets less current liabilities) of $4.12m. The bulk of this is committed to Tanglewood House, operating activities, and the STAPP loan.



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 30 Sep 19	YTD 30 Sep 20	YTD 30 Sep 21
Full costs to Council*	Actual	$357,498	$456,014	**$485,414**
	Actual $/visit	$14.86	$13.30	**$27.65**
	Full Year Budget	*$1,536,540*	*$1,526,833*	***$1,955,170^***

** 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.*

Includes depreciation from Activity 1187.

Target met or on track | ***At risk of not achieving target*** | ***Will not reach target***

MEASURE		YTD 30 Sep 19	YTD 30 Sep 20	YTD 30 Sep 21	STATUS Full Year
Council Subsidy ($/visit) *WCC operating grant/visitors*	Actual	$10.72	$6.55	$15.57	**On track**
	Full Year Target	*$8.54*	*$12.85*	*$13.04*	
The result is affected by lower visitor numbers in the first quarter due to seasonality. Zealandia expects to achieve the target by year-end.					
Trading Revenue ($/visit)** *** Revenue per visit excludes interest, Council and other grants.*	Actual	$34.58	$20.41	**$36.72**	**On track**
	Full Year Target	*$26.74*	*$27.01*	*$27.28*	
Non-Council Funding *Donations and other non-council funding*	Actual	$197,537	$94,613	$136,472	On track
	Full Year Target	*$275,000*	*$200,000*	***$200,000***	
Membership Subscription Revenue^^ *^^ Not a KPI – this is a management target.*	Actual	$78,553	$112,863	$109,364	**On track**
	Full Year Target	*$318,300*	*$324,700*	***$324,700***	
Individual Members	Actual	11,096	17,355	**17,051**	**Target met**
	Full Year Target	*11,000*	*11,200*	***15,000***	
Retention of new members continues to be a key focus area for Zealandia.					
Visitors	Actual	24,065	34,297	**17,555**	**On track**
	YTD Target	*17,028*	*10,093*	***10,093***	
	Full Year Target	*118,100*	*70,000*	***70,000***	
Despite the Covid 19 impacts on the visitor numbers, quarter one actual is higher than target. The education visit numbers are included in the visitor numbers. The percentage of satisfied visitors are at 96% (above the 95% annual					

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

target).

Students & Education Visits	Actual	3,450	1,220	**1,070**	**At risk**
	YTD Target	*1,882*	*1,925*	***1,925***	
	Full Year Target	*8,800*	*9,000*	***9,000***	

Education visits have been substantially impacted by the latest lockdown and the impact of this will be felt right through until the end of the 2021 academic year. There is a lot of uncertainty for schools, but Zealandia continue to be flexible and adaptive, and expects to meet the target by year-end.

The Trust secured a further 3 years of funding for Nature at Your Place programme from the T/Gear Charitable Trust through until the end of 2025. The Trust has agreed to provide $50,000 per annum to support 822 school students to participate in the programme.

ISSUES & OUTLOOK

No issues to note.

The Sanctuary to Sea Kia Mouriora te Kaiwharawhara project has gained momentum in recent months. The group focused on developing a plan of action for this work, to include a cohesive communications approach, a student project focusing on how to support behaviour change in business, and identifying potential funding sources to support a role that delivers one-on-one engagement with businesses. This project is nationally and internationally pioneering and will provide an exemplar of how other catchments can approach this challenge.

Detailed planning for Tanglewood House, the hub for the Centre for People and Nature, continues. A building consent application will be submitted in December 2021 to enable construction to begin in early 2022.

Other infrastructure projects progressing in the quarter include:

- load testing the suspension bridge
- upgrading the visitors centre heating unit
- planning for upgrades to the Pāteke room conference facilities
- reopening the pontoon walkway, with some upgrades to the surface necessary before it could be considered appropriate for public use.

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12. WELLINGTON CABLE CAR LIMITED (Q1 to 30 Sep 2021)

ACTIVITY SUMMARY

Highlights



- The Bark and ride trial initially paused due to Alert Level 4, is rescheduled in November. The press release in August attracted a lot of media interest and support from the community. The trial is designed to make the green space of the Wellington Botanic Gardens more accessible for the growing number of inner-city residents.
- After the lockdown, the Cable Car celebrated re-opening with a Kids ride free promotion (from 11 to 30 September). The promo, aiming to get a feel-good message in the local community and supporting Wellingtonians in getting out and about, attracted 395 tamariki.
- Since the start of the year, the Cable Car has hosted over 1,000 local tamariki. Over 450 kids had to cancel due to the Covid-19 lockdown.

SUMMARY FINANCIALS (Year to Date)

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	30 Sep 19 Actual	30 Sep 20 Actual	**30 Sep 21 Actual**	30 Sep 21 Budget	*30 Sep 21 Variance*	30 Jun 22 Budget
Total Revenue	533	380	**312**	364	(52) ✘	1,839
Total Expenditure	1,040	939	**753**	844	(91) ✔	3,219
Surplus (Deficit) after tax	(346)	(403)	**(441)**	(480)	39 ✔	(1,380)
FINANCIAL POSITION						
Cash + Other Liquid Assets	4,053	3,266	**3,304**	n/a	n/a	1,603
Total Assets	12,204	11,549	**11,055**	n/a	n/a	8,936
Total Liabilities	1,674	1,249	**1,048**	n/a	n/a	1,200
Equity	10,530	10,300	**10,007**	n/a	n/a	7,736
CASH FLOWS						
Total Net Cash Flows	(954) ^	(520) ^	**(70)**	n/a	n/a	(1,085)
Opening Cash	5,007^	3,786^	**972**	n/a	n/a	2,688
Closing Cash	4,053^	3,266^	**902**	n/a	n/a	1,603

SUMMARY FINANCIALS (Year to Date)

^ *Includes cash and other liquid assets*

While revenue was below budget for the quarter, tight expenditure control has seen the company report a deficit for the quarter of $441k, slightly better than the forecast deficit of $480k for the period.

The loss from operations is funded from reserves which have been built up over recent years to fund asset replacement. This may be sustainable in the short-term but if the situation persists the company may require additional support. The Cable Car ended the quarter with cash and liquid reserves totaling $3.3m.

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 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**	**Full Year STATUS**
Passenger Trips	Actual	179,669	105,929	**83,146**	**At risk**
	YTD Target	*216,763*	*62,887*	***114,469***	
	Full Year Target	*1,206,633*	*516,957*	***602,490***	
The lower passenger numbers for the quarter reflect a total of 28 operational days lost due to the pandemic and planned annual maintenance shutdown. The outlook remains uncertain with the shifts in Alert Levels and no international travel and cruise ships to New Zealand.					
Fare Income	Actual	$532,896	$335,966	**$237,371**	**At risk**
	Target	*$601,669*	*$167,505*	***$364,269***	
	Full Year Target	*$3,648,000*	*$1,437,987*	***$1,838,604***	
The company's fare revenue is tied directly with its passenger trips. The average fare per passenger is up to $2.85 which is below the forecast $3.18 average fare per passenger trip.					

ISSUES & OUTLOOK

The pandemic presents an ongoing risk to the number of passenger journeys on the Cable car and its financial sustainability. The Cable Car is looking at introducing commuter dedicated products in the near future to help build its commuter passengers and remains optimistic that the increased vaccination rates in NZ and worldwide will lead to thriving domestic travel and the eventual return of international visitors and cruise ships.

Despite the optimism, full-year passenger trips have been re-forecasted to 571k, 31k down from the SOI target of 602k for the year. The Cable Car will probably draw upon the COVID-19 Response Fund this financial year.

In the meantime, the company will undertake its ongoing seismic strengthening works and stay ahead of the maintenance works required at the Cable Car.

The 2021-31 LTP includes $7m for the Cable Car seismic strengthening of the Cable Car network (bridges, tunnels etc.). The Waka Kotahi declined the funding for the project, leaving a gap of $3.52m. The company and its engineers will priortise what work can be done with the reduced

budget.

Andy Matthew's term as Chair of the board will end on 31 December 2021. Andy has been on the board for seven years and Chair for the last 2 years. We wanted to take an opportunity to recognise his work and thank him for his dedication to the role.

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13. WELLINGTON MUSEUMS TRUST (Q1 to 31 Sep 2021)

ACTIVITY SUMMARY

All sites were closed from 18 August 2021 due to the COVID-19 lockdown and subsequent Alert Levels. The sites had a staggered reopening from 9 September, except that Nairn Street Cottage remains closed while in Alert Level 2.

Visitation across all sites, except Nairn Street Cottage, is lower than their quarterly targets and lower than prior years on the same quarter.

The July school holiday season was busy at all sites. It included four days of Art Camp and three 'Square Eyes' kid-friendly movie screenings bringing over 600 people to City Gallery Wellington. Māori performers Lala Simpson and Moira Wairama provided Matariki-inspired storytelling and music sessions to over 100 tamariki and whānau at PlayHQ. Space-inspired screen-printing workshops were held at Space Place, plus outreach at Strathmore Community Centre.

Some programme highlights:

- **Wellington Museum**: A Keith Quinn display was installed in the Attic of Wellington Museum, accompanied by a lunchtime talk by Mr Quinn.
- **City Gallery Wellington**: Four new exhibitions opened: Brett Graham; Toi Moana Toi Tangata, Pierre Huyghe: Human Mask, Judy Millar: Action Movie, and Tia Tananui: Gonville Gothic.
- **Capital E:** The National Theatre for Children delivered its 2021 tour for Story Studio Live! to more than 4,000 students in 34 schools nationwide, and the Creative NZ-supported documentary film showing the behind-the-scenes development of children's theatre production Lost Letter Office was screened at City Gallery to cast, crew, staff, and sponsors, and will be promoted to schools as a resource.

SUMMARY FINANCIALS (Year To Date)

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	30 Sep 19 Actual	30 Sep 20 Actual	**30 Sep 21 Actual**	30 Sep 21 Budget	*30 Sep 21 Variance*	**30 Jun 22** Budget
Revenue	3,202	3,010	2,960	3,325	*(365)* ✘	14,245
Opex before Depreciation	3,224	3,234	3,080	3,227	*(147)* ✔	13,732
Depreciation	129	129	73	128	*(55)* ✔	513
Net Surplus (Deficit)	(153)	(353)	(193)	(30)	*(163)* ✘	0
FINANCIAL POSITION						
Total Assets	8,572	9,054	7,249	7,933	*(684)* ✘	6,162
Total Liabilities	4,197	4,963	3,445	3,245	*(200)* ✘	1,444
Equity	4,375	4,091	3,804	4,688	*(884)* ✘	4,718
CASH FLOWS						

SUMMARY FINANCIALS (Year To Date)

Total Net Cash Flows	2,364	1,760		1,239		(700)
Opening Cash	1,072	1,555		1,478	--	1,478
Closing Cash	3,436	3,315	2,607	2,717	--	778

The quarter's revenue is lower than budget, reflecting lower visitation. Expenditure is tracking lower than budget as well. The net deficit of $193k which is higher than the budgeted deficit for the quarter of $30k, reflects the COVID-19 environment the Trust is operating in.

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 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**
Full Costs to Council*	Actual	$2,817,754	n/a	**$2,478,764**
	Actual $/visit	$16.99	n/a	**$36.59**
	Full Year Budget	*$9,076,386*	*n/a*	***$9,915,057***
** 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.*				

Target met or on track | ***At risk of not achieving target*** | ***Will not reach target***

MEASURE		YTD 30 Sep 19	YTD 30 Sep 20	YTD 30 Sep 21	**STATUS Full Year**
Council grant per visit ($/visit)	Actual	$11.29	$22.53	**$29.68**	**At risk**
	Full Year Target	*$11.24*	*$29.47*	***$18.30***	
Council grant per visit ($/visit) for quarter one is higher due to property ownership and grant increases and lower visitor numbers.					
Subsidy per Visit forecast is based on the probable percentage of the operating grant received from Council as follows: • *City Gallery – 30%* • *Museums Wellington (Wellington Museum, Cable Car Museum and Nairn Street Cottage) – 26%* • *Capital E (including the Hannah Playhouse) – 22%* • *Space Place – 4.9% plus the cash underwrite* • *Trust's Executive Office – 17.1%*					
City Gallery	Actual	16.75	$28.30	**$34.81**	**At risk**
	Full Year Target	*$14.96*	*$43.34*	***$17.64***	
Museums Wellington *Wellington Museum, Cable Car Museum & Nairn St Cottage*	Actual	7.83	$11.33	**$16.99**	**At risk**
	Full Year Target	*$5.01*	*$15.52*	***$10.15***	
Capital E	Actual	8.21	$39.36	**$33.63**	**On track**
	Full Year Target	*$23.35*	*$39.26*	***$32.52***	
Space Place	Actual	7.10	$9.37	**$15.14**	**At risk**

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

	Full Year Target	*$9.48*	*$23.56*	***$8.85***	
These metrics are based on an allocation (as above) of Council's operating grant. Targets are full year figures.					

MEASURE		YTD 30 Sep 19	YTD 30 Sep 20	YTD 30 Sep 21	**STATUS Full Year**
Spend per visit ($/visit)	Actual	$3.17	$3.48	**$3.79**	**On track**
	Full Year Target	*n/a*	*$1.93*	***$3.96***	
City Gallery	Actual	$2.56	$1.83	**$2.06**	**At risk**
	Full Year Target	*$1.87*	*$1.76*	***$4.93***	
Museums Wellington *Wellington Museum, Cable Car Museum & Nairn St Cottage*	Actual	$2.28	$2.89	**$2.73**	**On track**
	Full Year Target	*$2.16*	*$1.76*	***$2.37***	
Capital E	Actual	$2.58	$2.60	**$2.10**	**On track**
	Full Year Target	*$3.29*	*$2.79*	***$2.31***	
Space Place	Actual	$11.37	$10.24	**$16.85**	**On track**
	Full Year Target	*$9.93*	*$5.67*	***$11.14***	

MEASURE		YTD 30 Sep 19	YTD 30 Sep 20	YTD 30 Sep 21	**STATUS Full Year**
Total Non-Council Revenue ($000s)	Actual	$861	$644	**$489.4**	**At risk**
	Full Year Target	*$3,858*	*$2,458*	***3,831***	
… Trading Revenue					
City Gallery	Actual	$107	$37	**$36**	**At risk**
	Full Year Target	*$296*	*$99*	***$740***	
Museums Wellington *Wellington Museum, Cable Car Museum & Nairn St Cottage*	Actual	$157	$128	**$84**	**At risk**
	Full Year Target	*$837*	*$144*	***$536***	
Capital E	Actual	$112	$28	**$28**	**At risk**
	Full Year Target	*$252*	*$127*	***$138***	
Space Place	Actual	$150	$104	**$110**	**On track**
	Full Year Target	*$566*	*$136*	***$490***	
Sub-letting, interest & other	Actual	$33	$8	**$0.4**	**At risk**
	Full Year Target	*$206*	*$30*	***$30***	
… Fund Raising Revenue					
City Gallery	Actual	$42	$115	**$25**	**At risk**
	Full Year Target	*$574*	*$395*	***$560***	
Museums Wellington *Wellington Museum, Cable Car Museum & Nairn St Cottage*	Actual	$49	$45	**$28**	**On track**
	Full Year Target	*$158*	*$100*	***$116***	
Capital E	Actual	$179	$153	**$156**	**On track**

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

	Full Year Target	*$858*	*$942*	***$623***	
Space Place	Actual	$32	$26	**$20**	**On track**
	Full Year Target	*$111*	*$485*	***$78***	
Trust Office *(new metric)*	Actual	n/a	n/a	**2**	**At risk**
	Full Year Target	*n/a*	*n/a*	***$520***	

VISITATION		YTD 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**	**STATUS Full Year**
Total Visits	Actual	165,855	85,651	**67,741**	**At risk**
	YTD Target	*136,438*	*50,950*	***101,400***	
	Full Year Target	*665,500*	*261,700*	***480,420***	
The COVID-19 level lockdown and Alert Levels impacted visitation. From 18 August, all sites were closed, and subsequently re-opened —City Gallery Wellington, Wellington Museum and Space Place reopened from 9 September, The Cable Car Museum from 11 September and Capital E from 22 September. Nairn Street Cottage is set to reopen to the public by the end of October (pending alert level changes).					
Cable Car Museum	Actual	41,952	21,954	**14,147**	**At risk**
	YTD Target	*36,300*	*17,500*	***25,000***	
	Full Year Target	*256,000*	*79,000*	***125,000***	
The result is 57% to the quarter target and lower than prior years results on the same quarter. The site was closed on 18 August and re-opened on 11 September. The quality of visitor experience at the Cable Car Museum is at 82%.					
City Gallery	Actual	41,271	20,415	**17,324**	**At risk**
	YTD Target	*40,000*	*11,200*	***25,000***	
	Full Year Target	*150,000*	*56,200*	***150,250***	
The result is 69% to the quarter target and lower than prior years results on the same quarter. The site was closed on 18 August and re-opened on 9 September. The quality of visitor experience at the City Gallery is at 78%. City Gallery visitation may be affected by the earthquake strengthening of the Town Hall.					
Capital E	Actual	42,948	10,785	**13,149**	**At risk**
	YTD Target	*21,638*	*9,250*	***17,400***	
	Full Year Target	*70,500*	*45,500*	***59,770***	
The result is 76% to the quarter target. The site was closed on 18 August and re-opened on 22 September. Visitor numbers are better than the 2020 results on the same quarter, with a new PlayHQ installation Home is Where The Art Is which opened at the beginning of Q1. The quality of visitor experience at the Capital E is 100%.					
Wellington Museum	Actual	26,373	22,314	**16,584**	**At risk**
	YTD Target	*25,300*	*9,000*	***23,000***	
	Full Year Target	*130,000*	*56,000*	***100,000***	
The result is 72% to the quarter target and lower than prior years results on the same quarter. The site was closed on 18 August and re-opened on 9 September. The quality of visitor experience at the Wellington Museum is at 100%.					
Space Place	Actual	13,168	10,183	**6,513**	**At risk**
	YTD Target	*12,800*	*4,000*	***11,000***	

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

	Full Year Target	*57,000*	*24,000*	***44,000***	
The result is 59% to the quarter target and lower than prior years results on the same quarter. The site was closed on 18 August and re-opened on 9 September. The quality of visitor experience at the Space Place is at 100%.					
Nairn Street Cottage	Actual	143	0	**24**	**At risk**
	YTD Target	*400*	*0*	***0***	
	Full Year Target	*2,000*	*1,000*	***1,400***	
Nairn Street Cottage will reopen to the public in Alert Level 1.					

Overall visitation is below target, which puts the full year targets at risk for now. Quarter 2 figures will give a clearer picture as to whether or not the full year targets are likely to be achieved.

ISSUES & OUTLOOK

COVID-19 is an ongoing risk and the Trust will probably draw upon the COVID-19 Response Fund for this financial year.

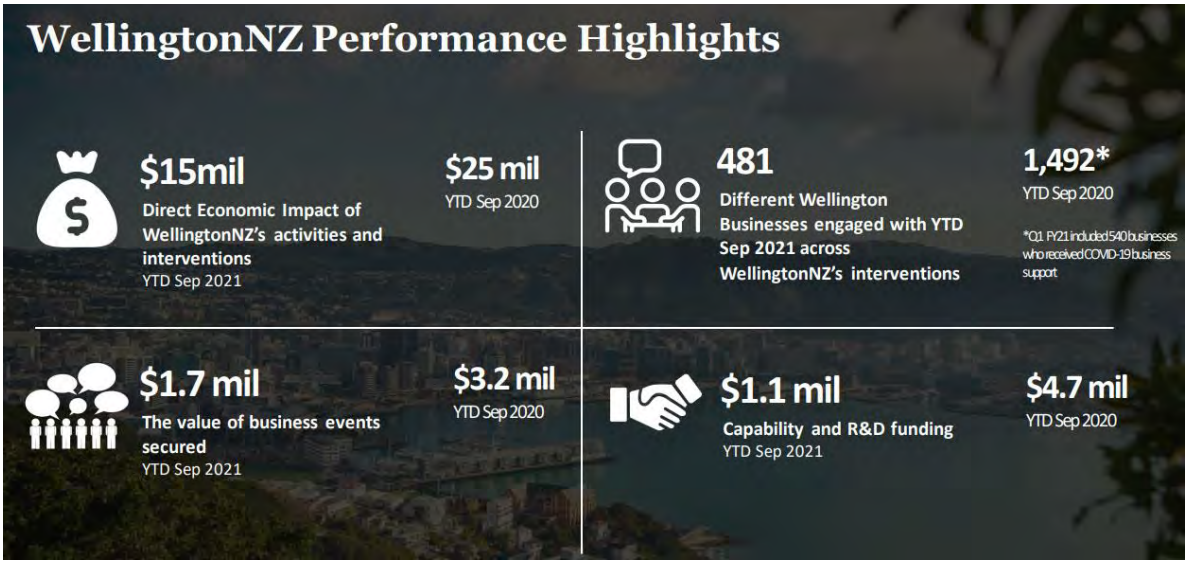
Projects:

- **The Navigators Project**: After many months of work, a tikanga ceremony was held on 30 September to launch and welcome Ngā Tohunga Whakatere – The Navigators to Experience Wellington. Public screenings of the 30-minute planetarium show are being held from 2 October.
- **Hilma af Klint**: The Deed of Indemnity has been signed by the Minister of Finance. The artworks have been safely delivered. The media plan is rolling out and ticket sales are live and tracking well. A high-level risk register has been developed to address mitigation options in case of a change in alert levels during the show.
- **Staff Accommodation**: options to best support the primary location of staff in their new roles are being considered, as the organisation transitions to realising the benefits of the newly developed structure.
- **Business Systems Review**: All frontline business systems, apart from ticketing, have gone live throughout the organisation, and the ELT are working together to connect the resources and systems to ensure that these systems support the business.

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14. WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY LIMITED (Q1 to 31 Sep 2021)

EXECUTIVE SUMMARY



Jobs for the future

Covid-19 Delta variant response

WellingtonNZ wanted to support local businesses and their clients, in the effort to minimise the economic impact of level restrictions.

- Content for delivery directories of local food and drink generated 62,481 website visits and more than 35,000 referrals to businesses.
- Heading into Level 3, WellingtonNZ partnered with the Wellington Culinary Events Trust to reactivate the *At Yours eatery* directory. This performed well, with the directory of 160 business listings getting 31,898 views from 15,639 users.
- In Level 2, WellingtonNZ supported the extension of Wellington On a Plate and its Burger Wellington activation.
- WellingtonNZ supported nearly 300 small businesses through the Business Growth Team.

Creative HQ: Climate Response Accelerator (CRA)

The CRA is a 12-week programme designed to help impact-focused entrepreneurs solve some of our planet's most urgent challenges. Eight teams from across New Zealand were provided with $20,000 in equity-free funding, mentorship and the tools and resources to help them advance at each stage of their growth. The programme needed to be "Climate Positive". The emissions related to the footprint of specific events, travel and consumption were factored in and then double of the estimated amount was offset with CRA partner, CarbonClick.

- Three of the CRA teams have closed their capital raise for over $1.5m, and two additional teams are progressing towards their raises

TasmanION

TasmanION aims at commercialising aluminium-ion batteries (AIBs) that offer a cheaper and more sustainable alternative to the increasing battery demands. TasmanIon joined the Climate Response

Accelerator programme with the primary goal of raising capital.

- Through working with coach and team of mentors, founder Shalini Divya gained the confidence to step out of the CTO role and take over as CEO.
- Won a grant from SfTI (Science for Technological Innovation National Science Challenge).
- Currently progressing well toward raising capital goal.

PLACEMAKING



Beervana

COLLABORATION & ENGAGEMENT



Sustainable Tourism Pilot

Placemaking

Venues Wellington – Performances & Business Events

Quarter one started strong, with 46,917 people attending various performance and business events across the venues in July. The Covid 19 lockdown in August and restrictions from Alert Level 2 led to a significant loss of events in the quarter. The Venues Wellington team worked well with event partners to reschedule events into Q3 and Q4, and most of the displaced events have been retained in Wellington within the 2021/2022 financial year.

- Delivered 23 performance events attended by 52,053 people; 24 business events with 14,282 in attendance

Beervana

Thanks to this year's new initiatives, Beervana 2021 beat the 2019 event by more than 300 attendees, showing a strong appetite from consumers to return to events and support local offerings. The initiative includes making Beervana weekend the pinnacle of the ultimate culinary weekend, aligning with Visa Wellington on a Plate offerings and providing a strong weekend destination offering.

- 16,321 attendees from across four sessions, 45% of which came from outside the Wellington region, 94% satisfaction rate and extensive media coverage for Wellington

Collaboration and Engagements

Sustainable Tourism Pilot

- The pilot will wrap on 10 November with evaluation and further reporting to follow. There is genuine excitement, collaboration and change amongst the participants even at this stage.
- Three businesses completed a carbon assessment at the mid-way point.
- Wellington is recognised as a leader in addressing city tourism sustainability challenges with several NZ regions now considering adopting the programme.
- WellingtonNZ will work with the businesses to assist with storytelling, business development and marketing opportunities when the pilot wraps

WellingtonNZ, CreativeHQ and Wellington tourism operators co-designed a pilot sustainability programme to move local tourism businesses from good intentions to tangible, sustainable outcomes. Funding has been provided from Wellington City Council's Tipu Toa fund and from WellingtonNZ's capability building component of MBIE's STAAP funding for RTOs.

VENUES WELLINGTON

Q1 started strong with 46,917 people enjoying a variety of performance and business events across our venues in July alone.

August saw the arrival of the Delta variant into New Zealand which resulted in a national lockdown and ongoing restrictions from COVID Alert Level 2. This resulted in a significant loss of events from the Q1 Calendar, which is ongoing as the Level 2 setting remains.

Throughout these challenges, the Venues Wellington team worked well with event partners to reschedule events into Q3 and Q4 and most of the displaced events have been retained in Wellington within the 2021/2022 financial year.



Results

- 23 performance events were delivered during Q1
- 52,053 people enjoyed a wide variety of performance events
- 24 business events were delivered and attended by more than 14,282 delegates

SUMMARY FINANCIALS *(include CreativeHQ but do not include Venues Wellington as the financial results for the venues are reported within Council's financial position).*

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	30 Sep 19 Actual	30 Sep 20 Actual	**30 Sep 21 Actual**	30 Sep 21 Budget	*30 Sep 21 Variance*	30 Jun 22 Budget
Total Revenue	9,036	11,267	**8,724**	9,237	*(513)* ✘	27,368
Total Expenses	7,984	8,307	**6,672**	9,020	*2,348* ✘	27,218
Surplus before depn and tax	1,149	2,960	**2,052**	217	*1,835* ✔	150
Net Surplus (Deficit)	1,052	2,860	**1,963**	117	*1,845* ✔	150
FINANCIAL POSITION						
Total Assets	9,064	12,196	**10,992**	7,000	*5,196* ✔	6,945
Total Liabilities	4,957	5,537	**5,125**	4,600	*937* ✘	4,095
Equity	4,107	6,659	**5,867**	2,400	*4,259* ✔	2,850
CASH FLOWS						
Total Net Cash Flows	2,047	**3,410**	**(89)**	n/a	--	560
Opening Cash	2,443	**4,659**	**6,827**	n/a	--	3,500
Closing Cash	4,490	**8,069**	**6,738**	n/a	--	4,060

The business has felt the impact of the Covid-19 lockdown and restrictions from the subsequent Alert Levels. Revenue for the quarter is lower due to Covid 19 impacts, lower management fee and lower shareholder revenue, and the timing of grant income as other events and new marketing campaigns are developed.

There is lower government grant income in CHQ due to the cancellation of a summit and lower commercial revenue in CHQ due to delays in some projects and in i-SITE, mainly due to lower visitor numbers to the city over winter and the Covid-Delta restrictions.

Expenses are lower than budget due to good cost control across all business groups. Additionally, the halt to events in Venues resulted to lower wage costs at Wellington NZ (due to no casual staff since 18 August) and lower marketing spend due to uncertainty of Covid restrictions and when the trans-Tasman bubble is re-starting.

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

WellingtonNZ has refined its range of performance measures so in some cases historic data is not available. Prior period figures are not necessarily comparable due to ongoing refinement of performance measurement.

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***		
KEY PERFORMANCE MEASURES		YTD 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**	STATUS
Delivering direct value / ROI to shareholders					
Direct economic impact from WellingtonNZ's activities and interventions	Actual	$122.8m	**$24.2m**	**$15.25m**	**On track**
	*Target^*	*New*	***$86m***	***$150***	
Shaping & amplifying the regional destination / brand story					
Equivalent Advertising Value (EAV) from media activity	Actual	$24.6m	**$10m**	**N/A**	No data
	*Target^*	*$25.0m*	***$10m***	***$25m***	
EAV would be available in Q2. Reporting has changed and is available every six months from now.					
Value of out of region venue and event expenditure	Actual	$56.3m	**n/a**	**$9.95m**	**At risk**
	*Target^*	*$125.0m*	***$40m***	***$75m***	
Due to the impact of Covid Alert Levels restricting events, WREDA believes that this KPI is at risk of not being achieved.					
Number of Wellington region residents that attend events	Actual	n/a	**n/a**	**63,877**	**At risk**
	*Target^*	*n/a*	***475,000***	***500,000***	
Due to the impact of Covid Alert Levels restricting events, WREDA believes that this KPI is at risk of not being achieved.					
Supporting businesses to upskill and grow					
Number of different business engagements in WellingtonNZ programmes	Actual	868	**1,493**	**481**	**On track**
	*Target^*	*New*	***3,789***	***2,000***	
Financial health					
Budget on track – income, expenditure and surplus	Actual	*n/a*	**Achieved**	**Achieved**	**On track**
	*Target^*	*n/a*	***To budget***	***To budget***	

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

Percentage revenue from commercial / non-Council funding & commercial activity	Actual	25.4%	**32%**	**42%**	**On track**
	*Target^*	*30.0%*	***30%***	***30%***	

INDIRECT MEASURES OF IMPACT

Target met or on track	***At risk of not achieving target***	***Will not reach target***			
INDIRECT MEASURES OF IMPACT		YTD 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**	**STATUS Full Year**
Number of international visitors	Actual	n/a	n/a	**n/a**	No data
	*Target^*	*n/a*	*100,000*	***n/a***	
Data not available as IVS is not currently being captured due to the absence of International visitors to survey.					
International visitor arrivals through Wellington International Airport - from Australia	Actual	33,401	2	**1,877**	**On track**
	*Target^*	*153,000*	*40,000*	***30,000***	
International visitor arrivals through Wellington International Airport - International (exc. Australia)	Actual	10,934	2	**1,916**	**At risk**
	*Target^*	*New*	*10,000*	***20,000***	
Visitor nights recorded in the Accommodation Data Programme	Actual	n/a	529,700	**354,900**	**On track**
	*Target^*	*New*	*1,832,261*	***2,375,000***	
Visitor spend - domestic	Actual	$453m	$437m	**$152m**	**On track**
	*Target^*	*New*	*$1,453m*	***$927m***	
Visitor spend – Australian	Actual	$56mil	$20m	n/a	**No data**
	*Target^*	*New*	*$60m*	***n/a***	
Updated from Q1 report with September figures which have just arrived.					
Visitor spend – International (incl. Australia)	Actual	$175m	$91m	**$15m**	**On track**
	*Target^*	*$2,755m*	*$86m*	***$140m***	
International spend modelling is currently being impacted by a new modelling method.					
Share of NZ multi-day conferences in the Wellington region	Actual	n/a	n/a	**n/a**	No data
	*Target^*	*19%*	*22%*	***22%***	
Wellington region GDP growth	Actual	n/a	n/a	**4.2%**	**On track**
	*Target^*	*New*	*-2.5%*	***1.5%***	

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

June 2021 year-end figure only as quarter one data not yet available.

Total number of work ready job seekers in Wellington region at June 30	Actual	9,718	13,962	**11,634**	**On track**
	*Target^*	*New*	*29,000*	***12,500***	
Total consumer spending in Wellington region through electronic card data - total *Month of July & August only.*	Actual	n/a	$1,163m	**$1,630m**	**On track**
	*Target^*	*New*	*$5,415m*		
Total consumer spending in Wellington region through electronic card data – retail *Month of July & August only.*	Actual	n/a	$374m	n/a	No data
	*Target^*	*New*	*$1,389m*		
Consumer spending in Wellington region through electronic card data – hospitality	Actual	n/a	$191m		No data
	*Target^*	*New*	*$846m*		

^ Full year target (instead of quarterly target)

ISSUES & OUTLOOK

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

Here's what's coming up for WellingtoNZ's key programmes of work:

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 & ENGAGEMENT **Working in partnership to support investment in the region to unlock opportunities**
Creative HQ's Govtech accelerator will conclude with a Showcase in November Sustainable Tourism pilot evaluation and consideration for future extension Summer of Tech internship placements, which are anticipated to be at their highest level Employer Connect programme, connecting international students to employers Young Enterprise Scheme regional finals	Major Events including Hilma af Klint exhibition at City Gallery, the Aotearoa NZ Festival of the Arts and Homegrown A visitor attraction campaign targeting summer travel Love Local: Shop & Win promotion Love Your Lunchtime promotion to stimulate CBD spending Christmas promotion New business storytelling project Regional Trails campaign	The development of a new Wellington Regional Economic Development Strategy is underway Wairarapa Economic Development Strategy and Action Plan refresh Publication of Destination Management Plans for the different parts of the region to be followed by an 'umbrella' Wellington regional Plan Delivery of Wellington Region Screen Sector Strategy Secondment of David Perks and Business Events Wellington team to WCC to help set up Tākina

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15. WELLINGTON ZOO TRUST (Q1 2021-22)

ACTIVITY SUMMARY

The COVID-19 Delta variant lockdown and subsequent Alert Levels affected visitor numbers and revenue due to cancelling of venues bookings, Close Encounters and Winter Wednesdays. Wellington Zoo welcomed 31,554 visitors in the first quarter (lower than the quarter target and lower compared to the visitation of the same period in 2020 and 2019.)

The loss in revenue was mitigated by two tranches of the wage subsidy and the final STAPP (Strategic Tourism Assets Protection Programme) payment. The Zoo will be applying for the IRD's Business Resurgence Fund, which will further alleviate the revenue drop if successful. However, the Zoo will not be eligible for a third wage subsidy as it cannot attribute its revenue decline to the impact of Auckland's Covid 19 Alert Level 3.

Thanks to the Sales and Service team's outstanding commitment to visitor care and customer service during the Alert Levels, about 80% of the customers chose to rebook their experience rather than request a refund.

The Zoo has been actively supporting staff to be vaccinated. The Ask Your Team survey result on "Remote Working & Wellbeing" sat at a positive 83%. Following August/September's lockdown, the survey covered staff's access to the internet, tools and systems needed to work from home, and how they felt supported by their managers and teams during the lockdown. Some questions were also targeted explicitly towards how supported and protected our essential workers on-site felt during the same time.

Highlights for the quarter

- Wellington Zoo's Chief Executive has been confirmed by member vote as the incoming Vice President for the World Association of Zoos and Aquariums.
- DOC requested the Nest Te Kōhanga team's assistance to act in an advisory capacity providing veterinary/conservation medicine guidance/support for stranded Orca, Toa, in Plimmerton recently.
- Wellington Zoo is one of three finalists in the 2021 Tourism Industry Awards in the Environment category, which is an excellent achievement considering there were a record number of entrants this year.
- The Zoo is also anticipating the arrival of three swamp wallabies from Taronga Zoo in December.
- All Kanohi Kitea (te ao bicultural competency programme) workshops were completed in August, attended by over 70 staff who each attended two workshops. Neavin Broughton of Taranaki Whānui facilitated these, and a follow-up meeting was held to decide on the next steps forward. This is a significant step in the direction to be a bicultural organisation.
- Wellington Zoo was used as one of the case studies in ECCA1's Genless Sustainability Series of videos. The Zoo's Director, Safety, Assets and Sustainability took viewers on a walkabout of the Zoo's sustainability and conservation initiatives. ECCA is sharing the Sustainability Series of videos to inspire other organisations and individuals to do their bit for the planet.
- DOC has asked Wellington Zoo to be part of a conservation breeding programme for the endangered Whittaker's Skink. The Zoo will be planning for this over the coming months to bring in two to four skinks once remedial work on Te Piringa Iti is completed.
- The Zoo is now hatching 1,000-1,500 locusts weekly as a live feed. This means $40k annual savings in live food costs and reduction of carbon footprint. The locusts have better lives than those accessed externally, and the Zoo has ceased orders from external suppliers since July.

SUMMARY FINANCIALS (Year To Date)

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	30 Sep 19 Actual	30 Sep 20 Actual	**30 Sep 21 Actual**	30 Sep 21 Budget	30 Sep 21 *Variance*	30 Jun 22 Budget
Total Revenue	2,287	2,176	**2,511**	2,044	*467* ✔	8,863
Total Expenses	2,118	1,988	**2,097**	2,190	*93* ✔	8,863
Net Surplus (Loss)	169	188	**414**	(146)	*560* ✔	0
FINANCIAL POSITION						
Total Assets	4,070	4,370	**4,700**	3,662	*1,038* ✔	2,752
Total Liabilities	2,103	2,692	**2,320**	2,382	*62* ✔	1,326
Equity	1,967	1,678	**2,380**	1,280	*1,100* ✔	1,426
CASH FLOWS						
Total Net Cash Flows	(261)	627	**418**	596	*(178)* ✘	(314)
Opening Cash	3,890	2,912	**3,653**	2,816	---	2,816
Closing Cash	3,629	3,539	**4,071**	3,412	---	2,502

Despite the challenges brought about by the pandemic, the Zoo reported a quarter surplus of $414k, ahead of its forecast deficit of $146k. The lower trading revenue is partly alleviated by the wage subsidy and the final STAPP payment of $125k.

Grants and donations for capital and operational purposes reached $540k (budget of $70k). These grants are received for specific purposes where some are held as restricted funds until needed.

Grants received for the quarter include Pub Charity ($400k) and Brian Whiteacre Trust ($15k) for the Snow Leopard project, Koala Trust ($7k) to support native species work at The Nest Te Kōhanga and individual donations.

The balance sheet remains strong, with the closing cash position at $4.1m against the budget of $3.4m. This is mostly due to a stronger cash position as at June 2021 year-end than the SOI financials, which were prepared before the 2021 year-end.

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 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**
Full costs to Council*	Actual	$1,338,914	n/a	**$1,484,640**
	Actual $/visit	$29.80	n/a	**$47.06**
	Full Year Budget	*$5,390,598*	*$5,940,879*	***$5,801,127***

** 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 30 Sep 19	YTD 30 Sep 20	**YTD 30 Sep 21**	**STATUS Full Year**

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

Council Subsidy ($/visit)	Actual	$18.95	$17.42	**$28.83**	**At risk**
	Full Year Target	*$13.41*	*$20.10*	***$14.05***	
An annual measure based on WCC grant and visitor numbers.					
Trading Revenue ($/visit)** *** Revenue per visit excludes interest, Council grants and other grants.*	Actual	$21.87	$25.97	**$22.60**	**On track**
	Full Year Target	*$19.56*	*$18.63*	***$17.83***	
Mostly due to lower visitor numbers.					
Percentage Operating Costs Generated by the Trust	Actual	46%	66%	**34%**	**At risk**
	Full Year Target	*59%*	*39%*	***59%***	
The Covid-19 Delta variant lockdown impacted the quarter one performance.					
Trust Generated Income as Percentage of the Council's grant	Actual	115%	147%	**78%**	**On track**
	Full Year Target	*146%*	*93%*	***146%***	
The Covid-19 Delta variant lockdown impacted the quarter one performance.					
Percentage of native patient successfully released to the wild after treatment in the Nest Te Kōhanga	Actual	68%	66%	**40%**	**On track**
	Full Year Target	*50%*	*50%*	***50%***	

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	27
May	37	33	47	33	34	2	21
June	34	23	21	38	24	28	18
July	33	17	20	36	18	39	12
August	26	15	24	25	23	25	13
September	25	24	22	30	30	19	14
October	19	43	28	40	30	93	
November	33	41	37	44	44	36	
December	67	58	61	48	58	47	
	478	**429**	**443**	**512**	**483**	**277**	**237**

Student & Education Visits	Actual	2,481	4,998	**5,939**	**On track**
	Full Year Target	*10,500*	*14,645*	***20,000***	
The measure for the Zoo-led Conservation Education programmes and student self-guided visits has extended to encompass students across all education stages, incorporating those booked in for learning sessions and external groups and students who come for self-guided tours.					
Visitors	Actual	44,934	50,149	**31,554**	**At risk**
	YTD Target	*47,277*	*49,304*	***49,535***	
	Full Year Target	*254,000*	*173,882*	***255,936***	
The Quarter one visitor numbers are below target due to the Covid-19 lockdown. It is lower compared to the same quarter in 2020 and 2019.					

ISSUES & OUTLOOK
No issues to note. COVID-19 remains an ongoing risk. The Snow Leopard project is on track for opening in late 2022. Work is also ongoing for other renewals projects and earthquake strengthening works. With Café Mojo's ten-year contract terminating at the end of March 2022, the Zoo has gone to the market calling for Registrations of Interest (ROI) for a hospitality partner to deliver the catering services for the two retail outlets and functions catering.

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Ngā mahinga e whai ake nei

Next actions

16. Officers to note any issues for the Chair to raise with the entities covered by this report.

Attachments

Attachment 1. Basin Reserve Trust Q1 report to 30 Sep 2021
Attachment 2. Karori Sanctuary Trust Q1 report to 30 Sep 2021
Attachment 3. Wellington Cable Car Ltd Q1 report to 30 Sep 2021
Attachment 4. Wellington Museums Trust Q1 report to 30 Sep 2021
Attachment 5. WellingtonNZ Q1 report to 30 Sep 2021
Attachment 6. Wellington Zoo Trust Q1 report to 30 Sep 2021

Basin Reserve Trust

Report to the Wellington City Council CCO Committee

First Quarter ending 30 September 2021

1. Highlights

Quarter One highlights are outlined below:

- Commencement of embankment toilet upgrades and construction of new media facilities
- Execution of agreements with Cello as new Naming Rights Partner for the CELLO Basin Reserve
- Completion of signed agreement with Tui Trademark Licence Agreement for CELLO Basin Reserve Lawn Seed product
- Commencement of NZ Cricket Museum exhibition fitout
- Completion of Junior Rugby and Football winter fixtures

2. Statement of Intent KPI Performance

Quarter One is the quietest event delivery period for the Basin Reserve Trust as the ground is transitioned from winter to summer sport and field maintenance is conducted. The table below outlines quarter one actuals vs targets:

Measure	Measurement	Annual Target	YTD	Q1 Target	Q1 Actual	Comments
• Cricket Events	Cricket days	55	1	3	1	Delayed pre-season fixtures due to Covid-19
• Other Sports Events	Sports days	20	10	6	10	Target exceeded due to extending junior rugby and football fixtures into July with 5 weekends (10 event days)
• Community Events	Event days	3	0	1	0	No community events scheduled
• Practice facility usage	Practice days	100	15	15	15	Firebirds commenced training at the venue in September
• Functions	Function days	40	20	15	20	Black and Gold function space at the venue utilised more due to unavailability of other venues

Cricket Events and Practise Facility Usage

During September, the CELLO Basin Reserve was used by the Firebirds for pre-season training sessions. No pre-season games were able to be played due to Covid-19 level changes. From October onwards usage by Cricket Wellington will significantly increase with more teams accessing the practise facilities (following daylight savings).

Other Sports and Community Events

Junior Rugby and Football completed their seasons at the CELLO Basin Reserve in July, after a delay at the start of the season due to the Peachy Keen concert in April. This activity will commence again in 2022.

Functions

Through its contract with Black and Gold Events who manage and promote the Norwood Room and Long Room in the RA Vance Stand as a venue for conferences, meetings, weddings, celebrations, Christmas functions and team building workshops, the BRT is pleased to report that despite the challenges present by COVID-19, 20 functions were held in Quarter One.

3. Master Plan Redevelopment

The Trust continues to work with Council in progressing the vision of the Masterplan. Work 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.

- Media Box
- Embankment toilet upgrades
- In venue Wi-Fi connectivity upgrade
- Northern Entrance upgrade
- Perimeter Fence upgrades

4. Fundraising

To date the BRT has secured $981,000 of fundraising for venue projects. This includes $30,000 from the International Cricket Council towards the build of the Media Box.

5. Basin Reserve Trust Meetings

The BRT Trustees met on 16 September. The meeting schedule for the remainder of this reporting year is outlined in the table below:

Monday 13 December 2021	10.00am	Library, Old Pavilion, Basin Reserve
Friday 25 March 2022	10.00am	Library, Old Pavilion, Basin Reserve
Tuesday 21 June 2022	10.00am	Library, Old Pavilion, Basin Reserve

6. Financial Performance

A year-to-date summary of financial performance is outlined below (Please refer to the attached Summary Management Accounts for the period ending 30 September 2021 for further information)

FINANCIAL PERFORMANCE ($000)	Budget Q1	**Actual Q1**	*Variance Q1*	Budget YTD	Actual YTD	Variance YTD	Budget FYE
Total Revenue	393	**359**	*(8)*	393	**359**	*(8)*	1,845
Total Expenses	213	**231**	*(17)*	213	**231**	*(17)*	1,819
Net Surplus (Loss)	180	**154**	*(25)*	180	**154**	*(25)*	26
FINANCIAL POSITION							
Total Assets	939	**989**	*50*				796
Total Liabilities	119	**178**	*(59)*				128
Equity	820	**811**	*(9)*				667
CASH FLOWS							
Total Net Cash Flows	151	**185**	*34*	151	**185**	*34*	(28)
Opening Cash	269	**400**	*130*	269	**400**	*130*	269
Closing Cash	420	**586**	*165*	420	**586**	*165*	241

Quarter One reflects a period of minimal activity for the BRT. Expected income was lower than forecasted due to a delay in invoicing for the deposit relating to *Ground Hire Other Events*, which will now be reflected in Quarter Two pending Covid-19. There was additional unbudgeted expenditure of $19k for a full building wash of the Old Pavilion Stand, RA Vance Stand, Players Pavilion and Groundsmen Cottage. Depreciation was reviewed and rates increased for the assets that been upgraded by Council. Forecasted year-end position is stable, but significant risk remains regarding events and ongoing Covid-19 interruption.

7. Outlook

Key events planned for quarter two are as follows:

- Completion of embankment toilet upgrades and construction of new media facilities
- Start of the domestic cricket season
- Beers at the Basin event in December
- Black and Gold conferences and events

8. Issues/Risks

Continued uncertainty regarding the impacts of COVID-19 and the potential impact on the CELLO Basin Reserve events schedule and masterplan work programmes.

BASIN RESERVE TRUST
STATEMENT OF FINANCIAL PERFORMANCE
For the quarter ended: 30 September 2021

Forecast FYE 30-Jun-22		Actual Qtr to 30-Sep-21	Budget Qtr to 30-Sep-21	Variance Qtr to 30-Sep-21	Budget FYE 30-Jun-22
$		$	$	$	$
	Revenue				
718,040	Council funding	359,020	359,020	-	718,040
-	Grants other	-	-	-	-
1,127,340	Sale of goods and services	25,958	34,550	(8,592)	1,127,340
260	Interest revenue	83	65	18	260
1,845,640	**Total Revenue**	385,061	393,635	(8,574)	1,845,640
	Expenses				
64,750	Depreciation of property, plant and equipment	24,985	14,625	(10,360)	64,750
1,615,400	Costs related to providing goods and services	176,654	168,225	(8,429)	1,615,400
139,150	Other expenses	29,224	31,020	1,796	139,150
1,819,300	**Total Expenses**	230,863	213,870	(16,993)	1,819,300
26,340	**Surplus/(Deficit) for the Year**	154,198	179,765	(25,567)	26,340

BASIN RESERVE TRUST
STATEMENT OF FINANCIAL POSITION
As at: 30 September 2021

Forecast As at 30-Jun-22		Actual As at 30-Sep-21	Budget As at 30-Sep-21	Variance As at 30-Sep-21	Budget As at 30-Jun-22
$		$	$	$	$
	Assets				
	Current Assets				
241,093	Bank accounts and cash	586,322	420,878	165,444	241,093
96,200	Debtors and prepayments	8,869	85,000	(76,131)	96,200
337,293	**Total Current Assets**	595,191	505,878	89,313	337,293
	Non-Current Assets				
458,424	Property, plant and equipment	394,659	433,549	(38,890)	458,424
458,424	**Total Non-Current Assets**	394,659	433,549	(38,890)	458,424
795,717	**Total Assets**	**989,850**	**939,427**	**50,423**	**795,717**
	Liabilities				
	Current Liabilities				
117,495	Creditors and accrued expenses	178,560	119,180	(59,380)	117,495
11,400	Income received in advance	-	-	-	11,400
128,895	**Total Current Liabilities**	178,560	119,180	(59,380)	128,895
128,895	**Total Liabilities**	**178,560**	**119,180**	**(59,380)**	**128,895**

BASIN RESERVE TRUST
STATEMENT OF FINANCIAL POSITION
As at: 30 September 2021

Forecast As at 30-Jun-22		Actual As at 30-Sep-21	Budget As at 30-Sep-21	Variance As at 30-Sep-21	Budget As at 30-Jun-22
$		$	$	$	$
666,822	Total Assets less Total Liabilities	811,290	820,247	(8,957)	666,822
	Trust Equity				
100	Contributed capital	100	100	-	100
640,382	Accumulated surpluses	656,992	640,382	16,610	640,382
26,340	Current period earnings	154,198	179,765	(25,567)	26,340
666,822	Total Trust Equity	811,290	820,247	(8,957)	666,822

BASIN RESERVE TRUST
STATEMENT OF CASH FLOWS
For the quarter ended: 30 September 2021

Forecast FYE 30-Jun-22		Actual Qtr to 30-Sep-21	Budget Qtr to 30-Sep-21	Variance Qtr to 30-Sep-21	Budget FYE 30-Jun-22
$		$	$	$	$
	Cash Flows from Operating Activities				
718,040	Receipts of council funding	359,020	359,020	-	718,040
-	Receipts of grants other	-	-	-	-
-	Receipts from sale of goods and				
1,015,000	services	17,239	20,000	(2,761)	1,015,000
260	Interest receipts	83	65	18	260
(1,621,700)	Payments to suppliers and employees	(206,353)	(197,700)	(8,653)	(1,621,700)
(40,000)	GST (net)	24,328	(5,000)	29,328	(40,000)
71,600	**Net Cash Flows from Operating Activities**	194,317	176,385	17,932	71,600
	Cash Flows from Investing and Financing Activities				
(100,000)	Payments to acquire property, plant and equipment	(8,355)	(25,000)	16,645	(100,000)
(100,000)	**Net Cash Flows from Financing Activities**	(8,355)	(25,000)	16,645	(100,000)
(28,400)	**Net Increase/(Decrease) in Cash for the Year**	185,962	151,385	34,577	(28,400)
269,493	Add opening bank accounts and cash	400,360	269,493	130,867	269,493
241,093	**Closing Bank Accounts and Cash**	586,322	420,878	165,444	241,093

ZEALANDIA
TE MĀRA A TĀNE

Report to the Wellington City Council CCO Performance Committee

First Quarter ending 30 September 2021

LIVING WITH NATURE

A PLACE THAT TREASURES
HE WĀHI TAONGA

A PLACE THAT ENGAGES
HE WĀHI HUIHUINGA

A PLACE FOR LEARNING
HE WĀHI MĀTAURANGA

A PLACE THAT EMPOWERS
HE WĀHI WHAKAMANA

Highlights

- Dr Danielle Shanahan has been announced as our new Chief Executive, she will take over from Paul Atkins on 15 November.
- We coordinated a unique pua o te Rēinga (Dactylanthus taylorii) wānanga at Te Rau Karamu marae, Massey University, involving all six iwi of the Wellington region. This group is focusing on next steps for creating a brighter future for the threatened parasitic plant species. To coincide with this we launched our new exhibition on the pua o te Rēinga translocation.
- Our pest audit revealed no incursions following the COVID-19 lockdown.
- The bird breeding season is underway, with early signs suggesting a productive year.
- We celebrated the huge contribution made by our volunteers with our annual volunteer appreciation evening where awards were presented to acknowledge and recognise the mahi of both our long-serving and newer volunteers.
- The new 'Zealandia at dawn' tours were launched in July and have continuously sold out. The tours provide a unique opportunity for visitors to experience the awakening of the valley and hear the beautiful dawn chorus.
- We are in the final stages of infrastructure work related to the reservoir restoration – in August the Zealandia boat Ara Kawau was craned back into the water, ready to take passengers again when we return to COVID-19 Alert Level 1.
- We have formalised a partnership with Predator Free Wellington and the Biological Heritage National Science Challenge to progress key socio-ecological research into Predator Free Wellington.
- We have accelerated our efforts to engage 'every business in restoring nature'. This is a key part of our Sanctuary to Sea Kia Mouriora te Kaiwharawhara project, and also involves CentrePort and the Department of Conservation as leading organisations.



Rainbow Storytime Photo Credit: Zealandia Te Māra a Tāne

1

VISITORS

During the first quarter, we hosted 17,555 visitors, up 74% on the SOI target and down 49% on last year. Visitation during the July school holidays was stronger than anticipated and was boosted by a seasonal offer of "kids go free". Visitation continued to be stronger than forecast, but was impacted by a return of New Zealand to COVID-19 Alert Level 4. Since reopening at level 2 visitation has been below expectations, however we remain agile and continue to look for ways to boost visitor numbers, including repeating the offer of "kids go free" during the October school holidays.

In July 2021, Zealandia launched the Zealandia at Dawn tour. This tours provides the opportunity for visitors to experience the transition of Zealandia from night into day, followed by breakfast in Rātā café. The tours were fully sold out, hosting 116 visitors. The Zealandia by Dawn tour will be available again in May 2022.

Visitor Comments

"I was treated to a Night Tour for a gift. It was absolutely fantastic. Almost 3 hours on a guided tour kicking off at dusk, so we got the benefits of the wonderful bird sounds pre and post dark. We were keeping our fingers crossed that we might see a kiwi and we were so fortunate to see not one but three spotted kiwis on different parts of our walk. We were so close to them, it was amazing."

"We saw so many birds!! was not expecting to see so much life in the bush, it was great!"

"Our knowledgeable guide and the wonderful birds. We appreciated access to charging our electric vehicle."

Visitors to Zealandia during September 2021

Visitor Numbers



Total Members



Visitor Demographics Q1	%
Local	49%
Rest of North Island	33%
South Island	15%
Australia	2%
Rest of the World	1%

Membership

At the end of September, we had 17,051 members, down 2% on the same time last year, but still an excellent achievement considering the period of lower visitations due to COVID-19. Retention of new members continues to be a key focus area for Zealandia.

PUBLIC PROGRAMMES

A PLACE THAT ENGAGES
HE WĀHI HŪIHUINGA

Across July and early August, we were able to deliver a number of visitor and public programmes, before New Zealand went into COVID-19 Level 4 lockdown. During the July school holidays, alongside drop-in family craft activities, we hosted Rainbow Storytime – an opportunity to engage with our existing family audience but also a chance to increase our appeal in the LGBTQI+ community and support outcomes of our Community Engagement programme.

We hosted Conservation Kōrero seminars and participated in the Ahi Kā festival on the Wellington waterfront engaging with over 650 people. Participation at events such as Ahi Kā is a key strand in our programming strategy to reach some of those audiences who might not traditionally visit Zealandia and to connect them with nature.

The COVID-19 restrictions have meant we have had to adapt our public programmes, and we remain committed to delivering engaging programmes safely in line with COVID-19 restrictions, as well as rescheduling some of the activities that had to be postponed during the lockdown period.



Zealandia stall Ahi Kā festival.
Photo Credit: Zealandia Te Māra a Tāne

MEDIA

Media attention this quarter has focused largely on our wider impact on Wellington City and our partnerships. Our collaborative pua o te Rēinga/*Dactylanthus taylorii* translocation project was highlighted again by 1News when seeds from last year's translocation germinated in Ōtari-Wilton Lion's Laboratory. This signals the success of the seeds planted in the sanctuary.

In August there was a lot of media interest in a pair of titipounamu which have been spotted in Te Ahumairangi Hill and have now begun breeding there. The story was picked up by RNZ, Stuff and 1News and included an interview with a Zealandia volunteer who had been monitoring the pair on her lockdown walks. The story shows us a conservation expert and partner in Wellington City.



Two titipounamu spotted on Te Ahumairangi hill.
Photo Credit: Melissa Boardman

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FINANCIAL SUSTAINABILITY

A PLACE THAT TREASURES NI WAHI TAONGA

Revenue

Overall revenue performance (excluding the WCC funding) is $774,100 against a budget of $707,729. Revenue year-to-date is 2% higher than the same period last year.

Our lower visitor revenues have been offset by $91,376 COVID-19 Wage subsidy and $21,500 Resurgence Support Payment for the first two weeks of lockdown. In addition, we have received revenue to support research and appeals.

Revenue YTD Quarter 1 (excluding WCC funding)



Retail

Retail sales in the first quarter totalled $48,057, up 9% on budget, but down 28% on last year. Relative to last year, the lower retail sales revenue is driven by lower visitor numbers and the closure of Zealandia during the COVID-19 Level 4 lockdown.

Rātā Cafe

Rātā Cafe sales in the first quarter totalled $133,244, down 15% on budget and down 34% on last year. Lower café sales revenue is also driven by lower visitor numbers relative to last year and the closure of Zealandia during the COVID-19 Level 4 lockdown. Reopening under level 2 restrictions also affects our cafe revenue, and we will continue to monitor this closely.

Retail Sales Revenue (YTD Q1)



Rātā Cafe Sales Revenue (YTD Q1)

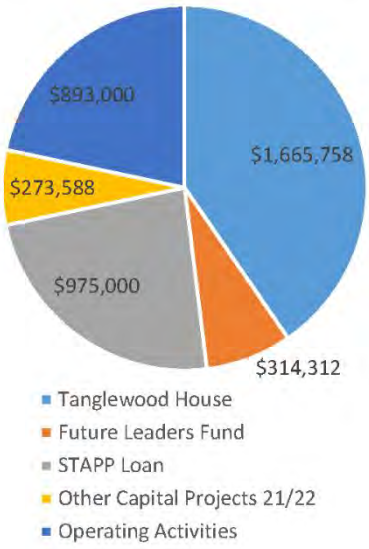


Operating Surplus/(Deficit)

The quarter one year-to-date result for Operating Surplus/(Deficit) before depreciation is tracking favourably to budget by $79,711. This is mainly driven by revenue from appeals, additional revenue to support research, and underspends to date on conservation and arborist costs.

Working Capital
As at 30 September we have a working capital balance of $4.12m, these funds are committed to the following areas.

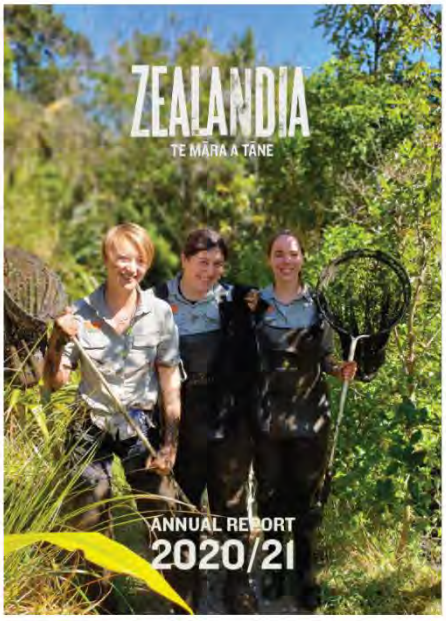
Allocation of Working Capital Balance of $4.12m



STRATEGY & GOVERNANCE

Dr Danielle Shanahan has been appointed as the new Chief Executive, succeeding Paul Atkins who will step down on 12 November 2021 after 6 years in the role. Danielle is currently the Director of the Zealandia Centre for People and Nature, and the Deputy Chief Executive. She has extensive knowledge of the organisation and an outstanding track-record of achievements, including leadership of the restoration of the lower reservoir (roto kawau).

Our annual report for 2020/21 was completed and sent to WCC in late September. The report connects our 20-year strategy, Living with Nature – Tiaki Taiao, Tiaki Tangata, with our 2020/21 achievements, it tells our story of value creation and impact over the year. The document can be found on-line at: https://www.visitzealandia.com/annualreport



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VOLUNTEERS

A PLACE THAT EMPOWERS
HE WĀHI WHAKAMANA

Our 2021 volunteer appreciation evening in August was attended by 90 volunteers who gathered with senior managers, Board members and staff to celebrate and acknowledge the contribution made by volunteers over the past year.

Chief Executive Paul Atkins and Chairman Phillip Meyer thanked volunteers for their valuable contribution, with a special mention to those volunteers who supported the lower reservoir restoration project. This year's recipient of our highest volunteer honour, the Faye Schaef Award, was Ian Archer, who over the past 15 years, has dedicated an immense amount of his time, energy, and expertise to Zealandia. He has developed an expert-level knowledge about his specialist species, the hihi and is described as being incredibly generous about sharing his knowledge and time with staff and new volunteers.



Right: Volunteer Ian Archer receiving the Faye Schaef Award from Kari Beaven, Conservation Team. Left: Volunteer appreciation evening.
Photo credit: Shannon Doyle, Digital Ninja - Photography & Design

EDUCATION

A PLACE FOR LEARNING
HE WĀHI MĀTAURANGA

Across July and early August we were able to deliver our education programme as usual. We have tracked consistently across the first 6 months of the academic year to meet all the relevant deliverables including contractual targets for LEOTC and Nature at Your Place. We were incredibly pleased to learn that we have secured a further 3 years of funding for Nature at Your Place programme from the T/Gear Charitable Trust taking us through until the end of 2025. The Trust has agreed to provide $50,000 per annum to support 822 school students to participate in the programme.

After the August lockdown it has been fantastic to welcome education groups back into the valley and visit them during outreach opportunities. To support an ever growing and changing programme we have welcomed nine new casual Learning staff into the team. Education visits have been substantially impacted by the latest lockdown and the impact of this will be felt right through until the end of the 2021 academic year. There is a lot of uncertainty for schools, but we continue to be flexible and adaptive.



Rāngai Rangatahi. Photo Credit: Zealandia Te Māra a Tāne

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COMMUNITY ENGAGEMENT

A PLACE THAT EMPOWERS
HE WAHI WHAKAMANA

The focus for the Community Engagement programme in this period has been the Youth Collective/ Rāngai Rangatahi. At the Involve Conference 2021 and our Volunteer Appreciation Evening we saw members of the Collective speak with confidence and enthusiasm about their experiences of the programme. During this quarter we have supported the Rangatahi through the final term of the programme, which has included a four-day project and working together to navigate the unplanned changes due to COVID-19 Alert Levels. A particular highlight of the Collective is the application by one of the members to the Trainee Ranger Programme delivered through NMIT. When asked if his decision to apply for the course was influenced by his participation in the Youth Collective, his reply was a resounding 'Yes'!



Rāngai Rangatahi at the Involve Conference 2021
Photo Credit: Zealandia Te Māra a Tāne

CONSERVATION

A PLACE THAT TREASURES
HE WAHI TAONGA

Partnership with Predator Free Wellington and the Biological Heritage National Science Challenge

We have teamed up with these organisations to deliver key research that is needed to harness the learnings from Predator Free Wellington, and to understand how the programme might change into the future. This partnership has enabled the appointment of Zealandia's second postdoctoral fellow within the Centre for People and Nature, Dr Julie Whitburn. It highlights Zealandia's growing reputation in the field of people-nature research.

Pest audit comes up clean

We completed a month-long 'pest audit' recently to search for introduced mammals within the sanctuary following the lockdown period. There were no unexpected intruders detected. Pest audits are one of our most critical activities as they ensure the sanctuary and the species within remain safe.

Sanctuary to Sea: every business restoring nature

Empowering every business to restore nature is a key goal within our flagship catchment restoration project Sanctuary to Sea Kia Mouriora te Kaiwharawhara. Every business restoring nature was initiated in 2019 in collaboration with the Department of Conservation, Morphum Environmental Limited and CentrePort, as a key strategic effort to examine how business can be engaged in generating biodiversity outcomes. This project has picked up steam in recent months, with the group focused on developing a plan of action for this work, to include a cohesive communications approach, a student project focusing on how to support behaviour change in business, and identifying potential funding sources to support a role that delivers one-on-one engagement with businesses. This project is nationally and internationally pioneering, and will provide an exemplar of how other catchments can approach this challenge.

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A PLACE THAT TREASURES
HE WĀHI TAONGA

Takahē health watch

Zealandia is host to two beautiful takahē Nio and Orbell. Takahē are one of New Zealand's most endangered bird species, thought extinct and rediscovered in 1948. Nio and Orbell are 'retired' birds, that is, they no longer contribute to the wider breeding programme. They are two of the most important advocacy takahē in the world as Zealandia is perhaps the most visited location where they are visibly present in the wild. Being older in age they have each had their troubles this last quarter, with the Wellington Zoo 'The Nest Te Kōhanga' providing critical help in getting these precious birds checked and cared for. We now know that Nio has extremely poor eye-sight, and Orbell requires additional supplementary food to improve his body condition. As these birds age we will continue to have conversations with Takahē Recovery to ensure we host a pair into the future.



Nio and Orbell visiting The Nest for their check-up Photo: Zealandia Te Māra a Tāne

Research students add exceptional value to our conservation programme.

We maintain a close partnership with Victoria University of Wellington - Te Herenga Waka, and this year we have hosted (or are planning to host) multiple students from VUW Biological Sciences and Environmental Sciences. These students work closely with our rangers on key projects, and in doing so they gain exceptional research and work experience. Together we are able to carry out mission critical research into the species in we manage in the valley. This year we have been examining temperature fluctuation in hihi nest boxes, follow-up monitoring of freshwater sponges after the lower reservoir restoration project, and we will also be redesigning how we measure success in our weed programme.

Pua o te Rēinga project continues to set new standards in species conservation.

Pua o te Rēinga is a unique parasitic plant that has completely disappeared from this region. Together with WCC staff, we have been leading the establishment of a ropu/group that is focused on getting the conservation of this species back on track. This project involves representatives from all six iwi in the region, who together travelled to carry out the first translocation of the species to Zealandia Te Māra a Tāne and Ōtari Wilton's Bush in 2020.

In August the ropu held a unique pua o te Rēinga (Dactylanthus taylorii) wānanga at Te Rau Karamu marae, Massey University. This again marked a significant step forward in transforming the declining trajectory of this threatened species. The group began a more formal process of reviving mātauranga associated with the species, and started to map out the next steps for the conservation of the species into the future. To coincide with this wānanga, we launched our new exhibition on the pua o te Rēinga translocation, to share the stories with visitors to Zealandia Te Māra a Tāne.



Zealandia and iwi representatives learning more about pua o te Rēinga from Department of Conservation staff at the wānanga held at Te Rau Karamu marae, Massey University . Photo: Zealandia Te Māra a Tāne

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INFRASTRUCTURE

A PLACE THAT TREASURES
HE WĀHI TAONGA

Detailed planning for Tanglewood House, our hub for the Centre for People and Nature, continues and it is expected that a formal building consent application will be submitted in December 2021 to enable construction to begin in early 2022.

A number of key infrastructure projects have progressed over the first quarter, including load testing our suspension bridge, upgrading our visitors centre heating unit and planning for upgrades to the Pāteke room conference facilities. We are also in the final stages of infrastructure work related to the reservoir restoration – in August the Zealandia boat Ara Kawau was craned back into the water, ready to take passengers again when we return to COVID-19 Alert Level 1. The reopening of our pontoon walkway has also been a major priority, with some upgrades to the surface necessary before it could be considered appropriate for public use. We are happy to report that all major works associated with the perch removal project are now complete.



Ara Kawau being craned back into the lower reservoir
Photo: Zealandia Te Māra a Tāne

Keeping our eye on new, and old, biosecurity threats.

Maintaining the biosecurity of the valley is always our top priority, which involves regular pest audits, monitoring potentially impacted species, bi-weekly perimeter fence checks, and a regular upgrade and maintenance schedule for the fence and surrounding vegetation. A slightly unusual part of our work is the need to continuously keep an eye on old disused water infrastructure that could pose a biosecurity threat as it ages. A recent example of this is a an abandoned Wellington Water pipeline that we discovered in the Long Gully area. This was laid in 1944, and ran from Long Gully Station over the ridge at Long Gully Gate and into the stream. It had originally been installed to send extra water to the upper reservoir during droughts. While it was not an immediate biosecurity threat, we sealed the section closest to the fence to ensure that it doesn't become an underground breach point.

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

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MEASUREMENT AGAINST TARGETS IN THE SOI 2021/22

Non-Financial Performance Measures (Quarterly Targets)

	2021/22 Quarter 1		2021/22 Annual	
Measure	Actual	Target	Actual (YTD)	Target (YTD)
Visitation	17,555	10,093	17,555	10,093
Education Visits[1]	1,070	1,925	1,070	1,925

[1]*Education sanctuary visits are also included in total visitation numbers above.*

Non-Financial Performance Measures (Annual Targets)

Measure	Actual YTD	Annual Target 2021/22
Individual Members	17,051	15,000
Number of Volunteers	528	>500
Volunteer Satisfaction Survey[2]	TBC	> 80%
Percentage of Satisfied Visitors	96%	>95%

[2]Annual volunteer satisfaction survey due to be completed in quarter four.

Financial Performance Measures

Measure	Actual YTD	Annual Target 2021/22
Full cost per visitor (including WCC costs) [3]	TBC	TBC
Average subsidy per visit (Total WCC operating grant/all visitors)	$15.57	$13.04
Average revenue per visitation (excludes Council & Government grants)	$36.72	$27.28
Non-Council Donations/Funding	$136,472	$200,000
Net surplus/-deficit before depreciation and tax	-$251,151	$0
Non-WCC grant revenues as a % of overall revenue	74%	>75%
Membership subscription revenue	$109,364	$324,700

[3]*Awaiting target and YTD full cost (including WCC costs) figure from WCC.*

MEASUREMENT AGAINST TARGETS IN THE SOI 2021/22

Conservation Measures (Annual Targets)

Measure	Target	YTD Actual	Comment
Manawaroa. We actively restore ecosystem function to foster resilience			
Number of fauna or flora species transferred into or out of the sanctuary, or 'topped up'	1	0	On track, we are planning to top up pua o te Rēinga in November and initial plans are being made for further kākahi/freshwater mussels to be introduced in Autumn 2022.
Percentage of the bird community that is native	80%	Not yet measured	The relevant surveys will be completed by November 2021.
Kaitiakitanga. We look after what we have alongside our many partners.			
% of incursions into the mouse-free area eradicated, or under active response	100%	100%	On track, no incursions detected.
Mice maintained to target level	<10	0.3	On track, mouse numbers at very low levels.
% pest animal incursions successfully eradicated, or under active response	100%	100%	On track, no incursions detected.

Measures against Strategy Areas

Strategic Initiatives	Key performance indicators for 2021/22	Tracking 2021/22
A place that treasures - He Wāhi Taongax		
Implement the Sanctuary to Sea Kia Mouriora te Kaiwharawhara strategy with partners to achieve tangible outcomes for people, the forest and the water.	Partnerships with at least 10 community groups are active in the Sanctuary to Sea project.	On track. Around 30 groups are actively engaged with the project.
Progress key sanctuary-based freshwater restoration initiatives.	A net breakeven before depreciation and tax.	YTD net deficit before depreciation of -$251,151, tracking favourably to budget by $79,711. Target remains as net breakeven before depreciation and tax.
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.	Non-WCC grant revenues equating to >75% of overall income.	YTD 74%. We anticipate reaching this target by year end.
Develop smart initiatives to grow our people, and support systems to deliver enduring financial vitality.	Membership subscriptions of $324,700.	YTD $109,364. On track to achieve target.
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.	Full cost per visitor (including WCC costs) TBC.	TBC. We are awaiting this target and the YTD full cost (including WCC costs) figure from WCC.
Maintain our Toitū carbonzero certification and deliver good sustainability practices across the whole of the organisation.	Average WCC subsidy per visitor of no more than $13.04.	$15.57. We are currently in our lower visitor numbers months. We expect to achieve this target by year end.
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.	Average revenue per visitor of no less than $27.28.	$36.72. On track to achieve target.
Improve the functionality of the pāteke room conference facilities by installing sound proofing and conference lighting.	Non-Council Donations/Funding of $200,000	$109,364. On track to achieve target.
A place that engages		
Continue to provide activities and experiences for young people and families.	Visitor numbers – 70,000 separate visitations with breakdown of visitor demographics.	YTD 17,555. On track to achieve target.
Increase engagement opportunities for those with differing accessibility needs in line with the Council's Accessible Wellington Action Plan 2019.	ZEALANDIA achieves a visitor satisfaction rating of 95% or greater.	On track. 96% Satisfaction in first quarter.
Participate in research gatherings (e.g. workshops) to share our knowledge and solidify partnerships, and support emerging research leaders through supervision, mentoring and employment.	9,000 education engagements.	YTD 1,070. Lower numbers due to lockdown, however we expect to meet target by year end.
	15,000 members	Membership totalled 17,051 members at the end of September quarter, on track.
Grow our corporate and philanthropic partnerships through key initiatives such as the Centre for People and Nature.	Maintain > 500 volunteers and the range of avenues for people to volunteer	On track to meet target. 528 volunteers currently active or in training.
	> 80% of volunteers are satisfied with their relationship with ZEALANDIA	Annual volunteer survey due to be conducted in quarter four.
A place for learning - He Wāhi Mātauranga		
Continue to grow and integrate te ao Māori into ZEALANDIA projects and programme development processes.	Deliver activities and opportunities for staff and volunteers to increase their knowledge and confidence in te reo and te ao Māori.	On track. Several staff are participating in our internal Te Ara Poutama course, and we are actively using kupu through our regular communications to staff and volunteers. Te Wiki o Te Reo Māori provided an opportunity to reinforce this through external communications as well.
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.	Continue to deliver valley-based and outreach learning programmes under our Ministry of Education LEOTC contract.	On track to meet target.
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.		

A place that empowers - He Wāhi Whakamana		
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.	Continue to expand the range of programmes and activities offered to schools and young people.	On track to meet target

FINANCIAL PERFORMANCE

Detailed financials are attached.

Profit and Loss

Karori Sanctuary Trust Inc.
For the 3 months ended 30 September 2021

	JUL-SEP 2021
Income	
Trading Income	
Admissions	107,557
Membership	109,364
Other trading revenue	298,359
Total Trading Income	**515,280**
Other Operating Income	
WCC Grant	232,912
Living Wage WCC Funding	40,446
Sponsorships, grants and donations	136,472
COVID -19 MSD Wage Subsidy	91,376
COVID-19 Resurgence Support Payment	21,500
Total Other Operating Income	**522,706**
Non-Operating Income	
Interest Income	9,472
Total Non-Operating Income	**9,472**
Total Income	**1,047,458**
Operating Expenses	
Salaries and Wages	989,113
Cost of Goods Sold	82,964
Other Operating Expenses	121,691
Trustee Expenses	32,726
Administration Costs	66,917
Community Engagement	4,754
Fundraising Expenses	445
Total Operating Expenses	**1,298,606**
Net Surplus/(Deficit) before Depreciation and Tax	**(251,148)**
Other Expenses	
Interest Expense	3
Depreciation Expense	82,309
Total Other Expenses	**82,312**
Net Profit	**(333,460)**

Profit and Loss for WCC - SOI Format — Karori Sanctuary Trust Inc.

Balance Sheet

Karori Sanctuary Trust Inc.
As at 30 September 2021

	30 SEP 2021
Assets	
Current Assets	
Bank	5,009,680
Accounts Receivable	177,554
Prepayments	18,948
Stock on Hand	49,777
Total Current Assets	**5,255,959**
Fixed Assets	2,873,639
Total Assets	**8,129,599**
Liabilities	
Current Liabilities	
Accounts Payable and Accruals	244,801
GST	11,009
Holiday Pay Accrued	143,812
Income in Advance	734,941
Cash Float	226
Total Current Liabilities	**1,134,789**
Non-current Liabilities	975,000
Total Liabilities	**2,109,789**
Net Assets	**6,019,809**
Equity	
Accumulated Funds	6,019,809
Total Equity	**6,019,809**

Balance Sheet - for WCC | Karori Sanctuary Trust Inc.

Statement of Cash Flows

Karori Sanctuary Trust Inc.
For the 3 months ended 30 September 2021

	JUL-SEP 2021
Operating Activities	
Receipts from customers	1,466,856
Payments to suppliers and employees	(1,413,853)
Interest received	9,472
Cash receipts from other operating activities	(90,477)
Net Cash Flows from Operating Activities	**(28,003)**
Investing Activities	
Payment for property, plant and equipment	(24,912)
Net Cash Flows from Investing Activities	**(24,912)**
Financing Activities	
Other cash items from financing activities	312,500
Net Cash Flows from Financing Activities	**312,500**
Net Cash Flows	**259,585**
Cash and Cash Equivalents	
Cash and cash equivalents at beginning of period	4,749,984
Cash and cash equivalents at end of period	5,009,569
Net change in cash for period	**259,585**

Statement of Cash Flows Karori Sanctuary Trust Inc.

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

Friday, 22 October 2021

Finance and Performance Committee
Wellington City Council

WCCL QUARTERLY REPORT (FY 2021-22 Q1)

Dear Councillors Calvert and Foon,

Below you will find a summary of the 1st quarter performance for Wellington Cable Car Limited (WCCL). It is divided into 5 sections;

1. Operating performance summary
2. WCCL Q1 results compared to SOI targets
3. Capex summary
4. Key initiatives this quarter
5. Looking ahead

1. Operating performance summary

- Q1 revenue is down on budget by $120k.
- WCCL applied for and received $67k in government subsidy (Wage subsidy and Resurgence support)
- The lower revenue is offset by reduced expenses, a $90k savings compared to budget.
- YTD the Cable Car has made a loss of $440k compared to a budgeted loss of $480k
- YTD cash losses have been funded through a reallocation of asset replacement funds, as per budget.
- The full-year Revenue re-forecast is $1.71M, down $127k from an original budget of $1.84M

- Cable Car closed for 7 days (26/7 – 1/8) for 2021 Annual Maintenance Shutdown (AMS)
  - All scheduled work completed on schedule with no major incidents/accidents
- During Q1, the Cable Car was closed for a total of 21 days as a result of COVID lockdowns
  - AL4 15 Days – 18/8 – 31/8
  - AL3 6 Days – 1/9 – 7/9

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

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Web: www.wellingtoncablecar.co.nz

2. WCCL Q1 results compared to SOI targets

The table below shows summarises key SOI parameters for Passenger Numbers and Reliability targets.

Wellington Cable Car - FY 2021-22 Q1 Results

Passenger Numbers	Jul-21	Aug-21	Sep-21	Q1 Total
SOI Target	47,674	25,648	41,148	114,469
Actual	44,766	19,977	18,403	83,146
FY 21-22 Q1 Variance	-2,908	-5,671	-22,745	-31,323

Reliability	Jul-21	Aug-21	Sep-21	Q1 Total
SOI Target	99.00%	99.00%	99.00%	99.00%
Actual	98.36%	100.00%	99.95%	99.44%
FY 21-22 Q1 Variance	-0.64%	1.00%	0.95%	0.44%

- Despite a short shut-down periods due to flooding & minor maintenance issues in July, overall reliability exceeded target for the quarter.
- Unexpected COVID alert level changes negatively impacted both passenger numbers and revenue.
- Passenger number variance for August and September reflect 28 operational days lost due to COVID lockdowns (unplanned) and AMS (planned)
- While we didn't forecast overseas visitors, local visitation has also been negatively impacted due to the ongoing Auckland lockdown.
- FY 2021/22 Q1 Passenger visitation target with forecast passenger visitation summarised below
- The full-year Passenger re-forecast is 571k, down 31k from an original budget of 602k



3. Capital expenditure summary

- $3.38M of WCC funding has been included in the Council's LTP for Cable Car tunnel strengthening. The yearly breakdown is illustrated on the right.
- The total amount is approximately 25% less than the original funding request from the WCCL to WCC.
- During Q1, WCCL was notified that Waka Kotahi had not allocated funds for the Cable Car tunnel strengthening project as requested.
- This leaves a gap of approximately $3.52M compared to the original estimated cost of the full project.

FY	CONFIRMED WCC LTP FUNDING
21/22	$ 72,030
22/23	$ 1,641,500
23/24	$ 588,000
24/25	$ 784,000
25/26	$ 196,000
26/27	$ 98,000
27/28	
28/29	
29/30	
30/31	
Total	$ 3,379,530

- In FY 2021/22 WCCL is planning to complete the following projects:

Description	YEAR	Estimated Cost	NOTES
Tunnel Strengthening Middle Tunnel - Upper, Complete Detailed design and Tender	2022	$ 50,000	Next Steps Detailed design & Tendering
Seismic Assessment - Bridges - Stage 1	2022	$ 40,000	Proposal received
Lambton Terminal - Seismic Investigations and Detailed Design	2022	$ 60,000	

- Out of the three projects scoped initially, the highest priority project is **Strengthening Middle Tunnel**.
- WCCL has engaged WSP to complete sufficient design to enable an independent cost estimate for the physical strengthening works.
- Cost estimation to be completed by the end of October 2021, at which stage the WCCL Board will confirm the proposed approach with Council
- Cost of committed spend to date $20,200.
- If approved, Phase two will comprise of completing detailed design, drawings, specifications, building consent application and managing the tender process.
- At this stage, it is anticipated that the tender will be focused on the Tunnel portal and adjacent Wall with the tunnel barrel out of initial scope, given the reduced funding.

4. Highlights and initiatives

KIDS RIDE FREE

- After 22 days of AL4 and AL3 lockdown in Wellington, the Cable Car celebrated reopening with a tamariki / Whānau led promotion
- Kids ride Free was in the market from 11 to 30 September 2021.
- The aim is to get a feel-good message out in the local community and support Wellingtonians in getting out and about after a challenging three weeks.
- The promo was considered a success, with 395 kids travelling for free on the Cable Car during that period



BARK and RIDE TRIAL

- Initially, it was to go live on 26 August (international Dog Day), however, due to AL4, the trial was postponed
- The Cable Car sees an opportunity to support Wellingtonians who live in the central city get access to the best green space in the capital (Wellington Botanical Gardens)
- Press release on 12 August generated a lot of media interest and overwhelming support from the community
- The trial has been rescheduled for November



COMMUNITY SUPPORT

Since the start of the year, the Cable Car has hosted over 1,000 local tamariki on the Cable Car. Over 450 kids had to cancel due to COVID 19 lockdowns

Since the start of the year, the Cable Car has supported the following organisation with in-kind donations

Mary Potter Hospice

Brown Owl Kindy

Miramar North School

NZ School of Tourism Diploma Class

Kapi Mana Multiples

Big Buddy Charity

Hutt School Playground fundraiser

Library Raffle

Wellington City Mission Men's Group

Kiwi Class, refugee group

KWA – Kids with Arthritis

Diabetes Youth Wellington

West Coast Cancer Society

One School Global

Hutt Gymnastics



5. **Looking ahead**
   - Update with initial design & costings for stage 1 of tunnel strengthening project
   - Bark n Ride Trial 1 – 31 November 2021
   - Pricing adjustments for general fares
     - The last price adjustment for Cable Car casual fares was in 2018
     - Looking at opportunities to introduce commuter dedicated products

Cesar Piotto

WCCL Chief Executive

Quarterly Report to WCC

Wellington Cable Car Limited
For the 3 months ended 30 September 2021

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3 Profit and Loss

4 Balance Sheet

5 Statement of Cash Flows

Profit and Loss

Wellington Cable Car Limited

For the 3 months ended 30 September 2021

	ACTUAL 2021 - QTR 1	BUDGET 2021 - QTR 1	VARIANCE 2021 - QTR 1	ACTUAL 2021 - YTD	BUDGET 2021 - YTD	VARIANCE 2021 - YTD	BUDGET 2021 - TOTAL
Trading income							
Cable Car Income	237,371	364,270	(126,899)	237,371	364,270	(126,899)	1,838,603
Sub Lease Income	7,500	-	7,500	7,500		7,500	-
Total Trading income	**244,871**	**364,270**	**(119,399)**	**244,871**	**364,270**	**(119,399)**	**1,838,603**
Cost of Sales							
Cable Car Operations	61,554	83,040	(21,486)	61,554	83,040	(21,486)	338,380
Cable Car Maintenance	63,454	115,170	(51,716)	63,454	115,170	(51,716)	282,690
Cable Car Wages	298,904	294,659	4,245	298,904	294,659	4,245	1,186,266
Depreciation	77,156	75,000	2,156	77,156	75,000	2,156	300,000
Administration expenses	252,090	276,752	(24,662)	252,090	276,752	(24,662)	1,111,500
Total Cost of Sales	**753,158**	**844,621**	**(91,463)**	**753,158**	**844,621**	**(91,463)**	**3,218,836**
Operating Surplus/(Loss)	(508,287)	(480,351)	(27,936)	(508,287)	(480,351)	(27,936)	(1,380,233)
Sundry Income							
Sundry Income	67,404	-	67,404	67,404	-	67,404	-
Total Sundry Income	**67,404**	-	**67,404**	**67,404**	-	**67,404**	-
Total Operating Surplus/(Loss)	(440,883)	(480,351)	39,468	(440,883)	(480,351)	39,468	(1,380,233)
Surplus/(Loss) before Tax	(440,883)	(480,351)	39,468	(440,883)	(480,351)	39,468	(1,380,233)
Surplus/(Loss) after Tax	(440,883)	(480,351)	39,468	(440,883)	(480,351)	39,468	(1,380,233)

Balance Sheet

Wellington Cable Car Limited
As at 30 September 2021

	30 SEP 2021	30 JUN 2021
Assets		
Current Assets		
Bank accounts	902,182	972,055
Term deposits	2,402,321	2,202,321
Inventories	281,913	293,018
Accounts Receivable less Provision	31,333	1,220,361
Sundry debtors & prepayments	457,388	24,163
GST Receivable	4,788	-
Income Tax Receivable	17,970	17,190
Total Current Assets	**4,097,895**	**4,729,108**
Non-Current Assets		
Cable car equipment	5,869,526	5,931,624
Cable car tracks & wires	861,990	869,363
Furniture & fittings	8,636	9,763
Computer equipment	14,096	17,472
Computer software	10,329	12,135
Motor vehicles	14,681	16,057
Work in progress	177,846	177,846
Bonds	455	455
Total Non-Current Assets	**6,957,560**	**7,034,716**
Total Assets	**11,055,455**	**11,763,824**
Liabilities		
Current Liabilities		
Trade & other payables	312,937	417,281
GST Payable	-	163,142
Deferred Tax	734,935	734,935
Total Current Liabilities	**1,047,872**	**1,315,358**
Total Liabilities	**1,047,872**	**1,315,358**
Net Assets	**10,007,583**	**10,448,466**
Shareholder's Funds		
Ordinary shares	7,434,846	7,434,846
Retained Earnings	3,013,620	3,141,060
Current year earnings	(440,883)	(127,441)
Total Shareholder's Funds	**10,007,583**	**10,448,466**

Statement of Cash Flows

Wellington Cable Car Limited
For the 3 months ended 30 September 2021

	JUL-SEP 2021
Operating Activities	
Receipts from grants	1,268,034
Receipts from customers	255,555
Payments to suppliers and employees	(1,256,567)
Income tax refunded/(paid)	(781)
GST	(166,527)
Receipts from other operating activities	21,812
Net Cash Flows from Operating Activities	**121,526**
Investing Activities	
Payment for property, plant and equipment	(4,051)
Proceeds from sale of investments	(187,347)
Net Cash Flows from Investing Activities	**(191,398)**
Net Cash Flows	**(69,873)**
Cash and Cash Equivalents	
Cash and cash equivalents at beginning of period	972,055
Net change in cash for period	(69,873)
Cash and cash equivalents at end of period	902,182

Experience Wellington 2021-22
Quarter One Visitor Numbers & Highlights Report to Council
as at 30 September 2021

experience Wellington
wellington museums trust

Visitor Numbers

Institution	2021-22 Target	YTD Visitor Numbers	% of Annual Target	Q1 Target	Q1 Visitor Numbers Achieved	% of Q1 Target
City Gallery Wellington	150,250	17,324	12%	25,000	17,324	69%
Wellington Museum	100,000	16,584	17%	23,000	16,584	72%
Capital E	59,770	13,149	22%	17,400	13,149	76%
Cable Car Museum	125,000	14,147	11%	25,000	14,147	57%
Space Place	44,000	6,513	15%	11,000	6,513	59%
Nairn Street Cottage	1,400	24	2%	0	24	-
TOTAL	**480,420**	**67,741**	**14%**	**101,400**	**67,741**	**67%**

NB. From 18 August, all sites were closed during the COVID-19 level 4 and level 3 lockdown. City Gallery Wellington, Wellington Museum and Space Place reopened from 9 September. The Cable Car Museum from 11 September, Capital E from 22 September, and Nairn Street Cottage remained closed.

QUARTER ONE – JULY, AUGUST, SEPTEMBER

Commentary on variation against Target

Quarter One saw all sites significantly impacted due to COVID-19 mandatory site closures, and staggered reopening (as listed above) with additional measures in place to keep our staff and visitors safe. Results show 67% of the Q1 target (101,400) was achieved with 67,741 visits: this makes up 14% of the annual target for 2021-22. This compares to Q1 of 2020-21 with 85,687 visits, or 33% of the 2020-21 annual target.

City Gallery Wellington numbers, while lower than 2020-21, remain consistent when doors are open as the large venue is a place where our visitors can socially distance while enjoying the exhibitions on display.

Capital E visitor numbers are better than Q1 of 2020-21 (10,785), with a new PlayHQ installation *Home is Where The Art Is* which opened at the beginning of Q1.

Nairn Street Cottage will set to reopen to the public by the end of October (pending alert level changes).

Programme highlights

- A Keith Quinn display was installed in the Attic of **Wellington Museum** accompanied by a lunchtime talk by Mr Quinn.
- Four new exhibitions opened at **City Gallery Wellington**: *Brett Graham; Toi Moana Toi Tangata, Pierre Huyghe: Human Mask, Judy Millar: Action Movie*, and *Tia Tananui: Gonville Gothic.*
- **Capital E:** The National Theatre for Children delivered its 2021 tour for *Story Studio Live!* to more than 4,000 students in 34 schools nationwide, and the Creative NZ-supported documentary film showing the behind-the-scenes development of children's theatre production *Lost Letter Office* was screened at City Gallery to cast, crew, staff, and sponsors, and will be promoted to schools as a resource.

Priority Projects

- **The Navigators Project:** After many months of work, a tikanga ceremony was held on 30 September to launch and welcome *Ngā Tohunga Whakatere – The Navigators* to Experience Wellington. Public screenings of the 30-minute planetarium show are being held from 2 October.

- **Hilma af Klint:** The Deed of Indemnity has been signed by the Minister of Finance. The artworks have been safely delivered. The media plan is rolling out and ticket sales are live and tracking well. A high-level risk register has been developed to address mitigation options in case of a change in alert levels during the show.

- **Staff Accommodation:** options to best support the primary location of staff in their new roles are being considered, as the organisation transitions to realising the benefits of the newly developed structure.

- The **Wellington Museum Development** project quarterly report was submitted to the Ministry for Culture and Heritage (MCH) as part of the requirement for funding. Council representatives have been invited to the January 2022 Board

meeting to present next steps for the project. The concept for the ground floor visitor experience has been revised by the Director Art & Heritage, and the project team have resumed work.

- **Business Systems Review:** All frontline business systems, apart from ticketing, have gone live throughout the organisation, and the ELT are working together to connect the resources and systems necessary to ensure that these systems support our mahi.

- **Future E:** A Heads of Agreement is being developed between Council and Experience Wellington to cement this exciting partnership opportunity. The Chief Executive sits on the project board, and Director Community Engagement on the Project Design Group. An internal project team is exploring ideas for spaces, audiences and wayfinding with the architects and Council's Future Library Team.

July School Holidays

- A busy July school holiday season at all sites included four days of Art Camp and three 'Square Eyes' kid-friendly movie screenings bringing over 600 people to **City Gallery**. Māori performers Lala Simpson and Moira Wairama provided Matariki-inspired storytelling and music sessions to over 100 tamariki and whānau at **PlayHQ**. Space-inspired screen-printing workshops were held at **Space Place,** plus outreach at Strathmore Community Centre.

Jo Arenhold
Senior Corporate Advisor

This paper has been submitted with the permission of the Director, Finance and Commercial.

Key Result Indicators 2021-22

Update on Progress against Targets, as at 30 September 2021 (Q1)

experience Wellington
wellington museums trust

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	2021-22 Target	2021-22 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	2021-22 Target	2021-22 YTD Result	Q1 Target	Q1 Result						
City Gallery Wellington	150,250	17,324	25,000	17,324	34,750		67,500		23,000	
Wellington Museum	100,000	16,584	23,000	16,584	27,000		30,000		20,000	
Capital E	59,770	13,149	17,400	13,149	16,000		11,370		15,000	
Cable Car Museum	125,000	14,147	25,000	14,147	35,000		45,000		20,000	
Space Place	44,000	6,513	11,000	6,513	10,500		12,000		10,500	
Nairn Street Cottage	1,400	24	0	24	400		600		400	
Experience Wellington Total	**480,420**	**67,741**	**101,400**	**67,741**	123,650		166,470		88,900	

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 2021-22

Update on Progress against Targets, as at 30 September 2021 (Q1)

experience Wellington
wellington museums trust

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

Virtual Visitation	2021-22 Target	2021-22 YTD Result	Q1 Result			
City Gallery Wellington	80,000	41,191	41,191			
Museums Wellington	100,000	28,038	28,038			
Capital E	38,000	13,436	13,436			
Experience Wellington Total	**218,000**	**82,665**	**82,665**			

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

Social Media Profile	2021-22 Target	Q1 Snapshot			
City Gallery Wellington	43,000	44,212			
Museums Wellington	15,120	15,483			
Capital E	10,000	9,912			
Space Place	10,910	10,773			
Nairn Street Cottage *(FB page only)*	-	589			
Experience Wellington Total	**79,030**	**80,969**			

The target for Museums Wellington and Nairn Street Cottage is a combined target of 15,120

Quality of Visit: Visitor feedback based on ease of access, friendliness of staff, level of comfort and overall satisfaction.

Quality of the Visitor Experience	2021-22 Target	2021-22 Result	Q1 Result			
City Gallery Wellington	88%		78%			
Wellington Museum	90%		100%			
Capital E	90%		100%			
Cable Car Museum	80%		82%			
Space Place	90%		100%			
Nairn Street Cottage	90%		-			

Key Result Indicators 2021-22

Update on Progress against Targets, as at 30 September 2021 (Q1)

experience Wellington
wellington museums trust

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	2021-22 Target	2021-22 YTD Result	Q1 Result	Q2 Result	Q3 Result	Q4 Result
City Gallery Wellington	4,500	218	218			
Wellington Museum	7,000	245	245			
Capital E	23,400	5,475	5,475			
Cable Car Museum	-	21	21			
Space Place	3,500	485	485			
Nairn Street Cottage	-	-	-			
Experience Wellington Total	**38,400**	**6,444**	**6,444**			

The target of 7,000 set for Wellington Museum covers 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).

Venue Hire	2021-22 Target	2021-22 YTD Result	Q1 Result		Q2 Result		Q3 Result		Q4 Result	
			No. of bookings	Total attendees	No. of bookings	Total attendees	No. of bookings	Total attendees	No. of bookings	Total attendees
City Gallery Wellington	-		5	306						
Wellington Museum	-		37	1,049						
Capital E	-		14	346						
Space Place	-		12	285						
Experience Wellington Total	-		**68**	**1,986**						

**This is a new measure for 2021-22, providing a breakdown of venue hire per site. The total number of attendees are included in our overall physical visitation numbers.*

OUR PEOPLE

	2021-22 Target	2021-22 Result
Health and Safety	No preventable serious harm incidents involving workers or visitors as defined by the Health and Safety at Work Act 2015.	0

Note, Staff satisfaction results are reported to the Board via the PPS Committee.

Key Result Indicators 2021-22

Update on Progress against Targets, as at 30 September 2021 (Q1)

experience Wellington
wellington museums trust

OUR SUSTAINABILITY

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

Trading ($'000)	2021-22 Target	2021-22 Result	Q1 Result	Q2 Result	Q3 Result	Q4 Result
City Gallery Wellington	740	36	36			
Museums Wellington	536	84	84			
Capital E	138	28	28			
Space Place	490	110	110			
Sub Total	1904	**258**	258			
Sub-letting, Interest & Other	30	0.4	0.4			
Experience Wellington Total	**1934**	**258.4**	258.4			
Fundraising ($'000)	**2021-22 Target**	**2021-22 Result**	**Q1 Result**	**Q2 Result**	**Q3 Result**	**Q4 Result**
City Gallery Wellington	560	25	25			
Museums Wellington	116	28	28			
Capital E	623	156	156			
Space Place	78	20	20			
Trust Office	0	2	2			
Experience Wellington Total	**520**	**231**	231			

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 ($)	2021-22 Target	2021-22 Result	Q1 Result	Q2 Result	Q3 Result	Q4 Result
City Gallery Wellington	4.93	2.06	2.06			
Museums Wellington	2.37	2.73	2.73			
Capital E	2.31	2.10	2.10			
Space Place	11.14	16.85	16.85			
Experience Wellington Total	**3.96**	**3.79**	**3.79**			

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

Key Result Indicators 2021-22

Update on Progress against Targets, as at 30 September 2021 (Q1)

experience Wellington
wellington museums trust

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 ($)	2021-22 Target	2021-22 Result	Q1 Result	Q2 Result	Q3 Result	Q4 Result
City Gallery Wellington	17.64	34.81	34.81			
Museums Wellington	10.15	16.99	16.99			
Capital E	32.52	33.63	33.63			
Space Place	8.85	15.14	15.14			
Experience Wellington Total	**18.30**	**29.68**	29.68			

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 ($)	2021-22 Target	2021-22 Result
City Gallery Wellington		
Museums Wellington		
Capital E		
Space Place		
Experience Wellington Total		

Council's estimated ownership costs are supplied by Council.

Qtr Statement Financial Performance

Experience Wellington

For the 3 months ended 30 September 2021

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2020
Trading Income						
Trading Income	257,016	347,654	257,016	347,654	1,904,053	298,235
WCC Operating Grant	2,010,326	1,968,984	2,010,326	1,968,984	7,875,939	1,930,377
WCC Rental Subsidy	442,245	442,251	442,245	442,251	1,769,004	442,245
Sponsorship and Donations	11,112	275,226	11,112	275,226	757,504	21,787
Grants Other	220,279	335,950	220,279	335,950	1,328,322	316,883
Investment Income	461	10,720	461	10,720	30,000	839
Other Income	18,841	22,617	18,841	22,617	321,462	40
Total Revenue	**2,960,279**	**3,403,402**	**2,960,279**	**3,403,402**	**13,986,284**	**3,010,407**
Cost of Sales						
Cost of Sales (Trading Income)	64,436	91,196	64,436	91,196	467,609	125,701
Openings - Exhibitions & Programmes	9,581	12,249	9,581	12,249	48,000	640
Total Cost of Sales	**74,017**	**103,445**	**74,017**	**103,445**	**515,609**	**126,341**
Net Revenue	**2,886,263**	**3,299,957**	**2,886,263**	**3,299,957**	**13,470,675**	**2,884,066**
Operating Expenses						
Employee Costs	1,717,374	1,842,426	1,717,374	1,842,426	7,384,983	1,683,924
Council Rent	334,621	334,707	334,621	334,707	1,338,828	334,621
Exhibitions & Programmes	389,770	477,823	389,770	477,823	2,498,663	346,626
Marketing & Promotions	80,128	318,965	80,128	318,965	716,276	67,517
Occupancy Costs	310,029	284,394	310,029	284,394	1,365,941	292,823
Communication Costs	15,734	19,002	15,734	19,002	76,000	24,768
Trustee Fees and Expenses	20,000	23,550	20,000	23,550	94,200	24,000
Technology Costs	74,469	29,849	74,469	29,849	119,492	66,527
Professional Fees	32,090	25,761	32,090	25,761	103,056	16,603
Administration Fees	32,001	45,914	32,001	45,914	175,949	34,934
Depreciation	72,668	128,451	72,668	128,451	513,800	129,456
Interest	-	-	-	-	-	-
Total Operating Expenses	**3,078,883**	**3,530,842**	**3,078,883**	**3,530,842**	**14,387,188**	**3,021,798**
Net Surplus/(Deficit)	**(192,620)**	**(230,885)**	**(192,620)**	**(230,885)**	**(916,513)**	**(137,733)**

Quarterly Statement of Financial Performance Experience Wellington

Qtr Stat Fin Performance (Executive Office)

Experience Wellington
For the 3 months ended 30 September 2021

Institution is 10 Trust Office.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2020
Trading Income						
Trading Income	-	-	-	-	-	304
WCC Operating Grant	1,911,710	1,871,661	1,911,710	1,871,661	7,486,648	1,834,963
Sponsorship and Donations	2,135	20,001	2,135	20,001	80,004	63
Grants Other	-	110,001	-	110,001	440,004	-
Investment Income	461	10,720	461	10,720	38,000	839
Other Income	-	-	-	-	-	(3,300)
Total Revenue	**1,914,305**	**2,012,383**	**1,914,305**	**2,012,383**	**8,036,656**	**1,832,869**
Cost of Sales						
Cost of Sales	805	-	805	-	-	222
Total Cost of Sales	**805**	**-**	**805**	**-**	**-**	**222**
Net Revenue	**1,913,500**	**2,012,383**	**1,913,500**	**2,012,383**	**8,036,656**	**1,832,647**
Operating Expenses						
Employee Costs	443,420	517,635	443,420	517,635	2,070,536	455,726
Exhibitions & Programmes	15,666	-	15,666	-	-	200
Marketing & Promotions	42,921	120,726	42,921	120,726	482,899	39,368
Occupancy Costs	23,760	20,250	23,760	20,250	81,000	26,379
Communication Costs	6,168	5,748	6,168	5,748	22,992	4,479
Trustee Fees and Expenses	20,000	23,550	20,000	23,550	94,200	24,000
Technology Costs	65,442	27,750	65,442	27,750	111,000	61,989
Professional Fees	11,954	23,700	11,954	23,700	94,800	7,029
Administration Fees	3,519	3,315	3,519	3,315	14,212	3,827
Depreciation	16,898	27,000	16,898	27,000	108,000	30,656
Total Operating Expenses	**649,748**	**769,674**	**649,748**	**769,674**	**3,079,639**	**653,602**
Net Surplus/(Deficit)	**1,263,752**	**1,242,709**	**1,263,752**	**1,242,709**	**4,957,017**	**1,179,044**

Qtr Stat Fin Performance (Executive Office) Experience Wellington

Qtr Stat Fin Performance (Museums Wellington)

Experience Wellington
For the 3 months ended 30 September 2021

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

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2020
Trading Income						
Trading Income						
Admissions	3,604	1,500	3,604	1,500	15,000	5,082
Bar	830	1,500	830	1,500	15,000	301
Retail Sales	38,932	90,000	38,932	90,000	360,000	90,513
Venue Hire	40,447	36,501	40,447	36,501	146,000	32,034
Total Trading Income	**83,813**	**129,501**	**83,813**	**129,501**	**536,000**	**127,930**
WCC Rental Subsidy	175,456	175,455	175,456	175,455	701,824	175,456
Sponsorship and Donations	3,834	2,000	3,834	2,000	20,000	7,545
Grants	24,657	24,000	24,657	24,000	96,000	37,376
Other Income	-	-	-	-	-	1,783
Total Revenue	**287,760**	**330,956**	**287,760**	**330,956**	**1,353,824**	**350,090**
Cost of Sales						
Cost of Sales	40,049	49,299	40,049	49,299	201,182	88,863
Total Cost of Sales	**40,049**	**49,299**	**40,049**	**49,299**	**201,182**	**88,863**
Net Revenue	**247,711**	**281,657**	**247,711**	**281,657**	**1,152,642**	**261,226**
Operating Expenses						
Employee Costs	438,705	371,233	438,705	371,233	1,484,981	438,004
Council Rent	175,456	175,458	175,456	175,458	701,832	175,456
Exhibitions & Programmes	26,725	54,999	26,725	54,999	220,000	17,245
Marketing & Promotions	77	3,469	77	3,469	17,101	5,969
Occupancy Costs	89,811	76,194	89,811	76,194	306,495	77,474
Communication Costs	7,696	6,252	7,696	6,252	25,008	14,080
Technology Costs	5,997	500	5,997	500	2,000	2,034
Professional Fees	177	115	177	115	460	30
Administration Fees	5,747	10,452	5,747	10,452	41,808	10,104
Depreciation	37,362	82,500	37,362	82,500	330,000	73,864
Total Operating Expenses	**787,754**	**781,172**	**787,754**	**781,172**	**3,129,685**	**814,262**
Net Surplus/(Deficit)	**(540,043)**	**(499,515)**	**(540,043)**	**(499,515)**	**(1,977,043)**	**(553,036)**

Qtr Stat Fin Performance (Space Place)

Experience Wellington
For the 3 months ended 30 September 2021

Institution is 26 Space Place.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2020
Trading Income						
Trading Income						
Admissions	73,216	79,997	73,216	79,997	320,000	70,865
Bar	904	3,750	904	3,750	15,000	4,553
Membership	977	-	977	-	-	1,350
Retail Sales	17,661	15,995	17,661	15,995	80,000	16,946
Venue Hire	17,015	15,750	17,015	15,750	75,000	10,569
Total Trading Income	**109,774**	**115,492**	**109,774**	**115,492**	**490,000**	**104,283**
WCC Operating Grant	98,616	97,323	98,616	97,323	389,291	95,414
Sponsorship and Donations	583	-	583	-	-	58
Grants	19,505	19,500	19,505	19,500	78,022	26,007
Total Revenue	**228,478**	**232,315**	**228,478**	**232,315**	**957,313**	**225,763**
Cost of Sales						
Cost of Sales	27,288	18,819	27,288	18,819	84,494	16,275
Total Cost of Sales	**27,288**	**18,819**	**27,288**	**18,819**	**84,494**	**16,275**
Net Revenue	**201,190**	**213,496**	**201,190**	**213,496**	**872,819**	**209,488**
Other Income						
WCC Underwrite	-	-	-	-	184,000	-
Total Other Income	**-**	**-**	**-**	**-**	**184,000**	**-**
Operating Expenses						
Employee Costs	170,893	195,532	170,893	195,532	782,187	108,807
Exhibitions & Programmes	57,751	11,217	57,751	11,217	50,031	32,989
Marketing & Promotions	-	1,020	-	1,020	4,080	1,386
Occupancy Costs	16,098	16,173	16,098	16,173	63,914	18,055
Communication Costs	190	2,001	190	2,001	8,000	2,877
Technology Costs	-	600	-	600	2,497	2,045
Professional Fees	-	-	-	-	-	373
Administration Fees	3,245	5,380	3,245	5,380	18,996	3,835
Depreciation	694	1,251	694	1,251	5,000	761
Total Operating Expenses	**248,870**	**233,174**	**248,870**	**233,174**	**934,705**	**171,128**
Net Surplus/(Deficit)	**(47,680)**	**(19,678)**	**(47,680)**	**(19,678)**	**122,114**	**38,360**

Qtr Stat Fin Performance (Capital E)

Experience Wellington
For the 3 months ended 30 September 2021

Institution is 30 Capital E.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2020
Trading Income						
Trading Income						
Admissions	20,300	28,251	20,300	28,251	113,000	20,917
Retail Sales	2,598	2,751	2,598	2,751	11,004	2,540
Venue Hire	4,705	3,501	4,705	3,501	14,004	4,603
Total Trading Income	**27,603**	**34,503**	**27,603**	**34,503**	**138,008**	**28,059**
WCC Rental Subsidy	107,624	107,625	107,624	107,625	430,496	107,624
Sponsorship and Donations	1,710	3,825	1,710	3,825	15,300	2,574
Grants	153,917	151,929	153,917	151,929	607,716	150,000
Other Income	417	375	417	375	1,500	800
Total Revenue	**291,270**	**298,257**	**291,270**	**298,257**	**1,193,020**	**289,058**
Cost of Sales						
Cost of Sales	6,439	7,026	6,439	7,026	28,100	3,466
Openings - Exhibitions & Programmes	1,359	249	1,359	249	1,000	282
Total Cost of Sales	**7,798**	**7,275**	**7,798**	**7,275**	**29,100**	**4,748**
Net Revenue	**283,472**	**290,982**	**283,472**	**290,982**	**1,163,920**	**284,310**
Operating Expenses						
Employee Costs	198,547	315,480	198,547	315,480	1,261,931	278,610
Exhibitions & Programmes	146,384	198,249	146,384	198,249	792,992	190,756
Marketing & Promotions	15	1,149	15	1,149	4,596	6,295
Occupancy Costs	110,268	109,878	110,268	109,878	439,512	105,320
Communication Costs	390	750	390	750	3,000	607
Technology Costs	1,449	249	1,449	249	1,000	(270)
Professional Fees	15,000	1,749	15,000	1,749	6,996	4,099
Administration Fees	11,419	10,182	11,419	10,182	40,728	8,866
Depreciation	7,999	9,000	7,999	9,000	36,000	9,324
Development (FMC)	-	-	-	-	-	446
Digital-Marketing & Communications	-	-	-	-	-	6,763
Total Operating Expenses	**491,470**	**646,686**	**491,470**	**646,686**	**2,586,755**	**610,813**
Net Surplus/(Deficit)	**(207,998)**	**(355,704)**	**(207,998)**	**(355,704)**	**(1,422,835)**	**(326,503)**

Qtr Stat Fin Performance (City Gallery)

Experience Wellington
For the 3 months ended 30 September 2021

Institution is 40 City Gallery.

	QTR ACT	QTR BUD	YTD ACTUAL	YTD BUDGET	FULL YR BUDGET	YTD 2020
Trading Income						
Trading Income						
Admissions	6,650	3,260	6,650	3,260	498,445	8,895
Bar	215	3,000	215	3,000	7,000	321
Membership	4,943	900	4,943	900	3,600	587
Retail Sales	19,677	11,424	19,677	11,424	90,198	22,635
Royalty/Production/Tour fees	-	6,000	-	6,000	6,000	-
Venue Hire	4,245	13,800	4,245	13,800	43,100	5,041
Total Trading Income	**35,730**	**38,384**	**35,730**	**38,384**	**648,343**	**37,478**
WCC Rental Subsidy	159,165	159,825	159,165	159,825	639,300	159,165
Sponsorship and Donations	2,850	249,400	2,850	249,400	642,200	11,547
Grants	22,200	30,520	22,200	30,520	106,580	103,500
Other Income	18,423	21,342	18,423	21,342	133,562	757
Wages On-charged	-	600	-	600	1,800	-
Contractors fees On-charged	-	300	-	300	600	-
Total Revenue	**238,369**	**500,371**	**238,369**	**500,371**	**2,172,385**	**312,447**
Cost of Sales						
Cost of Sales	27,143	20,464	27,143	20,464	117,458	15,864
Openings - Exhibitions & Programmes	8,222	12,000	8,222	12,000	47,000	358
Total Cost of Sales	**35,365**	**32,464**	**35,365**	**32,464**	**164,458**	**16,223**
Net Revenue	**203,004**	**467,907**	**203,004**	**467,907**	**2,007,927**	**296,225**
Operating Expenses						
Employee Costs	465,808	431,538	465,808	431,538	1,785,346	402,776
Exhibitions & Programmes	143,245	214,510	143,245	214,510	1,439,990	105,436
Marketing & Promotions	37,116	39,660	37,116	39,660	344,540	7,291
Occupancy Costs	229,257	224,199	229,257	224,199	1,122,716	224,760
Communication Costs	1,290	10,260	1,290	10,260	27,910	2,775
Technology Costs	1,581	4,500	1,581	4,500	10,800	729
Professional Fees	-	1,200	-	1,200	3,800	428
Administration Fees	7,943	15,985	7,943	15,985	59,005	7,948
Depreciation	8,436	8,700	8,436	8,700	34,800	13,571
Total Operating Expenses	**894,675**	**950,552**	**894,675**	**950,552**	**4,828,907**	**765,714**
Net Surplus/(Deficit)	**(691,671)**	**(482,645)**	**(691,671)**	**(482,645)**	**(2,820,980)**	**(469,490)**

Qtr Stat Fin Performance (City Gallery) Experience Wellington

Statement of Financial Position

Experience Wellington
As at 30 September 2021

	30 SEP 2021	30 JUN 2021
Assets		
Fixed Assets		
Property, plant and equipment	1,067,703	1,132,667
Collections and Artefacts	2,338,816	2,338,816
Intangible assets	28,007	35,711
Total Fixed Assets	**3,434,526**	**3,507,194**
Non-Current Asset		
Legacy Investment with Nikau Foundation	293,325	293,325
Total Non-Current Asset	**293,325**	**293,325**
Current Assets		
Inventory	191,937	144,603
Trade and other receivables	721,970	760,453
Cash and Cash equivalents	2,607,350	1,737,000
Total Current Assets	**3,521,248**	**2,642,056**
Total Assets	**7,249,099**	**6,442,575**
Liabilities		
Current Liabilities		
Trade and other payables	3,128,563	2,129,884
Employee benefits	316,947	316,086
Total Current Liabilities	**3,445,510**	**2,445,970**
Total Liabilities	**3,445,510**	**2,445,970**
Net Assets	**3,803,589**	**3,996,605**
Equity		
Reserves	2,601,444	2,601,840
Retained earnings	1,202,145	1,394,765
Total Equity	**3,803,589**	**3,996,605**

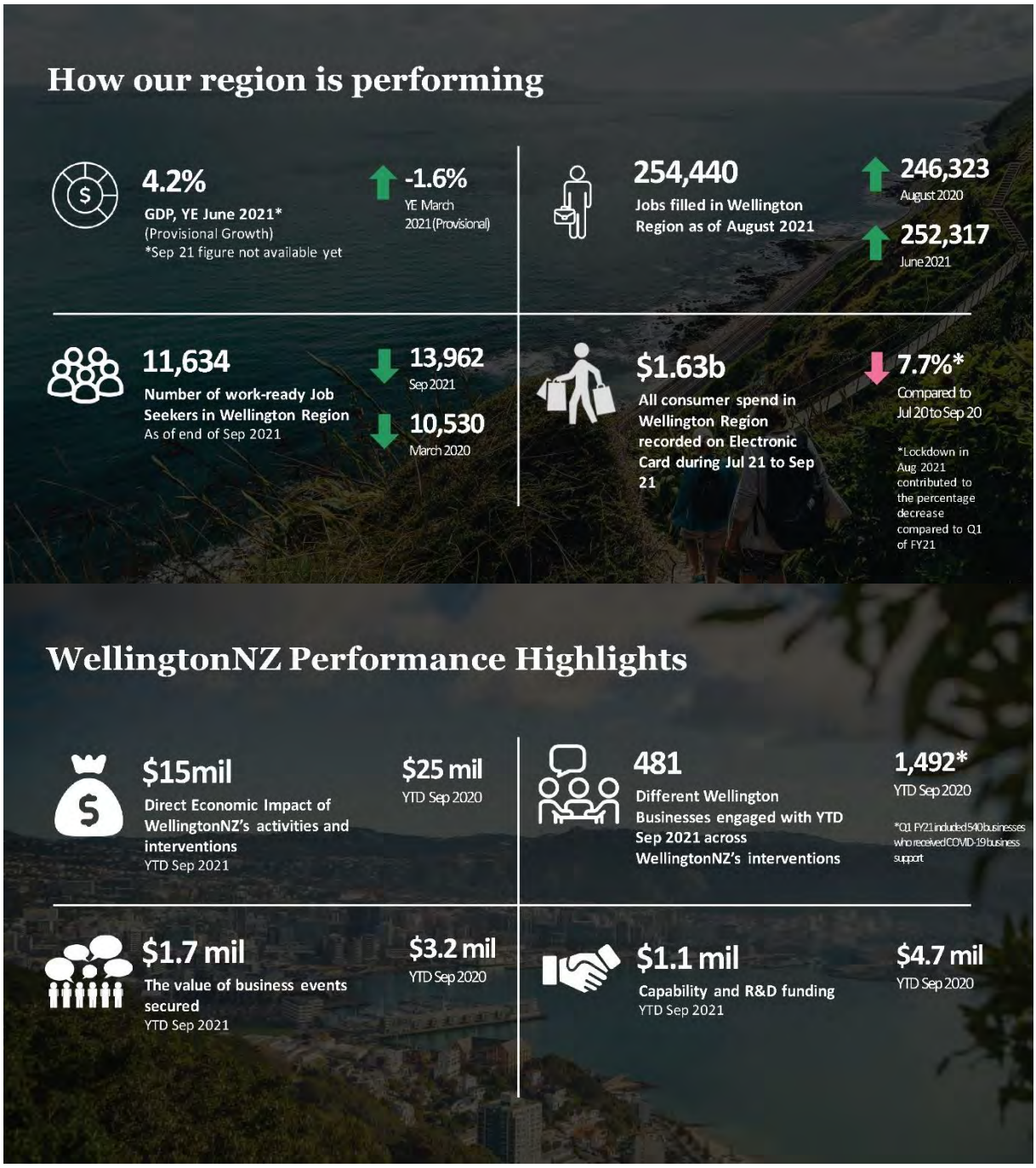
Statement of Financial Position Experience Wellington



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 below.

MISSION Make the Wellington region wildly famous		
VISION The Wellington regional economy is thriving with more people participating in the benefits		
MORE Businesses succeeding and employing more people	**MORE** Locals and visitors participating in events and experiences	**MORE** Collaboration and investment across the region
JOBS FOR THE FUTURE	**PLACEMAKING**	**COLLABORATION & ENGAGEMENT**
Support businesses to grow, innovate and meet future workforce needs.	Enhance Wellington's reputation as New Zealand's creative heart	Work in partnership to support investment in the region to unlock opportunities


How our region is performing
4.2%
GDP, YE June 2021*
(Provisional Growth)
*Sep 21 figure not available yet
-1.6%
YE March 2021 (Provisional)
254,440
Jobs filled in Wellington Region as of August 2021
246,323
August 2020
252,317
June 2021
11,634
Number of work-ready Job Seekers in Wellington Region
As of end of Sep 2021
13,962
Sep 2021
10,530
March 2020
$1.63b
All consumer spend in Wellington Region recorded on Electronic Card during Jul 21 to Sep 21
7.7%*
Compared to Jul 20 to Sep 20
*Lockdown in Aug 2021 contributed to the percentage decrease compared to Q1 of FY21
WellingtonNZ Performance Highlights
$15mil
Direct Economic Impact of WellingtonNZ's activities and interventions
YTD Sep 2021
$25 mil
YTD Sep 2020
481
Different Wellington Businesses engaged with YTD Sep 2021 across WellingtonNZ's interventions
1,492*
YTD Sep 2020
*Q1 FY21 included 540 businesses who received COVID-19 business support
$1.7 mil
The value of business events secured
YTD Sep 2021
$3.2 mil
YTD Sep 2020
$1.1 mil
Capability and R&D funding
YTD Sep 2021
$4.7 mil
YTD Sep 2020

Delta response

Opportunity

With New Zealand heading into new lockdowns, WellingtonNZ wanted to support local businesses and its clients, in the effort to minimise the economic impact of level restrictions.

Activity and results

- WellingtonNZ.com was reorganised overnight to focus on a local market, with delivery directories of local food and drink. Content generated 62,481 website visits and more than 35,000 referrals to businesses
- Heading into Level 3, we partnered with the Wellington Culinary Events Trust to reactivate the At Yours eatery directory. This performed well, with the directory of 160 business listings getting 31,898 views from a total 15,639 users.
- In Level 2, we supported the extension of Wellington On a Plate and its Burger Wellington activation.
- This latest outbreak has been devastating for the events sector and the economic impact has been felt in Wellington with not only the loss of WOW, but also two All Blacks tests and many events being rescheduled to later in the financial year to avoid restrictions. We worked closely with event organisers to try and make these events work in Wellington, but for various reasons the event organisers made the decision to cancel or move elsewhere – in the case of Rugby NZ.
- WellingtonNZ supported nearly 300 small businesses through our Business Growth Team

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

Q1 started strong with 46,917 people enjoying a variety of performance and business events across our venues in July alone.

August saw the arrival of the Delta variant into New Zealand which resulted in a national lockdown and ongoing restrictions from COVID Alert Level 2. This resulted in a significant loss of events from the Q1 Calendar, which is ongoing as the Level 2 setting remains.

Throughout these challenges, the Venues Wellington team worked well with event partners to reschedule events into Q3 and Q4 and most of the displaced events have been retained in Wellington within the 2021/2022 financial year.

Results

- 23 performance events were delivered during Q1
- 52,053 people enjoyed a wide variety of performance events
- 24 business events were delivered and attended by more than 14,282 delegates

JOBS FOR THE FUTURE





PLACEMAKING



PLACEMAKING

Beervana

Opportunity

After being moved to November in 2020 following covid complications, Beervana returned to its August home this year to celebrate the industry in innovative ways.

With an aim to return to pre-covid levels, new initiatives were created such as making Beervana weekend the pinnacle of the ultimate culinary weekend, aligning with Visa Wellington on a Plate offerings at the same time providing a strong weekend destination offering.

Outcome

Wellington Culinary Events Trust continue to be strong event operators and delivered a great event again in 2021. Beervana exceeded their numbers from recent years with 16,321 attendees across the four sessions (300 more than in 2019), showing a strong appetite from consumers to return to events and support local offerings.

Results

- 16,321 attendees across the four sessions
- 45% of attendees came from outside of the Wellington region
- 94% satisfaction rate from attendees
- 93% of survey respondents agreed hosting events like Beervana made Wellington a better place to live
- Extensive media coverage for Wellington



JOBS FOR THE FUTURE

Creative HQ: Climate response accelerator

Opportunity

The Climate Response Accelerator is a 12-week programme designed to help impact-focused entrepreneurs solve some of our planet's most urgent challenges. Eight teams from across New Zealand were provided with $20,000 in equity-free funding, mentorship and the tools and resources to help them advance at each stage of their growth.

The programme needed to be "Climate Positive", the emissions related to the footprint of specific events, travel and consumption was factored in and then double of the estimated amount was offset with CRA partner, CarbonClick.

Outcomes

This programme is part of a much larger effort to reduce emissions and shift our way of living to a cleaner and more regenerative system. We believe that founder-led innovation can help us get to zero emissions and meet our other ambitious climate-related targets. To this end, our most direct impact is on the speed at which founders can get to market with new technologies and solutions.

Results

Looking back on the programme, the key question to ask is, did we effectively accelerate teams? Three of the CRA teams have already closed their capital raise for over $1.5M and two additional teams are progressing nicely towards their raises.



TasmanION

Opportunity

In the next ten years, automakers are expected to invest US$300b to accelerate electric transport- implying a shortage of lithium-ion batteries (LIBs) for other applications. TasmanION aims at commercialising aluminium-ion batteries (AIBs) that offer a cheaper and more sustainable alternative to the increasing battery demands.

Outcome

TasmanIon joined the Climate Response Accelerator programme with the primary goal of raising capital. Additionally, founder Shalini Divya was looking to upskill herself as a founder, having spent most of her time in the lab as a technologist.

Results

During the 12 weeks, TasmanION achieved the following:

- Through working with her coach and team of mentors, Shalini gained the confidence to step out of the CTO role and take over as CEO
- Won a grant from SfTI (Science for Technological Innovation National Science Challenge)
- Currently progressing well toward raising capital goal

JOBS FOR THE FUTURE



COLLABORATION & ENGAGEMENT

Sustainable tourism pilot

Opportunity

WellingtonNZ, CreativeHQ and Wellington tourism operators co-designed a pilot sustainability programme with the aim of moving local tourism businesses from good intentions to tangible sustainable outcomes. Funding has been provided from Wellington City Council's Tipu Toa fund and from WellingtonNZ's capability building component of MBIE's STAAP funding for RTOs.

Approach

- The programme launched late July and is being run by Tourism Industry Aotearoa, kaitiaki of the New Zealand Tourism Sustainability Commitment.
- Tourism businesses operating within Wellington city were selected to take part in a pilot and include iwi businesses, DOC concessionaires, small tour operators, large- and small-scale accommodation, conferencing venues and local transport providers.
- Carbon measurement, procurement and Te Reo Māori cultural sessions have been completed along with individual business sustainability Audits and Plans for each of the 12 businesses.

Results

- The pilot will wrap on 10 November with evaluation and further reporting to follow. There is genuine excitement, collaboration and change amongst the participants even at this stage.
- Three businesses completed a carbon assessment at the mid-way point.
- Wellington is recognised as a leader in addressing city tourism sustainability challenges with several NZ regions now considering adopting the programme.
- WellingtonNZ will work with the businesses to assist with storytelling, business development and marketing opportunities when the pilot wraps.



What's coming up

JOBS FOR THE FUTURE	PLACEMAKING	COLLABORATION & ENGAGEMENT
Support businesses to grow, innovate and meet future workforce needs	**Enhance Wellington's reputation as New Zealand's creative heart**	**Working in partnership to support investment in the region to unlock opportunities**
• Creative HQ's Govtech accelerator will conclude with a Showcase in November • Sustainable Tourism pilot evaluation and consideration for future extension • Summer of Tech internship placements, which are anticipated to be at their highest level • Employer Connect programme, connecting international students to employers • Young Enterprise Scheme regional finals	• Major Events including Hilma af Klint exhibition at City Gallery, the Aotearoa NZ Festival of the Arts and Homegrown • A visitor attraction campaign targeting summer travel • Love Local: Shop & Win promotion • Love Your Lunchtime promotion to stimulate CBD spending • Christmas promotion • New business storytelling project • Regional Trails campaign	• The development of a new Wellington Regional Economic Development Strategy is underway • Wairarapa Economic Development Strategy and Action Plan refresh • Publication of Destination Management Plans for the different parts of the region to be followed by an 'umbrella' Wellington regional Plan • Delivery of Wellington Region Screen Sector Strategy • Secondment of David Perks and Business Events Wellington team to WCC to help set up Tākina

WellingtonNZ Service Performance – YTD Sep 2021

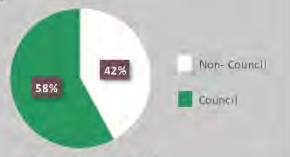
Key performance indicators
Indirect Measures



Key performance indicators
Direct Measures



Financials
Council vs Non-Council/ Commercial
Actual YTD



Includes WellingtonNZ and CHQ

Indirect Measures of Impact

	YTD	Target 2020/21
International Arrivals through Wellington Airport – International (1)	1,916	50,000
International Arrivals through Wellington Airport – Australian (2)	1,877	30,000
Visitors Spend - Domestic (3)	$152 M	$927 Million
Visitors Spend – Other (4)	$15 M	$140 Million
Total Visitors Nights to Wellington Region (5)	354,900	2,375,000
Share of Multi-Day Conferences reported in Wellington Region (6)	N/A	22%
Population Growth due to Migration to Wellington Region (7)	Annual	11,000
Wellington Region GDP (8)	4.2%	1.5%
Number of Filled Jobs in Wellington (9)	254,440	255,000
Number on Jobseeker Support benefit – Work Ready (10)	11,634	12,500
Mean Annual Earnings of people in employment in Wellington Region – Total (11)	$73,736	$72,372
Mean Annual Earnings of people in employment in Wellington Region – Māori (12)	$65,520	Create Benchmark

Comments on measures

(1) Includes only July and August figures (Sep data not available, but borders closed anyway)
(2) Includes only July and August figures (Sep data not available, but borders closed anyway)
(3) Includes July and August figures only (Sep data not available yet)
(4) Includes July and August figures only (Sep data not available yet)
(5)
(6) Data for Q1 not yet available
(7) Annual figure published by Infometrics.
(8) YE June figure only, September not yet available
(9) As of end of August 2021. Filled Jobs for Sep 21 would be released end of October 2021.
(10) As of end of September 2021 figure
(11) Provisional only – Household Labourforce Survey data. Calculations based on weekly earnings as reported in survey.
(12) Provisional only – Household Labourforce Survey data. Calculations based on weekly earnings as reported in survey.

WellingtonNZ Service Performance – YTD Sep 2021

WellingtonNZ is delivering direct value/ROI on our shareholders investment	YTD	Target 2021/22
Direct Economic Impact of WellingtonNZ's activities and interventions (1)	$15.25 M	$150 Million
WellingtonNZ is shaping and amplifying the regional destination/brand story		
Equivalent Advertising Value (EAV) from media activity (2)	N/A	$25 Million
Value of expenditure generated from events (including business, performance and major events)(3)	$9.95 M	$ 75 Million
The number of Wellington Region Residents that attend events (4)	63,877	500,000
WellingtonNZ is supporting businesses to upskill and grow		
Number of different business engagements in WellingtonNZ programmes (5)	481	2,000
Internal – Financial Health		
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)	42%	30%
Internal – Employee Health		
Employee Engagement (8)	N/A	68%
Internal – Stakeholder Relation Health		
Stakeholder Satisfaction (9)	Annual	More than 80%

Comments on measures

(1) Estimate with available data only. Will need to be revised at a later date.

(2) EAV would be available in Q2. Reporting has changed and only available 6 monthly now.

(3) Due to impact of Covid Alert Levels restricting events, we believe that this KPI is at risk of not being achieved.

(4) Due to impact of Covid Alert Levels restricting events, we believe that this KPI is at risk of not being achieved.

(5)

(6)

(7)

(8)

(9) Annual – results available end of year

Traffic Light Key

- KPI measure on track
- KPI at risk/not meeting target
- KPI measure will not meet target
- KPI data not available

WellingtonNZ Statement of Financial Performance

For the 3 months ended 30 September 2021, including Creative HQ but excluding the Venues Project

STATEMENT OF FINANCIAL PERFORMANCE	YTD Actual 30-Sep-21	YTD Budget 30-Sep-21	Variance YTD	FY Budget 30-Jun-22
Revenue				
Event revenue	0	0	0	0
Shareholder grants	5,040,083	5,734,067	(693,984)	22,684,382
Government grants	403,934	831,831	(427,897)	3,062,360
Partner revenue	1,282,973	552,054	730,920	2,208,215
Commercial/Service	1,781,569	1,889,668	(108,099)	5,202,431
Sub lease and carpark revenue	0	0	0	0
Interest income	6,446	8,100	(1,654)	32,400
Other income	209,216	221,393	(12,177)	555,570
Total Revenue	8,724,222	9,237,113	(512,890)	33,745,358
Total Direct Costs	0	0	0	0
Operating Expenses (overheads)				
Salaries and wages	3,326,433	3,345,391	18,957	13,469,694
Other employment costs	104,291	139,360	35,069	528,748
Occupancy costs	148,426	190,895	2,469	604,524
Marketing & activity expenses	2,732,331	4,908,452	2,176,121	17,545,684
Utilities	6,583	7,100	517	27,000
IT and communications	135,012	140,991	5,979	553,527
Insurance	300	4,000	3,700	16,000
Administration costs	59,031	78,748	19,717	288,814
Vehicle expenses	11,510	11,602	92	46,408
Travel costs	44,581	41,690	(2,891)	122,670
Professional fees	61,556	112,170	50,614	417,335
Director fees	57,917	66,250	8,333	265,000
Other operating expenses	(15,854)	18,603	29,457	60,288
Total Operating Expenditure	6,672,116	9,020,251	2,348,135	33,945,592
Total Expenditure	6,672,116	9,020,251	2,348,135	33,945,592
Net Surplus/(Deficit) before Depreciation and Tax	2,052,106	216,862	1,835,244	(200,234)
Interest expense	3,358	3,359	1	11,781
Depreciation	49,976	61,537	11,561	245,679
Movement in investment valuation	0	0	0	0
Taxation expense	35,890	34,515	(1,375)	42,306
Net Surplus/(Deficit)	1,962,881	117,451	1,845,430	(500,000)

First quarter of the year has been impacted by the Covid-Delta restrictions across all businesses.

The halt to events in Venues has resulted in lower wage costs at WellingtonNZ, as no casual staff have been employed since 18 August 2021. Savings in wages is matched by a lower management fee, reducing Shareholder revenue.

In WellingonNZ there is lower spending on marketing activities due to the current uncertainty of when Covid-Delta restrictions will ease and the trans-Tasman bubble re-starting. Lower Grant income is due to timing compared to YTD budget. We anticipate this to be timing only as other events and new marketing campaigns are developed.

Lower Government grant income in CHQ due to the cancellation of a summit and weaker Commercial revenue in CHQ due to delays in some projects and in ISite mainly due to lower visitor numbers to the city over winter and the Covid-Delta restrictions.

Good cost control occurring across all business groups.

WellingtonNZ Statement of Financial Position

As at 30 September 2021, including Creative HQ and excluding Venues Project

Current liabilities are higher at 30 June due to holding the ledger open for a longer period to ensure as many invoices for the 30 June 2021 financial year are captured. Also, many programmes of work finish in June resulting in higher accounts payable at year end.

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

STATEMENT OF FINANCIAL POSITION	As at 30-Sep-21	As at 30-Jun-21
Shareholders Equity		
Paid up capital		
Retained earnings	5,867,134	3,757,001
Total Shareholder/Trust Funds	5,867,134	3,757,001
Current Assets		
Cash and cash equivalents	6,738,388	6,827,388
Other current assets	2,092,630	2,117,726
Total Current Assets	8,831,017	8,945,114
Investments	1,489,754	1,489,754
Non-current Assets		
Fixed assets	644,017	677,429
Other non-current assets	27,392	0
Total Non-current Assets	671,409	677,429
Total Assets	10,992,180	11,112,297
Current Liabilities		
Accounts payable	586,160	1,868,626
Other current liabilities	4,538,886	5,467,293
Total Current Liabilities	5,125,046	7,335,919
Non-current Liabilities	0	19,377
Total Liabilities	5,125,046	7,355,296
Net Assets	5,867,134	3,757,001

To: Wellington City Council
From: Wellington Zoo Trust
Date: 30 September 2021

WELLINGTON Zoo

First Quarter Report 2021/22 Financial Year

Highlights

- Wellington Zoo's Chief Executive has been confirmed by member vote as the incoming Vice President for the World Association of Zoos and Aquariums. This is an excellent achievement and in line with Wellington Zoo being recognised as a world leader in animal welfare, sustainability and visitor experience as a progressive zoo.
- The Nest Te Kōhanga team were requested by DOC to support the care of stranded Orca, Toa, in Plimmerton recently. DOC requested the team's assistance specifically to act in an advisory capacity providing veterinary/conservation medicine guidance.
- Wellington Zoo has been announced as one of three finalists in the 2021 Tourism Industry Awards in the Environment category which is an excellent achievement considering there were a record number of entrants this year.
- All Kanohi Kitea (te ao Māori programme) workshops were completed in August, attended by over 70 staff who each attended two workshops. These were facilitated by Neavin Broughton, Taranaki Whānui and a follow-up meeting has been held with him to decide on the next steps forward.
- Following August/September's lockdown, management sent out an Ask Your Team survey on *"Remote Working & Wellbeing"* with the results of the survey sitting at a positive 83%. The survey covered staff's access to the internet, tools and systems needed to work from home and how supported by their managers and teams they felt during lock down. Some questions were also specifically targeted towards how supported and protected our essential workers on site felt during the same time.
- Animal Science Manager is continuing to work with Copenhagen Zoo to transfer two lion brothers to Wellington Zoo, with a planned arrival in early November. The Lions are 18 months old and on arrival will go into quarantine for a month before we introduce them to our community.
- Wellington Zoo was used as one of the case studies in ECCA[1]'s Genless Sustainability Series of videos. This involved our Director, Safety, Assets and Sustainability, who took viewers on a walkabout of Wellington Zoo's sustainability and conservation initiatives. ECCA is sharing the Sustainability Series of videos to inspire other organisations, and individuals, to do their bit for the planet.
- DOC have asked Wellington Zoo to be part of a conservation breeding programme for the endangered Whittaker's Skink. We will be planning for this over the coming months with a view to bring in two to four skinks once remedial work on Te Piringa Iti is completed. This is an important part of the role we had hoped Te Piringa Iti would take for reptile and invertebrate conservation breeding, in addition to our Wellington Green Gecko Programme.

Challenges this Quarter

- The COVID-19 Delta variant lockdown impacted on revenue during the quarter via cancellation of venues bookings, Close Encounters and Winter Wednesdays. Some of this loss in revenue was mitigated by two tranches of the wage subsidy and the final STAPP payment.
- COVID-19 lockdown and subsequent Alert Levels has also created delays to a number of renewal projects, both through the inability of contractors to work during lockdown and, more recently, the restricted access to key building materials. We are looking at advance purchase of materials wherever possible to mitigate this risk long-term for future 2021/22 projects.

Visitor Attendance as at 30 September 2021:

	Current YTD 2021/22
Actual	31,554
Annual Target	255,936

	Annual Target	Current YTD 2021/22
Student and Education Visits	20,000	5,939

[1] Energy Efficiency & Conservation Authority



Leadership Excellence and Performance (LEAP) Programme

Grow our people through learning and development

- One of the themes from the 2019 Ask Your Team survey was that we had inconsistency among managers and leaders. To address this, a Leadership Excellence and Performance (LEAP) programme was launched in September for all managers, team leaders and those with organisational responsibility. The LEAP programme will set a common leadership understanding, language and approach across the organisation. LEAP is being delivered over six workshops and will be embedded in the induction programme for future managers and leaders.

- Work continues on developing a Learning and Development Framework for the organisation with a workshop for SMT facilitated by an external Learning and Development specialist in August to test the foundations of the draft framework so far.

- During Alert Levels 4 and 3, sales and service staff undertook training and upskilling and ran a series of in-house workshops via Microsoft Teams.

- The second round of Keeper Development Programme assessments were undertaken at the end of September. Two additional Keepers have also joined the programme in the latest intake which brings Keepers currently working through the programme to seven.

- With the resignation of one of our GMs, an opportunity was taken in July/September to realign the Strategic Management Team to our new stategy. A Chief Operating Officer role was established which has assumed responsibility for operational excellence and the GM, Animal Care & Science and GM, Business & Partnerships roles were disestablished. GMs of Communications, Experience and Conservation and Safety, Assets and Sustainability had a title change to Directors of those areas.

Sustain a safety conscious culture

- Earthquake-Prone building notices have been issued for both the Horticulture Shed (back wall) and Te Piringa Iti, the building which houses our Wellington Green Gecko breeding facilities centre. While the Bea Arthur office on top of the Hort Shed is safe in itself, we are not prepared to risk staff safety. As part of the Seismic Strengthening Programme, four temporary Portacoms have been installed on the road outside the Tea Rooms to house staff needing to vacate Bea Arthur.

- WZT underwent a SafePlus On-Site Assessment during July. This consisted of a survey completed by staff and an on-site assessment by an external consultant. Overall, management was satisfied with the final recommendations, noting that several were already in the process of being assessed and reviewed while some others crossed over each other. Work has already started to list, group and prioritise recommendations and to identify key actions and milestones to achieve the required outcomes.

- In early August, our Director Safety, Assets and Sustainability and H&S Lead attended a workshop targeted at the development of Health & Safety Representatives. The workshop content is designed to outline current best-practice principles that can be included in the updated Worker Engagement processes for the Zoo. One of the SafePlus On-site Assessment recommendations was to appoint Health & Safety Representatives.

- With several new staff on board, the Sales & Service team participated in an internal training session after-hours which focused on delivering the Zoo's expectations of that team during each of the "Code" emergency events to ensure a consistent approach is taken by all.

Improve and maintain the physical assets

- Work is ongoing to upgrade Zoo assets, or new builds, including:
  - Accumulated material from the past 20 years has been removed from the Monkey Island moat. This has allowed for a thorough assessment of the moat's condition and a revamp of the water pump and flow system along with the installation of a mid-moat electric fence;
  - A purpose-built bike shelter has been erected for staff bikes;
  - Habitat improvement works in Meet the Locals He Tuku Aroha with a second visitor gate being added to the sheep paddock;
  - The disused block of visitor toilets and storage room has been demolished (earthquake prone);
  - A building contractor is providing a construction estimate for the earthquake strengthening required at Te Piringa Iti;
  - The old bird aviaries at the back of Wild Theatre are being upgraded to act as a temporary holding area for the two Lace Monitors while their habitat is being built, and to house the residents of Te Piringa Iti while strengthening works are completed; and
  - Repairs have been done to the water pumps in both The Nest Te Kōhanga and the Penguin habitat which unfortunately broke down at the same time during Alert Level 3.

Model values aligned behaviours

- The Rainbow Tick learning module was launched in Tickbox[2] with all staff required to complete as it is an important step in our Rainbow Tick certification pathway.

Meet all legal and compliance requirements

- The annual ComplyWith Survey for legislative compliance was carried out in July 2021 and showed a good level of compliance with 99% of staff responses raising no issues. Some of the issues identified were already being dealt with via the H&S team with the remaining two matters relating to minor employment relations compliance issues.

[2] an innovative internally accessed programme used to manage the Trust's key learning and information documents.

Embed wellbeing for our people

- In July, the Board approved the reviewed Flexible Working Arrangements Policy. While there have always been flexible working arrangements in place for staff at the discretion of their managers, following the 2020 COVID-19 Alert Level lockdown, an increasing number of staff have expressed the desire to be able to, at times, work from home.
- Following August/September's lockdown, management sent out an Ask Your Team survey on *"Remote Working & Wellbeing"* with the results of the survey sitting at a positive 83%. The survey covered staff's access to the internet, tools and systems needed to work from home and how supported by their managers and teams they felt during lock down. Some questions were also specifically targeted towards how supported and protected our essential workers on site felt during the same time.
- Health and Safety Lead ran a series of activities and posted useful articles and tips on Workplace from Facebook for staff to access during Mental Health Awareness Week. The theme of Mental Health and Safety Week was *Take the Time to Korero.*
- Management has been actively encouraging staff to be vaccinated and will support them to have the injections during work hours and grant them discretionary leave if they have a reaction to the vaccine. This is the same process when staff need to have a COVID-19 test and have to stay home until the results are received or fully recovered.

Sustain financial success by data driven decision making

- During the quarter, we undertook a project with a Stanford University MBA candidate who looked at our venues business and helped us to start a new strategy for driving increased growth from this area of our business. Eric's report proved there was substantial opportunity for growth in this area and his work will help us look at our Venues' positioning and overall market strategy.
- The government's wage subsidies had offset the drop in revenue because of COVID-19 Alert Levels 4 and 3, however we will not be eligible for a third subsidy as we cannot attribute our revenue decline to the impact of Auckland's COVID-19 Alert Level 3. The final STAPP funding payment of 164k had been approved and we will be applying for IRD's Business Resurgence Fund which, if successful, will further mitigate some of the September revenue shortfall.

Commit to outstanding daily visitor care

- The Sales and Service team have done an exceptional job managing customer expectations and providing great service throughout Alert Levels 4, 3 and 2. While we have had to rearrange bookings for our experience products and venues, the proactivity of the team has led to little in the way of refunds that we could have otherwise expected. The majority of customers (80%) chose to rebook their experience rather than request a refund. Feedback from a visitor: *"WOW! That's absolutely amazing, thank you so much! That's absolutely blown me away, it is so kind and generous of Wellington Zoo to extend the vouchers even though it was no fault of theirs. Thank you so much, my friend is over the moon! She plans to have a family day out at the zoo. Again, I am beyond grateful and will be singing your praises at how incredibly generous that is of Wellington Zoo! Have a great week!"*
- The Sales and Service team has reviewed our retail suppliers and created an updated learning/sales guide for the team on the sustainability and conservation messages attached to our different retail products. The team also reviewed our bookings processes and documents and undertook a range of other continuous improvement exercises.
- With Café Mojo's ten-year contract terminating at the end March 2022, we have gone to market calling for Registrations of Interest (ROI) for a hospitality partner to deliver the catering services for both the two retail outlets at Wellington Zoo as well as our functions catering. Our expectation of this provider is for them to align with our strategic project to enhance our venues business and, if possible, invest in the venues as well as the retail cafes.



WZT's Usedfully Report

Developing initiatives for social, environmental and economic sustainability

- Usedfully (previously The Formary) sent us a breakdown of the various uniform pieces we have sent them recently to be repurposed. These items are being used to support Usedfully's Research and Development Programme for end-of-life textile solutions which includes roading and building product trials. This is a really exciting way for the Zoo to ensure we do everything we can to reduce the environmental impact of our uniform choices.

- Wellington Zoo's Chief Executive has been confirmed by member vote as the incoming Vice President for the World Association of Zoos and Aquariums. This is an excellent achievement and in line with Wellington Zoo being recognised as a world leader in animal welfare, sustainability and visitor experience as a progressive zoo. WAZA Council has three representatives from North America, three from Europe and three for the rest of the World. To fulfil her new role as Vice President, Karen will be stepping down from her position as Chair of the WAZA Ethics and Animal Welfare Committee but is staying on the WAZA Conservation and Environmental Sustainability Committee. This was WZT's top LinkedIn post for September with 5,103 impressions and 295 engagements.

- Staff attended:
  - WAZA sustainability webinar series on single use plastics and FSC use; and
  - 2021 ZAA[3] Conference and helped present Sustainable Supply Chain Workshops with the ZAA Palm Oil Taskforce.

- The Marketing and Communications team have added a fun quiz to the Twilight Te Ao Māhina doors and installed some climate actions on the wall at Conservation Corner to encourage our visitors to act. We also talk about Wellington Zoo's kaupapa Me tiaki, Kia ora! and encourage visitors to pledge an action to help the environment flourish.

[3] Zoo and Aquarium Association

- A series of water meters have been installed around the Zoo which will enable us to employ targeted initiatives to reduce overall water use.

- Wellington Zoo was used as one of the case studies in ECCA[4]'s Genless Sustainability Series of videos. This involved our Director, Safety, Assets and Sustainability, who took viewers on a walkabout of Wellington Zoo's sustainability and conservation initiatives. ECCA is sharing the Sustainability Series of videos to inspire other organisations, and individuals, to do their bit for the planet.

- Wellington Zoo, along with almost 100 other zoos and conservation organisations signed a statement in support of sustainable palm oil. Our Conservation Manager is working with ZAA's Sustainable Palm Oil Taskforce to help push Australia and New Zealand towards 100% labelled and sustainable palm oil.

- Director, Safety, Assets and Sustainability met with Wellington Predator Free to discuss their Phase 2 roll-out plans in the Eastern suburbs and what it will look like within the Zoo and the surrounding town belt and community. This started with some monitoring in August and followed up with a workshop with some of the Zoo team around how problem areas can be targeted for specific animal safe measures to improve the success of the project.

Integrating the United Nations Sustainable Development Goals

- Director of Communications, Experience and Conservation and the Conservation Manager reviewed Wellington Zoo's identified UN Sustainable Development Goals against the WAZA[5] Sustainability Strategy, *Protecting Our Planet*. Identified areas for impact across the Zoo will establish baseline measures to set aspirational targets to contribute to these SDGs.

- Chester Zoo produced a video on behalf of nearly 100 conservation organisations, including Wellington Zoo, to share the message about sustainable palm oil with people around the world. Wellington Zoo is proud to be associated with this video and to contribute to ZAA's Sustainable Palm Oil Taskforce. As part of our UN Sustainable Development Goals work, the Trust is looking at the next steps to be taken to support sustainable palm oil.

[4] Energy Efficiency & Conservation Authority
[5] World Association of Zoos and Aquariums



New Lions from Copenhagen Zoo (as yet unnamed) scheduled to arrive early November

Strategic species planning for our site and staff expertise

- Animal Science Manager is continuing to work with Copenhagen Zoo to transfer two lion brothers to Wellington Zoo, with a planned arrival in early November. The Lions are 18 months old and on arrival will go into quarantine for a month before we introduce them to our community.
- WCC Chief Executive signed a Letter of Intent for Naylor Love to ensure a fixed cost contract for the Snow Leopard Project. Naylor's are now starting their formal engagement of key subcontractors across the project – particularly with the demolition and mesh fixing contractors. The availability of contractors across the Wellington Region, and the procurement of specific materials both here and from overseas, is a key risk for the project.
- DOC have asked Wellington Zoo to be part of a conservation breeding programme for the endangered Whittaker's Skink. We will be planning for this over the coming months with a view to bring in two to four skinks once remedial work on Te Piringa Iti is completed. This is an important part of the role we had hoped Te Piringa Iti would take for reptile and invertebrate conservation breeding, in addition to our Wellington Green Gecko Programme.
- The Regional species coordinator provided a recommendation for us to breed our Chimpanzee as part of the managed breeding programme. In July we announced the pregnancy of Chimpanzee Sally who is due in October 2021. Sally will be a second time mum and has shown solid parenting skills to her son Bakari, also living at Wellington Zoo.

TINANA OUR ANIMALS

Departure

Species	Gender		Date
None			

Arrivals

WZT Quarterly Report: Quarter One 2021/22
Page 7

WELLINGTON Zoo

Species	Gender		Date
3 Swamp Wallabies	2 males and one female	From Taronga Zoo	December 2021
2 Lions	Males	From Copenhagen Zoo	November 2021

Science based animal welfare practices so the animals are happy

- Director Communications, Experience and Conservation and the Community Engagement Manager had a co-authored article, *"Happy Animals – Interpreting the Five Domains Model of Animal Welfare at Wellington Zoo"* published in the latest IZE[6] journal on how Wellington Zoo integrates the Five Domains of Animal Welfare into our learning experiences through "Happy Animals". Helping Visitors to understand this critical part of Wellington Zoo's work is extremely important.

- We continue to monitor the OiE[7]'s advice about the potential impact COVID-19 could have on the animals in our care. We do not feel that there is any heightened risk at the moment given New Zealand's current situation and management of COVID-19, however, we acknowledge that we may have to implement further risk mitigations over time, particularly when our borders open next year.

- WZT's Animal Welfare Committee met in September with one independent and four new staff representatives joining the group for the next two years. At this meeting the committee discussed a new animal dietary management software programme being trialled at the Nutrition Centre. The team are integrating Wellington Zoo data which contains the nutritional breakdown of New Zealand grown produce which will improve our understanding of animal diets and enable us to address the recognised Selenium, Iodine, Chromium, Zinc and Boron soil deficiencies in New Zealand.

World leading animal care so the animals live their best lives

- The Animal Care and Science team again did a superb job through the COVID-19 Level 4 and Level 3 lockdowns, continuing to care for the animals on-site throughout this period. As with lockdowns before, the teams operated on an "emergency roster" whereby they were split into two groups who worked three days on site, followed by three days working at home.

- Wellington Zoo has reached agreement with Airways for the Zoo airspace to be designated as a no-drone flying area on the Airways database. This is a proactive step for the welfare of animals in our care due to the ease at which a number of our species can be frightened causing fight/flight/freeze responses. No-drone flying signs will be installed around the Zoo's perimeter fence.

- A similar discussion was held with Airworks which is the operator of Westpac Rescue Helicopter and Capital Coast District Health Board's heliport operator at Wellington Regional Hospital. Subsequently, both CCDHB and Airworks will now require helicopter pilots to operate on a flight trajectory that avoids flying over the Zoo.

- The Nutrition Centre and Animal Care team have been trialling replacing the Primates protein source of chicken with a variety of pulses. Not only are pulses a better source of protein than chicken they are more cost effective and better for the planet.

- Zahara, our oldest Giraffe has been successfully trained by The Nest Te Kōhanga veterinary technicians to have conscious blood draws which is much safer than having to undertake a General Anaesthetic for routine animal health examinations.

- The Reptile and Invertebrate team's hard work has paid off and they are now hatching 1,000-1,500 locust weekly as live feed. The programme has been so successful we ceased to receive any orders from our external suppliers in early July. Not only does this have the ability to save 40k annually in live food costs, it reduces our carbon footprint and the locusts have better lives than those accessed externally.

[6] International Zoo Educators
[7] World Organisation for Animal Health

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	27
May	37	33	47	33	34	2	21
June	34	23	21	38	24	28	18
July	33	17	20	36	18	39	12
August	26	15	24	25	23	25	13
September	25	24	22	30	30	19	14
October	19	43	28	40	30	93	
November	33	41	37	44	44	36	
December	67	58	61	48	58	47	
	478	**429**	**443**	**512**	**483**	**277**	**237**



New Conservation Partner, Mountain Spirit, Nepal

Effective field partnerships for long term conservation outcomes

- With the future arrival of Snow Leopards, WZT signed a MoU with new conservation partner Mountain Spirit which is based in Nepal. Mountain Spirit is a member-led grassroots organisation which works to improve local people's livelihoods, protect the environment and conserve mountain culture. This includes initiatives to keep Snow Leopards away from livestock.

- WZT sent annual grant payments to our Conservation Partners: Mountain Spirit, Kea Conservation Trust, Proyecto Titi (Cotton-top Tamarins) and Associação Mico-Leão-Dourado (Golden Lion Tamarins).

- One of our conservation partners and a recipient of WZT's Local Conservation Grant in 2020, Te Ahumairangi Hill Ecological Restoration (TAHER), recently found some rare and interesting species in their area: A Concealer Moth (*Chersadaula ochrogastra)* which hasn't been sighted since 1923; a rare puffball (possibly a new genus); and Spider Orchid (*Corybas trilobus*).

Recognition and involvement of the Zoo's conservation expertise

- The Nest Te Kōhanga team were requested by DOC to support the care of stranded Orca, Toa, in Plimmerton recently. DOC requested the team's assistance specifically to act in an advisory capacity providing veterinary/conservation medicine guidance. Toa's plight our Top Facebook post for July with 100,222 reach and 5,335 engagements and 290 engagements, 1,600 impressions on LinkedIn.

- DOC again contacted The Nest Te Kōhanga in August to help with an injured Leopard Seal on Island Bay beach and a pod of sickly dolphins in Porirua. These are examples of the ongoing positive relationship we have with DOC and in line with the Kaupapa of our Conservation Strategy: "Wellington Zoo people will be sought after for conservation work and our involvement will be regularly requested".

- WZT re-signed its agreement with the Ministry for Primary Industries to continue disease screening injured/sick wildlife that comes in for treatment to The Nest Te Kōhanga following a year-long pilot. This disease screening assists MPI to understand and monitor the prevalence of different diseases in Aotearoa New Zealand.

- Staff members presented papers at the ZAA Conference held virtually in August:
  - General Manager, Animal Care and Science, talked about our experience creating the new Keeper Development Programme at Wellington Zoo. In addition to the co-design process, Daniel also shared the completed programme format and how we linked the modules to the Five Domains of Animal Welfare;
  - Veterinarian Dr Phil Kowalski did an excellent presentation on plastic ingestion being an underestimated cause of death for southern hemisphere albatrosses. This presentation was based on a paper he and Senior Veterinarian Dr Baukje Lenting had co-authored which was published in the Conservation Letters journal in November 2020[8].

- Team Leader Learning presented at a global IZE webinar on Wellington Zoo's work interpreting the Five Domains of Animal Welfare through the Happy Animals projects in Chapter 5 of the World Zoo and Aquarium Conservation Education Strategy. Over the next year we will be looking at how we integrate this strategy across the Zoo.

- Four Wellington Zoo Conservation Staff grants were approved for:

  - field work with the Tawaki project, Milford Sound;
  - monitoring Grand and Otago lizards and jewelled geckos in Otago (two people) in collaboration with Mokomoko Lizard Sanctuary, Manaaki Whenua, Central Otago Ecological Trust and DOC; and
  - monitoring Maud Island frogs in collaboration with Victoria University of Wellington – this project has been running for 30 years.

- Animal Care Manager led a tutorial session for the UNITEC Captive Wild Animal Certificate course which is the foundational course for Zoo Keeping in Aotearoa. The tutorial discussed the various euthanasia scenarios for animals in human care, focusing on the decision-making framework using the Five Domains of Animal Welfare. This tutorial will be delivered to UNITEC students by Wellington Zoo annually.

- Being recognised as conservation experts:
  - the Chief Operating Officer was interviewed by AgResearch as part of their research into Animal Human interactions and the Share Reality Hierarchy; and
  - Staff met with Taranaki Whānui and other parties relating to a management plan for Kororā at Shelly Bay.

- Wellington Zoo has been announced as one of three finalists in the 2021 Tourism Industry Awards in the Environment category which is an excellent achievement considering there were a record number of entrants this year. The Awards Evening needed to be moved from 1 September to the end of November due to COVID-19 Level 4 lockdown. This was the Top LinkedIn post for August with 1,540 impressions and 66 engagements.

Focused investment in conservation innovations

- WZT's Conservation Investment for 2020/21 totalled $550,547 which was 6.7% of our operational budget. This exceeded ZAA/WAZA's baseline target of 3%, however, it was below our 2020/21 target of 7% which was directly attributable to curtailing our activities due to COVID-19. From August 2021, the new standard to be used to measure conservation will be the ZAA Conservation Database. This requires us to submit details of our conservation breeding programmes, *in situ* programmes, research, education and training, advocacy, and wildlife rescue work. In effect, this means we will need to change our existing measure from a purely dollar value measure to a more holistic assessment.

[8] *Plastic ingestion is an underestimated cause of death for southern hemisphere albatrosses*, Roman, L, RG Stewart, D Hunter, S Jolly, M, Kowalski, P, Hardesty, BD and Lenting, B - https://eprints.utas.edu.au/36285/



Photo: Activities for Visitors celebrating International Chimpanzee Day

Engaging, message driven experiences to build community environmental action

- WZT again celebrated special events during the quarter with themed activities and pop-up talks:
  - In July, World Chimpanzee Day and International Tiger Day (we support Conservation Partner, WildCats Conservation Alliance, Sumatra); and
  - International Day of the Cotton-Top Tamarin (we support Conservation Partner Proyecto Titi, Colombia) and International Golden Lion Tamarin Day (we support Conservation Partner, Associação Mico Leão Dourado, Brazil) in August.

- The Learning Team responded quickly to lockdown, making online "taster" learning sessions about *Caring for Animals* (focusing on the Five Domains of Animal Welfare[9]) available to schools for free. Uptake was very high and we reached 3,010 students in eight days of 70 sessions during August and September. School feedback was overwhelmingly positive as was student engagement.

- The Ministry of Education has granted us a six-month extension until 30 June 2022 on our Learning Outside of the Classroom contract due to the impact of COVID-19 lockdowns and Alert Levels 3 and 2. As at September 2021, teacher feedback response rate was 77% satisfaction rate of 98%. A new programme requested by teachers was developed based on the local curriculum and Homeostasis (Biology Year 13).

- Our Product Marketing Advisor entered a competition and won $50,000 worth of media placement with Mediaworks across online, radio and out of home channels. This represents a huge amount of advertising space for Wellington Zoo and will be of great assistance for our marketing programme.

[9] The 2020 Five Domains Model: Including Human-Animal Interactions in Assessments of Animal Welfare, David Mellor, Ngaio Beausoleil, Katherine Littlewood, Andrew N. McLean, Paul D. McGreevy, Bidda Jones, Cristina Wilkins - https://www.mdpi.com/2076-2615/10/10/1870/htm

Integrating Te Ao Māori within the Zoo

- All Kanohi Kitea workshops were completed in August, attended by over 70 staff who each attended two workshops. These were facilitated by Neavin Broughton, Taranaki Whānui and a follow-up meeting has been held with him to decide on the next steps forward. This will be part of a strategy to roll out WZT's te reo Māori programme across the Zoo within the next three to five years.

- Staff celebrated Te Wiki o te Reo Māori/Māori Language Week with a series of activities on Workplace from Facebook, a coffee morning and suggestions to practice email greetings and other communications in te ao Māori.

Maintaining lasting partnerships for community support and conservation outcomes

- Although we couldn't roll out activities to celebrate Te Wiki Tiaki Ao Tūroa/Conservation Week in September, Wellington Zoo communicated via its Facebook page by shining a spotlight on some conservation projects we are a part of – from regional projects funded by our Local Conservation Grants through to our global partners.

- Director, Communications, Experience and Conservation contributed to two projects during the quarter:

  - Victoria University of Wellington Tourism Masters' Students on a project of what the Zoo could look like in 2075; and
  - participated in research with a PhD student from Michigan State University on a project called *"Native Animals, Native Knowledge"* that seeks to look at how zoos from around the world incorporate human cultural perspectives (particularly those of Indigenous and First Nations peoples) into their conservation education mission.

- During the quarter we received grants from:

  - Koala Trust ($7,050) to support native species work at The Nest Te Kōhanga;
  - Brian Whiteacre Trust ($15,000) for the Snow Leopard project;
  - Pub Charity ($400,000) for the Snow Leopard project; and
  - Two generous donations from individuals for $10,000 and $750.

- In July we signed up to a partnership agreement with Dodoland to donate a portion of all Blue Penguin sales to Wellington Zoo through their Giving Back programme. These toy model kits made of recyclable materials are sold in multiple countries across the world. At the end of September, Dodoland made its first quarterly contribution of $500 to The Nest Te Kōhanga, equating to the sale of 569 kororā.

- Staff attended:
  - New Zealand Association of Environmental Educators' Branch Executive meeting; and
  - Wellington Regional Environmental Educators' Forum Hui.

- Details for the Snow Leopard community fundraising initiatives have been finalised:

  - Selection of Snow Leopard products for the retail shop including soft toys and tote bags which will have messaging around how each sale contributes to the development of the project;
  - Snow Leopard Tap to Donate display to go in Mojo Café supporting a new Conservation Coffee initiative; and
  - Snow Leopard Project donation campaign on our website, enabled with our new donation platform Donorbox.

Craig Ellison
Board Chair, Wellington Zoo Trust

Appendix 1 – Wellington Zoo Strategy Framework 2021/22

Required WCC Performance Measures	Target 21.22	Tracking YTD 30.09.21			Comments as at 30.09.21
		#	%		Notes
Visitors	255,936	31,554	12%		9,686 visitors behind YTD target due to COVID-19 lockdown.
Student and education visits	20,000	5,939	29.8%		Zoo led Conservation Education programmes and student self-guided visits.
Council operating grant per visitor	$14.05	$28.83	NA		Annual Measure based on visitor numbers and WCC grant
Full cost to Council		Annual Measure	NA		This target is generated by WCC and is not controlled by the Trust. It includes depreciation and shared services costs, CCO team costs, insurance, CAPEX interest and the OPEX grant. To be reassessed over 2020-21.
Trading Revenue per visit (excl. grants & interest)	$17.83	$22.80	NA		
Non-Council donations and funding	$387k	Annual Measure	NA		Non-Council operational grants, donations, sponsorships and bequests. This target does not include any capital funding.
Percentage of operating costs generated by Trust	59%	NA	34%		
Trust generated income as percentage of the Council grant	146%	NA	78%		
Additional WZT Performance Measures					
		#	%		Notes
Measure visitor feedback and satisfaction	8.5	9.05	NA		Please note these surveys are only collected in Alert Level One. Average for July & August
Number of vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo	25	28	112%		IUCN Red List and DOC National list
Percentage of indigenous animals released to the wild after triage and treatment by The Nest Te Kōhanga (TNTK)	50%	NA	40%		Post 72-hour triage period. This figure has been impacted by COVID-19 lockdown.
ZAA Conservation Database completed	Achieved	Annual Measure	NA		Completed for 20-21 FY and submitted to ZAA
Number of field conservation projects supported for vulnerable, endangered or critically endangered (IUCN Red List and DOC National list) at the Zoo	12	13	108%		• West Coast Penguin Trust, Tawaki (VU) • Cheetah Outreach (Cheetah, VU) • Free the Bears, Sun Bears (VU) • DOC, Wellington Green Geckos (VU) • Kea Conservation Trust, Kea (EN) • Madagascar Fauna and Flora Group, Black and White Ruffed Lemurs (CR) and Ring-tailed Lemurs (EN) • Proyecto Titi, Cotton Top Tamarins (CR) • Associação Mico-Leão-Dourado, Golden Lion Tamarins (EN) • Wild Cats Alliance, Sumatran Tigers (CR) • Save the Tasmanian Devils Programme (EN) • FFI Vietnam, White Cheeked Gibbons (CR) • Red Panda Network, Red Pandas (EN) • Mountain Spirit, Snow Leoparda (VU)

Additional WZT Performance Measures					
		#	%		Notes
Participate in zoo-based research projects, scientific papers and presentations	10	13	130%		These projects are directly related to conservation medicine, biological sciences, animal husbandry, animal welfare science and visitor engagement research. **1.** Disease screening of Fijian bats – Master's thesis in preparation by Jessica McCutchan (Resident). **2.** The ethics and animal welfare of aged animal management in zoos – Master's thesis in preparation by Alison Clarke (Resident). **3.** Investigating marine predation injuries to yellow-eyed penguins – Master's thesis in preparation by Kathryn Johnson (Resident) **4.** Lead exposure in rural and urban Tūi – Undergraduate project in preparation for publication by Alisdair Eddie and TNTK team. **5.** Total ear canal ablation in a lion – case study being written up for publication by Dr Helen Orbell and TNTK team. **6.** Do tuatara behaviourally respond to sex ratio variation? – PhD research by Linlin Liu (Victoria University of Wellington) assisted by Animal Care R&I Team. **7.** Regional variation in winter foraging strategies by Weddell seals in Eastern Antarctica and the Ross Sea – publication in Frontiers in Marine Science Journal, Baukje Lenting co-author. **8.** The pharmacokinetics of butorphanol in kererū and kākū- Master's thesis in preparation by Ryan Collins (Resident). **9.** The characterisation of toxoplasma gondii in cat prey species in New Zealand- Master's thesis in preparation by Ashley Whitehead (Resident). **10.** Investigating food preference in zoo-housed meerkats – published in Zoo Biology journal by Bridget Brox. **11.** Strong ion gap in anesthetised large Felidae – paper in preparation for publication by Nigel Dougherty (Resident). **12.** Jejunal intramural haematoma in a captive african lion – paper in preparation for publication by Richelle Butcher (Resident), Baukje Lenting, Phil Kowalski and Shanna Rose. **13.** Using a novel ethogram of tuatara behaviour to evaluate the impact of interactions with zoo visitors – published in New Zealand Journal of Zoology by Bridget Brox.
Maintain Zoo and Aquarium Association Animal Welfare Accreditation	Achieved	Annual Measure			Occurs every three years. Next accreditation in early 2022.
Maintain Toitū carbonzero certification	Achieved	Annual Measure			Toitū carbonzero audit will be scheduled for mid-November 2021 for the 2020/21 FY
Implementing *Kanohi Kitea* cultural competency programme	Achieved	Phase One delivered			First phase complete: 71 Full time and permanent part time staff members and one board member completed day 1 sessions and 69 staff members and one board member attended Day 2 session. Next phase to be delivered after consultation with Iwi.
Safety Improvement Team meeting attendance	80%	1	88%		Meetings delayed due to Covid-19 restrictions
Successful emergency drill/incident debriefs held	8	2	25%		July Code Blue incident debrief, Code Green drill (Kea)
Volunteer engagement survey	1	Annual Measure			This annual survey measures the satisfaction levels of those volunteering across the organisation.
Staff recognition programme	1	Annual Measure linked to Gold Agouti Awards			This measure refers to the year-long recognition of staff excellence at full staff meetings and culminates in the annual staff awards event in October
Staff learning and development sessions held	10	6	60%		In-house learning opportunities from both internal and external speakers. 6 Kanohi Kitea workshops.

Appendix 2 – Financial Statements

CCO: Wellington Zoo Trust
Quarter One 2021/22 **SNZ000's**

Actual 30-Jun-21	EARNINGS STATEMENT	Actual 30-Sep-21	Budget 30-Sep-21
	Revenue		
4,094	Trading Income	626	891
3,508	WCC Grants	910	899
766	Other Grants	347	84
306	Sponsorships and Donations-Operational	125	70
504	Sponsorships and Donations-Capital	415	0
7	Investment Income	1	2
117	Other Income	87	98
9,302	**Total Revenue**	2,511	2,044
	Expenditure		
5,960	Employee Costs	1,568	1568
2,288	Other Operating Expenses	529	622
0	Depreciation	0	0
0	Interest		
482	Vested Assets		
8,730	**Total Expenditure**	2,097	2,190
572	**Net Surplus/(Deficit) before Taxation**	414	(146)
0	Taxation Expense		
550	Operating Surplus (Deficit)	(1)	(146)
572	**Net Surplus/(Deficit)**	414	(146)
5.9%	**Operating Margin**	0.0%	-7.1%

Actual 30-Jun-21	STATEMENT OF FINANCIAL POSITION	Actual 30-Sep-21	Budget 30-Sep-21
	Shareholder/Trust Funds		
0	Share Capital/Settled Funds	0	0
0	Revaluation Reserves	0	0
1,808	Restricted Funds	1,724	1,176
242	Retained Earnings	656	104
2,050	**Total Shareholder/Trust Funds**	2,380	1,280
	Current Assets		
3,806	Cash and Bank	4,145	3,412
52	Accounts Receivable	355	150
214	Other Current Assets	200	100
4,072	**Total Current Assets**	4,700	3,662
	Investments		
0	Deposits on Call	0	0
0	Other Investments	0	0
0	**Total Investments**	0	0
	Non-Current Assets		
0	Fixed Assets	0	0
0	Other Non-current Assets	0	0
0	**Total Non-current Assets**	0	0
4,072	**Total Assets**	4,700	3,662
	Current Liabilities		
1,144	Accounts Payable and Accruals	556	782
	Provisions		
878	Other Current Liabilities	1,764	1,600
2,022	**Total Current Liabilities**	2,320	2,382
	Non-Current Liabilities		
0	Loans - WCC	0	0
0	Loans - Other	0	0
0	Other Non-Current Liabilities	0	0
0	**Total Non-Current Liabilities**	0	0
2,050	**Net Assets**	2,380	1,280
2.0	**Current Ratio**	2.0	1.5
50.3%	**Equity Ratio**	50.6%	35.0%

Actual 30-Jun-21	STATEMENT OF CASH FLOWS	Actual Sep-21	Budget Sep-21
	Cash provided from:		
4094	Trading Receipts	626	891
3508	WCC Grants	910	1,641
766	Other Grants	347	84
810	Sponsorships and Donations	540	70
7	Investment Income	1	2
3649	Other Income	1,325	98
12,834		3,749	2,786
	Cash applied to:		
5,871	Payments to Employees	1,386	1,568
6,220	Payments to Suppliers	1,945	622
	Net GST Cashflow		0
0	Other Operating Costs (VESTING)		0
	Interest Paid	0	0
12,091		3,331	2,190
743	**Total Operating Cash Flow**	418	596
	Investing Cash Flow		
	Cash provided from:		
	Sale of Fixed Assets		0
	Other		
0		0	0
	Cash applied to:		
	Purchase of Fixed Assets		0
	Other -vesting Cash for Capital Projects	0	0
0		0	0
0	**Total Investing Cash Flow**	0	0

Actual 30-Jun-21	STATEMENT OF CASH FLOWS (CONT)	Actual 30-Sep-21	Budget 30-Sep-21
	Financing Cash Flow		
	Cash provided from:		
	Drawdown of Loans		
	Other		
0		0	0
	Cash applied to:		
	Repayment of Loans		
	Other		
0		0	0
0	**Total Financing Cash Flow**	0	0
743	**Net Increase/(Decrease) in Cash Held**	418	596
2,910	**Opening Cash Equivalents**	3,653	2,816
3,653	**Closing Cash Equivalents**	4,071	3,412

Actual 30-Jun-21	CASH FLOW RECONCILIATION	Actual 30-Sep-21	Budget 30-Sep-21
572	**Operating Surplus/(Deficit) for the Year**	414	(146)
	Add Non Cash Items		
0	Depreciation	0	0
45	Other (movement restricted funds)	-5	
617		409	(146)
	Movements in Working Capital		
(195)	(Increase)/Decrease in Receivables	(303)	0
75	(Increase)/Decrease in Other Current Assets	14	2
440	Increase/(Decrease) in Accounts Payable	(588)	40
(194)	Increase/(Decrease) in Other Current Liabilities	886	700
126		9	742
	Net Gain/(Loss) on Sale:		
0	Fixed Assets	0	0
	Investments	0	0
0		0	0
743	**Net Cash Flow from Operations**	418	596

REVIEW OF ANNUAL REPORTS FOR COUNCIL-CONTROLLED ORGANISATIONS FOR THE YEAR ENDING 30 JUNE 2021

Kōrero taunaki
Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee provides the Committee with a review of the annual reports submitted by Council-controlled Organisations for consideration in accordance with the requirements of the Local Government Act 2002.

Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

☒ Sustainable, natural eco city
☒ People friendly, compact, safe and accessible capital city
☒ Innovative, inclusive and creative city
☒ Dynamic and sustainable economy

Strategic alignment with priority objective areas from Long-term Plan 2021–2031

☐ Functioning, resilient and reliable three waters infrastructure
☐ Affordable, resilient and safe place to live
☐ Safe, resilient and reliable core transport infrastructure network
☐ Fit-for-purpose community, creative and cultural spaces
☐ Accelerating zero-carbon and waste-free transition
☐ Strong partnerships with mana whenua

Relevant Previous decisions

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

Authors	Warwick Hayes, Team Leader Economic & Commercial Jennifer Jimenez, Portfolio Advisor Economic and Commercial
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga
Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

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

Takenga mai

Background

2. The Committee 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 is jointly owned (80% / 20%) by the Wellington City Council and the Greater Wellington Regional Council respectively.
4. Wellington Water Limited is owned by six shareholding council's as to: Wellington City Council 25%, Upper Hutt 13.57%, Hutt City 17.85%, Porirua City 15.0%, Greater Wellington Regional Council 16.07%, and South Wairarapa District Council 12.5%. The shareholders jointly monitor the company via the Wellington Water Committee.
5. Wellington International Airport Limited is 34% owned by the Council and majority owned by Infratil Limited, a publicly listed company. The reporting from Wellington International Airport Limited for their financial year ended 31 March 2020 was previously considered by the Council-controlled Organisations Subcommittee.
6. 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.
7. 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.

Kōrerorero

Discussion

8. Audited annual reports and financial statements have been received from the following entities for consideration by the subcommittee and are attached as appendices:
    - Karori Sanctuary Trust
    - Wellington Museums Trust
    - Wellington Regional Stadium Trust
    - Wellington Zoo Trust
9. Audited annual reports have not yet been received from the following entities due to delays with AuditNZ resulting from the COVID-19 lockdown earlier this year.
    - Basin Reserve Trust
    - Wellington Cable Car Limited
    - Wellington Regional Economic Development Agency Limited
10. The annual reports for all entities 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.
11. If audited annual reports raise any material concerns when received and reviewed by officers, they will be reported to the next meeting of this Committee.
12. Representatives of the entities covered in this report will attend a workshop to present both the annual report and first quarter report for the entities and answer any questions. The first quarter reports (to 30 September) are presented under the cover of a separate Committee report.

13. BASIN RESERVE TRUST (FYE 30 June 2021)

EXECUTIVE SUMMARY

The year in review was marked by the ongoing impact of COVID-19, albeit the impact on the events held at the Basin Reserve was minimal between 1 July 2020 and 30 June 2021. As seen below in the KPI dashboard, the Trust achieved its performance targets with the exception of hosting community events, which was only due to the hosting of the popular Peachy Keen concert which replaced some smaller community events.

Highlights for the year in review include:

- The outfield turf was fully replaced in 2020. This renovation meant junior football and rugby was not able to be played during the 2020 winter.
- Another successful Beers at the Basin event on 28 November 2020.
- Strong crowds for the Super Smash men's and women's double-header and a record crowd for the grand final double-header, with the Firebirds winning back-to-back titles.
- The Basin hosted the Peachy Keen concert for the first time.
- The Blackcaps completed a convincing test match victory over the West Indies and the Basin hosted a One Day International match between the Blackcaps and Bangladesh, with the Blackcaps victorious.

Aside from its range of domestic and international cricket events, the Basin Reserve continued its strong links to community users hosting a total of 83 event days, 111 practice days and 101 functions at the ground. Among the community events, the showcase of craft breweries and local wineries saw a sell-out crowd of 6,500 fans attending Beers at the Basin in November. At the end of the summer, the Peach Keen music festival drew 4,500 fans to enjoy the line-up of some of New

Zealand's finest female musicians.

The Peachy Keen Concert | Sat 3rd April 2021



Ladi6



The Beths



Benee



Stellar* vocalist Bo Runga



KITA



Chelsea Jade



Foley



Ladyhawke



Paige



Gin Wigmore

Photo credits Monique Ford / Stuff

Winter sport returned to the ground with the junior rugby and junior football once again enjoying the fantastic surface that is the Basin Reserve. Many parents comment on how lucky their children are to play their junior sport at iconic venue in the heart of the city with most families taking home some photos and great memories of the Basin Reserve.

SUMMARY FINANCIALS (Draft Unaudited)

Variance (Actual minus Budget). ✔ Favourable variance to budget ✘ Unfavourable variance to budget

FINANCIAL PERFORMANCE ($000)	Actual	Actual	Actual	**Actual**	Budget	*Variance*
30 JUNE	2018	2019	2020	**2021**	2021	*2021*
Total Revenue	965	957	1,605	**1,212**	813	*399* ✔
Operating Exp Before Depn	840	862	1,496	**1,045**	831	*214* ✘
Depreciation	116	119	103	**93**	118	*(25)* ✔
Surplus(Deficit)	9	(23)	6	**74**	(137)	*211* ✔
FINANCIAL POSITION						
Total Assets	770	836	777	**856**	513	*343* ✔
Total Liabilities	169	259	194	**199**	123	*76* ✘
Equity	601	577	583	**657**	390	*267* ✔
CASH FLOWS						
Total Net Cash Flows	64	60	71	**177**	(96)	*273* ✔
Opening Cash	28	91	152	**223**	130	--
Closing Cash	91	152	223	**400**	35	--

As previously noted, the Basin Reserve was not seriously impacted by COVID-19 and Trust traded strongly, particularly against its SOI budget which anticipated a more severe impact from the pandemic than was experienced in the year under review. The Trust is in a sound position heading into the current 2021/22financial year.

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

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

✓ *Achieved* ✗ *Not Achieved.*

30 JUNE		2017	2018	2019	2020	**2021**
Cricket days	Actual	36 ✗	46 ✓	44 ✓	48 ✗	**50** ✓
	Target	*38*	*38*	*38*	*50*	*33*
Other sports days	Actual	9 ✗	21 ✓	25 ✓	12 ✗	**26** ✓
	Target	*22*	*20*	*20*	*25*	*20*
Community event days	Actual	14 ✓	20 ✓	31 ✓	7 ✗	**17** ✗
	Target	*12*	*13*	*13*	*21*	*20*
Function bookings	Actual	8 ✗	20 ✓	53 ✓	76 ✓	**101** ✓
	Target	*15*	*17*	*25*	*25*	*15*
Number of practice days	Actual	147 ✓	95 ✗	100 ✓	67 ✗	**111** ✓
	Target	*85*	*100*	*100*	*100*	*100*
Attendance at all events	Actual	37,336 ✓	37,362 ✗	134,858 ✓	54,415 ✓	**55,000** ✓
	Target	*31,000*	*40,000*	*41,000*	*41,000*	*15,000*
Ground hire income	Actual	$206,600 ✓	$290,250 ✓	$223,282 ✗	$203,856 ✗	**$285,611** ✓
	Target	*$149,000*	*$173,000*	*$234,800*	*$290,200*	*$79,100*
Operational grant per attendance	Actual	$10.26 ✓	$10.68 ✗	$3.09 ✓	$7.90 ✓	**$12.60** ✓
	Target	*$12.27*	*$9.47*	*$9.97*	*$16.50*	*$46.30*

New Zealand's relative freedom (from lock down) during the 2020/21 summer saw the ground host a solid year of events, activities and functions which has seen the Trust perform well under the circumstances.

ISSUES & OUTLOOK

There are no issues to note.

The Trust is in a good position, despite needing to operate under COVID-19 Alert Level restrictions currently, and for the foreseeable future.

The ICC Women's World Cup has been rescheduled to take place in February 2022. Planning is underway for this international tournament, albeit under the cloud that is New Zealand's current COVID-19 restrictions.

The Basin Reserve redevelopment programme is now working hard to deliver upgraded toilet facilities on the embankments plus a new media facility in the RA Vance Stand to support to the rescheduled ICC Women's Cricket World Cup to be hosted Feb – Mar 2022. Renewal of the entrance gates and some parts of the perimeter fence are also underway.

14. KARORI SANCTUARY TRUST (FYE 30 June 2021)

ACTIVITY SUMMARY

As with other attractions, COVID-19 has influenced the year in review for the Karori Sanctuary Trust

with the ongoing closure of international borders and other domestic travel restrictions impacting the number of visitors and changing the balance of visitors to ZEALANDIA. However, despite the difficult trading environment, the Trust can look back on a list of significant highlights, including maintaining ZEALANDIA's place as a leading tourism attraction in Wellington with Trip Advisor listing ZEALANDIA as the number two tourism attraction (second to Te Papa).

Some highlights for the year include:

- In October 2020, seeds from a special plant, pua o te Rēinga (Dactylanthus taylorii), were gifted from Pureora by Ngāti Rereahu for translocation into ZEALANDIA and Ōtari-Wilton's Bush. A collaboration with the six iwi of the Wellington region, as well as Wellington City Council through Ōtari-Wilton's Bush, brought this taonga species to the sanctuary. This translocation was the first ever multi-lateral iwi partnership for all six iwi from across the Greater Wellington region: Rangitāne, Ngāti Kahungunu,Taranaki Whānui, Ngāti Toa Rangatira, Te Ātiawa ki Whakarongotai and Raukawa.
- ZEALANDIA took a major step forward in the restoration of Roto Kawau (the lower reservoir) to remove perch and recreate an environment for native freshwater wildlife. The removal of perch from Roto Kawau was one of the largest introduced fish removal efforts of its kind. The perch were introduced over 140 years ago and the project attracted considerable attention, with media coverage through key newspaper and TV outlets. Significantly, it allowed ZEALANDIA to tell the story of the plight of freshwater ecosystems in New Zealand.
- Over 90 exotic pine trees were removed during the year. This is part of a long-term removal plan for pine trees from the sanctuary which is complicated by significant established populations of tuatara, hihi, and kiwi pukupuku living among them.
- Rāngai Rangatahi – The Zealandia Youth Collective – recruited 12 young people and began its first full-year programme, to inspire the next generation of conservationists.
- ZEALANDIA signed a Memorandum of Understanding with CentrePort through the Sanctuary to Sea Kia Mouriora te Kaiwharawhara project bringing the number of strategic partners on this project to seven.
- A successful breeding season saw over 60 hihi fledglings, which provides critical support to a vulnerable species. The second titipounamu breeding season saw over 100 fledglings, an important sign of the species' establishment.
- By replacing plastic bottles with glass, ZEALANDIA now save 8,000 plastic bottles from being produced every year. ZEALANDIA also remained Toitū carbonzero certified for the sixth consecutive year, demonstrating its continued commitment to climate action.
- ZEALANDIA launched Te Ara Poutama, a nine-stage pilot internal training programme to further develop staff knowledge of te ao Māori.



A curious kākā. Photo Credit: Judi Lapsley Miller.



Roto Kawau restoration. Photo Credit: Judi Lapsley Miller.



Enhancing the wetlands as part of the Roto Kawau restoration - Photo Credit: Zealandia Te Māra a Tāne

Council's recent capital investment in the Visitor Centre has made a vast improvement to Rātā Café with the installation of double glazing in the balcony area, meaning that visitors can now use it year-round and enjoy the view of the lawn and Roto Kawau.



Summer in the sanctuary - Photo Credit: Zealandia Te Māra a Tāne

SUMMARY FINANCIALS

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	Actual	Actual	Actual	**Actual**	Budget	*Variance**
30 JUNE	2018	2019	2020	**2021**	2021	*2021*
Total Revenue	5,201	6,415	6,437	**5,994**	4,931	*1,063* ✔
Op. Exp. before Depn. & Int.	4,479	4,936	5,175	**5,364**	4,874	*490* ✘
Earnings before Depn & Int.	722	1,478	1,261	**630**	57	*573* ✔
Net Surplus (Deficit)	174	1,145	903	**279**	(302)	*581* ✔
FINANCIAL POSITION						
Total Assets	4,621	5,983	7,045	**7,895**	5,853	*2,042* ✔
Total Liabilities	594	812	971	**1,542**	584	*958* ✘
Equity	4,027	5,171	6,074	**6,353**	5,269	*1,084* ✔
CASH FLOWS						
Total Net Cash Flows	310	880	379	**(547)**	(561)	*14* ✔
Opening Cash	230	540	1,420	**1,799**	1,635	--
Closing Cash	540	1,420	1,799	**1,252**	1,074	--

In the 2020/21 year:

- 40% of revenue came from visitors, through admissions, tours, café and retail sales, despite admissions and tours revenue dropping by over $900k compared with the 2019/20 year.
- Membership and café revenues have grown, and total non-Council donations/funding income was $1.48m.
- In total, 75.2% of revenue came from sources other than Council grants.

In response to COVID-19, ZEALANDIA received grant funding from central government, $416,281 through the Wildlife Institutions Relief Fund (WIRF) and $500,000 through the Strategic Tourism Assets Protection Programme (STAPP).

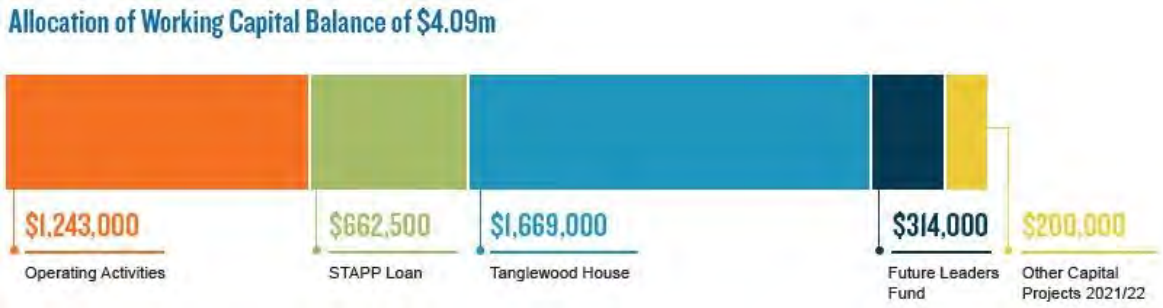
- The WIRF funding has been used in the areas of species management and the maintenance of biosecurity.
- The STAPP funding has supported the essential work maintaining the sanctuary's grounds/buildings, weed management, health and safety, as well as continuing to deliver a high-quality visitor experience.

Despite the challenges presented by COVID-19 ZEALANDIA did return a net surplus for the year of $279k, significantly ahead of its budgeted deficit of $302k for the year.

The balance sheet remains strong, with a year-end working capital of $4.09m. A significant portion

SUMMARY FINANCIALS

of this is committed to Tanglewood House, the Future Leaders Fund, and 2021/22 capital projects. The Trust's working capital includes $662,500 received from a STAPP loan. This is a non-current liability with a total available facility of $1.6m. This loan is to fund staffing and other operating costs and provides a buffer to help weather the uncertainty on when and to what extent international tourism will return. Excluding committed working capital, the Trust's operating working capital is still healthy at $1.24m as at 30 June 2021, which covers at least three months of operating expenses.



KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

✔ *Achieved* ✘ *Not Achieved.*

Measure	Actual	Actual	Actual	**Actual**	*Target*
30 JUNE	2018	2019	2020	**2021**	*2021*
Fully Costed (*Council's costs, not controlled by the Trust)*					
Full cost to Council	$1,525,131	$1,856,040	$1,726,195	**$2,230,175^**	*$1,526,966*
Full cost to Council per visit	$11.52	$13.44	$12.04	**$18.32^**	*$15.29*
Non-financial					
Visitors	132,337 ✔	138,141 ✔	143,367 ✔	**121,729** ✔	*>70,000*
Individual members	10,886 ✔	10,932 ✔	14,021 ✔	**18,158** ✔	*>11,200*
Students & education visits	9,316 ✔	11.727 ✔	8,051 ✘	**12,125** ✔	*>9,000*
Visitor satisfaction rating	96% ✔	97% ✔	95.3% ✔	**95.4%** ✔	*>95%*
Volunteer satisfaction rating	n/a	n/a	88% ✔	**90%** ✔	*>80%*
Volunteer numbers	584 ✔	608 ✔	445 ✘	**520** ✔	*>490*
Financial					
Average subsidy per visit	$6.31 ✔	$6.21 ✔	$6.13 ✔	**$8.99** ✔	*<$12.85*
Average revenue per visit	$31.44 ✔	$32.85 ✔	$37.08 ✔	**$28.86** ✔	*>$27.01*
Non-Council donations/funding	$461k ✔	$697k ✔	$1,049k ✔	**$1,477k** ✔	*>$200k*

^ includes $393k operating grant towards Tanglewood House plus new expenditure identified following detailed analysis of facilities maintenance costs (Activity 1187)

Despite the closed borders visitation numbers were strong at 121,729 for the year. Wellingtonians have continued to support ZEALANDIA and made up 67% of the total visitors this year. Visitors from North Island regions outside Wellington comprised 24% and 8% of visitors came from the South Island. ZEALANDIA also continued to welcome a small number of international visitors who had decided to stay in New Zealand rather than return home.

ZEALANDIA now has 18,158 members, a boost of 4,000 on the prior year. The membership visited 37,000 times during the year, up 42% on the prior year.

KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

For the first time, ZEALANDIA hosted over 12,000 education engagements, supporting learners to create a lifelong connection to nature.

Conservation	Actual	*Target*
Manawaroa. We actively restore ecosystem function to foster resilience		
Number of fauna or flora species transferred into or out of the sanctuary, or 'topped up'	**1**	*1*
***Achieved**. Tuna were transferred out of the sanctuary as part of the work prior to the reservoir perch removal, and to ensure they could complete their lifecycle.*		
Percentage of the bird community that is native	**93%**	*80%*
***Achieved**. Calculated as % 5 minute bird count detections that are native, from October/November 2020 data.*		
Kaitiakitanga. We look after what we have alongside our many partners		
% of incursions into the mouse-free area eradicated, or under active response	**100%**	*100%*
***Achieved**. All incursions have been dealt with rapidly and effectively.*		
Mice maintained to target level	**5.6**	*<10*
***Achieved**. Calculated from May 2021 data.*		
% pest animal incursions successfully eradicated, or under active response	**100%**	*100%*
***Achieved**. No incursions have been detected this year.*		

In late 2020, ZEALANDIA dealt with an act of vandalism with a hole cut in the perimeter fence. The hole was detected by a runner – an example of how valuable the community is in helping to maintain the sanctuary's biosecurity. Unfortunately, there are other threats that New Zealand's rich biodiversity continues to face. Myrtle rust is a new disease to New Zealand that affects species in the Myrtaceae family, such as rātā and pōhutukawa. It was first detected in this country in 2017, and was this year found for the first time in the sanctuary on the species ramarama. The impacts of the disease are largely unknown, and there is nothing that can be done now to limit its impacts.

ISSUES & OUTLOOK

There are no material issues to note.

Looking ahead, ZEALANDIA continues to anticipate strong visitation from Wellingtonians and domestic tourists.

The Trust has a range of initiatives for the coming year and beyond which include;

- **Pine tree removal**: Continue long-term management of remaining dominant exotic plant species, with a focus on pine tree removal.
- **Asset management planning**: Develop a 10-year asset management plan to ensure the cost-effective maintenance and timely replacement of our infrastructure.
- **Fresh water restoration**: Freshwater restoration will include ongoing monitoring and management of Roto Kawau (our lower reservoir) following the removal of perch, enhancing wetland plant diversity and reducing weeds, and continuing to grow the Sanctuary to Sea Kia Mouriora te Kaiwharawhara project.
- **Repopulating rivers and lakes**: We are looking towards repopulating the freshwater systems in the sanctuary with top-ups of kākahi (freshwater mussel), and additions of suitable fish species such as toitoi (common bully).

15. WELLINGTON CABLE CAR LIMITED (FYE 30 June 2021)

EXECUTIVE SUMMARY

The Wellington Cable Car Ltd has adapted to its *new normal* being an environment of *cost containment and business survival* pending the return of international travel, particularly the return of the cruise ship industry.

Passenger journeys in the year to 30 June 2021 were 567,721. This figure exceeded the target set in response to COVID-19 but remains well below the long-run pre-COVID average of over 1 million passenger journeys per annum. Despite the difficult economic environment, the business is being well maintained and is positioned to return to this level of service as and when the world's economies open up and travel freedoms return.

During the year the company continued its planning for the seismic resilience work needed on its network and remained ahead of the maintenance required to keep the Cable Car moving safely day in and day out. The business is optimistic that as New Zealand's vaccination rates increase travel will re-open and the tourism industry will recover and in due course international tourists will also return to New Zealand.

Some highlights for the year include:

- The Cable Car provides a unique canvas to inject vibrancy into Wellington and was featured to over 40,000 viewers when Drax Project used it as a stage for their Tik Tok live stream.



Drax Project

- The Cable Car hosted several *What if the City was a Theatre?* performances, in support of the Council's initiative to revitalise the city.
- The company collaborated with other CCOs to deliver product targeted a Wellingtonians including a focus on school products.



Take a Red Rocked to Space

A collaboration with Experience Wellington



What if the city was a theatre?

A free city-wide programme of art and performance, curated in collaboration with some of Wellington's most exciting artists, events, and creative organisations.

- The Cable Car completed its most complex and comprehensive maintenance program since 1979, replacing two bogies during the annual maintenance shutdown.



A bogie lifted during the annual maintenance shut down

- In the shadow of COVID-19, the company took the opportunity to review its strategic direction and has since established;
    - **Our Shared Purpose**: *to host great Wellington experiences that locals are proud of and visitors talk about*, and
    - **Company Values**: *Kaitiakitanga, Safe Workplace, Guest Centered, Pride, Team and Adaptability.*
    - This strategic direction is helping guide the company as it transitions into a new operational norm, with a renewed focus on the customer experience.
- The Cable Car maintained its Be accessible platinum accreditation thanks to the specially designed wide gates at Lambton Quay terminal which are suitable for prams, bikes, mobility scooters and wheelchairs.

Governance

Danny McComb and David Perks have completed their first full year on the board. Both were both appointed to the board just prior to year in review (appointed 19 June 2020).

Andy Matthews will complete his term as Chair of the board on 31 December 2021. Andy first joined the Cable Car board in April 2014 as a Council employee (he was Council's CFO at the time).

SUMMARY FINANCIALS (Draft Unaudited)

Variance (Actual minus Budget). ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	Actual	Actual	Actual	**Actual ^**	Budget	*Variance*
30 JUNE	2018	2019	2020	**2021**	2021	*2021*
Total Revenue	8,671	5,304	3,049	**3,351**	1,685	*1,666* ✔
Operating Expenses	8,120	4,373	3,670	**3,473**	3,370	*103* ✘
Operating Surplus/(Deficit)	551	930	(620)	**(122)**	(1,685)	*1,563* ✔
Net Surplus/(Deficit)^	365	785	(300)	**(127)**	(1,685)	*1,558* ✔
FINANCIAL POSITION						
Cash + Other Liquid Assets	4,097	5,007	3,786	**3,174**	2,796	*378* ✔
Total Assets	12,372	12,878	11,880	**11,764**	10,321	*1,443* ✔
Total Liabilities	2,282	2,003	1,304	**1,315**	472	*843* ✘
Equity	10,090	10,876	10,576	**10,448**	9,849	*599* ✔
CASH FLOWS						
Total Net Cash Flows	514	(1,101)	(1,308)	**613**	(1,551)	*2,164* ✔
Opening Cash	2,254	2,768	1,667	**358**	4,346	--
Closing Cash	2,768	1,667	358	**972**	2,796	--

^ *Based on draft unaudited financial statements.*

Cable Car fare revenue was $1.6m for the year to 30 June 2021 (2020: $2.8m and 2019 $3.6m), demonstrating the significant damage caused by the reduction in passengers due to the pandemic.

Government and council funding support during the year totaled $1.6m which along with a strong focus on cost-containment, helped the company to report a net loss of $127k. This was a significant improvement on the SOI budgeted loss of $1.2m for the year.

While these vital support mechanisms have been effective, the company is gradually reducing its reserves to support its operations. Cash and liquid funds reduced from $3.8m to $3.2m during the year, to fund the company's operating cash loss of $600k over the period. Notwithstanding, the company remains in a strong position with cash and liquid funds exceeding $3.0m at year end.

SUMMARY FINANCIALS (Draft Unaudited)

Prior to February 2020 (i.e. pre-COVID-19) international tourists provided approximately 60% of the Cable Car's revenue, contributing approximately $3m to the company's bottom line. This helped the company build up good cash reserves, but also helped it provide a cost-effective transport service for locals and an experience for visitors to Wellington. Redirecting the company's reserves into sustaining the Cable Car operation for local commuters and domestic tourists is manageable in the short term.

At this stage, the company is well-positioned to respond to the expected lift in passenger volumes from visitors returning to Wellington this summer, with international travelers returning to NZ in coming years.

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

✔ *Achieved* ✘ *Not Achieved. The tables contain a selection of KPIs and not a complete list.*

30 JUNE	2018	2019	2020	**2021**	*Target*
Total Passengers	1,145,278 ✔	1,170,392 ✔	862,487 ✘	**567,721** ✔	*516,957*
Despite forecasting significantly reduced passenger journeys, the company could not foresee the prolonged closed international borders, and the number of times Auckland moved into Alert Level 2 and 3, halting the movements of domestic tourists.					
Fare Income	$3,035k ✔	$3,583k ✔	$2,783k ✘	**$1,644k** ✔	*$1,438k*
Average fare per passenger journey^	$2.65	$3.06	$3.23	**$2.90**	*$2.78*
Passenger Satisfaction**					
Cable Car service reliability	99.83%	n/a	99.94%	**99.94%** ✔	*>99%*
Achieved 99.94% of trips starting on time. By using the daily trip counts, the company calculate the number of missed trips. During FY 2020-21, there were 16 missed trips representing 0.06% of trips not run.					
Net Promoter Score (NPS) maintain at CXI Benchmark (+5% ideal)				**-3.5%** ✘	*>0%*
Wellington Cable Car NPS for the year (1 July 2020 to 30 June 2021) is 71, and the CXI Benchmark NPS is 73. This means that the Cable Car's NPS sits 3.5% below the benchmark for the year. NPS is tracked monthly, and the team looks at ways to immediately address any issues raised by customers raise. There is a renewed and ongoing focus on the customer experience.					
TripAdvisor rating (out of 5)	new	new	new	**4.21** ✔	*4.2*
Google ranking	new	new	new	**4.5** ✔	*4.2*
Consistently high ranking on these platforms is important to customers in the consideration phase of their trip. Negative comments are responded to and form part of the company's learning to see how to improve the Cable Car service.					
Tourist passengers: rate experience >6 (1 – 10)	91.6% ✔	81.8% ✔	n/a	n/a	*n/a*
This metric is replaced by others above.					

^ *This is not a KPI*

** *To improve its passenger satisfaction survey methods and reporting, Cable Car moved into the Net Promoter Score (NPS) as a measure for Cable Car User Satisfaction and Trip Advisor rating.*

ISSUES & OUTLOOK

COVID-19 is an ongoing risk to the company's viability. The Cable Car has relatively high fixed operating costs and its viability is reliant on carrying more passengers than the domestic/commuter market can supply. It is one of the city's most iconic tourism landmarks and both border restrictions and domestic lock-downs are extremely damaging to the business. Council's COVID-19 Response Fund is likely to be drawn upon again this year to support the business.

Council's 2021-31 LTP includes $7.0m budget for seismic strengthening the Cable Car network (bridges, tunnels etc.). At the time of publication, the LTP anticipated $3.5m funding from Waka Kotahi to support this work, meaning Council's net funding for this work was expected to be $3.5m. Unfortunately, the $3.5m Waka Kotahi funding has subsequently been declined. The company intends to continue to make the necessary investigations to identify the highest priority areas of work to help inform decisions on what can be achieved for the lesser $3.5m sum for this work.

While the immediate economic outlook for the Cable Car is still quite uncertain, we are expecting to see improved economic conditions in future. The return of active domestic travel in early 2022 followed by open borders and international visitors and cruise ships returning to New Zealand (and Wellington) should see the Cable Car's financial viability return and this will support its future capital programmes. Meantime, the company will undertake the planning and programming for the most critical of these works.

2022 marks a celebration year as the Cable Car turns 120 years old. The company intends to mark this occasion in an appropriate manner.

16. WELLINGTON MUSEUMS TRUST (FYE 30 June 2021)

ACTIVITY SUMMARY
The Wellington Museums Trust (trading as Experience Wellington) returned a better-than-expected performance for the year with visitors comfortably exceeding budget and its trading performance also responding well to the 2020/21 COVID-19 impacted year. For the year ended 30 June 2021, Experience Wellington achieved 155% of its visitation target and 116% of its revenue target. The Trust enjoyed a busy year and a diverse range of activity highlights.
Some of the year's highlights include:



Opening just after the first national lockdown, **Wellington Museum's** *Mittens: Floofy & Famous* exhibition provided a well-timed dose of the warm and fuzzies. Attracting almost 20,000 visitors to the museum, the community exhibition ran alongside *Pet Projects*, a workshop space with a range of free creative activities for all ages.

City Gallery: A range of exhibitions and events were held throughout the year, including new shows by New Zealand artists *Zac Lang-don-Pole: Containing Multitudes*, and *Simon Ingram: The Algorithmic Impulse*. City Gallery hosted *Aitu Ball,* Wellington's first vogue Ball, to a sold-out crowd receiving positive feedback from participants and attendees.

Capital E's National Theatre for Children remounted *Seasons*, using all of Aotearoa's official languages – te reo Māori, English, and New Zealand Sign Language - making it accessible to diverse audiences. Capital E also celebrated Children's Day with a festival on Queens Wharf. The festival was a success with approximately 3,000 tamariki and whānau joining the fun.



Aitu Ball (City Gallery)



Seasons (Capital E)

Space Place: A joint promotion between the Cable Car and Space Place *Take a Red Rocket to Space* was launched. Space Place also celebrated Wellington Pride Festival with Sci-Fi Sundays: Pride Edition.

Cable Car Museum ran a popular Meccano expo over the Easter break with more than 3,100 Meccano enthusiasts visiting the whirling creations and kinetic sculptures.

Nairn Street Cottage hosted a range of environmental and community-focused events over the year. This included the three-part series, *My Wellington*, in which a range of special guests shared inspirational stories with the local community.

Experience Wellington's **Accessibility and Inclusion Committee** secured funding from the National Foundation for the Deaf and Wellington Community Trust to update Experience Wellington's New Zealand Sign Language (NZSL) videos. In association with Autism New Zealand, the Trust supported the introduction of a monthly low sensory hour—Wellington Museum reduces light and sound during this time for the neuro-diverse community to comfortably explore local taonga. The Trust also began the site-wide accessibility audit to reveal what needs attention and opportunities to improve access experiences.

Experience Wellington continued to update the **business systems** with the latest applications to enable efficient integration across all platforms, including the CRM database (Salesforce). The Trust also introduced a new retail system (Vend) across all retail outlets and a new integrated eftpos system that directly communicates with the cloud-based accounting system. The focus for the year ahead is scoping and introducing a new cloud-based ticketing and venue hire system.

Management changes

In June 2020 and before the financial year began, Dr Sarah Rusholme took over as Chief Executive.

The year concluded with the roll-out and implementation of an organisation-wide restructure. The new design is flatter and aligns people resources to the new strategy, while reducing managerial positions from 26 to 15. The new organisational model is intended to achieve better allocation of resources and greater collaboration across the portfolio and embracing te ao Māori.



Governance changes

Jackie Lloyd completed her term as the Board Chair on 31 December 2020. Jackie was appointed to the Wellington Museums Trust Board in 2011 and became Board Chair in 2016. Jane Wrightson, who was appointed to the Board in 2016, succeeded Jackie Lloyd as Board Chair from January 2021.

Martin Matthews was appointed to the Board in August 2021.

Rachel Farrant's term on the board expires on 31 December 2021 and Council (via the Appointments Group) is currently interviewing potential future board members to further strengthen this board of trustees.

SUMMARY FINANCIALS

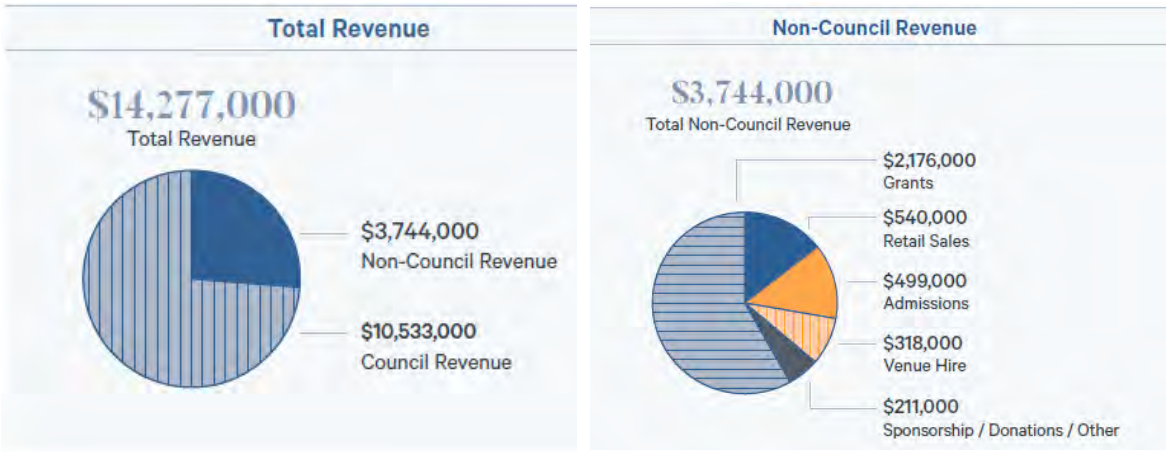
Variance (Actual minus Budget). ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	Actual	Actual	Actual	**Actual**	Budget	*Variance*
30 JUNE	2018	2019	2020	**2021**	2021	*2021*
Total Revenue	$12,937	$13,602	$13,219	**$14,277**	$12,334	*$1,943* ✔
Total Operating Exp	$12,991	$13,590	$13,295	**$14,763**	$13,592	*$1,171* ✘
Endowment Fund	$0	$17	$32	**$34**	$30	*$4* ✔
Comprehensive Surplus/(Deficit)	($53)	$29	($44)	**($449)**	($1,228)	*($779)* ✔
FINANCIAL POSITION						
Total Assets	$6,075	$6,809	$7,028	**$6,528**	$4,852	*$1,676* ✔
Total Liabilities	$1,614	$2,320	$2,582	**$2,531**	$1,610	*$921* ✘
Equity	$4,461	$4,490	$4,446	**$3,997**	$3,242	*$755* ✔
CASH FLOWS						
Total Net Cash Flows	$64	$138	$471	**$184**	($1,228)	*$1,412* ✔
Opening Cash	$880	$944	$1,082	**$1,553**	($830)	--
Closing Cash	$944	$1,082	$1,554	**$1,737**	($398)	--

The Trust's revenue of $14.277m is largely comprised of this Council's grants and other financial

SUMMARY FINANCIALS

support ($10.533m) plus a range of non-Council revenue sources. Of the Council revenue, $728k relates to Council's COVID-19 Response Fund.



The budgeted deficit of $1.228m for the year for the year acknowledged the uncertainty of operating in a COVID-19 environment. However, the full year deficit of $449k was much improved on the Trust's budgeted deficit of $1.228m.

The Trust finished the year with a closing cash balance of $1.737m, well ahead of budget (a positive variance on budget of $1.4m) and a relatively good position at year-end.

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

✔ *Achieved* ✘ *Not Achieved.*

VISITS 30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual** **2021**	*Target* *2021*
Total Visits	725,214 ✔	770,320 ✔	535,421 ✘	**405,941** ✔	*261,700*
City Gallery	153,194 ✔	153,676 ✘	111,365 ✘	**88,885** ✔	*56,200*
*Wellington Museum	127,413 ✘	432,946 ✔	100,165 ✘	**105,623** ✔	*56,000*
Capital E	113,414 ✔	137,015 ✘	86,821 ✔	**58,085** ✔	*45,500*
*Cable Car Museum	269,028 ✔	288,889 ✔	192,915 ✘	**114,236** ✔	*79,000*
Space Place	60,441 ✔	55,683 ✔	43,449 ✘	**38,641** ✔	*24,000*
*Nairn St. Cottage	1,724 ✘	2,104 ✔	706 ✘	**471** ✘	*1,000*

**The aggregation of these facilities is referred to as Museums Wellington in parts of the Trust's reporting.*

At 405,941 visitors for the year, the Trust comfortably exceeded the physical visits target, including children and young people visiting for a learning experience (actual: 26,861, target: 21,000). Social media followers and website visitors also exceeded targets.

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



30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual 2021**	*Target 2021*
Council subsidy / visit ($)	$10.11 ✓	$9.77 ✓	$14.55 ✗	**$21.32** ✓	*$29.47*
City Gallery	$15.10 ✗	$15.65 ✗	$22.07 ✗	**$27.43** ✓	*$43.34*
Museums Wellington^	$4.67 ✓	$3.89 ✓	$7.25 ✗	**$9.59** ✓	*$15.52*
Capital E	$12.22 ✓	$12.20 ✗	$21.74 ✓	**$30.78** ✓	*$39.26*
Space Place	$8.05 ✓	$8.87 ✓	$12.63 ✗	**$13.82** ✓	*$23.56*

^ *includes Cable Car Museum, Wellington Museum & Nairn Street Cottage.*

The Trust's operating grant is paid to the Trust as a lump sum so the subsidy per visitor metric is based on an allocation.

The subsidy per visit has increased based on the reduction in visitation (due to COVID-19). The Cable Car museum is one of the most impacted sites (in terms of visitation), due to closed borders and the absence of cruise ships visiting Wellington at present.

30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual 2021**	*Target 2021*
Average spend / visit ($)	$3.19 ✗	$3.37 ✗	$3.38 ✓	**$3.36** ✓	*$1.93*
City Gallery	$2.02 ✓	$2.36 ✓	$2.11 ✓	**$2.32** ✓	*$1.76*
Museums Wellington^	$2.28 ✓	$2.49 ✓	$2.75 ✓	**$2.32** ✓	*$1.06*
Capital E	$4.58 ✓	$4.43 ✓	$3.42 ✓	**$2.54** ✗	*$2.79*
Space Place	$8.74 ✗	$10.25 ✓	$10.79 ✓	**$12.84** ✓	*$5.67*

^ *includes Cable Car Museum, Wellington Museum & Nairn Street Cottage.*

The Trust's average spend per visit is relatively stable around $3.30 per visitor. Capital E has seen declining spend per visitor in the last two years while Space Place is showing some growth in this metric.

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

30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual 2021**	*Target 2021*
Non-Council revenue ($000)	$3,834	$4,305	$3,673 ✓	**$3,744** ✓	*$2,457*
… trading revenue ($000)	$2,548	$2,825	$2,741 ✓	**$1,366** ✓	*$536*
City Gallery	$311	$363	$235 ✗	**$206** ✓	*$99*
Museums Wellington^	$910	$1,056	$808 ✗	**$511** ✓	*$144*
Capital E	$562	$608	$297	**$148** ✓	*$127*
Space Place	$528	$570	$469 ✗	**$496** ✓	*$136*
Sub-letting, interest & other	$237	$228	$932 ✓	**$5** ✗	*$30*
… fund raising ($000)	$1,286	$1,480	$932 ✗	**$2,378** ✓	*$1,921*
City Gallery	$300	$467	$165 ✗	**$345** ✗	*$395*
Museums Wellington^	$178	$148	$152 ✗	**$139** ✓	*$100*
Capital E	$692	$784	$534 ✗	**$1,359** ✓	*$942*
Space Place	$116	$81	$81 ✗	**$503** ✓	*$485*

^ *includes Cable Car Museum, Wellington Museum & Nairn Street Cottage.*

Trading revenue includes admissions, retail, venue hire, sub-letting and interest.

Fundraising includes donations, sponsorships, other grants and cultural grants (CNZ & MoE for LEOTC).

Trading revenue was strong relative to budget, albeit subdued compared to prior years. Fundraising exceeded budget and was strong in comparison to prior years. Overall the non-Council revenue earned by the Trust was on par with prior years and under the circumstances was a very good result.

30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual 2021**	*Target 2021*
Full cost per visitor ($)	$13.33 ✓	$12.16 ✓	$20.00 ✗	**$28.26** ✓	*$31.39*
City Gallery	$15.10 ✗	$19.20 ✗	$24.20 ✗	**$34.65** ✓	*$46.87*
Museums Wellington^	$6.91 ✗	$4.48 ✓	$10.49 ✗	**$15.38** ✓	*$16.79*
Capital E	$12.22 ✓	$12.20 ✓	$23.25 ✓	**$38.22** ✓	*$42.46*
Space Place	$14.94 ✗	$18.97 ✗	$20.60 ✗	**$26.57** ✗	*$23.56*

^ *includes Cable Car Museum, Wellington Museum & Nairn Street Cottage.*

Full costs include Council's property ownership costs and rental subsidy paid for Capital E. The Trust does not control Council's property costs.

The increase in these figures is both a function of property ownership cost increases plus grant increases, aligned with the reduced visitation as a result of COVID-19.

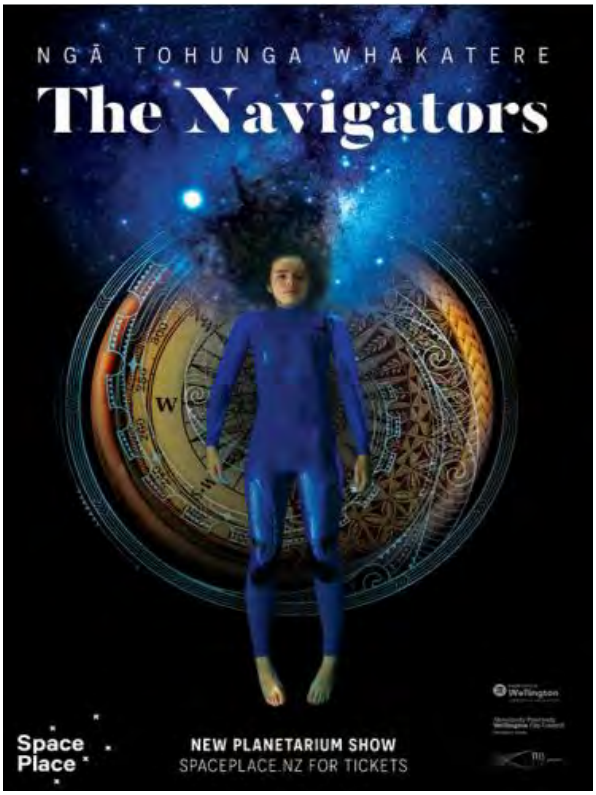
ISSUES & OUTLOOK

COVID-19 is an ongoing risk to all visitor-facing businesses. This is heightened somewhat given the value of the upcoming *Hilma af Klint: The Secret Paintings* exhibition. The exhibition, to be hosted by the City Gallery from 4 December to 27 March 2022, is billed to be one of the most important exhibitions ever to be staged in Aotearoa. It will be presented with the cooperation of the Hilma af Klint Foundation, Stockholm, and in association with Heide Museum of Modern Art, Melbourne, and the Art Gallery of New South Wales, Sydney, and supported by Wellington City Council, City Gallery Wellington Foundation, WellingtonNZ, Middleware Group - Glueware, and Kowtow.

Future E: Plans for returning Capital E to Te Ngākau Civic Square and co-locating within the Central Library Te Matapihi is underway.

Wellington Museum: Council's 2021-31 LTP includes funding for the Bond Store seismic strengthening. Council is now focussed on achieving an appropriate seismic strengthening scheme within the $21m budget.

Space Place*:* Collaboration with tikanga Māori, Pasifika and European navigation experts, has guided the production of Space Place's fully immersive planetarium show *Ngā Tohunga Whakatere - The Navigators*. A tikanga ceremony was held to acknowledge the handing over of *Ngā Tohunga Whakatere - The Navigators* to Experience Wellington before screenings began to the public from October 2021. The show features local creative talent and includes an original soundtrack and stunning animation.



17. WELLINGTON REGIONAL ECONOMIC DEVELOPMENT AGENCY LIMITED (FYE 30 June 2021)

ACTIVITY SUMMARY

Wellington Regional Economic Development Agency Ltd (trading as WellingtonNZ) touches many parts of the Wellington city and regional economies and 2020/21 was defined by; recovery from lockdown, domestic travel freedom and a trans-Tasman bubble, some large concerts and sporting events, and then another lock-down. It almost goes without saying, it was a demanding year on businesses particularly those in the travel, events and hospitality sectors of the economy.



Trans-Tasman Bubble: Photo Credit WellingtonNZ



Love Local: Photo Credit WellingtonNZ

During the year there were some changes to how WellingtonNZ is administered in terms of the Local Government Act 2002. See more details below under Governance.

Some highlights from the year include:

- $7.2 billion spend in the Wellington region
- 2.37 million total visitor nights
- Major Events audience 442,595
- $8 million – value of Callaghan Innovation R&D grants to local businesses
- $4.6 million – value of professional service vouchers
- $52 million – value of out of region spend from Venues Wellington and Major Events.
- 2400 businesses directly supported through the Regional Business Partner Programme
- 380 graduates placed into internships
- 453 film permits issued
- 2.3 million unique views on WellingtonNZ websites
- $50.6 million – value of WellingtonNZ media reach
- $2.2 million raised by companies incubated by Creative HQ.

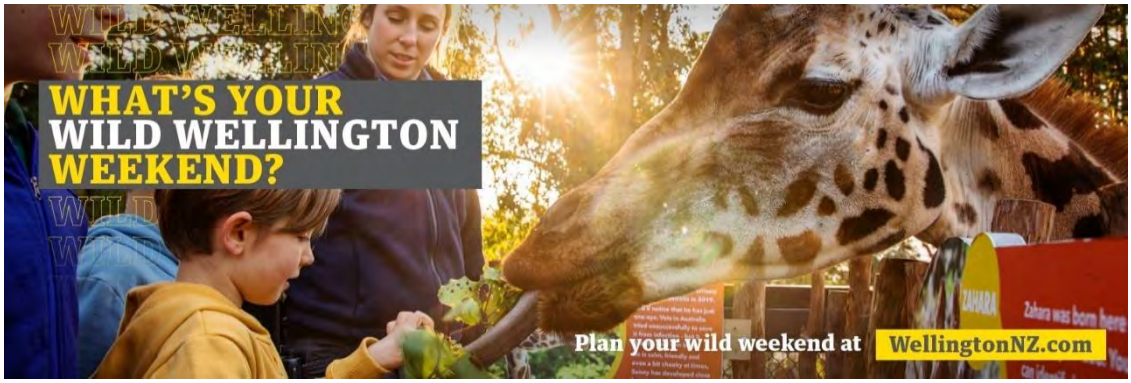
WellingtonNZ Tourism (Activity 1073) *This activity includes Business Events attraction.*			
2020/21: $5,868,943			
2021-31 LTP	**Year 1**: $6,209,757	**Year 2**: $6,377,641	**Year 3**: $6,539,701

In 2020/21 WellingtonNZ doubled down on its work to put the domestic market at the forefront of in events and marketing, to ensure local businesses benefitted from out of region spend.

Initially created in response to New Zealand's first Covid lockdown, WellingtonNZ's Love Local campaign has supported retail, hospitality and tourism businesses through a variety of programmes aimed at reassuring, restimulating and reactivating the regional economy. This included an always-on marketing campaign featuring local businesses across outdoor and digital channels, the Love Local Christmas with Pop-Up Shop and making the city more vibrant via the Love Local City Artwork that adorns construction hoardings and shop windows across the CBD.

- Wild Weekends is a WellingtonNZ micro travel show comprised of 31 episodes that were aired via TV, online viewing, social media and cinema. Research shows it has the second highest prompted awareness of a tourism campaign, after Tourism NZ's Do Something New, New Zealand, with 57% of people taking action as a result of the campaign.

- The Wellington Advent Calendar provided an important boost to retail and hospitality businesses over the quieter summer period. It took on added importance this year with businesses looking to rebound from the impacts of Covid lockdowns. The calendar featured 24 offers from the likes of Wellington Zoo, Lighthouse Cinema and the Occasional Brewer.
    - 123,787 Downloaded vouchers
    - $205,581 Direct spend from the vouchers
- Focus on: Welcome Whānau – the opening of the trans-Tasman bubble. Welcome Whanau was a collaboration between WellingtonNZ, Tourism New Zealand, Māori Tourism, Air NZ and Wellington International Airport on 19 April. A giant Welcome Whānau sign was painted on the grass at the northern end of the runway to greet the first quarantine-free aircraft arriving from Australia. Inside the terminal, arriving passengers and friends and family waiting to greet them, were greeted by the Ngāti Pōneke Young Māori Club and scores of media. WellingtonNZ partnered with Australian-based Seven Communications to spread the message that Wellington was open for business… and fun. The results were outstanding.
    - 86 Australian media results
    - 142 million Total Australia audience
    - $6 million Value of Australia media coverage



Wild Weekends

Destination Wellington (Activity 1076)

Projects funded by Destination Wellington are jointly agreed by Council and WellingtonNZ.

*In 2020/21, Destination Wellington funding was merged with the Council's Creative Capital Fund and the City Growth Fund to create the **City Recovery Fund (4,718,271)**. These funds were returned to normal in 2021/22.*

2020/21: $1,850,333			
2021-31 LTP	**Year 1**: $1,912,422	**Year 2**: $1,957,784	**Year 3**: $2,010,713

This activity is reported will be reported separately to Council as the **City Recovery Fund** in December 2021.

The current year (2021/22) programme for Destination Wellington will be reported here next year.

Major Events (Activity 1074)			
2020/21: $4,975,649			
2021-31 LTP	**Year 1**: $5,142,610	**Year 2**: $5,264,589	**Year 3**: $5,406,919

Live performance is particularly vulnerable to the whims of Covid and the associated lockdowns. This created plenty of challenges to overcome and WellingtonNZ led the country in responding thanks to Digital Nights- Van Gogh Alive.

- WellingtonNZ invested in existing and new major events, such as Digital Nights - Van Gogh Alive and the one-day Downtown Shakedown music festival.
- Partnered with Te Papa for the new World of Wearable Art – Up Close (ao KakahuToi – Kia Tata) exhibition. Over summer, 37,808 visitors got an intimate experience with 38 garments in an immersive environment of light and colour.
- About 32,000 fans attended the SIX60 gig at Sky Stadium in February.
- After the disappointment of cancelled CubaDupa festivals in 2019 (following the Christchurch terror attack) and 2020 (lockdown restrictions), CubaDupa was and enjoyed by tens of thousands of people.

$4.7m Invested in Major Events

$52m Economic impact from all events, includes Business Events, Performance Events and Major Events



Digital Nights- Van Gogh Alive: Photo credit WellingtonNZ

Venues Wellington (consolidated to Activity 1075)

Venues Wellington is a Wellington City Council activity that is operated by WellingtonNZ. It is consolidated with Council's financial statements within Activity 1075 which also includes the property and other costs related to the Venues Wellington business. Venues Wellington is not reported within the financial statements of WellingtonNZ.

2020/21 ($1.2m) Loss

2021-31 LTP	**Year 1**: ($1.277m)	**Year 2**: Break even	**Year 3**: Break even

Despite the St James Theatre and Wellington Town Hall being closed for upgrades and the uncertainty of securing and hosting performance event during the pandemic, the venues managed by WellingtonNZ performed better than anticipated during the financial year. It has been a year when, thanks to strict international border controls, local Kiwi talent has blossomed.



The Upbeats – Wellington drum & base titans: Photo credit WellingtonNZ

Performance Events

- 133 Number of performance events in our venues providing 513 performances
- 302,363 Total Audience
- 57,599 Total out-of-region audience
- Scores of sold-out performances including: Alison Wonderland & Quix, An Evening with Marlon Williams, Avantdale Bowling Club, Bill Bailey, Crowded House, Dr Seuss's Cat in the Hat, Warehouse Rave 01, 02 and 03, various performances by the NZSO and Orchestra Wellington.



Orchestra Wellington – Superhero: Photo Credit WellingtonNZ

In addition to the funding noted above that is provided by this Council, Greater Wellington Regional Council (as a 20% shareholder) also funds the activities of WellingtonNZ, some of which are more regionally focused.

During the year, WellingtonNZ also received $5.5m third party funding, including from commercial partners and central government, to support its programmes and events.

Other WellingtonNZ Activities & Programmes

Supporting local businesses to not just recover but to innovate and grow was a major focus for the organization (discussed further below).

Recovering from COVID

To recover from the impact of COVID-19 on the economy in the first half of the year, and to develop business innovation and capability in the second half, WellingtonNZ engaged with more than 2,400 businesses and provided access to more than $13 million of vouchers, funds, grants, and loans from central government. This work included:

- Covid recovery support to more than 1,100 businesses
- Fully funded access to $4.6m worth of professional services for businesses affected by Covid
- $5.3m of Research and Development (R&D) loans for businesses affected by Covid
- Hands-on business innovation and capability support to more than 620 businesses, including 140 Māori-owned businesses
- More than $420,000 co-funding to assist companies with training, coaching, and capability development
- More than $2.7m R&D grants for businesses to invest in new technology development
- Pop-Up Business Schools for 128 new businesses across the Hutt Valley, Porirua, and Kāpiti.

Fostering new talent for the regional workforce

Whether in times of high unemployment or of skills shortages, we work with employers, education institutions and students to align workforce needs with education opportunities, fostering career pathways to exciting careers.

- More than 380 students or graduates assisted into internships, work experience or work integrated learning programmes, including 200 through the Summer of Tech programme.
- Supported career programmes and events attended by more than 5,000 school students including 320 through the Young Enterprise Scheme.
- Delivered pathway programmes for 280 international students.
- WellingtonNZ continued to lead by example, hosting 14 interns and graduates during the year.

Creative HQ

Creative HQ Ltd is a 100% owned subsidiary of WellingtonNZ with a largely independent board of directors and chaired by Lance Walker (former Chief Executive of WellingtonNZ).

- Creative HQ continued to accelerate innovation within start-ups, government and other enterprises, with a strong focus on assisting the Wellington region's economic rebound post-Covid.
- $2.2 million Investment raised by incubated businesses
- $213,000 Investment raised by Lightning Lab Participants
- 64 Wellington based start-up businesses and early-stage businesses on CHQ platform
- 127 Thrive Workshop participants to help small to medium businesses reimagine their post-Covid offerings
- 25 Businesses in accelerator programmes
- 21 Participants in Venture Up youth entrepreneur programme
- Delivered more than $2 million in Innovation Services for large enterprise organisations, many located in Wellington.
- For WellingtonNZ, ran three 3 ideation workshops with more than 80 participants from around the Wellington Region to create ideas for reimaging Wellington.
- Won a significant programme of work to deliver design workshops with the Ministry for Culture and Heritage in Wellington as a way of distributing their $60 million Innovation Fund

Governance

WellingtonNZ is a Council-controlled Organisation (CCO) under the Local Government Act 2002 (LGA) and is jointly owned by the Wellington City Council (80%) and the Greater Wellington Regional Council (20%) respectively.

As a CCO there are governance requirements and arrangements that must be met, particularly under s64 of the LGA. These were undertaken by the Wellington Regional Strategy Committee. The Wellington Regional Strategy Committee (WRSC) was tasked with:

- Receiving and considering half-yearly and annual reports, agreeing the statement of expectations, to receive, consider and agree the final SOI and request any modifications and to provide recommendations to the shareholding councils regarding director appointments and remuneration.
- It also had responsibility for implementing and developing the Wellington Regional Strategy. This strategy was considered outdated and has been replaced by a new regional economic development plan which is governed and overseen by the Wellington Regional Leadership Committee.

The WRSC was a committee of the Greater Wellington Regional Council and was dissolved on 27 May 2021. **A separate report to this Committee discusses this in full.**

- The responsibilities for the governance requirements and arrangements of WellingtonNZ that must be met, particularly under s64 of the LGA, have been resumed by the two

shareholding councils.

- The responsibilities for implementing and developing the new regional economic development plan is now governed and overseen by the Wellington Regional Leadership Committee.

The Board

The company has a board of seven directors, with three directors whose terms expire on 31-Dec-2021. A search process has been undertaken by Jackson Stone including recommendations provided by the WellingtonNZ board chair, Tracey Bridges. From this process a long list has been compiled and a short list is being developed in consultation with Greater Wellington Regional Council, the board chair, Tracey Bridges, the chair of the Appointments, Group Mayor Foster, and Council's Chief Executive, Barbara McKerrow. The Appointments Group will interview candidates with a view to replacing all three directors when their terms expire on 31-Dec-2021. It is intended that future board terms will be staggered to provide better continuity to the governance.

Trustee	Term end	Years served at term end
Thomas Pippos	31-Dec-2021	7 years 1 month
Matt Clarke	31-Dec-2021	7 years 1 month
Steve Maharey	31-Dec-2021	3 years
Jo Healey	31-Dec-2022	2 years 11 months
Kylie Archer	31-Dec-2023	6 years
Tracey Bridges (Chair)	31-Dec-2023	6 years
Wayne Mulligan	31-Dec-2023	6 years

SUMMARY FINANCIALS (Draft Unaudited)

(including Creative HQ but excluding Venues Wellington)

Variance (Actual minus Budget). ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000) 30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual^ 2021**	Budget 2021	*Variance 2021*
Total Revenue	31,053	31,509	27,658	**28,380**	27,045	*835* ✔
Total Expenses	30,998	30,629	27,221	**27,828**	27,545	*283* ✘
Tax, Associates & Investments	835	274	(276)	(197)	n/a	*n/a*
Net Surplus	55	880	46	**355**	(500)	*855* ✔
FINANCIAL POSITION						
Total Assets	7,117	8,160	8,994	**11,153**	6,632	*4,521* ✔
Total Liabilities	4,648	4,812	5,600	**7,404**	4,094	*3,310* ✘
Equity	2,469	3,348	3,395	**3,749**	2,538	*1,211* ✔
CASH FLOWS						
Net Cash Flow	204	532	2,215	**2,169**	560	*1,609* ✔
Opening Cash	1,707	1,911	2,443	**4,659**	2,443	--
Closing Cash on Hand	1,911	2,443	4,659	**6,827**	3,003	--

^ *Draft unaudited financial statements*

The last two financial years were both impacted to some extent by COVID-19, with the year in review (2020/21) being the most exposed to the pandemic.

Notwithstanding, as noted above in the Activity Summary, WellingtonNZ was very active in

SUMMARY FINANCIALS (Draft Unaudited)

(including Creative HQ but excluding Venues Wellington)

supporting businesses through its Covid Response work and facilitated the hosting of some significant Major Events, Business Events and Performance Events in the city during the year.

At year end the company was holding $6.8m in cash reserves. In addition to cash held for accounts payable ($1.9m at year end) this figure includes $4.1m of third-party revenues received in advance. This is a timing difference, and the funding will be utilized on programmes and events during the current year.

KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

In the 2020/21 Statement of Intent, WellingtonNZ reviewed its performance framework to:

- Reduce the number of metrics.
- Ensure that metrics are linked to factors which WellingtonNZ can control and which measure WellingtonNZ's direct impact.
- Measure outcomes not just outputs.
- Provide greater clarity on the region's return on investment.

In addition to these headline measures WellingtonNZ does continue to measure a range of operational metrics including those that relate directly to its WCC, Major Events and Venues Wellington funding (aligned to the expectations of the Funding Agreements), and a range of historical metrics.

✔ *Achieved* ✘ *Not Achieved.*

KEY PERFORMANCE INDICATORS (KPI) **30 JUNE**	Actual 2019	Actual 2020	**Actual^** 2021	*Target* *2021*
KPI 1: Direct economic impact of WellingtonNZ's activities and interventions	n/a	$160m	**$214m** ✔	$86m
Direct Economic Impact of WellingtonNZ's activities and interventions is a combined dollar value of the measurable activities and programmes. An aggregate of 26 different measurable activities and programmes. KPI is not yet final, still waiting to confirm events and revise a couple of figures from a couple of activities.				
KPI 2: Number of different business engagements in WellingtonNZ programmes	n/a	n/a	**3,863** ✔	3,789
KPI 3: Equivalent Advertising Value (EAV) from media activity	n/a	$30m	**$50.6m** ✔	$10m
EAV is always difficult to predict as we rely on unpaid editorial coverage via third party channels and FY21 was even more unpredictable because of Covid-19 on the media landscape. Two key events, Digital Nights: Van Gogh Alive (Aug-Oct 2020) and the Trans-Tasman Welcome Whānau event at Wellington Airport (April 2021), generated a large amount of media coverage including high value broadcast channels. WellingtonNZ also saw an increase in Wellington travel coverage across domestic media due to the focus on domestic travel and Tourism New Zealand's media partnerships with NZME and Stuff.				
KPI 4a: Value of expenditure generated from events (including business, performance and major events).	n/a	$91.4m	**$52m** ✔	$40m
Includes estimates only of one event, Kia Mau as the final numbers for Kia Mau were not available at the time of reporting. Estimates account for $339,446 of total.				
KPI 4b: The number of Wellington region residents that attend events.	n/a		**442,595** ✘	475,000
Includes estimates only of one event, Kia Mau as the final numbers for Kia Mau were not available at the time of reporting. Estimated account for 4,826 of total.				
KPI 5: Stakeholder engagement	n/a	91%	**96%** ✔	80%

KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

KPI 6: Financial management	n/a	Achieved	**Achieved**	To budget
KPI 7: Funding diversification	n/a	27.4%	**30%** ✓	30%
KPI 8: Employee engagement	n/a	66%	**72%** ✓	70%
In 2021, Pulse surveys did not have a full suite of engagement questions, so this is not a direct comparison to the previous year.				
INDIRECT MEASURES OF IMPACT (MOI)	Actual	Actual	**Actual^**	*Target*
30 JUNE	2019	2020	**2021**	*2021*
MOI 1: Number of international visitors	756,570	583,132	**n/a**	*100,000*
Due to borders being closed, the International Visitors Survey (IVA) published by the Ministry of Business Innovation and Employment is currently still inactive. The IVA is the data source for this KPI, without the IVA WellingtonNZ is unable provide a figure for this measure.				
MOI 2a: International visitor arrivals through Wellington International Airport - from Australia	154,108	114,336	**14,628**	*40,000*
At time of forecast when the targets were set for these Key Performance measures, it was very difficult to predict when the borders would open to international visitors again. Using several data sources, WellingtonNZ made the prediction that the borders would open to Australia first and with reference to past numbers, predicted that borders would be the first to open again and that NZ might have 40K Australian visitors through before the end of the financial year. Unfortunately, WellingtonNZ did not anticipate the instability of the borders being open and the different states. The numbers were impacted by closures of Victoria and New South Wales during the Bubble period.				
MOI 2b: International visitor arrivals through Wellington International Airport - International (excl. from Australia)	216,439	160,162	**210**	*10,000*
Refer commentary above for MOI:2a:				
MOI 3: Visitor nights recorded in the Accommodation Data Programme	3,258,048	n/a	**2,369,900**	*1,832,261*
At the time of forecast, the target set for guest nights used Statistics NZ's Accommodation Survey. However, the dataset has been retired and the new guest nights data is now sourced from Fresh Info's Accommodation Data Programme. Given the two datasets are very different, the variations of figures could be rather large. Nevertheless, Wellington has experienced an increase in domestic visitors spend compared to pre-COVID, the economy has been performing better than anticipated out of COVID-19 lockdown, when the targets were set. Hence, it's unsurprising that the total guest nights are much more than compared to target.				
MOI 4a: Visitor spend - domestic	$1,845m	$854m	**$1,061m**	*$1,453m*
The methodology used by the Ministry of Business Innovation and Employment (MRTE) to calculate and publish spend made by visitors was impacted by the absence of the International Visitors Survey and therefore they have had to temporary retire the Monthly Regional Tourism Estimates (MRTE) and instead temporarily replace the dataset with the Tourism Electronic Card Transactions (TECT) dataset. The new TECT is much more limited than the MRTEs. Unlike MRTE, TECT only accounts for transactions made on an electronic payment card and does not account for cash and other non-card payment. Therefore, the annual figure is only accounting for electronic card recorded data only. The target was using MRTE and accounting for non-card transactions also.				
MOI 4b: Visitor spend - Australia	$243m	n/a	**n/a**	*$60m*
Refer commentary for MOI:4a				
MOI 4c: Visitor spend - total international (incl. Australia)	$857m	n/a	**n/a**	*$86m*
Refer commentary for MOI:4a				
MOI 5: Share of NZ multi-day conferences in the Wellington region	21%	n/a	**23%**	*22.0%*
Figure for YE June 2021 is not available until later in 2021.				
MOI 6: Population growth due to migration to the	3,409	3,200	**7,138**	*1,500*

KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

Wellington region				
The Net migration figures are published by Infometrics annually, the current reported figure is for June 2020. The new figure would only be available in October – November 2021. Infometrics modelling and revision are dependent on StatsNZ's population estimate adjustments.				
MOI 7: Share of NZ international students reported in the Wellington region	7.0%	n/a	**7.0%**	*7.2%*
Data Source for the 7% reported is obtained by Student Visas numbers provided by Immigration NZ in confidence. Whilst using valid international student Visas numbers is not the original source of data, the unavailability of currently enrolment numbers through Education numbers means WellingtonNZ has had to use Student Visa numbers instead.				
MOI 8: Wellington region GDP growth	5.3%	n/a	**4.2%**	*-2.5%*
The 4.2% growth in GDP for Wellington in the YE June 2021 would be skewed by the fact that during YE June 2020 there was 4 weeks of lockdown. There were no lockdowns in YE June 2021. Lockdown was March/April 2020 and August 2021.				
MOI 9: Total number of work ready job seekers in Wellington region on June 30	9,750	n/a	**12,057**	*29,000*
MOI 10a: Total consumer spending in Wellington region through electronic card data - total	$6,989m	n/a	**$7,158**	*$5,415m*
MOI 10b: Total consumer spending in Wellington region through electronic card data - retail	$1,820m	n/a	**$2,334m**	*$1,389m*
MOI 10c: Total consumer spending in Wellington region through electronic card data - hospitality	$1,098m	n/a	**$1,188m**	*$846m*

^ *Draft unaudited financial statements*

ISSUES & OUTLOOK

No issues to note.



Trans-Tasman Bubble – the first flight: Photo Credit WellingtonNZ

COVID-19 has presented challenges and will continue to do so through the 2021/22 financial year. WellingtonNZ is prepared for the reopening of New Zealand's borders.

18. WELLINGTON REGIONAL STADIUM TRUST (FYE 30 June 2021)

ACTIVITY SUMMARY

The past year was a year like no other. The events industry worldwide was ravaged by the impact of the global pandemic. Border closures and alert level changes had a significant impact on the Trust's business. Nonetheless due to the favourable situation in New Zealand relative to the rest of the world, the Stadium was still able to host some great events.



Some highlights from the year:

- Sky Stadium was named 'Best Venue 2019' at the New Zealand Event Awards for hosting Te Matatini ki te Ao and Eminem the prior year.
- A memorable drawn Bledisloe Cup match, the first international rugby match played anywhere in the world since the pandemic started.
- Hosting the SIX60 concert, the stadium's first concert headlined by a New Zealand artist, in front of almost 32,000 fans.
- Welcoming the Phoenix back, in front of a record crowd, for their only Wellington game of the 2020/21 A-League season.



A record Phoenix crowd (20,000+) at Sky Stadium

- A bumper year of Super Rugby with nine games in Wellington over two seasons of Super Rugby Aotearoa as well as Super Rugby Trans-Tasman.
- The completion of the next stage of the concourse upgrade and the launch of the Heritage Walk.
- The launch of Live Sky Sport Match Commentary via the Sky Stadium app.
- Sky Stadium hosted 4 event days (and 6 matches) with no crowd
    - Rugby: North vs South (5 Sep 2020)

- Cricket T20: White Ferns v England (3 Mar 2021)
- Cricket T20: Blackcaps v Australia (3 Mar 2021)
- Cricket T20: White Ferns v England (5 Mar 2021)
- Cricket T20: Blackcaps v Australia (5 Mar 2021)
- Rugby Test: Manu Samoa vs Maori All Blacks (26 Jun 2021)

Upgrades & resilience works

During the year the major phase of the concourse improvement project was completed. This project has included:

- The enhancement and renovation of the food and beverage outlets.
- The use of design features to split the concourse into different zones, and enhancing the overall concourse look and feel to make it more welcoming with new lighting, signage and colour.
- Making the space more suitable for exhibition clients.

Part of this work included the development of a Heritage Walk between Aisles 17 and 20 which displays some of the key moments and stars from the Stadium's first 20 years.

The last major element of the concourse project is to refurbish the floor covering on the concourse; however this won't be done until design work for the seismic resilience improvements have been finalised.

Other major capital expenditure work during the year was the continuation of the project to install corbels into the carpark and Fran Wilde walkway to improve its resilience. This work is now expected to be completed by the end of 2021.

Governance

John Shewan retired from the Board on 30 June 2021 after nine years of service as Board Chair. John was succeeded as Board Chair by Rachel Taulelei and following the year end, the vacancy created by John's retirement was filled by Phillippa Harford. The Trust also welcomed Steve Tew onto the Board part way through the year.

SUMMARY FINANCIALS

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000) 30 JUNE	Actual 2018	Actual 2019	Actual 2020	**Actual 2021**	Budget 2021	*Variance* 2021*
Total Revenue	15,755	16,038	11,262	**14,639**	13,410	*1,229* ✔
Opex before Interest & Depn	10,300	9,993	8,952	**9,166**	9,980	*(814)* ✔
Interest & Depn	4,186	4,303	4,381	**4,058**	4,300	*(242)* ✔
Net Surplus / (Deficit)	1,269	1,742	(2,071)	**1,415**	(860)	*2,275* ✔
FINANCIAL POSITION						
Total Assets	96,927	97,941	96,032	**98,681**	97,740	*941* ✔
Bank Borrowings	2,500	2,500	2,500	**2,500**	2,500	*0* ✔
Total Liabilities	7,440	6,712	6,874	**8,108**	9,640	*(1,532)* ✔
Equity	89,487	91,229	89,158	**90,573**	88,100	*2,473* ✔
CASH FLOWS						
Net Cash Flow	794	1,943	(1,496)	**2,778**	(40)	*2,818* ✔
Opening Cash	120	914	2,856	**1,360**	540	--
Closing Cash	914	2,856	1,360	**4,138**	500	--

SUMMARY FINANCIALS

The financial result for the year to 30 June 2021 is a net surplus of $1.42 million compared to a budgeted deficit of $0.86 million.

This result includes $2.96 million of grant monies received from the Wellington City Council toward the concourse upgrade. The total grant of $5.0 million has now been received in full.

Excluding the grant income, the result is a net loss of $1.54 million compared to a budgeted loss of $3.67m. Most of this variance is attributable to the careful management of overhead expenditure, given the ongoing uncertainties created by Covid-19.

Net returns from events were better than budget by $0.57m - in part due to changes in the event calendar. The Trust had budgeted for 42 events days (excluding community events) and achieved 39 event days. The budget had assumed that the Phoenix would be able to play some of their 2020-21 season in New Zealand, but only one game was possible. However, some additional cricket and rugby events took place, as well as the SIX60 concert which was not in the original budget.

During the year the Trust made the first drawdown against the credit facility being jointly provided by its settlors (Wellington City Council and Greater Wellington Regional Council), for a combined total of $1.8 million. The Trust will be making further drawdowns against this facility in the coming year.

ISSUES & OUTLOOK

The year was overshadowed by COVID-19, which continues to have a significant impact on the sports and events industry. Straddling at least three financial years, the pandemic has seen crowds reduce to half of their long-term averages, the effects of which weigh heavily on the 2020-21 financial year and will do so into the current financial year.

Ongoing restrictions on mass gatherings and restrictions on international borders will curtail the Trust's business for the foreseeable future. Alert Level 1 currently allows unrestricted mass gatherings however a Trans-Tasman bubble is required to host A-League, Super Rugby and NRL. Open international borders are required to host concerts, international rugby and cricket.

19. WELLINGTON ZOO TRUST (FYE 30 June 2021)

ACTIVITY SUMMARY

COVID-19 has influenced the year in review for the Wellington Zoo Trust with the ongoing closure of international borders and other domestic travel restrictions changing the operating environment for the Zoo. However, domestic visitation has held up well and the support of central government in response to COVID-19 leaves the Zoo well placed leading into 2021-22.

Highlights for the year in review include:

- Developed and launched a cultural competency project, Kanohi Kitea, to involve all staff in the Zoo's journey towards incorporating te ao Māori
- Achieved Toitū carbonzero certification for eighth year running
- Expanded Zoo electric vehicle fleet from two to four
- Extended charity partnerships to include the Wellington City Mission and ChangeMakers Resettlement Forum to allow more locals to enjoy the Zoo
- Welcomed four Ring-tailed female Lemurs from Hamilton Zoo

- The birth of a critically endangered male Cotton-top Tamarin; named Germàn by Proyecto Titi, our conservation partner
- The team in The Nest Te Kōhanga treated 456 native animals
- Launched Conservation Strategy Me tiaki, kia ora! in September
- Continued to support the work of 13 conservation partner organisations in the field
- Contributed $550,547 directly to field conservation through advocacy, research, donations and staff time and expertise
- Hosted a record number of 1,343 guests to the annual adults-only Valentine's Night
- Launched Safe Cat Safe Wildlife to build a community of cat owners who have the tools to keep cats safe and enriched at home, helping protect wildlife
- Developed new Behind the Scenes Experiences at Wellington Zoo – Minibeasts, Sun Bear and Zoo Keeper for a Day
- Awarded the Qualmark Gold Sustainable Tourism Business Award, achieved every year since joining in 2009
- New Health and Safety incident reporting system IHI went live, enabling streamlined tracking and reporting
- New staff initiative called Open Ideas Week provided formal avenue for staff to submit new ideas, solutions and opportunities for the organisation

Projects

Snow Leopards: Design work for the Snow Leopard project was largely completed during the year with construction now expected to start in December 2021 (delayed by COVID-19) and take approximately 12 months to complete.

Giraffe House: The primary focus was to refurbish the animal husbandry areas of the Giraffe House. New equipment will revolutionise the way the Animal Care team can provide healthcare for the Giraffes for years to come. Other elements upgraded during the project were new fencing around the Giraffe House and updated feeders and drinkers.

Te Piringa Iti: In November the Zoo opened its refurbished invertebrate breeding facility to support the conservation of NZ native reptiles. The vision is for the centre to be a versatile space that can cater for any species that needs conservation support.

Governance

There were no changes to the board of trustees during the year.

In the current year (2021/22) Raewyn Bleakley will retire effective 31-Dec-2021 and will be replaced by Jane Diplock (approved by Council 30-Sep-2021. Council has also approved the reappointment of Nina Welanyk-Brown for a further term of 3 years from 31-Dec-2021.

SUMMARY FINANCIALS (Draft Unaudited)

** Variance (Actual minus Budget).* ✔ *Favourable variance to budget* ✘ *Unfavourable variance to budget*

FINANCIAL PERFORMANCE ($000)	Actual	Actual	Actual	**Actual^**	Budget	*Variance**
30 JUNE	2018	2019	2020	**2021**	2021	*2021*
Total Revenue	7,794	8,568	7,994	**8,895**	6,736	*2,160* ✔
Total Expenses	7,434	8,752	8,433	**8,389**	8,311	*78* ✘
Net Surplus (Deficit)	360	(184)	(344)	**528**	(1,575)	*2104* ✔

SUMMARY FINANCIALS (Draft Unaudited)

FINANCIAL POSITION						
Total Assets	4,282	4,454	3,299	**4,073**	293	*3,780* ✓
Total Liabilities	2,232	2,588	1,777	**2,023**	1,008	*1,015* ✗
Equity	2,050	1,866	1,522	**2,050**	(715)	*2,765* ✓
CASH FLOWS						
Net Cash Flow	1,762	222	(978)	**894**	(1,789)	*2,683* ✓
Opening Cash	1,906	3,668	3,890	**2,912**	1,832	--
Closing Cash	3,668	3,890	2,912	**3,806**	43	--

^ The Trust's annual report has not yet been audited (due to the various implications of COVID-19).

Despite the challenges presented by COVID-19 the Zoo did record a net surplus for the year of $528k, significantly ahead of its forecast deficit of $1.6m for the year. Admissions and trading revenues exceeded budget. Operating grants and donations were $307k versus budget of $120k.

In response to COVID-19, Wellington Zoo received grant funding from central government, $411k through the Wildlife Institutions Relief Fund (WIRF) and $275k through the Strategic Tourism Assets Protection Programme (STAPP).

Grants, donations, and bequests for capital and operational purposes totalled $811k of which $583k of these were transferred to restricted funds. The Trust holds restricted funds for the specific projects.

The balance sheet remains strong with the Trust having earned cash of $894k, comfortably above the budgeted cash deficit of $1.8m for the period, increasing cash on hand to $3.8m at year end. As noted though, the Trust is holding restricted funds for capital projects (which have been delayed), which partially accounts for the higher than expected cash position.

KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

✓ *Achieved* ✗ *Not Achieved. The tables contain a selection of KPIs and not a complete list.*

Measure	Actual	Actual	Actual	**Actual^**	*Target*
30 JUNE	2018	2019	2020	**2021**	*2021*
Fully Costed (*Council's costs, not controlled by the Trust)*					
Full cost to Council	$5,170,096	$5,249,390	$5,704,355	**$5,723,647**	*$5,468,240*
Full cost to Council per visit	$20.71	$20.73	$25.86	**$24.96**	*$31.80*
Non-financial					
Visitors	249,701 ✓	252.973 ✓	220,607 ✗	**229,309** ✓	*>173,882*
Student & education visits	new	new	new	**21,204** ✓	*>14,645*
Native animals receiving medical attention by The Nest Te Kōhanga	new	new	496 ✓	456 ✓	*>450*
Native patients successful release to the wild after treatment	76% ✓	65% ✓	69% ✓	63% ✓	*>50%*
Financial					
Average revenue per visit	$16.77 ✓	$17.53 ✓	$20.42 ✓	**$19.91** ✓	*>$18.63*
Average subsidy per visit	$12.98 ✓	$13.12 ✓	$15.44 ✗	**$15.23** ✓	*<$20.10*
Trust generated income as % of grant	129% ✓	134% ✓	139% ✗	**131%** ✓	*>93%*

KPI DASHBOARD *(The tables contain a selection of KPIs and not a complete list)*

% operating costs covered by the trust.	58.4% ✓	57.0% ✓	58.0% ✗	**55.4%** ✓	*>39.0%*

^ *The Trust's annual report has not yet been audited (due to the various implications of COVID-19).*

Visitation has not been materially impacted by COVID-19, as Wellingtonians have shown strong support for local activities and institutions while relatively free movement has been permitted (particularly those outdoor attractions). For the most part, this is shown in the both the financial and non-financial metrics and as noted above, the Trust is in a strong position going into the current financial year.

ISSUES & OUTLOOK

No issues to note.

The construction of the Snow Leopards project is expected to occupy the later part of 2021/22 and extend into the following financial year. The project has been slightly delayed due to COVID-19.

Maintaining a progressive zoo requires ongoing investment to provide the highest level of animal welfare while meeting the needs of visitors and the community. COVID-19 has presented challenges and will continue to do so through the 2021/22 financial year. However, the Zoo is well placed to meet these challenges.

Ngā mahinga e whai ake nei

Next actions

20. If required, the Chair will raise any issues with the entities covered by this report.

Attachments

Attachment 1. Basin Reserve Trust DRAFT 2020/21 Annual Report
Attachment 2. Karori Sanctuary Trust 2020/21 Annual Report
Attachment 3. Wellington Cable Car Ltd DRAFT 2020/21 Annual Report
Attachment 4. Wellington Museums Trust 2020/21 Annual Report
Attachment 5. Wellington Regional Stadium Trust 2020/21 Annual Report
Attachment 6. Wellington Zoo Trust DRAFT 2020/21 Annual Report

BASIN RESERVE TRUST

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2021

BASIN RESERVE TRUST
ANNUAL REPORT
For the year ended: 30 June 2021

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BASIN RESERVE TRUST
ENTITY INFORMATION
For the year ended: 30 June 2021

Legal name
Basin Reserve Trust ("the Trust").

Type of entity and legal basis
The Trust is incorporated in New Zealand under the Charitable Trusts Act 1957 and also registered with the Charities Commission, registration number CC29029. The Trust was established by the Wellington City Council ("WCC") and Cricket Wellington ("CW") and is a Council Controlled Organisation ("CCO") as defined by Part 1, section 6 of the Local Government Act 2002.

The Trust's purpose or mission
The primary objective of the Trust is to manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreational activities and for the playing of cricket, for the benefit of the inhabitants of Wellington.

Structure of the Trust's operations, including governance arrangements
The Trust comprises a Board of four Trustees who oversee the governance of the Trust. The Trustees delegate the daily operation of the Trust to CW pursuant to a Management Agreement dated 13 May 2019. The Trust's financial affairs are managed by an external Accountant, who also attends Trustee meetings and partakes in financial discussions.

Main sources of the Trust's cash and reserves
Operating grants received from the WCC are the the primary sources of funding to the Trust. The terms under which this funding is provided are contained in a Management Deed dated 16 March 2005.

Contact details

Physical Address:	Old Pavilion, Basin Reserve Sussex Street Wellington
Postal Address:	P O Box 578 Wellington
Phone	(04) 384-3171

BASIN RESERVE TRUST
STATEMENT OF SERVICE PERFORMANCE
For the year ended: 30 June 2021

Introduction

The iconic Basin Reserve has a rich history from its inception as a safe harbour for ships in 1840 to its current status as one of the most revered cricket grounds in the world. The Basin Reserve, as we know it today, was formed by an earthquake that struck the Wellington region in 1855. This had a profound effect on the landscape, turning the Basin from a haven for ships into swampland. In 1857 citizens began to petition the Provincial Council for a site to create a permanent cricket ground. With the city growing rapidly, cricket fields were being built upon as quickly as they were developed and the English settlors' passion for the game would not abate. The Council eventually approved the petition and gave them the site they desired, the formerly known "Basin" in Te Aro.

It was no small task turning the swampy land into a suitable ground for cricket and recreation, with prisoners from the nearby Mt Cook barracks supplying the majority of the labor to drain and flatten the area. In 1866 the land was finally leased for cricket activity and so crickets love affair with the Basin Reserve began.

The Basin Reserve's long association with cricket began on January 11 1868, when the Wellington Volunteers played the crew of the HMS Falcon. From there, cricketers invested heavily in the ground so, by the 1880's, the Basin Reserve was almost unrecognisable from a decade before; picket fences, the Caledonian Stand, and a vastly improved playing surface meant cricket was here to stay. 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.

Today, the Basin Reserve has seen more New Zealand Test matches, and Test victories, than any other ground. It has also been the venue for some of the most remarkable performances in our cricketing history; from JR Reid's 15 sixes in a first-class innings, to Martin Crowe and Andrew Jones' World Record partnership of 467 in 1991, and Brendan McCullum's historic score of 302 in 2014. But 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.

The Basin Reserve plays a role in assisting Wellington City Council ("WCC") 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 redevelopment has repositioned the Basin as New Zealand's premier cricket venue and help attract national and international events to Wellington.

The day to day management of the Basin Reserve is undertaken by Cricket Wellington ("CW"), under a management agreement with the Basin Reserve Trust ("BRT").

This Statement of Service Performance highlights the achievements of the BRT for the period July 2020 to June 2021.

Objectives

The objectives of the Trust are stated in the Trust Deed as agreed between the WCC and the BRT and 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;

BASIN RESERVE TRUST
STATEMENT OF SERVICE PERFORMANCE
For the year ended: 30 June 2021

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 Councils contribution where appropriate.

2020/21 Highlights

There were several significant highlights during the 2020/21 year, they include:

- Full turf renovation completed in 2020
- Convincing BLACKCAPS Test Match victory vs West Indies
- Return of international white ball cricket to the Basin Reserve, with the BLACKCAPS beating Bangladesh in March
- Strong crowds for the Super Smash men's and women's double-headers with a record domestic crowd for the Dream 11 Super Smash Grand Final double-header, with the Firebirds winning back-to-back titles
- Another successful Beers at the Basin event, showing the best craft breweries, local wineries, street food and music to a sold-out crowd
- Hosted the Peachy Keen concert, that showcased the best kiwi female musicians to an enthusiastic Wellington crowd of approximately 4,500
- A wide range of corporate functions and conferences, with 101 held throughout the year
- Continuation of junior winter sports with football and rugby fixtures being played at the venue

2020/21 Performance

In-line with the objectives of the Trust and the 2020/21 Statement of Intent, the BRT performed well in a challenging year due to the ongoing impact of Covid-19. The BRT remains committed to the ongoing management and evaluation of risks associated with the enduring Covid-19 global pandemic. The Trust has worked 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 responsibilty 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.

BASIN RESERVE TRUST
STATEMENT OF SERVICE PERFORMANCE
For the year ended: 30 June 2021

The table below provides a comparison between 2020/21 targets and actuals and 2019/20 actuals.

		2021		2020
Measure	**Measurement**			
Number of event days		**Target**	**Actual**	**Actual**
Cricket Events	Cricket days	33	50	48
Other Sports Events	Sports days	20	26	12
Practice Facility Usage	Practice days	100	111	67
Community Events	Other days	20	17	7
Functions	Function days	15	101	76
Numbers attending events	Attendance figures	15,000	55,000	54,415
Event income ($)		79,100	285,611	203,856
Council operating grant ($)		694,659	694,659	680,438
Cash subsidy (grant) per attendance ($)		46.30	12.60	12.50

Non-financial Performance Measures

These targets are how the Trust is evaluated in the public eye. These measures are broken down into two areas, being number of event days and numbers attending events.

- Number of event days:
  - Cricket days
  - Other Sports days
  - Practice Facility days
  - Community Event days
  - Function days

- Numbers attending events

These measures simply summarise all events staged at the ground and the number of spectators attending these events. For high profile ticketed events such as Concerts, International and Domestic Cricket, accurate data is gained from the ticketing agents. These types of events represent approximately 90% of the total annual attendance. For smaller 'open to public' events such as rugby and football, we make an estimate of attendance based on head counts. Community events are events that are open to the public, whereas function events are generally private events and are booked through the Trust's Concessionaire and are held in the Long Room.

Thousands of people walk and cycle through and around the Basin each year. Obviously the Trust is not able to measure the the actual numbers, but it does highlight that the ground is used substantially by a large number of Wellingtonians.

BASIN RESERVE TRUST
STATEMENT OF SERVICE PERFORMANCE
For the year ended: 30 June 2021

The Trust records usage of the venue's Cricket Practice Facilities. Following considerable investment in these practice facilities over the years, it is important to guage their level of use. Of note, the usage of the Practice Facilities includes international cricket practices for matches at Sky Stadium. With no Practice Facilities of its own, Sky Stadium contracts the BRT to provide these facilities on its behalf. This is perhaps a good example of the close and positive relationship between the two venues.

Working alongside the simple metrics of events and attendance, the Trust is focused upon attaining a high level of customer satisfaction from its users. To assess customer satisfaction, the Trust relies upon a range of sources. For international and domestic cricket, online reporting tools provide an accurate and measurable review of the venue's performace both on and off the field. For other events, the Trust has relied upon feedback from non-independent sources and feedback was not received on all events.

In terms of on-field, the Basin Reserve continues to be recognised as the premier cricket venue in the country. The outfield drainage, which received an upgrade at the begining of this financial year, now offers an excellent playing surface for both cricket and other sports. The Cricket block itself is world renowned for its pace and bounce, key aspects for delivering high quality cricket entertainment to the public.

Event Days, Practice Days and Functions

The Basin Reserve continues to be a very well utilised community venue. In 2020/21 the Basin Reserve hosted 83 event days, 111 practise days and 101 functions. An overview of the wide range of events is outlined below;

Community Events
The Beers at the Basin, a popular festival that showcases Wellington's craft beer and wine industry, has become an annual feature on the BRT's event calendar and the November event was one of the most successful yet, with a sold-out crowd of 6,500 enjoying beer, wine, food and music on a fantastic Wellington day.

The venue welcomed back a music festival for the first time in several years, with an energetic crowd of 4,500 fans enjoying acts from some of the best homegrown female musicians. The Basin Reserve wants to be a venue for everyone and hosting different events like this a key priority for the BRT.

In addition, the BRT continues to partner with Wellington Rugby and Capital Football to bring junior sport to the venue during the winter months. The venue also continues to host a wide range of community cricket events throughout the year when available. However, due to the venue hosting the Peachy Keen concert in April 2021, there was a reduced number of community cricket events able to be hosted.

Domestic Cricket
The Basin is the home of CW 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 accomodates CW development teams. The Basin Reserve was the host venue for the Super Smash Grand final again in 2021, with a near sold out crowd of 5,545 treated to two exceptional games of entertaining cricket.

The Basin Reserve also contains an indoor practise facility that features two training nets that were developed and maintained by CW. These facilities are in use for most of the year and are accessible to players and teams of all ages and abilities.

BASIN RESERVE TRUST
STATEMENT OF SERVICE PERFORMANCE
For the year ended: 30 June 2021

International Cricket
The lively and entertaining calypso style of cricket graced the Basin Reserve in December when the BLACKCAPS hosted the West Indies in a Test Match. The venue was packed to the brim with fans enjoying another victory for the BLACKCAPS. In March, white ball cricket cricket returned to the Basin, with the BLACKCAPS taking on Bangladesh in the first One Day International at the venue since 2019. A strong crowd of over 7,000 fans enjoyed a century by local player Devon Conway on a beautiful Wellington day.

The Basin Reserve pitch again received a good rating from the ICC and New Zealand Cricket were pleased with the event delivery and venue presentation across all international matches.

Other Sports Events
In recent years the BRT has repositioned the Basin Reserve as a multi-sport venue providing year-round access to the community. Through a partnership with Wellington Rugby and Capital Football, 40 junior rugby and 92 junior girls football events were held during the 2021 winter months. Over 132 games were played with approximately 2,600 children involved with many more parents and caregivers enjoying, from the side-lines, their children playing on the Basin Reserve.

Functions
The BRT has contracted Black and Gold Events (a division of KAPURA) to manage and promote the recently refurbished Norwood Room and Long Room in the R A Vance Stand as a venue for conferences, meetings, wedding celebrations, Christmas functions and team building workshops. In total 101 functions were held in 2020/21, with a significant increase in venue use arising from the Norwood Room being utilised as a Blood Donor centre for four weeks from 9 November - 4 December 2020.

Basin Reserve Redevelopment

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

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

- Embankment toilet upgrade
- Perimeter fence and gate upgrades
- Media box extension
- Picket fence upgrade
- Permanent camera stands and sightscreen upgrades
- Ground lighting to support 24*7 access
- Additional groundsman storage (between Practice Cage and Old Pavilion)

The BRT continues to strive towards presenting the ground to a high standard every year, driving a comprehensive maintenance programme and ensuring the Basin Reserve remains one of the most picturesque grounds in the world.

ICC Women's Cricket World Cup 2022

New Zealand is hosting the ICC Women's Cricket World Cup in 2022. The tournament was previously scheduled to be hosted in 2021, but due to the ongoing global pandemic, it was postponed to enable all qualifying teams to participate in a safer tournament. Eight nations are competing across 31 matches in six host cities around the country from 4 March - 3 April 2022.

BASIN RESERVE TRUST
STATEMENT OF SERVICE PERFORMANCE
For the year ended: 30 June 2021

The Basin Reserve has been selected as one of the six host venues and has 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, 27 March
- Semi Final, Wednesday 30 March

The venues exclusitivity period for this event commences on 20 February 2022 and concludes on 9 April 2022.

Sponsorship and Fundraising

The BRT remains committed to obtaining 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 in 2020.

Key opportunities that the BRT continue to explore:

- 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 Rights Partner - the Trust is in the final stages of confirming a Naming Rights Partner for the venue after an extensive three-year search
- Digital Billboards - the Trust are also investigating digitial billboard opportunities at the Basin Reserve to grow a more sustainable revenue base. This will enable the BRT to gain additional income to support the redevelopment and on-going maintenance of the venue
- Additional Revenue Opportunities - the Trust has partnered with Parkable to provide a software platform and supporting services for the management of the carparks at the venue. This is estimated to generate an additional $6k of revenue per annum.

Wellington Regional Stadium Trust ("WRST") Turf Services Partnership

The BRT continued its positive partnership with the WRST. Under a partnership agreement the WRST provides all turf management services that ensure the Basin Reserves outfield, wicket blocks and practice wickets are maintained to international standards.

BASIN RESERVE TRUST
STATEMENT OF COMPLIANCE AND RESPONSIBILITY
For the year ended: 30 June 2021

SUMMARY OF ANNUAL PERFORMANCE

The Basin Reserve hosted over 132 Community Junior Club Rugby and Junior Girls Club Football games, a successful Beers at the Basin event, a BLACKCAPS Test Match and One Day International and a music festival. As well as this it also held a wide range of corporate functions and a Super Smash men's and women's double headers.

The Basin Reserve continues to be a very well utilised community venue. In 2020/21 the Basin Reserve hosted 93 event days, 111 practise days and 101 functions.

The Basin Reserve has been selected as one of the six host venues for the ICC Women's Cricket World Cup 2022 and will hold 7 fixtures in March 2022.

The Basin Reserve pitch again received a good rating from the ICC and New Zealand Cricket were pleased with the event delivery and venue presentation across all international matches.

The BRT performed well in 2020/21 and exceeded all targets except for the Community Events, which weren't met due to the venue hosting the Peachy Keen musical festival.

The Old Pavilion Stand was completed in June 2020 and the BRT's focus is committed to working with the WCC on the redevelopment of the Basin Reserve and its infrastructure. They are currently working to complete 7 key projects.

COMPLIANCE

The Board and management of the BRT confirm that all statutory requirements of the Local Government Act 2002 regarding financial and operational management have been complied with.

RESPONSIBILITY

The Board and management of the Trust accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

The Board accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Trust.

In the opinion of the Board and management, the Annual Report for the year ended 30 June 2021 fairly reflects the financial position, results of operations and service performance achievements of the Trust.

Alan Isaac
Chairman
Date: 16 September 2021

Michael Horsley
Trustee
Date: 16 September 2021

BASIN RESERVE TRUST
STATEMENT OF FINANCIAL PERFORMANCE
For the year ended: 30 June 2021

	Notes	Actual 2021	Budget 2021	Actual 2020
		$	$	$
Revenue				
Council funding	1	694,659	694,659	680,438
Other grants		231,700	-	720,000
Sales of goods and services	2	285,611	117,700	203,856
Interest revenue		261	360	284
Total Revenue		1,212,231	812,719	1,604,578
Expenses				
Depreciation of property, plant and equipment	8	92,692	118,000	102,739
Costs related to providing goods and services	3	683,972	684,200	627,336
Other expenses	4	130,193	147,080	148,956
Vesting of capital grants	5	231,000	-	720,000
Total Expenses		1,137,857	949,280	1,599,031
Surplus/(Deficit) for the Year		74,374	(136,561)	5,547

Explanations of major variances against budget are provided in note 17

BASIN RESERVE TRUST
STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

	Notes	Actual 2021	Budget 2021	Actual 2020
Assets		$	$	$
Current Assets				
Bank accounts and cash	6	400,360	34,506	223,259
Debtors and prepayments	7	49,968	35,200	87,116
Total Current Assets		450,328	69,706	310,375
Non-Current Assets				
Property, plant and equipment	8	405,424	442,940	466,478
Total Non-Current Assets		405,424	442,940	466,478
Total Assets		**855,752**	**512,646**	**776,853**
Liabilities				
Current Liabilities				
Creditors and accrued expenses	10	187,708	110,707	182,735
Income received in advance		10,952	12,000	11,400
Total Current Liabilities		198,660	122,707	194,135
Total Liabilities		**198,660**	**122,707**	**194,135**
Total Assets less Total Liabilities		**657,092**	**389,939**	**582,718**
Trust Equity				
Contributed capital	11	100	100	100
Accumulated surpluses	11	656,992	389,839	582,618
Total Trust Equity		**657,092**	**389,939**	**582,718**

Explanations of major variances against budget are provided in note 17

BASIN RESERVE TRUST
STATEMENT OF CASH FLOWS
For the year ended: 30 June 2021

	Note	Actual 2021	Budget 2021	Actual 2020
		$	$	$
Cash Flows from Operating Activities				
Receipts of council funding		694,659	692,659	713,255
Receipts of other grants		231,700	-	710,000
Receipts from sale of goods and services		285,805	147,700	261,957
Interest receipts		261	360	284
Payments to suppliers and employees		(818,669)	(841,280)	(784,185)
Payments of other grants		(231,000)	-	(720,000)
GST (net)		45,983	(20,000)	(42,803)
Net Cash Flows from Operating Activities		208,739	(20,561)	138,508
Cash Flows from Investing and Financing Activities				
Payments to acquire property, plant and equipment		(31,638)	(75,000)	(67,056)
Net Cash Flows from Investing and Financing Activities		(31,638)	(75,000)	(67,056)
Net Increase/(Decrease) in Cash for the Year		177,101	(95,561)	71,452
Add opening bank accounts and cash		223,259	130,067	151,807
Closing Bank Accounts and Cash	6	**400,360**	**34,506**	**223,259**

Explanations of major variances against budget are provided in note 17

BASIN RESERVE TRUST
STATEMENT OF ACCOUNTING POLICIES
For the year ended: 30 June 2021

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 2007. 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.

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.

BASIN RESERVE TRUST
STATEMENT OF ACCOUNTING POLICIES
For the year ended: 30 June 2021

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 reognised.

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.

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.

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BASIN RESERVE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended: 30 June 2021

1 Council funding

	2021	2020
	$	$
Operational grant - WCC	694,659	680,438
Total council funding	**694,659**	**680,438**

2 Sales of goods and services

	2021	2020
	$	$
Ground hire income	229,500	180,238
Concession income	39,044	22,500
Rental income	13,538	-
Picket fence income	3,529	1,118
Total sales of goods and services	**285,611**	**203,856**

3 Costs related to providing goods and services

	2021	2020
	$	$
Building expenses	57,637	43,789
Ground expenses	366,169	370,891
Occupancy expenses	175,001	152,913
Event running expenses	84,070	59,378
Picket fence expenses	1,095	365
Total costs related to providing goods and services	**683,972**	**627,336**

4 Other expenses

	2021	2020
	$	$
Audit fee for the financial statement audit	14,024	14,500
Management fee	100,000	100,000
Marketing	1,175	4,353
Other administrative expenses	14,994	30,103
Total other expenses	**130,193**	**148,956**

5 Vesting of capital grants

This entry relates to the transfer of these funds to the WCC. The Trust has transferred funds of $231,000 (2020 $720,000) to the Council to support the Museum Stand Redevelopment.

BASIN RESERVE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended: 30 June 2021

6 Bank accounts and cash

	2021	2020
	$	$
Cheque account	31,481	31,117
Savings accounts	368,879	192,142
Total bank accounts and cash	**400,360**	**223,259**

7 Debtors and prepayments

	2021	2020
	$	$
Gross debtors	58,646	82,056
Provision for doubtful debts	(13,743)	-
Net debtors	44,903	82,056
Prepayments	5,065	5,060
Total debtors and prepayments	**49,968**	**87,116**

8 Property, plant and equipment

	Plant	Furniture & Fittings	Drainage Works	Leasehold Improvements	Total
	$	$	$	$	$
Carrying amount at 1 July 2019	59,757	19,841	44,216	425,126	548,940
Additions	10,968	3,267	-	6,042	20,277
Disposal (net of accumulated depreciation)	-	-	-	-	-
Depreciation expense	(29,189)	(6,862)	(10,190)	(56,498)	(102,739)
Carrying amount at 30 June 2020	41,536	16,246	34,026	374,670	**466,478**
Carrying amount at 1 July 2020	41,536	16,246	34,026	374,670	466,478
Additions	20,817	10,821	-	-	31,638
Disposal (net of accumulated depreciation)	-	-	-	-	-
Depreciation expense	(21,476)	(7,759)	(18,189)	(45,268)	(92,692)
Carrying amount at 30 June 2021	40,877	19,308	15,837	329,402	**405,424**

The land and buildings that the ground is situated on are owned by the WCC and are occupied under a lease agreement with them.

9 Operating lease commitments

The arrangements concerning occupation of the Basin Reserve are governed through a registered lease between the WCC and the WRST. The lease of the ground is from 1 July 1999 and for a lease term of 33 years, with a right of renewal for 33 years expiring in 2065. A registered variation to the lease allows for an assignment of the lease in favour of the Basin Reserve Trust, which assignment awaits execution and registration. There is a nominal $1.00 rent payable per annum throughout the term of the lease, including the right of renewal.

BASIN RESERVE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended: 30 June 2021

10 Creditors and accrued expenses

	2021	2020
	$	$
Creditors	169,637	166,735
Accrued expenses	18,071	16,000
Total creditors and accrued expenses	**187,708**	**182,735**

11 Equity

	2021	2020
	$	$
Contributed capital		
Balance at 1 July	100	100
Balance at 30 June	100	100
Accumulated surpluses		
Balance at 1 July	582,618	577,071
Surplus (Deficit) for the year	74,374	5,547
Balance at 30 June	656,992	582,618
Total equity	**657,092**	**582,718**

12 Commitments

There were no material operating or capital commitments as at 30 June 2021 (2020 Nil).

13 Contingent liabilities

There were no material contingent liabilities or assets as at 30 June 2021 (2020 Nil).

14 Related-party transactions

Related-party disclosures have been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.
WCC are a related-party of the Trust because the Trust is a Council Controlled Organisation and also the Trust has assumed an Operating lease commitment, with the WCC pursuant to Note 9 above.
Mr J P Greenwood is a Trustee of the Trust and also a Consultant to Greenwood Roche Lawyers.
CW is a related party of the Trust as well, as they appoint appoint two Trustees to the Trust.
The Trust paid the WRST for Turf Management. WRST are a related-party of the Trust because they are also a Council Controlled Organisation of the WCC.

BASIN RESERVE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended: 30 June 2021

14 Related-party transactions (continued)

Related-party transactions significant to the Trust requiring disclosure

1. WCC made a grant of $694,659 (2020 $680,438) to the Trust as a contribution towards the costs of operating the Trust.
2. The Trust paid WCC the sum of $231,000 (2020 $720,000) as a contribution to the Old Pavilion upgrade.
3. The Trust paid legal fees to Greenwood Roche totaling $950 (2020 $11,580). This amount was 50% of the market rate.
4. The Trust paid a management fee to CW of $100,000 (2020 $100,000) during the year under review. As at balance date there was an amount of $0 (2020 $57,500) due from the Trust to CW.
5. The Trust paid the WRST the sum of $340,723 (2020 $339,113) for Turf Management during the year under review. As at balance date there was an amount of $125,435 (2020 $67,830) due from the Trust to the WRST.

15 Trustee fees

In the year to 30 June 2021, the Trustees did not receive any remuneration in regard to their duties as Trustees (2020 Nil).

16 Events after the balance date

There were no significant events after the balance date (2020 Nil).

17 Explanations of major variances against budget

Explanations for major variances from the Trust's budgeted figures in the 30 June 2021 statement of intent are as follows:

Statement of financial performance

1. The budget didn't include any International cricket or other event hosting due to Covid-19. Whereas the Trust received $143,850 from these events in this financial year.
2. Other grants of $231,000 were received from third parties to pay to the WCC as a contribution to the public upgrade of the Old Pavilion, which is situated at the Ground. This was not budgeted for.
3. The budget didn't include the Vesting of capital grants expense of $231,000, which was paid to the WCC as a contribution to the public upgrade of the Old Pavilion, which is situated at the Ground.

Statement of financial position

1. The Bank accounts and cash were higher than budgeted for due to the Opening balance and the Receipts from the sale of goods and services being higher then budgeted for, as disclosed in the Statement of cash flows disclosure below.
2. Equity is higher than budgeted for due to the receipt of Income from International cricket and other event hosting in the financial year and also Opening equity being higher than budgeted for.

BASIN RESERVE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended: 30 June 2021

17 Explanations of major variances against budget (continued)

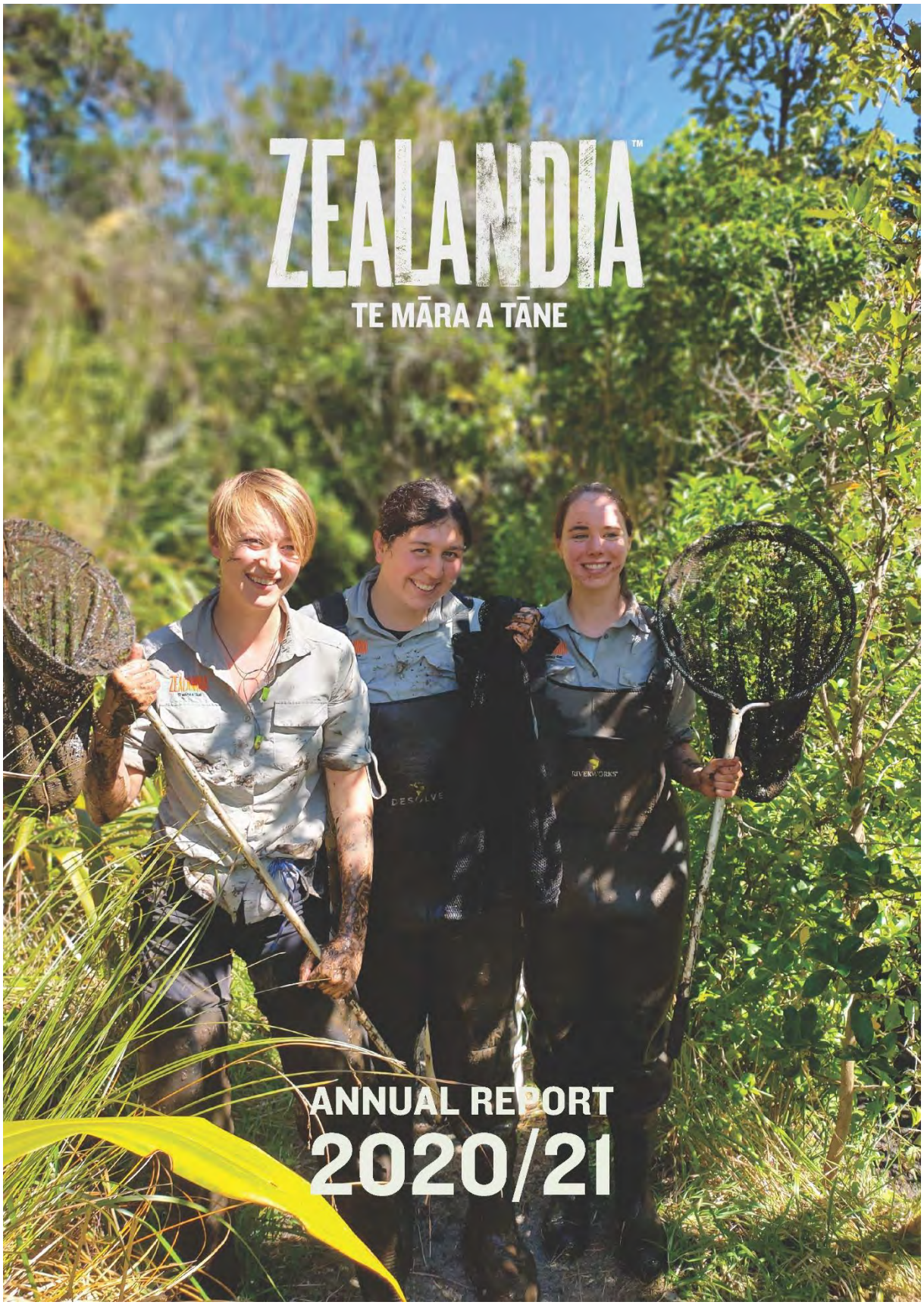
Statement of cash flows

1. The Receipts from the sale of goods and services was larger than budgeted for due to the hosting of International cricket and other events in the financial year.
2. The Opening bank accounts and cash was larger than budgeted for due to the fact that expenditure wasn't as large in the last financial year due to the ground being closed due to Covid-19.

18 COVID-19 disclosure

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 a pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this, the country was in lockdown at Alert Level 4 for the period 26 March to 27 April and remained in lockdown at Alert 3, thereafter, until 13 May.

During the lockdown period the Basin Reserve was closed to the public as a thoroughfare. The conference centre was closed and Black and Gold, who have the facilities concessions, were provided with three months of rent relief by the Trust. A number of community related end of cricket season events were cancelled including the commercially lucrative Night Noodle Markets. As a result of less activity at the venue operating expenses, including the turf management costs, were reduced which enabled the Trust to post a modest surplus for the 2019/20 financial year.


ZEALANDIA™
TE MĀRA A TĀNE
ANNUAL REPORT
2020/21

Our Purpose: Te Kupu Tauākī

We connect people with our unique natural heritage, and inspire actions that transform how people live with nature in our cities, towns and beyond.



A view of central Wellington from the Zealandia Te Māra a Tāne fence. Photo Credit: Andrew Hawke.

Welcome to the Karori Sanctuary Trust's Annual Report for the financial year ending 30 June 2021. This Annual Report meets our reporting requirements for Wellington City Council and uses an Integrated Reporting <IR> format. In this report we connect our 20-year strategy, Living with Nature – Tiaki Taiao, Tiaki Tangata, with our 2020/21 achievements through four key <IR> areas, termed capitals: social, natural, human and financial. This framework enables us to tell our story of value creation, and demonstrate our impact across these capitals.

Front cover: Rangers Rachel, Tia and Ellen after their wetland stream adventures as part of the Roto Kawau restoration - See page 27. Photo Credit: Zealandia Te Māra a Tāne.

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Our Place in Transformation: He Wāhi Ahurei

Tēnā koutou.

What a year it has been… for everyone. Despite the high level of uncertainty, and the significant pressures on our people and budgets, we have ended the financial year in good heart and great shape. This has only been possible through the extraordinary support of so many people and organisations, and we would like to take this opportunity to thank everyone who has helped to make this year a success.

With the loss of international tourism we were facing a drop of 60,000+ in visitor numbers. While domestic tourism has not completely filled that gap, New Zealanders checking out their own backyards has meant that we have enjoyed many more people visiting the sanctuary than initially anticipated. Numbers totalled over 121,000 compared to 143,000 last year, and this has translated into an increase in our membership from 14,000 to 18,000 during the year (see page 21).

Financial support from the government has also been critical during the year, this support coming through the Strategic Tourism Assets Protection Programme and the Wildlife Institutions Relief Fund. Both funds have enabled us to maintain critical infrastructure and conservation projects during an extremely challenging year. Our Operating Result was a pleasing $278,791 and our financial condition continues to be healthy.

The continued restoration programme within the sanctuary itself has seen several major projects completed this year. The translocation of pua o te Rēinga (*Dactylanthus taylorii*) from Pureora Forest involved multiple iwi and was an inspiring project, highlighting the critical importance of mātauranga and te ao Māori (see page 15).

Completing the major task of removing perch from Roto Kawau (our lower reservoir) was successfully achieved towards the end of the year. This has been a multi-year and highly complex project similar in scale to the removal of predators from the sanctuary over 20 years ago. The water level in the reservoir was dropped by six metres which also enabled Wellington Water to undertake the restoration of critical equipment in the iconic valve tower. With all works completed, and much to our amazement, the reservoir refilled in a matter of weeks – the valley is an extremely effective water catchment! Our thanks to the very many partner organisations who have assisted with this project, and the Holdsworth Charitable Trust for their financial backing. Details on this project can be found on page 27.

Further downstream the Sanctuary to Sea Kia Mauriora te Kaiwharawhara project has made significant progress and it continues to be extremely encouraging to see the commitment of so many partners and stakeholders. The signing of a Memorandum of Understanding with CentrePort is an example of a major stakeholder working with this community to achieve exemplary outcomes for the future.

It has been encouraging to see two of our bird species doing particularly well this year. Following several poor breeding seasons, hihi fledged over 60 young, providing an important boost to the population. Every year we receive invaluable support from the Hihi Charitable Trust which provides expertise, research support, and training for our Conservation team. Tītipounamu fledged over 100 young, an important sign of this species establishing itself in the sanctuary following the translocation from the Wainuiomata catchment just over two years ago.



Enhancing our wetlands as part of the Roto Kawau restoration - See page 27. Photo Credit: Zealandia Te Māra a Tāne.

With lower visitor numbers during the autumn months, we took the opportunity to close the sanctuary for a few days to fell some more of the large pine trees along the main Lake Road path into the sanctuary. This is part of a long-term process of pine tree removal over future years.

The development and launch of our own internal staff training and development programme, Te Ara Poutama, has been greeted with excitement and enthusiasm by the first cohort to go through the pilot of this nine-stage programme. Participants learn about Te Tiriti o Waitangi commitments and responsibilities, te ao Māori, and follow a te reo language plan.

We are extremely grateful to the Governor-General, Dame Patsy Reddy, and Sir David Gascoigne for hosting us at Government House in November to launch our Future Leaders Fund. It was a wonderful opportunity to celebrate the achievements of Zealandia Te Māra a Tāne and to look forward to developing its future leadership.

Despite the curtailment of international travel, our relationship with the Woodlands and Wetlands Trust in Canberra has continued in strength. Zoom calls have enabled an ongoing dialogue and exchange of ideas and advice, including around their exciting new visitor centre development which is currently reaching final stages of construction.

We were privileged to be part of the Fight for the Wild four-part video and podcast series which has significantly increased the profile of the work going on around the country to eradicate species of mammalian pests from our landscape. The precarious state of our native biodiversity was made abundantly clear, as was our ability to do something about it!

Finally, we would like to acknowledge Steve Unwin and his team at Clockwork Creative Productions for the wonderful promotional video they have made and gifted to us. This is one example of the generosity we have experienced over the past 12 months, post-lockdown.

Our thanks to all our supporters, members, visitors, volunteers, researchers, staff, Board and Guardians, Wellington City Council as our principal partner, and our Te Tiriti partners, Taranaki Whānui ki Te Upoko o Te Ika and Ngāti Toa Rangatira.

Nāu te rourou, nāku te rourou, ka ora ai te iwi.



Paul Atkins
Chief Executive



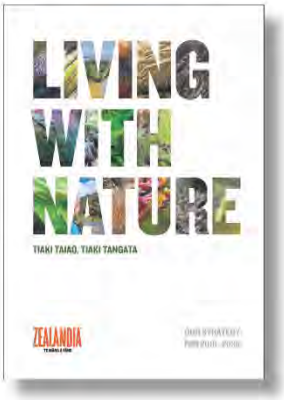
Phillip Meyer
Chair

Living with Nature – Tiaki Taiao, Tiaki Tangata

Our 20-year strategy, Living with Nature – Tiaki Taiao, Tiaki Tangata (2016 – 2035), describes four strategic themes that guide and inform all we do.

We are:

- **A place that treasures – he wāhi taonga**
- **A place that engages – he wāhi huihuinga**
- **A place for learning – he wāhi mātauranga**
- **A place that empowers – he wāhi whakamana**



Living with Nature sets us on a path of transformation: transformation of people's lives, transformation of a city, transformation of how we live with nature. We have the extraordinary opportunity to enable people to connect with and value nature, encourage them to take conservation action in their own communities, and give effect to several of the United Nations (UN) Sustainable Development Goals. Despite the challenges of the past year, our strategy continues to guide our work. Our opportunity now is to leverage and promote our value as both a domestic visitor destination and world-leading conservation project, and our positive impact on the region around us.

A Place that Treasures
He Wāhi Taonga

A Place that Engages
He Wāhi Huihuinga

A Place for Learning
He Wāhi Mātauranga

A Place that Empowers
He Wāhi Whakamana

Our Purpose/ Te Kupu Tauākī: We connect people with our unique natural heritage and inspire actions that transform how people live with nature in our cities, towns and beyond.

Our Place in Transformation/ He Wāhi Ahurei: Zealandia will be a place that transforms biodiversity, people and knowledge, and through this transforms our capacity for living with nature.

Our Values/ Ngā Mātāpono: Kaitiakitanga (we are effective stewards), Manaakitanga (we welcome all), Hāporitanga (we talk to all), Mātauranga (we learn and share) and Kotahitanga (we collaborate).



Within Zealandia Te Māra a Tāne. Photo Credit: Hayden Griffiths.

Taking Action for the SDGs

We contribute in a meaningful way to a total of 9 of the 17 United Nations Sustainable Development Goals (SDGs). We show these throughout this document.



Across our strategic themes we contribute to four primary Sustainable Development Goals:

A Place that Treasures
He Wāhi Taonga

Restoring Te Māra a Tāne and its extending halo of biodiversity.

—

Building our organisation's capacity to drive transformation.

15 LIFE ON LAND

A Place that Engages
He Wāhi Huihuinga

Creating inspiring, accessible experiences.

—

Forming strong and enduring local, national and international partnerships based on shared goals.

17 PARTNERSHIPS FOR THE GOALS

A Place for Learning
He Wāhi Mātauranga

Embracing mātauranga Māori and other knowedge frameworks.

—

Being a hub where people of all ages can learn, create new knowledge and share their insights and understanding.

4 QUALITY EDUCATION

A Place that Empowers
He Wāhi Whakamana

Equipping people with experience and skills for a nature-rich future.

—

Inspiring change through example and shared passion for action.

11 SUSTAINABLE CITIES AND COMMUNITIES

Our Highlights of 2020/21

Collaboration with iwi

We collaborated with the six iwi of the Wellington region, as well as Ōtari-Wilton's Bush, to bring a taonga species, pua o te Rēinga (*Dactylanthus taylorii*), to Zealandia Te Māra a Tāne.

Roto Kawau restoration

We took a major step forward in the restoration of Roto Kawau (our lower reservoir) to remove perch and provide a safe space for our native freshwater wildlife.

90 pine trees removed

Over 90 exotic pine trees have been removed during the year, advancing our 500-year journey of restoration.

Record number of members

We now have 18,158 members supporting our goal of transforming how people live with nature.

12,000 education sessions

During the year we delivered over 12,000 education engagements, supporting learners to create a lifelong connection to nature.

Volunteers satisfied

Over 500 volunteers are at the heart of our organisation, 90% were satisfied/very satisfied with their experience at Zealandia Te Māra a Tāne.

12 Rāngai Rangatahi

Rāngai Rangatahi – The Zealandia Youth Collective – recruited 12 young people and began its first full-year programme, to inspire the next generation of conservationists.

MoU with CentrePort

We signed an MoU with CentrePort through our Sanctuary to Sea Kia Mouriora te Kaiwharawhara project, a vital partner as they manage the land around the estuary, bringing our number of strategic partners on this project to seven.

Hihi breed well

Our successful breeding season saw over 60 hihi fledglings, critical support to a vulnerable species.

Over 100 tītipounamu fledglings

Our second tītipounamu breeding season saw over 100 fledglings, an important sign of the species' establishment.

Glass bottles replace plastic

By replacing plastic bottles with glass, we now save 8,000 plastic bottles from being produced every year.

Sixth year of net surplus

Through generous financial support we have delivered a net surplus for the sixth consecutive year, vital for our future financial sustainability, as we continue to tackle uncertainties ahead.

Staff and te ao Māori

We launched Te Ara Poutama, a nine-stage pilot internal training programme to further develop staff knowledge of te ao Māori.

Strong visitation

Despite the closed borders our visitation numbers remain strong at 121,729 for the year.

Toitū carbonzero certified

We are Toitū carbonzero certified for the sixth consecutive year, demonstrating our continued commitment to climate action.



Zealandia Te Māra a Tāne twilight tour. Photo Credit: Johnny Hendrikus.

Our Next Steps

Despite the challenges caused by the COVID-19 pandemic, we continue to be guided by the key strategies within Living with Nature – Tiaki Taiao, Tiaki Tangata. We are five years into this 20-year strategy, and still only a child on our 500-year restoration journey!

Here are some of our initiatives for the coming year and beyond:

Partnerships with mana whenua

Maintain strong and enduring partnerships with mana whenua and tangata whenua based on shared goals, and with shared responsibility for the health and wellbeing of the wildlife at Zealandia Te Māra a Tāne and the people caring for it.

Freshwater restoration

Freshwater restoration will include ongoing monitoring and management of Roto Kawau (our lower reservoir) following the removal of perch, enhancing wetland plant diversity and reducing weeds, and continuing to grow the Sanctuary to Sea Kia Mouriora te Kaiwharawhara project.

Volunteer opportunities

Provide volunteer opportunities for everyone, whether that be 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. We will hold events, such as student volunteer tasters, as part of our volunteering strategy to connect more people with nature through conservation volunteering.

Repopulating rivers and lakes

We are looking towards repopulating the freshwater systems in the sanctuary with top-ups of kākahi (freshwater mussel), and additions of suitable fish species such as toitoi (common bully).

Pine tree removal

Continue long-term management of remaining dominant exotic plant species, with a focus on pine tree removal.

Support research

Continue to support research through our Centre for People and Nature, sharing knowledge learned.

Asset management planning

Develop a 10-year asset management plan to ensure the cost-effective maintenance and timely replacement of our infrastructure.

Sustainability initiatives

Continue our commitment to sustainability through initiatives driven by the Zealandia Te Māra a Tāne Green Team.

ZEALANDIA
TE MĀRA A TĀNE

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Revamp membership

Redevelop how we support fundraising and partnerships and revamp our membership programme.

New restoration planting

Our planting programme is focusing on wetland plants, including vulnerable species, as well as podocarp planting to continue our 500-year restoration journey.

Monitoring forest recovery

We will continue with our long-term science by revisiting plant monitoring plots established before the fence went up; this will give us important information about forest recovery.



Roto Kawau viewing platform. Photo Credit: Zealandia Te Māra a Tāne.

Social Capital

A Place that Engages
He Wāhi Huihuinga

A Place that Empowers
He Wāhi Whakamana

Social capital is a shared set of values that enables people to work together effectively to achieve a common purpose.

Personal relationships and networks of people are formed and strengthened through involvement with Zealandia Te Māra a Tāne and all contribute to its success.

Our work in this area is underpinned by our organisational values of:

- Manaakitanga: We welcome all, share our love of nature with enthusiasm and generosity, and value our supporters.
- Hāporitanga: We call on and value active input from all parts of the community.
- Mātauranga: We wisely develop and use our understanding of people and our natural world.
- Kotahitanga: We work in a collaborative movement of communities and organisations, sharing our experiences, and valuing others' insights.



Taking a moment with the Mauri Stone within Zealandia Te Māra a Tāne. Photo Credit: Manaaki Barrett.

Building partnerships through ecosystem restoration

In October 2020, seeds from a special plant, pua o te Rēinga (*Dactylanthus taylorii*), were gifted from Pureora by Ngāti Rereahu for translocation into Zealandia Te Māra a Tāne and Ōtari-Wilton's Bush.

This translocation was the first ever multi-lateral iwi partnership for all six iwi from across the Greater Wellington region: Rangitāne, Ngāti Kahungunu, Taranaki Whānui, Ngāti Toa Rangatira, Te Ātiawa ki Whakarongotai and Raukawa.

Pua o te Rēinga is an endemic species of forest root parasite plant, and it has been largely lost from the Wellington region. It is a special food for many forest animals and bringing it back to the region will not only help the conservation of the species for New Zealand, but also the 500-year vision of ecosystem restoration at Zealandia Te Māra a Tāne.

A delegation of the iwi involved travelled to Pureora to meet with the kaitiaki of the area and were gifted the seeds to care for and introduce back into the region. Some of the seeds will support research into propagation of the species at Wellington City Council's Ōtari-Wilton's Bush.

This project received wide coverage across many media and it was an incredible demonstration of how conservation action can be done in a way that reflects our partnerships under Te Tiriti o Waitangi. This is just one example of a project that is allowing us to grow relationships, share mātauranga, and do ground-breaking conservation mahi.



Left: Planting pua o te Rēinga within the sanctuary. Middle: Pua o te Rēinga seeds. Right: Aaria Dobson-Waitere examining pua o te Rēinga. All Photos Credit: Manaaki Barrett.

Gemma Wright (Chosen kaitiaki/guardian of pua o te Rēinga. Ngāti Maniapoto, Taranaki Whānui, Taranaki Tuturu, Te Ātihaunui-a-Paparangi)

"Pua o te Rēinga, within the boundaries of the people of Rereahu, adorned by the korowai/cloak of your kāinga/home, Pureora. You laid there silently, awaiting this moment where you were chosen to strengthen the mana/prestige of your whānau/family. You took us on a journey to revive your mana, a journey of weaving people together, a journey of rediscovering your stories of old.



I ask myself, why me? Why was I chosen to receive you on behalf of our travelling ope/group from Te Upoko o Te Ika/Wellington where tangata whenua/local people, Te Māra a Tāne and Ōtari await you. You and my tupuna/ancestors reminded me it was more than a translocation, but the sharing of mouri/vital essence from one ngahere/forest to another, from one whānau to another, from one kaitiaki/guardian to another, from one tupuna to another, all because of you, te pua o te Rēinga."

Gemma Wright (Nā te iwi ia whiriwhiri hei kaitiaki mō te pua o te Rēinga. Nō Ngāti Maniapoto, Taranaki Whānui ,Taranaki Tuturu me Te Ātihaunui-a-Paparangi hoki a ia)

"E te pua o te Rēinga, nō roto koe i te rohe manawhenua o Rereahu. I korowaitia koe e te korowai o tōu haukāinga a Pureora. I reira koe e takoto kau ana, e tatari kau ana mō tēnei wā, kia whiriwhiria koe hei whakanui i te mana o tōu whānau, ōu tūpuna. Nāu rā mātou i ārahi kia whakahoutia tōu mana. Nāu rā te haerenga kia raranga te tira tāngata, kia tūhura anōtia ngā kōrero o nehe.

Ka pātai au ki ahau anō – he aha ai ko au? He aha te take i whiriwhiria ahau hei kaikawe mōu, hei kaitiaki mōu i roto i tō mātou ope mai i Te Upoko o te Ika. Kei reira koe e tāria ana e ngā iwi manawhenua tae noa ki Te Māra a Tāne me Ōtari. Nā kōrua ko ōku tūpuna ahau i whakamahara, ehara tēnei i te "whakawhitinga" noa iho. Arā kē noa atu tōna tikanga, heoti noa, ko te hono kē i te mouri mai i tētahi ngahere, ki tētahi anō, mai i tētahi whānau ki tētahi anō, mai i tētahi kaitiaki ki tētahi anō, mai i ētahi tūpuna ki ētahi anō. Nāu rā te take, kei taku pua o te Rēinga."



Pua o te Rēinga translocation. Photo Credit: Rahiri Edwards-Hammond.



CentrePort and Zealandia Te Māra a Tāne Chief Executives, Derek Nind and Paul Atkins. Photo Credit: CentrePort.

Working together:
Sanctuary to Sea Kia Mouriora te Kaiwharawhara

The Sanctuary to Sea Kia Mouriora te Kaiwharawhara project, a collaborative catchment restoration project, continues to gain pace, with Aaria Dobson-Waitere this year appointed to the Project Lead role. Dobson-Waitere has whakapapa to Taranaki Whānui through Ngā Rauru-kii-tahi, Ngā Ruahinerangi and Taranaki Iwi and recognises the important role of having mana whenua at decision making tables, particularly in regard to our connection with te taiao (the natural world). Dobson-Waitere is exploring how mātauranga Māori and western science can, both separately and together, support the restoration of the mouri (life force) of the Kaiwharawhara awa (stream). She also has exceptional field and technical skillsets that are an asset for progressing this pioneering project.

The mana whenua group, Te Tini o Hākuturi, is in its second year of developing and implementing a freshwater kaitiaki monitoring framework to monitor the mouri of the Kaiwharawhara. This group has embarked on a journey of reconnection with the Kaiwharawhara, and the baseline of data that is being collected is building up our mātauranga around the health of the awa from a te ao Māori perspective. This growing set of knowledge will support mana whenua to uphold the mana of the awa. This ongoing process has included identifying specific mana whenua huanga (attributes) to monitor the health of the waterway and applying appropriate tikanga (protocols and methods) for monitoring these different attributes.

Our partnership with CentrePort

This year, CentrePort has formally become a Sanctuary to Sea Kia Mouriora te Kaiwharawhara strategic partner. The land around the estuary of the Kaiwharawhara is managed by CentrePort, so this partnership is critical to the ongoing success of the project to protect the stream, from the head of the catchment in the sanctuary, right through to the estuary.

CentrePort Chief Executive Derek Nind says the port has an important part to play to protect the Kaiwharawhara estuary and support the Kaiwharawhara community. CentrePort has enabled and participated in community-based activities in the catchment for several years, including beach clean-ups, enviro school visits and ecological surveys.

"The Kaiwharawhara estuary is a critical part of the catchment, especially for the passage of fish species. It's also where we work every day. With Zealandia and the other community partners, we're committed to the project and look forward to carrying on our work together to make a real difference to the catchment and Te Whanganui-a-Tara, our harbour," said Nind.

Other partners are Taranaki Whānui, Greater Wellington Regional Council, Wellington City Council, Morphum Environmental, and Department of Conservation – Te Papa Atawhai.

Could the Kaiwharawhara be the first urban awa to hold personhood?

This year Terese McLeod (Taranaki Whānui), Lead Ranger of Bicultural Engagement at Zealandia Te Māra a Tāne, sparked an ambitious, iwi-led project to explore how, and what it would mean, to gain all the rights and privileges as a person for the Kaiwharawhara awa. The project is being supported, pro bono, by renowned Indigenous and environmental specialist Professor Catherine Iorns Magallanes from Te Herenga Waka — Victoria University of Wellington.

McLeod was inspired by the recent recognition of legal personhood for the Whanganui River, Te Urewera and Taranaki Mounga. Gaining this same recognition for the Kaiwharawhara would be extremely significant, it is a highly urban location that has suffered many impacts as land use has changed, and the awa winds through multiple Wellington suburbs with many associated land managers. Despite the impacts the awa has suffered, it has still somehow maintained significant biodiversity values, providing a home for 13 native fish species. The catchment, and in particular the estuary area, is highly significant for mana whenua as a kāinga (home/settlement), but also for waka, and food resources.

This project is at its inception stages and there is considerable ground to be covered as it is very different to the previous legal personhood approaches that were based on Te Tiriti o Waitangi settlements. The Sanctuary to Sea community is excited to see how it progresses, as the benefits of recognising the legal personhood of the awa would ensure the rules and the laws associated with development and other activities in the area are clear. Ultimately, this project offers us an important opportunity to progress conversations in our community about the values of the awa and the impacts we have had on these, and ways in which we can come together to look after it in the future.

The story was covered in a significant piece by Te Ao with Moana, the current affairs show featured on Māori Television.



Kaiwharawhara catchment map.



Native fish such as banded kōkopu can be found in the Kaiwharawhara catchment. Photo Credit: Tony Eldon.

A partnership to create New Zealand's first plastic free urupā

This year Zealandia Te Māra a Tāne's partnership project Sanctuary to Sea Kia Mouriora te Kaiwharawhara sparked the inspiration for Taranaki Whānui iwi to officially declare Opau Urupā in Mākara, Wellington as plastic-free, the first urupā (Māori cemetery) nationally to do so.

They are encouraging the community to use sustainable, plastic-free ways to commemorate loved ones instead of using plastic flowers. This news story was shared by The Dominion Post/ Stuff, which will help spread awareness.

Opau Urupā Mākara Committee co-chair Holden Hohaia (Ngāti Maru, Taranaki Whānui) says that he hopes the action will inspire others across the country to do the same with their urupā and other cemeteries.

"This declaration means we become part of the solution to plastic pollution and the risks it poses to our environment," continues Hohaia. "It aligns directly with our role and responsibilities of kaitiakitanga, and, to our environmental values."

Lead Ranger of Bicultural Engagement at Zealandia Te Māra a Tāne, Terese McLeod (Taranaki Whānui) noticed large numbers of plastic flowers from a local cemetery turning up in the Karori Stream during a Sanctuary to Sea Kia Mouriora te Kaiwharawhara rubbish audit. This made her think about her own whānau urupā and how we might make a change for the better. McLeod says that an important part of this project is working with the community over time to make the vision for a plastic-free urupā a reality.

"This is not about plastic 'policing' the urupā, no plastic placed on graves will be removed," says McLeod. "Instead, it is about encouraging behaviour change and considering other environmentally friendly ways of honouring those in urupā."

Wellington City Council is a key partner in developing and maintaining the site, and is leading significant efforts to enhance the environmental outcomes in the area.



Left to right: Bart Cox, Terese McLeod and Onur Oktem planting trees at Opau Urupā in Mākara. Photo Credit: Wellington City Council.

Our volunteers, members and supporters

Our volunteers

The contribution provided by volunteers has been an integral part of the success of our organisation since its inception and our volunteer programme continues to thrive with over 500 volunteers currently active.

This year saw the completion of our volunteer strategy, which provides a roadmap for volunteering for the next five years. Our vision is to increase people's connection with nature by providing diverse, multi-layered opportunities to participate in our conservation and engagement work, while considering our organisational goals and the changing needs and desires of volunteers. Our annual volunteer survey provides an opportunity for volunteers to tell us about their experience over the past year and measures their satisfaction and loyalty. Both areas continue to rate well, with 90% saying they are satisfied/ very satisfied with their volunteer experience, and 89% saying they would recommend volunteering at Zealandia Te Māra a Tāne to others.

Our annual volunteer appreciation evening was held in August, with over 100 volunteers attending. Staff show their appreciation to their volunteer teams, thank them for their contribution and present the annual volunteer awards. Gill Mason is the 2020 recipient of our highest volunteer honour, the Faye Schaef Award, an award presented in remembrance of a long-standing conservation volunteer, whose qualities and characteristics included kindness, generosity, dedication, modesty, friendliness and approachability.

Gill has been part of the Zealandia Te Māra a Tāne whānau since starting her volunteering at the trust's inception in 1995. She has taken on many leadership roles, including being a volunteer team leader of several fence-checking teams and convening, training and rostering night guide assistants for Zealandia by Night tours. Gill is a passionate, friendly and hard-working volunteer who is always willing to pass on her skills and knowledge to others.





Left: Paul Atkins Chief Executive of Zealandia Te Māra a Tāne presenting at the volunteer appreciation evening. Photo Credit: Zealandia Te Māra a Tāne.
Right: Gill Mason, winner of the Faye Schaef Award. Photo Credit: Chris Gee.

Elizabeth Warner

"I've been volunteering with Zealandia since 2019, although I've been coming to Zealandia since I was in a pram! I'm passionate about everything conservation and during my time volunteering here I've met some amazing people.

As a visitor experience volunteer, I love seeing the rare taonga wildlife, being able to hang out with the takahē and telling our stories to visitors. My mini talks are about connecting people with nature and hopefully inspiring them to take action outside Zealandia, so we can replicate the work done here across Aotearoa."

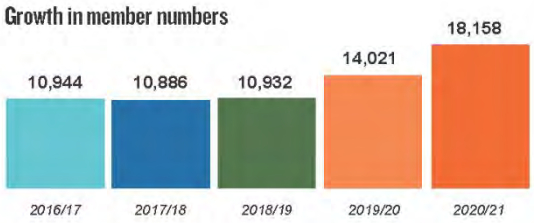


Volunteer Elizabeth Warner. Photo Credit: Zealandia Te Māra a Tāne.

Our members

Our membership programme provides many ways for members to support us and engage with nature. Members can explore Zealandia Te Māra a Tāne in their own time and learn about our conservation activities through seminars, talks in the sanctuary and our monthly newsletter. As part of the restoration of Roto Kawau, we provided members with the opportunity to join a guided talk, to learn more about the project and our future restoration work. The talks were extremely popular with all sessions fully booked. We will introduce more themed talks during 2021/22, to share our restoration journey.

We now have over 18,000 members, an increase of 4,000 in the year. With New Zealand's borders closed our tourism market reduced significantly, and to counteract this we launched a membership drive to encourage Wellingtonians and other New Zealanders to support Zealandia Te Māra a Tāne. Not only has this helped us financially, we have also connected more people to our unique natural heritage. Our members visited more than 37,000 times, up 42% on last year.



Our supporters

Donations are a very important source of income and are crucial to our work. There is always critical work that needs to be funded such as fence maintenance, pine tree removal and weed eradication. Donors who have committed to regular giving allow us to plan for this work as we can forecast our donation income more accurately. Becoming a regular donor or leaving a gift in your will are some of the most effective ways people can contribute to Zealandia Te Māra a Tāne – both now and in the future. We thank those people and their families for their support.



Judi Lapsley Miller

Artist, conservationist and long-time Zealandia Te Māra a Tāne volunteer and member, Judi Lapsley Miller, loves to engage art lovers with conservation by telling visual stories through her art. Well known for her stunning photography and creative artworks, she has been involved in everything from storytelling, to kākā banding, to producing Zealandia's annual fundraising calendar. She also runs a weekly worldwide wildlife and nature photography challenge to help others advocate for their local wildlife. In addition, Judi has chosen to support Zealandia through her art, donating a percentage of the income from each piece sold.



An urban jungle fine art print by Judi Lapsley Miller.

Principal funder and strategic partner

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

Strategic partners

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Iwi Partners

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We also wish to offer our sincere thanks to the following for their generous support:

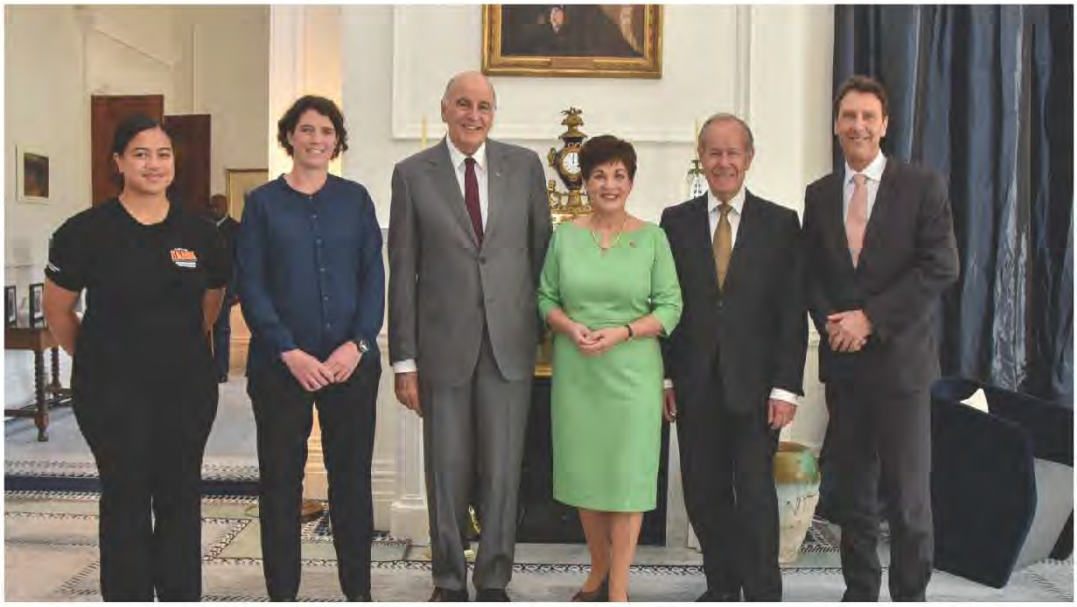
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Wellington Botanical Society
Wellington Community Trust
Whittaker's Chocolate
WWF New Zealand
Zero Invasive Predators (ZIP)

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Research at Zealandia Te Māra a Tāne

Our 25th anniversary in 2020 saw the launch of the Zealandia Future Leaders Fund, which has been established to support promising individuals launch their careers in pursuit of improving how we live with nature. This fund was launched at Government House, with two key major first contributors: the Collins Family and Terawhiti Trust.



At the launch of the Zealandia Future Leaders Fund, from left to right: Mia Matega Zealandia Rāngai Rangatahi/Youth Collective, Dr Danielle Shanahan Director Zealandia Centre for People and Nature, Sir David Gascoigne, The Rt Hon Dame Patsy Reddy, Phillip Meyer Zealandia Board Chair and Paul Atkins Zealandia Chief Executive. Photo Credit: Zealandia Te Māra a Tāne.

We continued to host a lively research programme supported by our close partnership with Te Herenga Waka - Victoria University of Wellington (VUW). Students and academics carried out research across social and ecological disciplinary boundaries and brought mātauranga Māori to the fore. We also continued our role as a research leader, for example, through Zealandia Te Māra a Tāne staff member Dr Danielle Shanahan's position as co-lead within the National Science Biological Heritage Challenge research programme. This work focuses on understanding how communities work together effectively to regenerate bioheritage through collective effort.

Below, we profile some of the early career researchers supported by the Zealandia Te Māra a Tāne team.

Understanding our environment through the exploration of mātauranga Māori

Juniper Sprengers-Sanson (Waikato-Tainui) and Fin Johnson (Rongomaiwahine, Ngāti Kahungunu ki Heretaunga) conducted highly valued research as Summer Scholars exploring various aspects of our environment through mātauranga Māori.

Zealandia Te Māra a Tāne Lead Ranger Bicultural Engagement Terese McLeod (Taranaki Whānui) has been part of a cross-organisational team that supported

this work, including Dr Rachael Shaw (VUW), Pauline Harris (Rongomaiwahine, Ngāti Rakaipaka and Ngāti Kahungunu; VUW), Priscilla Wehi (University of Otago), and Bart Cox (Greater Wellington Regional Council).

Sprengers-Sanson focused on ruru and kākā, and explored, for example, how the sounds these manu (birds) make have been described across time, and what plant associations are considered important. The project provided insights into how species behaviours, and the environment they live in, has changed—this offers unique opportunities to better inform management.

Johnson's research aimed to contribute to future revitalisation of mātauranga. Using historical maps and place names, he identified sites where kākā were historically abundant and may also have been of particular importance to Māori. He also collated historical sources that contained information about human-kākā interactions to reveal the relationships that Māori previously had with kākā as food source, kaimahi (worker) and tohu (sign or emblem).

Importantly, this research demonstrates how bringing mātauranga to the fore provides a rich body of knowledge that enhances our understanding of the ecosystems we are working hard to care for and repair.

Exploring business leaders' connection to nature

This year Michelle Goh completed her Master's project, supervised by Dr Danielle Shanahan (Zealandia/VUW), and Professor Nicky Nelson (VUW). Michelle looked at the role of businesses in biodiversity conservation through a different lens. She explored how a business leader's connection with nature is expressed in the behaviours their organisation commits to. Michelle interviewed business leaders, and did a nation-wide survey on what businesses do to look after nature.

Goh found that those with a stronger connection to nature were much more likely to undertake some of the more challenging activities that help care for biodiversity, and that ultimately businesses face many challenges when weighing up the priorities of time and resourcing against what they can do. This work will help us better understand how we can move to a place where biodiversity-friendly activities are much more wide-spread across New Zealand's corporate world.





Left: Ruru. Photo Credit: Zealandia Te Māra a Tāne. Right: Michelle Goh at Zealandia Te Māra a Tāne. Photo Credit: Michelle Goh.

Natural Capital

A Place that Treasures
He Wāhi Taonga

Natural capital includes all stocks of the natural environment needed to support life and human activity, including things like soil, water, plants, animals, as well as minerals and energy resources.

Zealandia Te Māra a Tāne improves natural capital for Wellington and the wider region through ongoing environmental restoration of the sanctuary and through our contribution to transforming how society values and lives with nature.

Our work in this area is underpinned by our organisational values of:

- Kaitiakitanga: We are effective stewards of Te Māra a Tāne, the sanctuary valley, its halo and our resources.
- Hāporitanga: We call on and value active input from all parts of the community.



Roto Kawau restoration. Photo Credit: Judi Lapsley Miller.

Roto Kawau (lower reservoir) restoration

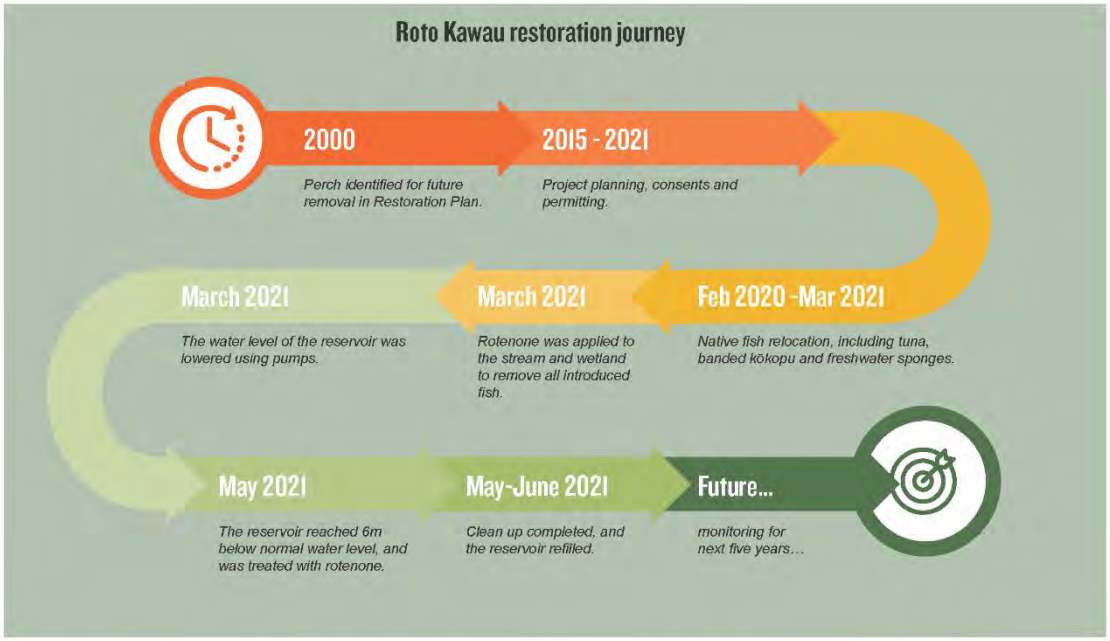
Zealandia Te Māra a Tāne includes some incredible freshwater ecosystems, as well as the forests that adorn the valley walls. This last year we embarked on a long-awaited effort to begin restoring Roto Kawau, our lower reservoir. Our first major step involved completely removing introduced perch from the reservoir and wetland areas. The perch were introduced over 140 years ago, and quickly became over-abundant. They predate on native fish and throw the invertebrate ecosystem out of balance. Our original restoration plan, penned back in 2000, highlighted removing the perch as a priority to create a small, safe corner of the world for our native freshwater wildlife.



The removal of perch from Roto Kawau was one of the largest introduced fish removal efforts of its kind. The 'behind the scenes' work such as developing plans, applying for permits and sourcing key equipment took several years and substantial effort of dedicated staff from Zealandia Te Māra a Tāne, Department of Conservation – Te Papa Atawhai (DOC), and Riverscapes Freshwater Ltd. The project involved several key stages including lowering the water level by six metres, and the final stage being the application of rotenone, a substance that quickly kills fish, to the water.

The most rewarding part of the project has been connecting with people who brought so much spirit to the project. This included, for example, the representatives from all the Wellington region iwi who supported the movement of tuna (eels) out of the sanctuary prior to the operation. These people came together to share kōrero and mātauranga, and made the experience richer for all. On the operation days, the DOC staff shared their knowledge openly.

This project attracted considerable attention, with media coverage through key newspaper and TV outlets. Significantly, it allowed us to tell the story of the plight of freshwater ecosystems in New Zealand.





The reservoir work, including the native fish rescue effort, provided an incredible opportunity for connecting with our partners in freshwater restoration. Here are some of the Wellington region iwi representatives leading the tuna translocation. Photo Credit: Zealandia Te Māra a Tāne.

WATCH NOW
Relocating tuna at Zealandia Te Māra a Tāne

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Generating conservation outcomes and knowledge

This year we saw a great breeding season for two key bird species that are monitored closely. Tītipounamu appear to be establishing well after their translocation from Wainuiomata Mainland Island in 2019. Over 100 fledglings were recorded this summer, which is just the estimate from known nests and nest boxes provided by our team. There were no doubt several natural nests that were not located as tītipounamu can be a very secretive species. Both founding birds and birds hatched in the sanctuary successfully bred this year.

Hihi have been cause for concern in the past few years but during the 2020/21 breeding season they produced over 60 fledglings! This brings the population estimate back to over 100, to levels last seen around 2015. We are working closely with the national Hihi Recovery team on generating the science that supports this important conservation effort.

Our resident takahē, Nio and Orbell, also had a breeding attempt but this year were not successful. They are now well into their retirement so this is not an unsurprising outcome. The pair continue to thrill thousands of visitors a year and serve as fantastic advocates for their species.

We are keeping a close eye on spotted skinks in the sanctuary, which were introduced back in 2016. Currently the indications are the species is not establishing well in the habitat here, with few new recruits into the population recorded. This highlights the inherent challenges in conservation and translocations more broadly. The Zealandia Te Māra a Tāne team always focuses on learning as much as possible throughout these projects to inform future conservation efforts. For the spotted skink, we are carrying out a high level of monitoring, and considering what additional management actions might be taken.



Tītipounamu (Rifleman). Photo Credit: Melissa Boardman.



Hihi. Photo Credit: Janice McKenna.



Spotted Skink. Photo Credit: Melissa Boardman.

Zealandia Te Māra a Tāne as a source of biodiversity

The birdlife that can now be seen across Wellington is a well-recognised benefit of having Zealandia Te Māra a Tāne inside our nation's capital. What few people realise is that it is having the same effect for many other species that often go unnoticed. An example of this is the Cook Strait giant wētā, which was discovered beyond the fence in Polhill Reserve. This is a major milestone as the species is threatened, and this may be one of the first of its kind in New Zealand residing outside a predator exclusion area. Again, the story was picked up by mainstream media and covered by several outlets including the 6pm news on TV3. These stories allow us to share the impact of the sanctuary, the plight of specific species, and what people can do to care for biodiversity in their own backyards.

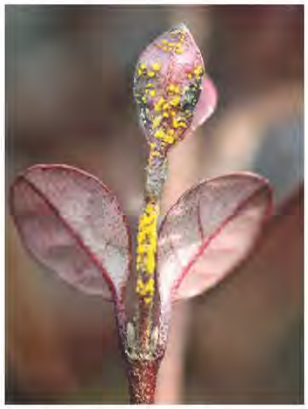
We were also pleased to participate in Fight for the Wild, a four-part video and podcast series (RNZ / NZ On Air) that explored the notion of Predator Free 2050. Zealandia's Chief Executive Paul Atkins said that Zealandia was "proof of concept" that efforts to become predator free are achievable and incredibly worthwhile.

Myrtle rust recorded in the sanctuary for the first time

Even after introduced predators and weeds have been removed, there are many threats that New Zealand's rich biodiversity continues to face. Myrtle rust is a new disease to New Zealand that affects species in the Myrtaceae family, such as rātā and pōhutukawa. It was first detected in this country in 2017, and was this year found for the first time in the sanctuary on the species ramarama.

The impacts of the disease are largely unknown, and there is nothing that can be done now to limit its impacts. However, one of our most vulnerable species is swamp maire and we are lucky enough to have Karin van der Walt from Ōtari-Wilton's Bush carrying out a PhD to look at the best ways to cryopreserve seeds from this species. This type of work will be critical for securing the species into the future. We will continue our monitoring efforts throughout the sanctuary to feed our knowledge into the wider New Zealand understanding of this new disease.





Left: Cook Strait giant wētā at Zealandia Te Māra a Tāne. Photo Credit: Janice McKenna. Right: Example of myrtle rust. Photo Credit: Science Learning Hub.



Pine tree removal in the sanctuary. Photo Credit: Zealandia Te Māra a Tāne.

Pine tree management

This year we upscaled our efforts in removing the pine trees, with over 90 felled over the winter months. This work was primarily undertaken by arborists due to the complexity of the trees we targeted in high visitation areas within the sanctuary. The pines will be an increasing focus in coming years as we look to realise our 500-year vision of restoration. Planning for their removal is not a simple task, as we have significant established populations of tuatara, hihi, and kiwi pukupuku living amongst them; a slow and steady approach will be needed.

The Zealandia Te Māra a Tāne fence

We continue to work with Wellington City Council to manage the maintenance of the perimeter track by the fence and this year, both organisations undertook significant drainage and erosion control work on either sides of the fence.

Zealandia Te Māra a Tāne's world-first predator exclusion fence turned 21 years old in 2020. Alongside the enormous amount of research and testing that went into the development of the fence itself, we now have two decades of accumulated knowledge on how to ensure the integrity and efficacy of the fence over time. We also completed a major fence audit this year which enabled us to understand how various components of the fence were faring, and identify priorities for replacement or repair.

The patent on the fence recently reached its end. We can now share our expertise and accumulated knowledge with others, confident that this approach works. We published a design and maintenance overview under a Creative Commons licence for all to use.

This approach to knowledge sharing is central to what Zealandia Te Māra a Tāne is about. We hope this will provide insights, expertise and advice that might otherwise remain out of reach to others, and will serve other sanctuary projects as well as it has served ours.

We were unfortunate to experience an act of deliberate vandalism in the form of a hole cut in the fence in late 2020. The hole was detected by a runner – this is an excellent example of how valuable our community is in keeping a close watch on our biosecurity.

This hole, of course, sparked a major precautionary incursion response and thankfully no intruders were found. This also gave us the chance to highlight the vulnerability of the species within the sanctuary through many mainstream media outlets. The wider community was outraged by this event but the important role of every Wellingtonian who walks the perimeter fence was widely apparent.



Before and after erosion control work along the Zealandia Te Māra a Tāne fence. Photo Credit: Zealandia Te Māra a Tāne.

ZEALANDIA TE MĀRA A TĀNE

Excellence in sustainability



Zealandia staff planting around the upper dam. Photo Credit: Zealandia Te Māra a Tāne.

Climate Action

We have contributed to the launch of the Climate Action Toolbox, sharing our experience of using electric minibuses to shuttle visitors to the sanctuary. The Climate Action Toolbox helps businesses create a tailored plan they can use to reduce their emissions. By sharing our sustainability initiatives, we can inspire others to take action. We are committed to environmental sustainability and we have been Toitū carbonzero certified for the sixth consecutive year.

Sustainable transport

Encouraging the use of more sustainable transport methods helps us further reduce carbon emissions. This year we built a new bike storage area, meaning our staff and volunteers can keep their bikes locked and dry, and even charge electric bikes. We also implemented a bike loan initiative, giving staff the opportunity to borrow a bike and trial commuting on two wheels instead of four. We have been fortunate to receive a donation towards an e-bike, which we will be purchasing in 2021/22, meaning staff will be able to do short trips with zero emissions.

Plastic reduction



Plastic reduction is another way we can protect our environment, and by replacing plastic bottles with glass we now save 8,000 plastic bottles from being produced every year. This has been achieved by swapping out our plastic water and juice bottles for sale at the café and visitors centre, and using refillable milk bottles in our offices. To continue our commitment to plastic reduction we will be conducting a plastic audit of our business in 2021/22.

Encouraging sustainability



Our Green Team are sustainability ambassadors for Zealandia Te Māra a Tāne, driving initiatives across the organisation. Their reach extends to encouraging staff and volunteers to be more sustainable outside of the sanctuary, with weekly green tips shared in the staff and volunteer bulletin, and events for staff to encourage sustainability, including a staff clothes swap, and Christmas decoration workshop - making eco-friendly decorations out of old repurposed bits and pieces.

Integrating sustainability into business planning and reporting



We are committed to taking action for the UN sustainable development goals. These goals are a blueprint to achieve a better and more sustainable future for all. By integrating the sustainable development goals into our business planning and reporting, alongside our 20-year strategy, we are driving action towards a better future.

We are delighted to be recognised for this, by our 2019/20 Annual report winning the Chartered Accountants Australia and New Zealand (CAANZ) sustainability award. We continue to place a high priority on sustainability in planning and reporting, and our Finance Manager, Christine Laban, has recently joined the Accounting 4 Sustainability Academy, a global initiative to equip business with the necessary tools to drive sustainability.

Human Capital

A Place that Empowers
He Wāhi Whakamana

A Place for Learning
He Wāhi Mātauranga

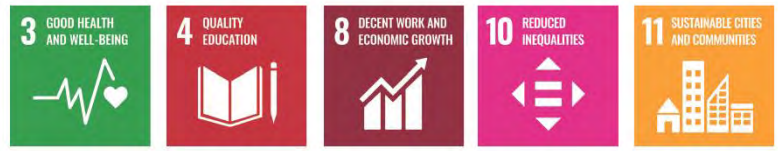
A Place that Engages
He Wāhi Huihuinga

Human capital is a measure of the skills, education and talents of people that can be used to create economic value for the individuals, the organisation and the wider community.

Zealandia Te Māra a Tāne's education work represents an investment in people through sharing environmental knowledge and helping to deliver wider conservation transformation beyond the sanctuary. We value the talent and productivity that staff and volunteers bring to our organisation and invest in their ongoing training and development.

Our work in this area is underpinned by our organisational values of:

- Manaakitanga: We welcome all, share our love of nature with enthusiasm and generosity, and value our supporters.
- Kotahitanga: We work in a collaborative movement of communities and organisations, sharing our experiences, and valuing others' insights.





Ranger Rachel Selwyn surveying hihi with Raewyn Empson. Photo Credit: Judi Lapsley Miller.

Creating connections for community conservation



Left: Mia collects water samples from Roto Kawau, for environmental DNA (eDNA) testing - Rāngai Rangatahi/ Zealandia Youth Collective. Photo Credit: Zealandia Te Māra a Tāne. Right: Tiger and Daniel learn invertebrate monitoring techniques in the stream near Fault Line Track - Rāngai Rangatahi/ Zealandia Youth Collective. Photo Credit: Zealandia Te Māra a Tāne.

Community Engagement programme

The Community Engagement programme is a new initiative to engage, and create sustained relationships, with community audiences that may not currently see Zealandia Te Māra a Tāne, or nature more generally, as a place for them.

It has two strands: the development and delivery of Rāngai Rangatahi/ Zealandia Youth Collective; and connecting with community organisations that work with people who experience barriers linked to income, language, disability, and culture (marginalised communities) to engaging with nature.

The Rāngai Rangatahi/Youth Collective, our flagship programme for young people, builds on the shoulders of its previous incarnation, the Zealandia Youth Ambassadors, and the success of the 2020 Youth Collective start-up project. The 2021 Collective consists of 12 rangatahi (young people), aged 15-18, from across the Wellington region. Six are returning from the 2020 start-up project with the remaining spots filled by rangatahi selected from over 20 applicants. The programme is co-created with the young people who steer the focus of the content, as well as the methods they choose to achieve the shared kaupapa (principles) of inspiring others to connect with nature. Through the programme, rangatahi will develop their knowledge of mātauranga Māori, conservation, and grow their personal strengths as they collaborate on a final shareable outcome.

The second focus area of the Community Engagement programme, working with community organisations and their clients, currently centres on two areas: a Community Roots programme and a Community Partnership Project.

Community Roots will provide access for groups of Wellington's disadvantaged and marginalised communities to connect with nature, combining sanctuary experiences with opportunities to build skills they can use to shape positive environmental outcomes in their communities.

The Community Partnership Project works with community organisations that support people who face barriers to engagement across an extended period. Working with one group at a time, the project will work at a deeper, enriching level to empower participants to create positive outcomes for both themselves and the nature that they encounter in their everyday life.

The Community Engagement programme with its target audiences extends our influence outside the sanctuary fence. It is making a difference for nature and for people's connection to nature right across the Wellington region.

The Sanctuary inspires the creation of a Green Korowai for Cannons Creek

A Cannons Creek men's group were inspired by a tour of Zealandia Te Māra a Tāne to create more green spaces in their community.

Wesley Community Action works with the men's group in Cannons Creek to help them create better lives for themselves, their whānau and community. "Starting a project of this kind was daunting for the group so getting guidance from Zealandia has given us confidence and courage," says Community Innovation Leader at Wesley Community Action, Kena Duignan.

"This project is about the haloing effect, the reach of Zealandia to other communities that can benefit directly from our learning, knowledge and networks. A movement that champions environmental equity and the potential to provide more of the many health benefits of nature to this community is tremendous," says Lead Ranger Bicultural Engagement at Zealandia Te Māra a Tāne, Terese McLeod.

A funding request for 150 hours to assist the group in realising their aspirations for their community was successful, and within the last year the project has focussed on facilitating their environmental aspirations, finding areas of Cannons Creek to green, talking to the wider community and providing on-going support and motivation. It has also established relationships and partnerships with Greater Wellington Regional Council, Porirua City Council, Ngāti Toa Rangatira, Department of Conservation – Te Papa Atawhai, Capital Kiwi, Mountains to Sea, Environmental Protection Authority – Te Mana Rauhī Taiao and others.

Planting, trapping, monitoring freshwater systems, education and training are some of the things we are establishing with our partnerships to progress the project.



Cannons Creek men's group visiting Zealandia Te Māra a Tāne. Photo Credit: Wesley Community Action.







As well as working with schools and ECEs, Zealandia Te Māra a Tāne works in multiple other ways to grow the next generation, a few examples are: Top: Mana whenua group, Te Tini o Hākuturi, collecting water samples for eDNA testing along the Kaiwharawhara awa. Photo Credit: Zealandia Te Māra a Tāne. Bottom left: Matariki star search in the sanctuary. Photo Credit: Brendon Doran. Bottom Right: Karori Youth Centre Sept 2020. Photo Credit: Zealandia Te Māra a Tāne.

Growing the next generation

This year has been another successful one for the education programme. Learning with Zealandia Te Māra a Tāne offers sanctuary visits, outreach to schools and early childhood education centres (ECEs), and special programmes, such as Nature at Your Place that work with decile 1 – 6 schools. For the first time we surpassed 12,000 education visits.

After the initial impact of the pandemic, usual visitation patterns returned in July. Alongside this was an increase in demand for outreach visits. Whether a standalone visit, or complementing a sanctuary visit, outreach enables us to support teachers to apply nature-based connections and learning through a Zealandia Te Māra a Tāne lens in the classroom. Engagement with ECEs has increased this year. Working alongside our youngest learners supports a lifelong relationship, and connection to, nature.

In September our Predator Free schools programme came to an end. Beginning in 2018, as part of Predator Free Wellington, the programme worked with 11 of the 16 schools on the Miramar peninsula and 'buffer zone'. Participating students raised their own, and others', level of awareness about biodiversity issues facing Aotearoa and actions they, and the community, could take to create positive outcomes for native fauna and flora.

Creative ways to connect people with nature



Top: Summer in the sanctuary. Photo Credit: Zealandia Te Māra a Tāne. Bottom: Alison Isadora's Sounding the Tūī - Together #9. Photo Credit: Zealandia Te Māra a Tāne.

Public programmes

Finding new ways to connect people with nature is at the core of the public programme at Zealandia Te Māra a Tāne.

The public programme, consisting of events such as workshops, seminars and performances, is designed for those people who already visit and explore the sanctuary and are looking for the next level of nature engagement.

While programming was heavily impacted throughout 2020, we were able to re-start in earnest in late 2020, coinciding well with the swell of people visiting the sanctuary in the wake of the lockdown.

The programme supports not only the strategic goals of Zealandia Te Māra a Tāne, but also showcases the work happening in the sanctuary, sharing key conservation messages and stories. The Roto Kawau restoration project in 2020/21 lent itself to programmes with a theme of freshwater. From July 2021 programming will explore the health and wellbeing aspects of spending time with and in nature to sit alongside some of the research work that is currently underway through the Zealandia Centre for People and Nature.

In January 2021, we again delivered 'Summer in the Sanctuary'. Timed to coincide with the end of the summer school holidays, Summer in the Sanctuary included conservation/nature focused puppetry, storytelling, taxidermy, and a family event to celebrate World Wetlands Day in early February. Over 450 visitors participated in the programme.

Around 50 hardy souls braved a stormy evening in March to take part in the world premiere of composer Alison Isadora's Sounding the Tūī -Together #9. Wellington's Baroque Choir performed a piece based on the call of the tūī, and visitors got to learn some of the calls themselves and add their voices to the final collaborative performance.

In April we launched the Conservation Kōrero seminar series. Held on the first Wednesday of the month, the seminar series features evocative and thought-provoking speakers who present talks that involve the audience in the 'hotbed' issues of the day.

As part of our annual programme, we again ran the Zealandia Easter 'Eggcellent Adventure', supported by Whittaker's Chocolate, and school holiday activities including puppet performances by Stringbean Puppets and craft activities with Wellington artist Margaret Tolland.

Throughout the year we have trialled new formats of programmes including paper making and a volunteer working bee.

The public programme continues to play an important role for existing audiences including members. It allows that deeper level of engagement alongside an ever-changing array of new opportunities for visitors to experience.

Guided Tours

As well as our public programming, our guided tours provide visitors to Zealandia Te Māra a Tāne with an opportunity to become inspired to change the way they connect with nature. During the year we launched the second phase of our guide training to enhance the experiences that our visitors have on tours, through introducing new themes, inspired by our 20-year strategy, Living with Nature – Tiaki Taiao, Tiaki Tangata. As a result of the training, we are beginning to receive feedback from our tour guests that they gain a deeper understanding of Zealandia's conservation work, and the actions they can take themselves.

The closure of New Zealand's borders has seen our visitors on tours reduce by half. This year our focus has been connecting New Zealanders to their own unique natural heritage, to inspire action at home. We have connected with 10,813 visitors on tours during the year, and tours have been very popular during school holiday periods, typically selling out during these times. Our Zealandia Kids Night Walk, a specially designed tour for families with children from five years old, has seen a four-fold increase, with 823 guests this year. In July 2021 we launched a new tour, the Zealandia Dawn Walk. This gives visitors the chance to experience the awakening of the valley, watch the light change, hear the beautiful dawn chorus, and finish with breakfast at Rātā café, as a reward for the early start.





Left: Within the sanctuary. Photo Credit: Peter Fisher. Right: Wayfinding signage. Photo Credit: Zealandia Te Māra a Tāne.

Making valley exploration easier

Improved wayfinding signage was installed this year as part of a larger project to improve the consistency and helpfulness of the signage and wayfinding sanctuary-wide. Visitor research findings by Te Herenga Waka - Victoria University of Wellington identified an overall positive satisfaction with their visit to Zealandia Te Māra a Tāne, however visitors found discrepancies between the visitor map, physical wayfinding within the sanctuary, and incorrectly represented intersections.

To improve signage and wayfinding overall, a new visitor map was introduced last year, followed by the wayfinding signage this year based on the visitor research and on-the-ground investigations by a team of our volunteers.

People, Capability and Culture

Our workforce is one of our most valuable resources; staff are highly talented and experienced in their fields of expertise and possess the skills and abilities to create real value across our four capitals. We are delivering on our aim for Zealandia Te Māra a Tāne to be a great place to work, by developing a working environment that is empowering, engaging, and inspiring.



Rangers Rachel, Tia and Ellen after their wetland stream adventures. Photo Credit: Zealandia Te Māra a Tāne.

We are committed to providing structured training and development to all our people to ensure everyone can make a positive impact. In May, we held a training workshop for all staff that focused on supporting staff mental health and wellbeing from a mātauranga Māori perspective. The workshop focused on key concepts, identified how our whakapapa or lineage contributes to inheritance from a well living perspective, and referenced Te Whare Tapa Whā, a Māori model of health and wellbeing.

Our aim to be an employer of choice for talented people is focused on creating a culture of support and opportunity. We want all our staff to feel valued, and to be strongly engaged and connected to our purpose. Our staff engagement surveys are an important mechanism for helping us understand the overall work experience for staff, and how we can enhance organisational performance.

The 2020 staff engagement survey was the largest to-date, with a very pleasing 68% response rate. This in itself indicates a good level of motivation and employee engagement. In addition, there were excellent results with 74% of respondents indicating a high level of happiness with their work, and 82% a high level of personal achievement.

Living Wage EMPLOYER

We aim for all our people to feel valued and have paid all our staff the living wage or above since mid-2017 Being an accredited living wage employer and paying fair wages to staff are core to the values of Zealandia Te Māra a Tāne and recognises the contribution and efforts of our people in delivering our organisational mission.

Te Ara Poutama

This year Zealandia Te Māra a Tāne staff developed an outstanding course to support our people in growing confidence and competence in te ao Māori. The course involves multiple levels of achievement, and is delivered in a fun, interactive and welcoming way.

The course is now in its pilot phase and we will deploy it more widely across the organisation over the coming years.

One of this year's cohort is Sarah O'Sullivan, Executive Assistant to the Chief Executive and Trust Board, who said, "I've learnt a lot about Matariki and maramataka the Māori lunar calendar and am beginning to understand the richness of incorporating this into everyday living". Sarah also noted she has become far more confident in using karakia at work.

"The group is really supportive of each other, and it's created a really safe place for this learning. This has also extended out into the office where we are making a real effort to use relevant language with each other."

Tia Button, Kaitiaki Ranger at Zealandia Te Māra a Tāne, is also participating in the course, and notes that joining others in the learning process has made her feel proud to be taking steps to learn more about her culture. She notes, "As my understanding of te ao Māori broadens I feel more connected to Papatūānuku and believe it could help to do the same for many others."

A particular highlight for Tia and many others on the course was a visit to Ōtari-Wilton's Bush to learn about rongoā (traditional Māori medicinal practices).

Maintaining a safe environment

The safety and well-being of our people and visitors is one of our highest priorities and we are committed to delivering a safe and healthy environment for all.

We continue to implement key activities for safety and well-being, and ensure that our policies, procedures, and Board reporting are aligned with leading edge practices across New Zealand. A robust risk management process is monitored by the Audit and Risk Committee and reported to the Board.

We provide an Employee Assistance Programme free to our staff and deliver regular safety and well-being training, including first aid and mental health awareness sessions.

Our 2020/21 Highlights:

- Delivered a successful workshop on mental health awareness, providing our people leaders with a practical framework for spotting signs of low mental well-being, to enable them to support their staff, their colleages and themselves to flourish.
- Removed over 90 pine trees from the sanctuary, including a number that were identified as a potential health and safety risk to our people and visitors.
- Undertaken a full review and revamp of our health and safety policies, to ensure clarity and best practice throughout.
- 87% of our volunteers surveyed agree/ strongly agree that Zealandia has good health and safety practices in place, demonstrating strong health and safety awareness amongst our 500 volunteers.





Left: Rangers Ellen and Morag monoriting birds. Photo Credit: Zealandia Te Māra a Tāne. Right: Brian and Tim are two hardworking volunteers within the facilities team. Photo Credit: Zealandia Te Māra a Tāne.

Governance: the Board and Guardians

The Karori Sanctuary Trust Board

A key focus for the Board this year was keeping a watchful eye on the operating environment, especially with the impact of ongoing border closures and no international tourists. The Board has also spent some time inside the sanctuary as part of their meetings, gaining a closer understanding of some of the issues and opportunities we face, and learning about the great work our community of staff and volunteers do.

A highlight was the opportunity to spend some time with a guide to explore what makes a successful tour, and how manaakitanga is embodied in our tours.

The reappointment of Jo Breese and Libby Harrison was endorsed by the Guardians and confirmed by Wellington City Council. Russell Spratt's term was extended with support from the Guardians and Wellington City Council.

	23 Jul 2020	27 Aug 2020	24 Sep 2020	29 Oct 2020	26 Nov 2020	17 Dec 2020	18 Feb 2021	18 Feb 2021	29 Apr 2021	27 May 2021	1 Jul 2021*
Phillip Meyer (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
David Bibby	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Russell Spratt	✓	Apol.	✓	✓	✓	✓	✓	✓	✓	✓	✓
Pete Monk	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jo Breese	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apol.
Libby Harrison	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

** This meeting was originally scheduled for 24 June 2021 but postponed because Wellington moved to COVID-19 alert level 2 on 23 June.*



From left to right, Zealandia Te Māra a Tāne Chief Executive Paul Atkins and the Karori Sanctuary Trust Board, Libby Harrison, Jo Breese, Phillip Meyer (Chair), Pete Monk, Russell Spratt and David Bibby. Photo Credit: Zealandia Te Māra a Tāne.

People, Capability and Culture Committee attendance

	23 Jul 2020	26 Nov 2020	25 Mar 2021
David Bibby (Chair)	✓	✓	✓
Jo Breese	✓	✓	✓
Russell Spratt	✓	✓	✓
Phillip Meyer	✓	✓	✓
Board members in attendance			
Pete Monk	✓	✓	-
Libby Harrison	-	✓	✓

Audit and Risk Committee attendance

	27 Aug 2020	26 Nov 2020	25 Mar 2021	27 May 2021
Pete Monk (Chair)	✓	✓	✓	✓
Libby Harrison	✓	✓	✓	✓
Iain Craig	✓	Apol.	✓	✓
Phillip Meyer	✓	✓	✓	✓
Board members in attendance				
David Bibby	-	-	✓	✓
Russell Spratt	-	-	✓	-
Jo Breese	✓	✓	✓	✓

The Guardians

Dr Nicky Nelson stepped down from the Guardians as the Te Herenga Waka - Victoria University of Wellington representative in July 2020; she is replaced by Dr Lynda Petherick. Nicky brought her passion for conservation action and has been key in creating strong research and teaching links between Zealandia Te Māra a Tāne and the university's School of Biological Sciences. At the 2020 AGM Paul Wilson was elected as a member-elected Guardian. Julia Bracegirdle stepped down as a member-elected Guardian after three years in the role. We thank Julia and Nicky for their contributions. Roy Sharp stepped down as chair of the Guardians at the end of 2020 after four years as chair; the chair for 2021 is Dr Lynda Petherick.

	22 Jul 2020	28 Sep 2020	15 Feb 2021	7 Apr 2021
Lynda Petherick (Chair)	✓	✓	✓	✓
Roy Sharp	✓	✓	✓	✓
Ellen Carlyon	✓	✓	Apol.	✓
Latu Clark	✓	✓	✓	✓
Paul Wilson	N/A	N/A	Apol.	Apol.
Jim Lynch	✓	✓	Apol.	Apol.
Mayor Andy Foster/ Councillor Teri O'Neill	✓ ✓	Apol. Apol.	✓ Apol.	Apol. ✓
Helen McConnell	✓	Apol.	Apol.	✓
Julia Bracegirdle	✓	✓	N/A	N/A
In attendance				
Phillip Meyer	✓	✓	✓	✓
Paul Atkins	✓	✓	✓	✓

Financial Capital

A Place that Treasures
He Wāhi Taonga

Financial capital is the pool of funds available to an organisation to deliver its operations.

Zealandia Te Māra a Tāne optimises these funds to achieve a better overall financial position and this enables a more sustainable future for the organisation. By building a sound financial capital base we can deliver our organisational goals.

Our work in this area is underpinned by our organisational value of:

- Kaitiakitanga: We are effective stewards of Te Māra a Tāne, the sanctuary valley, its halo and our resources.

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Lunch at Rātā Café overlooking Roto Kāwau. Photo Credit: Zealandia Te Māra a Tāne.

Remaining financially sustainable in the new environment

The effects of the COVID-19 pandemic have continued through the 2020/21 financial year. The border closures have had a substantial impact on our revenues. Our admissions and tours revenue dropped by over $900,000 compared with the 2019/20 year. Despite these challenges we have returned a net surplus for the year of $278,791.

We have received crucial grant funding from central government, $416,281 through the Wildlife Institutions Relief Fund (WIRF) and $500,000 through the Strategic Tourism Assets Protection Programme (STAPP). The WIRF funding has been used in the critical areas of species management and the maintenance of biosecurity. This has been complemented by the STAPP funding, which has enabled us to continue essential work maintaining our grounds/buildings, weed management, health and safety, and other vital corporate costs, as well as continuing to deliver a high-quality visitor experience. This funding has been a lifeline and has meant that we remain strong despite the challenges this pandemic has thrown at us.

In addition, our membership and café revenues have grown, and the funding we receive from our supporters has contributed important support to our operations.

Our balance sheet remains strong, with a year-end working capital balance of $4.09m. A significant portion of this balance is committed to the build of Tanglewood House, our Future Leaders Fund, and 2021/22 capital projects. Our working capital balance also includes $662,500 cash received from a STAPP loan, this is a non-current liability with a total available facility of $1.6m. This loan is to fund staffing and other operating costs, and provides us with a much needed buffer to help weather the uncertainty on when and to what extent international tourism will return. Excluding these items our operating working capital is still very healthy at $1.24m at 30 June 2021, this covers at least three months of operating expenses in line with financial management best practice.

Sound financial management is vital for us going into 2021/22, and we continue to place a high priority on this to ensure we remain agile and financially sustainable.

Allocation of Working Capital Balance of $4.09m





Zealandia Te Māra a Tāne Twilight tour. Photo Credit: Johnny Hendrikus.

Visitors' contribution

The effects of Aotearoa's closed borders were felt in our visitor numbers for the year. From a record high in 2019/20, our visitor numbers reduced by 15% to 121,729 this year. Revenue from visitors remains a substantial portion of our total revenue. In the 2020/21 year, 40% of our revenue came from our visitors, through admissions, tours, café and retail sales.

Following the successful free entry period, supported by Wellington City Council, to the end of June 2020, we extended the free entry into July and welcomed more than 17,000 general admission visitors, where we would normally expect between 4-5,000. Wellingtonians have continued to support Zealandia Te Māra a Tāne and made up 67% of our visitors this year.

We continue to be recognised as a leading tourism attraction in Wellington with Trip Advisor listing Zealandia Te Māra a Tāne as the number two tourism attraction (second to Te Papa Tongarewa). We have seen domestic visitors from outside Wellington increase by 102% this year.

We continued to welcome a small number of international visitors who had decided to stay in New Zealand rather than return home. Looking forward, we are continuing to anticipate strong visitation from Wellingtonians and domestic tourists. The motivation of New Zealanders to support local tourism has been wonderful in helping to offset the loss of international tourists.

Where our 2020/21 visitors came from





Zealandia Te Māra a Tāne gift shop. Photo Credit: Zealandia Te Māra a Tāne.

Our infrastructure

This year we refurbished one of our main office buildings – a repurposed cottage. This included reroofing, replacing the floor in one of the rooms, and ensuring the windows were watertight. In addition, another office building had underfloor insulation installed. While maintaining assets, these projects help keep employees healthy and reduce heat loss from the buildings.

As well as enhancing office facilities for our people, we have made a vast improvement to Rātā Café. With support from Wellington City Council, double glazing has been installed in the balcony area, meaning that visitors can now use it in all weathers and enjoy the view of Roto Kawau over their coffee or lunch.

Zealandia Te Māra a Tāne Facilities Ranger, Graham Christmas, has used his carpentry skills to make many beautiful and useful things over the year. For example, new boxes for Cook Strait giant wētā that are good for the wētā and enable guides to showcase these insects safely.

We also added a new quadbike to our assets this year, one with more safety features such as power steering and a protective roll-bar.



Ranger Gary driving the new quadbike. Photo Credit: Zealandia Te Māra a Tāne.

Financial reporting awards

Our annual report is much more than just a compliance document, it provides a holistic view of our full year's achievements, and we are honoured to have been awarded the Chartered Accountants Australia and New Zealand Tier 2 Charity Reporting Award for our 2019/20 report, and a Silver Award at the 2021 Australasian Reporting Awards.

ARA AUSTRALASIAN REPORTING AWARDS

Australasian Reporting Awards SILVER AWARD 2021



Performance Reporting

2020/21 Statement of Intent targets

Non-financial Performance Measures

Measure	Actual	Target	✓ Achieved or ⊗ Not Achieved
Visitation	121,729	>70,000	✓
Education visits (LEOTC, tertiary, early childhood, school holiday programme, and outreach)	12,125	>9,000	✓
Members (Individual Members)	18,158	>11,200	✓
Volunteer Numbers	520	>490	✓
Volunteer Satisfaction Survey	90%	>80%	✓
Percentage of Satisfied Visitors	95.4%	>95%	✓

Financial Performance Measures

Measure	Actual	Target	✓ Achieved or ⊗ Not Achieved
Full cost per visitor (including WCC costs)	$15.02	<$15.29	✓
Average subsidy per visit (Total WCC operating grant/all visitors)	$8.99	<$12.85	✓
Average revenue per visitation (excludes Council & Government grants)	$28.86	>$27.01	✓
Non-Council Donations/Funding	$1,477,220	>$200,000	✓
Net surplus (deficit) before depreciation and tax	$629,909	>$57,320	✓
Non-WCC grant revenues as a % of overall revenue	75.2%	>75%	✓
Membership subscription revenue	$462,388	>$324,700	✓



A curious kākā. Photo Credit: Judi Lapsley Miller.

Conservation Measures

Conservation Measure	Annual Target	Actual	Commentary
Manawaroa. We actively restore ecosystem function to foster resilience			
Number of fauna or flora species transferred into or out of the sanctuary, or 'topped up'	1	1	Achieved. Tuna were transferred out of the sanctuary as part of the work prior to the reservoir perch removal, and to ensure they could complete their lifecycle.
Percentage of the bird community that is native	80%	93%	Achieved. Calculated as % 5 minute bird count detections that are native, from October/November 2020 data.
Kaitiakitanga. We look after what we have alongside our many partners			
% of incursions into the mouse-free area eradicated, or under active response	100%	100%	Achieved. All incursions have been dealt with rapidly and effectively.
Mice maintained to target level	<10	5.6	Achieved. Calculated from May 2021 data.
% pest animal incursions successfully eradicated, or under active response	100%	100%	Achieved. No incursions have been detected this year.

Measures against Strategy Areas

Strategic Initiatives	Target 2020/21	Actual 2020/21
A Place that Treasures - He Wāhi Taonga		
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.	Achieved.
Carry out perch removal in the lower reservoir, and progress key wetland restoration initiatives.	Partnerships with at least 10 community groups are active in the Sanctuary to Sea project.	Achieved.
Building our organisation's capacity to drive transformation.		
Support ongoing cultural health monitoring carried out by mana whenua.	A net surplus before depreciation and tax of $57,320.	Achieved. Net surplus before depreciation and tax of $629,909.
Develop smart initiatives to grow our people (staff, volunteers and interns), support systems and enduring financial vitality.	Non-WCC grant revenues equating to >75% of overall income.	Achieved. 75.2% of revenue is from sources other than WCC grants.
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.	Membership subscriptions of $324,700.	Achieved. Membership subscription revenue $462,388.
Maintain our Carbon Zero accreditation and deliver good sustainability practices across the whole of the organisation.	Full cost per visitor (including WCC costs) of $15.29.	Achieved. Full cost per visitor $15.02.
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 WCC subsidy per visitor of no more than $12.85.	Achieved. Average subsidy per visitor $8.99.
Improve the facilities of the Pāteke Room conference facilities by installing sound proofing and conference lighting. (On hold)	Average revenue per visitor of no less than $27.01.	Achieved. Average revenue per visitor $28.86.
Improve the dining experience in Rātā Café by converting the balcony into a year-round facility and undertaking a refresh of furniture and décor.	Non-Council donations/funding of $200,000.	Achieved. Non-Council donations/ funding income $1,477,220.

Strategic Initiatives	Target 2020/21	Actual 2020/21
A Place that Engages - He Wāhi Huihuinga		
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. 121,729 visitations. 67% from the Wellington region, 24% from the rest of the North Island, 8% from the South Island and 1% from overseas.
Continue to provide activities and experiences for young people and families.	Zealandia achieves a visitor satisfaction rating of 95% or greater.	Achieved. 95.4% Satisfaction.
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. 12,125 education engagements.
Increase engagement opportunities for those with differing accessibility needs in line with the WCC Accessible Wellington Action Plan 2019.	11,200 members.	Achieved. 18,158 members.
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. 520 active or in training volunteers.
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. 90% satisfaction.
A Place for Learning - He Wāhi Mātauranga		
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. A series of events supported Wellingtonian's connection to nature during Matariki.
Develop and grow relationships that enable closer partnerships with iwi and integration of Mātauranga Māori.	Deliver activities and opportunities for staff and volunteers to increase their knowledge and confidence in te reo and te ao Māori.	Achieved. The internal Te Ara Poutama in particular furthered this objective.
Continue research focussed on understanding how changes to Wellington's biodiversity is affecting people, and how community-led conservation can gain environmental outcomes.	Incorporate bicultural and bilingual content in all new permanent signage and interpretation materials.	Achieved.
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.	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.	Achieved. Significant longitudinal research is now ongoing in support of this objective, as well as collaborative work across organisations.
	Continue to deliver valley-based and outreach learning programmes under our Ministry of Education LEOTC contract.	Achieved.
A Place that Empowers - He Wāhi Whakamana		
Extend the reach of Zealandia's work and impact through partnerships and participation in community awareness and engagement programmes and projects beyond the fence.	Continue to expand the range of programmes and activities offered to schools and young people.	Achieved.
Provide learning and development opportunities for volunteers that are applicable both inside and outside the sanctuary.		
Increase the diversity of Zealandia's partners and volunteers by working with and through a wider variety of community organisations.		

Financial Statements

Karori Sanctuary Trust (Inc.) Statement of Comprehensive Revenue and Expense for the year ended 30 June 2021

	Note	2021 ($)	2020 ($)
Operating Revenue			
Membership Subscriptions		462,388	382,866
Wellington City Council Grant		1,093,747	1,032,124
Other Grants and Donations		1,477,219	1,005,831
Admissions		1,157,800	2,072,155
Sale of Goods		1,247,686	1,398,999
Other		113,308	127,045
Total Operating Revenue		**5,552,148**	**6,019,020**
Other Revenue			
Finance Income		48,632	52,308
COVID-19 Wage Subsidy		-	365,362
Tanglewood House Funding*		393,216	-
Total Operating Revenue and Other Revenue	2	**5,993,996**	**6,436,690**
Operating Expenses			
Cost of Goods Sold		494,840	643,892
Other Operating Expenditure	3	4,739,247	4,420,822
Trustee Remuneration	11	130,000	110,500
Depreciation and Amortisation Expense	6,7	351,118	358,425
Total Operating Expenses		**5,715,205**	**5,533,639**
Operating Surplus/(Deficit)		**278,791**	**903,051**
Other Comprehensive Revenue		-	-
Total Comprehensive Revenue and Expense		**278,791**	**903,051**

*In 2020/21 the Trust received a $393,216 contribution towards the future build of new premises, to be named Tanglewood House.

Karori Sanctuary Trust (Inc.) Statement of Changes in Equity for the year ended 30 June 2021

	2021 ($)	2020 ($)
Accumulated Funds at Beginning of Year	6,074,480	5,171,429
Total Comprehensive Revenue and Expense	278,791	903,051
Accumulated Funds at End of Year	**6,353,271**	**6,074,480**

The accompanying notes on pages 54 to 60 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.) Statement of Financial Position as at 30 June 2021

	Note	2021 ($)	2020 ($)
Current Assets			
Cash and Bank		1,251,723	1,798,657
Term Deposit		3,500,000	2,000,000
Accounts Receivable		14,601	48,535
Grants and Donations Receivable	4	125,000	4,000
Prepayments		15,882	16,069
Stock on Hand		59,639	62,645
Total Current Assets		**4,966,845**	**3,929,906**
Non-Current Assets			
Property, Plant and Equipment	6	2,928,243	3,109,153
Intangible Assets	7	-	5,946
Total Non-Current Assets		**2,928,243**	**3,115,099**
Total Assets		**7,895,088**	**7,045,005**
Current Liabilities			
Accounts Payable and Accruals	5	330,495	379,893
GST Payable		66,207	42,795
Accrued Holiday Pay		130,004	153,798
Income in Advance		352,611	394,039
Total Current Liabilities		**879,317**	**970,525**
Non-Current Liabilities			
Borrowings	8	662,500	-
Total Non-Current Liabilities		**662,500**	**-**
Total Liabilities		**1,541,817**	**970,525**
Net Assets		**6,353,271**	**6,074,480**
Equity			
Accumulated funds		**6,353,271**	**6,074,480**

The Board of Trustees authorised the financial statements for issue on 9 September 2021.

Chair: Trustee:

The accompanying notes on pages 54 to 60 form an integral part of these financial statements.

Karori Sanctuary Trust (Inc.) Statement of Cash Flows for the year ended 30 June 2021

	Note	2021 ($)	2020 ($)
Cash Flows from Operating Activities			
Cash was provided from:			
Membership Subscriptions		477,539	418,846
Grants and Donations		2,378,586	2,042,204
Admissions and Other Revenue		2,567,530	3,592,941
COVID-19 Wage Subsidy		-	365,362
Tanglewood House Funding		393,216	-
Net GST Receipt		23,412	29,349
Total		5,840,283	6,448,702
Cash was applied to:			
Payments to Suppliers and Employees		(5,434,086)	(5,097,958)
Total		(5,434,086)	(5,097,958)
Net Cash Flows from Operating Activities	**10**	**406,197**	**1,350,744**
Cash Flows from Investing Activities			
Cash was provided from:			
Interest Received		48,632	52,308
Receipt from Maturity of Term Deposits		4,000,000	2,750,000
Total		4,048,632	2,802,308
Cash was applied to:			
Purchase of Plant, Equipment & Other Assets		(164,263)	(274,338)
Investment in Term Deposits		(5,500,000)	(3,500,000)
Total		(5,664,263)	(3,774,338)
Net Cash Flows from Investing Activities		**(1,615,631)**	**(972,030)**
Cash Flows from Financing Activities			
Cash was provided from:			
Borrowings		662,500	-
Total		662,500	-
Net Cash Flows from Financing Activities		**662,500**	**-**
Opening Cash		1,798,657	1,419,943
Net Increase/(Decrease) in Cash		**(546,934)**	**378,714**
Closing Cash		**1,251,723**	**1,798,657**

The accompanying notes on pages 54 to 60 form an integral part of these financial statements.

Statement of 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 9 September 2021.

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 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. Financial Instruments

Financial instruments are comprised of trade and other receivables, cash and cash equivalents, financial assets at fair value through surplus or deficit, trade and other payables and borrowings at fair value. The Trust held no derivative financial instruments in the years reported. The subsequent measurement of financial assets depends on their classification at inception.

iv. 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.

v. 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.

vi. 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:

Trust Buildings	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	3-14 years
Other Assets	3-25 years
Computer Software	3 years

vii. 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.

viii. Term Deposits

The Trust places funds not required to meet short-term needs in interest bearing term deposits at a fixed rate of interest for a fixed term. Interest is payable on maturity.

ix. Accounts and Sundry Receivables

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

x. 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.

xi. 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.

xii. 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.

xiii. 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.

xiv. 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.

xv. Income Tax

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

xvi. 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.

xvii. 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.

2. Revenue

	2021 ($)	2020 ($)
Revenue from exchange transactions:		
Sale of Goods and Services	2,981,182	3,751,065
Grant Revenue	66,740	73,414
Interest Income	48,632	52,308
Revenue from non-exchange transactions:		
Grant Revenue	2,030,566	1,171,714
Bequests	71,410	34,262
Gifts, Donations	402,250	758,565
Free Admissions Revenue from Wellington City Council	-	230,000
COVID-19 Wage Subsidy	-	365,362
Tanglewood House Funding	393,216	-
Total Revenue	**5,993,996**	**6,436,690**

3. Operating Expenditure

	2021 ($)	2020 ($)
Administration and Management	76,133	65,139
Personnel Costs	3,621,085	3,592,723
Fees to Auditor		
- fees to PwC for audit	42,188	38,784
Other Operating Expenditure	999,841	724,176
Total Operating Expenditure	**4,739,247**	**4,420,822**

4. Grants and Donations Receivable

	2021 ($)	2020 ($)
Total grants and donations recievable comprises:		
Grants Receivable (Non-exchange)	125,000	-
Donations Receivable (Non-exchange)	-	4,000
	125,000	**4,000**

5. Accounts Payable and Accruals

	2021 ($)	2020 ($)
Total payables comprises:		
Trade Payables	160,758	159,382
Payroll Accruals	169,737	220,511
	330,495	**379,893**

6. Property, Plant and Equipment

For the year ended 30 June 2021

	Trust Buildings	Exhibition Centre	Leasehold Improve-ments	Predator Fence	Fixtures, Plant and Equipment	Vehicles	Other Assets	Buildings - Work in Progress	Total
Cost									
As at 1 July 2020	1,938,953	3,639,384	1,195,757	2,457,633	642,596	404,400	951,315	199,146	11,429,184
Additions at cost	39,033	-	-	-	-	13,495	72,650	39,085	164,263
Disposals	-	-	-	-	-	-	-	-	-
As at 30 June 2021	**1,977,986**	**3,639,384**	**1,195,757**	**2,457,633**	**642,596**	**417,895**	**1,023,965**	**238,231**	**11,593,447**
Accumulated Depreciation									
As at 1 July 2020	770,707	3,629,938	709,148	1,902,421	393,338	206,638	707,841	-	8,320,031
Depreciation charge	83,732	8,461	42,931	95,231	34,603	35,950	44,264		345,172
Disposals	-	-	-	-	-	-	-	-	-
As at 30 June 2021	**854,439**	**3,638,399**	**752,079**	**1,997,652**	**427,941**	**242,588**	**752,105**	**-**	**8,665,203**
Net Book Value	**1,123,547**	**985**	**443,678**	**459,981**	**214,655**	**175,307**	**271,860**	**238,231**	**2,928,243**

The current balance in Buildings - Work in Progress is the development of Tanglewood House.

For the year ended 30 June 2020

	Trust Buildings	Exhibition Centre	Leasehold Improve-ments	Predator Fence	Fixtures, Plant and Equipment	Vehicles	Other Assets	Buildings - Work in Progress	Total
Cost									
As at 1 July 2019	1,928,150	3,639,384	1,132,006	2,457,633	622,941	375,327	895,023	104,378	11,154,842
Additions at cost	10,803	-	63,751	-	19,655	29,073	56,292	94,768	274,342
Disposals	-	-	-	-	-	-	-	-	-
As at 30 June 2020	**1,938,953**	**3,639,384**	**1,195,757**	**2,457,633**	**642,596**	**404,400**	**951,315**	**199,146**	**11,429,184**
Accumulated Depreciation									
As at 1 July 2019	687,755	3,620,304	660,448	1,807,190	355,627	170,736	665,492	-	7,967,552
Depreciation charge	82,952	9,634	48,700	95,231	37,711	35,902	42,349	-	352,479
Disposals	-	-	-	-	-	-	-	-	-
As at 30 June 2020	**770,707**	**3,629,938**	**709,148**	**1,902,421**	**393,338**	**206,638**	**707,841**	**-**	**8,320,031**
Net Book Value	**1,168,246**	**9,446**	**486,609**	**555,212**	**249,258**	**197,762**	**243,474**	**199,146**	**3,109,153**

The current balance in Buildings - Work in Progress is the development of Tanglewood House.

Karori Sanctuary Trust (Inc.)

7. Intangible Assets

For the year ended 30 June 2021

	Computer Software	Total
Cost		
As at 1 July 2020	62,801	62,801
Additions at cost	-	-
Disposals	-	-
As at 30 June 2021	**62,801**	**62,801**
Accumulated Depreciation		
As at 1 July 2020	56,855	56,855
Amortisation	5,946	5,946
Disposals	-	-
As at 30 June 2021	**62,801**	**62,801**
Net Book Value	**-**	**-**

For the year ended 30 June 2020

	Computer Software	Total
Cost		
As at 1 July 2019	62,801	62,801
Additions at cost	-	-
Disposals	-	-
As at 30 June 2021	**62,801**	**62,801**
Accumulated Depreciation		
As at 1 July 2019	50,909	50,909
Amortisation	5,946	5,946
Disposals	-	-
As at 30 June 2020	**56,855**	**56,855**
Net Book Value	**5,946**	**5,946**

8. Borrowings

In May 2021, The Trust executed a 5-year loan agreement with the Strategic Tourism Assets Protection Programme for a loan of $1.6 million with the first drawdown of $662,500 being received in May 2021. Further drawdowns are scheduled to take place in the 2021/22 financial year. The loan is interest free for years 1 and 2 and will incur interest charges of 3% per annum for years 3, 4, and 5.

9. Financial Instruments

	2021 ($)	2020 ($)
Financial Assets Measured at Amortised Cost		
Cash and Cash Equivalents	1,251,723	1,798,657
Receivables	139,601	52,535
Term Deposits	3,500,000	2,000,000
	4,891,324	**3,851,192**
Financial Liabilities Measured at Amortised Cost		
Payables	396,702	422,688
Financial leases	33,785	47,929
	430,487	**470,617**
Financial Liabilities Measured at Fair Value		
Borrowings	662,500	-
	662,500	-

10. Reconciliation of Cash Flow Statement

Reconciliation of net cashflow from operating activities with operating surplus

	2021 ($)	2020 ($)
Net Surplus from Operations	**278,791**	**903,051**
Adjustments		
Depreciation and Amortisation	351,118	358,425
Interest Received	(48,632)	(52,308)
Movements in Working Capital Items		
Decrease/(Increase) in GST Receivable	23,412	29,349
Decrease/(Increase) in Stock on Hand	3,006	(3,445)
Decrease/(Increase) in Receivables and Prepayments	(86,878)	(13,943)
(Decrease)/Increase in Income in Advance	(41,428)	47,288
(Decrease)/Increase in Accounts Payable from Operations	(73,192)	82,327
	(175,080)	**141,576**
Net Cash Flow from Operating Activities	**406,197**	**1,350,744**

11. Related Party Transactions

The Trust is a related party to the Welllington City Council as it is a Council Controlled Organisation.

	2021 ($)	2020 ($)
During the year the following related party transactions occured:		
Grants from Wellington City Council (operating)	1,093,747	1,032,124
Grants from Wellington City Council (capital)	393,216	-
Sales to Wellington City Council	10,169	23,017
Financial support to fund free admissions from Wellington City Council	-	230,000
Fee for payroll services provided by Wellington City Council	9,000	9,000
Rental expense paid to Wellington City Council	15,041	18,383

Wellington City Council charged the Trust for a number of other services in the ordinary course of business, including rates, licence fees, arborist and adverting fees.

The partner of one of the Board Trustees was employed by the Trust in our Conservation team.

During the 2017 year, the sale of the Visitors Centre and associated assets was finalised to the Wellington City Council. As part of the sale transaction the Trust signed an agreement to lease the Visitors Centre back from the Council for an initial 10 year term with the option for the Trust to extend the lease in 10 year increments in perpetuity. Annual rental of the Visitors Centre is $1 if demanded. The lease arrangement has been accounted for as a finance lease under PBE IPSAS 13, resulting in an immaterial asset and lease liability being recognised in the financial statements.

	2021 ($)	2020 ($)
Key management personnel compensation:		
Leadership team remuneration	783,309	783,988
Full-time equivalent members	5	5
Board remuneration paid to Trustees	130,000	110,500

Key management personnel are defined as the Board of Trustees, the Chief Executive and the Strategic Management Team.

12. Lease Commitments

i. Zealandia land and Trust offices

The Trust is a party to an agreement with the Wellington City Council and Wellington Regional Council for the transfer of Zealandia land and its ultimate lease to the Karori Sanctuary Trust. The Current Deed of Lease is dated 8 January 2013. The Trust also leases its office building from the Wellington City Council.

ii. Photocopiers, telephone system and EFTPOS terminals

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2021 ($)	2020 ($)
Within one year	14,651	15,215
Later than one year but not later than five years	19,134	32,714
	33,785	**47,929**

13. Capital Commitments

As at 30 June 2021, there are no capital commitments (2020: none)

14. Contingent Liabilities

There are no contingent liabilities as at 30 June 2021 (2020: none)

15. Contingent Assets (possible income)

During the prior year the Trust received notice that it has been named as a beneficiary in a will. The will has been challenged by a third party in the Family Court. The timing and value of the bequest is dependent on the outcome of the judicial process and cannot be reliably estimated at balance date. Consequently, an asset has not been recognised at 30 June 2021. If the possible income from the bequest is subsequently received, it will be accounted for in the year in which it is received.

16. Post Balance Date Events

There are no post balance date events which affect these financial statements (2020: none)

17. Going Concern

These Financial Statements have been prepared on a going concern basis. The Board of Trustees has taken into account the effects of COVID-19 and the lockdown after year end.

pwc

Independent auditor's report

To the readers of Karori Sanctuary Trust's financial statements and performance reporting for the year ended 30 June 2021

The Auditor-General is the auditor of Karori Sanctuary Trust (the "Trust"). The Auditor-General has appointed me, Sarah Turner, using the staff and resources of PricewaterhouseCoopers, to carry out the audit of the financial statements and performance reporting of the Trust on his behalf.

Opinion

We have audited:

- the financial statements of the Trust on pages 51 to 60, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expense, the statement of changes in equity and the statement of cash flows for the year ended on that date and the statement of accounting policies and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance reporting of the Trust on pages 48 to 50.

In our opinion:

- the financial statements of the Trust on pages 51 to 60.
  - present fairly, in all material respects:
    - its financial position as at 30 June 2021; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with the New Zealand Public Benefit Entity Reduced Disclosure Regime; and
- the performance reporting of the Trust on pages 48 to 50 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2021.

Our audit was completed on 13 September 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements and the performance reporting, we comment on other information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Trustees for the financial statements and the performance reporting

The Board of Trustees is responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees is also responsible for preparing the performance reporting for the Trust.

The Board of Trustees is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance reporting that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance reporting, the Board of Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern.

The Board of Trustees is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Trustees intend to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance reporting

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance reporting, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists.

Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error.

Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance reporting.

For the target information reported in the performance reporting, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance reporting.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance reporting, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We evaluate the appropriateness of the reported performance reporting within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance reporting or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance reporting, including the disclosures, and whether the financial statements and the performance reporting represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and the performance reporting and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements and the performance reporting does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance reporting, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or performance reporting or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information not yet recived, if we conclude that there is a material misstatement therein, we are required to communication the matter to the Board of Trustees and use our professional judgement to determine the appropriate action to take.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.

Sarah Turner

Sarah Turner

On behalf of the Auditor-General

Wellington, New Zealand

PricewaterhouseCoopers

PricewaterhouseCoopers

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PO Box 243, Wellington 6140, New Zealand
T: +64 4 462 7000, pwc.co.nz

Directory

Trustees:

Phillip Meyer FAIM, Life FNZIM, CF Inst D, F Fin, Chair
Pete Monk
Emeritus Professor David Bibby CNZM, PhD, DSc
Russell Spratt
Libby Harrison, PhD
Jo Breese

Guardians:

Lynda Petherick, PhD, Chair
Jim Lynch QSM
Julia Bracegirdle (until October 2020)
Mayor Andy Foster
Councillor Teri O'Neill (Mayor Andy Foster's alternate)
Helen McConnell
Latu Clark
Ellen Carlyon
Roy Sharp
Paul Wilson (from October 2020)

Senior Management

Paul Atkins, Chief Executive
Danielle Shanahan, PhD, Director Centre for People and Nature
Chris Fitzgerald, Manager Commercial Development
Matthew Valentine, Manager Corporate Services (until June 2021)
Anastasia Tumbull, Manager Learning and Engagement (until May 2021)



Pureora, where pua o te Rēinga seeds were gifted from, for translocation into Zealandia Te Māra a Tāne and Ōtari-Wilton's Bush - See page 14.
Photo Credit: Manaaki Barrett.


KELBURN - LAMBTON QUAY
WELLINGTON
CABLE CAR
NEW ZEALAND
LAMBTON QUAY - KELBURN
ANNUAL REPORT
For the year ended 30 June 2021
www.wellingtoncablecar.co.nz

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CHAIRMAN'S REPORT

For the year ended 30 June 2021

The 2020/21 year has been one of challenge and opportunity for Wellington Cable Car Limited. The Company and its staff have used the challenge of COVID and resulting low international visitor numbers, to revitalise the company's vision and values and ensure we have a fit for purpose operational structure to meet current needs and those of an evolving future.

Up until February 2020, international tourists provided approximately 60% of the Cable Car's revenue, contributing approximately $3 million to the WCCL bottom-line. In recent years the growth of the cruise ship market and in revenue it generated have helped ensure that the company could also provide a cost-effective transport option for locals and a visitor experience for domestic tourists.

This also meant that up until 2020 the Cable Car company was able to provide for itself, including setting aside funds for asset replacement, without needing any funding support from its 100% shareholder, Wellington City Council.

The challenge of significantly lower operating revenues, provided an opportunity for the Cable Car company to review its vision and values and review its operations to reduce costs, optimise the service offering and seek out new visitation and revenue generation opportunities.

As a Board we are hugely appreciative of the positivity and drive shown by our Chief Executive, Cesar Piotto and his staff through what has been a particularly challenging period.

In response to company's COVID induced lower revenues and acknowledging the high level of fixed costs of operating the Cable Car, our shareholder Wellington City Council provided funding support during the past year. The Board appreciates this support as it has enabled the Cable Car to continue to provide a regular transport link for many locals and a unique experience and connection to local and domestic visitors alike.

COVID impacts are likely to continue to effect Cable Car's revenue and operational sustainability for the next year or two. We have been prudent in recent years and built up financial reserves to fund future asset renewals. If necessary, these funds can be diverted to meet operating cash losses, but in turn future shareholder financial support will likely be required to meet asset replacement.

Key to the long-term sustainability of the iconic Cable Car experience is renewal and maintenance of the cable cars and supporting infrastructure. The cars are in a good state with significant investment in recent years. Strengthening of the tunnels through which the cars travel to and from Kelburn is a major focus for the coming years. It is particularly encouraging that Wellington City Council has recognised the importance of this work by including part funding of the investment required in its long-term plan. This project will get underway in the coming year.

In closing I would like to thank our customer focused and extremely positive and resilient staff and my fellow Directors for their commitment to ensuring the Cable Car is well-positioned to respond to the challenges and opportunities ahead.

Andy Matthews
Chair

CEO'S REPORT

For the year ended 30 June 2021

Kia Ora Koutou,

2020/21 saw the Wellington Cable Car pivot its business and operations significantly to take advantage of the opportunities presented by COVID.

Like all tourism operators in NZ, the Cable Car was forced to reflect on how it operates and adapt the business to domestic visitors. The Team rose to the challenge, and this year's results are a testament to their flexibility, adaptability and resolve. With reduced passenger numbers and facing an uncertain future, we took the opportunity to review our strategic direction. Through several sessions, which included Directors to front line staff, we established our Shared Purpose to host great Wellington experiences that locals are proud of and visitors talk about, and company values, Kaitiakitanga, Safe Workplace, Guest Centered, Pride, Team and Adaptability. Our Shared Purpose and Values have helped guide us as we transition into a new operational norm, with a renewed focus on the customer experience.

If you compared FY 2020/21 to our last 'normal' year of operations, FY 2018/19, the Cable Car passenger numbers were 600,000 lower, equating to a $3.6M reduction in revenue. This reduction in passengers enabled Wellingtonians to access the Cable Car without experiencing any lines or delays and gave the operational team the freedom to host a variety of new events such as "What if the city was a theatre". Whilst the Trans Tasman bubble was open, we welcomed many Australian passengers, which gives us confidence that the Cable Car will immediately benefit when travel resumes. As vaccination rates increase globally, we remain optimistic that travel bubbles will re-open and bring much-needed tourism back to Aotearoa and Wellington. Meanwhile, the Team continues to use this time to ensure that the Cable Car is ready to be a valued community asset for years to come.

The Cable Car turned 119 this year, and plans are in place for next years big celebrations. As Kaitiaki of this Wellington Taonga, we remain focused and committed to ongoing seismic resilience work and to stay ahead of the maintenance required to keep the Cable Car operating in a safe and compliant manner. Significant work is needed to ensure the assets, including cars, safety systems, tunnels, bridges and terminals are compliant. We are thankful for Wellington City Council's ongoing support, and work continues to ensure the Cable Car is here for another century.

The dedication to the safe and efficient running of one of Wellington's taonga is thanks to a small but highly dedicated group of individuals who are passionate about their work. It is essential to acknowledge that the organisation would not be in the position that it is now without their hard mahi.

Finally, I want to take this opportunity to personally thank Andy Matthews for his support and guidance over the last 18 months. Andy's term as Chair of the board will come to an end on 31 December 2021, and the Cable Car is in a better place thanks to his leadership.

Cesar N Piotto
Chief Executive

COVID AND ITS IMPACT

The Wellington Cable Car has been hugely impacted by the effect of COVID on Aotearoa, New Zealand.

In pre-COVID operations, it was the second most visited tourist attraction in the city, welcoming close to 1.2 million passengers in FY 2018/19 (WCCLs last normal year of operation).

As a result of closed international borders and the lack of cruise ship visitation to Wellington, it has lost approximately 600,000 passengers (more than 50%). Being 100% exposed to fare revenues, this has impacted revenues significantly.

The graph below illustrates the impact of COVID in FY 2019/20 and the effects of closed borders and lack of international visitors in FY 2020/21. The 600k deterioration in passenger numbers is illustrated in the difference between FY 2018/19 and FY 2020/21.

In mid-August 2020, community transmission of COVID was detected in Auckland, and the New Zealand Government again placed restrictions on businesses, organisations and individuals within New Zealand. Those restrictions were fully lifted by early October 2020. The Company applied for and received the Government resurgence wage subsidy.

In June 2021, restrictions were placed on businesses, organisations and individuals in Wellington by the New Zealand Government following the confirmation of an Australian traveller being infected with COVID whilst visiting the city. Those restrictions were fully lifted by 30 June 2021.

As at 30 June 2021, the Company is in a good financial position and continues to hold sufficient cash reserves to help mitigate any currently foreseen adverse economic impact COVID may have. At the reporting date, COVID was not present in the community and there were no restrictions on the activities of individuals, organisations or businesses within New Zealand, although substantial restrictions remained at the border.

On 18 August 2021, New Zealand was once again put into a Level 4 nationwide lock down by the New Zealand Government after COVID was found present in the community in Auckland and Wellington. Wellington was reduced to alert level 3 from 1 September, with Auckland continuing to remain in alert level 4 until reducing to alert level 3 on 22 September. The cable car was closed for operation on 18 August and re-opened to the public again on 8 September when Wellington restrictions were reduced to alert level 2.

The Cable Car is constantly trying to find ways to attract more visitors and plug the deficit to ensure the operation has a long term sustainable future. To return to pre-COVID visitation numbers with only domestic visitation means that the Cable Car would need to host every resident of Hamilton, Tauranga, Napier, Nelson, Dunedin, and Invercargill once each year. The Cable Car business model is evolving and is likely to need ongoing support from Wellington City Council until international borders re-open and cruise ships return to Wellington.



OUR SHARED PURPOSE

Host great Wellington experiences that locals are proud of and visitors talk about.



OUR VALUES

KAITIAKITANGA
Custodians of a Wellington taonga & our environment.

SAFE WORKPLACE
Safe Site & Safe Conversations.

GUEST CENTRED
The guest experience makes our business.

PRIDE
We strive to take pride in everything we do.

TEAM
The Team works together to deliver consistently great Wellington experiences.

ADAPTABILITY
We embrace new ideas to sustain & improve our business.

KELBURN · LAMBTON QUAY
WELLINGTON CABLE CAR
LAMBTON QUAY · KELBURN

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KAITIAKITANGA

Custodians of a Wellington taonga & our environment.

- Our small but dedicated Maintenance team are committed to ensuring that this Wellington taonga is safe and compliant for future generations. The Team looks after the Cars, Tunnels, Bridges, Stations, Terminals, Stations, Drive, Control and Safety systems.
- During FY 2020/21, we embarked on our most complex and comprehensive maintenance program since the asset was installed in 1979, replacing two boggies during our Annual Maintenance Shutdown.
- Support WCC Te Atakura – Carbon-zero policy, the Cable Car runs on electricity and the clever regenerative braking system allows energy to be fed back to the grid.

PERFORMANCE INDICATOR: Wellington Cable Car has a robust Asset Management Plan (AMP).	
TARGET MEASURE: Asset Management Plan will be approved and implemented.	
ACTUAL - 2021	ACTUAL - 2020
Achieved – Asset Management plan is being implemented.	*New Measure.*

Performance indicator: WCCL can fund its long-term Cable Car capital expenditure programme.	
Target measure: Sufficient financial reserves are maintained to permit funding of capital works programme as included in the Asset Management Plan, through a combination of cash, external borrowing, and grants / external funding.	
ACTUAL - 2021	ACTUAL - 2020
Achieved – WCCL is continuing to fund capital works programs through a combination of internal and external funding.	*New Measure.*



SAFE WORKPLACE

Safe Site & Safe Conversations.

- The Cable Car maintained its Qualmark silver certification. Amongst 4 pillars, Health and Safety is a vital component of the re-certification process.
- The Cable Car worked with FENZ in a coordinated exercise to improve capability and be better prepared to respond to unforeseen events.

PERFORMANCE INDICATOR: Health and Safety is actively managed and systematically improved.	
TARGET MEASURE: Safety improvements are identified and implemented. Health and Safety meetings are well attended. Workers report incidents and hazards.	
ACTUAL - 2021	ACTUAL - 2020
Achieved - WCCL H&S committee meets monthly and discusses any incidents/accidents / near misses. The committee is made up of up to 9 individuals and monitors the risk register, including mitigation and reduction strategies. This is communicated to staff after each meeting and reported to the Board Quarterly. A SafePlus self assessment has been carried out.	*Achieved - Wellington Cable Car Limited management has a risk register and monitors and manages all identified risks, including regular reporting to the board.*

Performance indicator: Cable Cars, track, tunnels, bridges, buildings and equipment are maintained to the required standard.	
Target measure: Rail safety licence will be maintained.	
ACTUAL - 2021	ACTUAL - 2020
Achieved – Rail Safety License was maintained.	*New Measure.*



GUEST CENTRED

The guest experience makes our business.

- The Cable Car is proud to welcome all guests on the iconic trip from Lambton Quay to Kelburn. The Cable Car maintains its Be accessible platinum accreditation thanks to the specially designed wide gates at Lambton Quay terminal which is suitable for prams, bikes, mobility scooters and wheelchairs.
- The Cable Car continues to support Aho – Tini Strategy and provide a unique canvas to inject vibrancy into Wellington.
- In support of WCC efforts, the Cable Car hosted several *What if the City was a Theatre* performances.
- The Cable Car was featured to over 40k viewers when Drax Project used it as a stage for their Tik Tok live stream.
- China Cultural Centre, Chinese mid Autumn festival.







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PERFORMANCE INDICATOR: Cable car user satisfaction.	
TARGET MEASURE: Maintain Net Promoter Score equal to CXI Benchmark and ideally 5% above benchmark. Maintain Trip advisor and Google rating of 4.2 or higher.	
ACTUAL - 2021	ACTUAL - 2020
NPS Not Achieved - Wellington Cable Car NPS for the year is 71, with the CXI Benchmark NPS at 73. This means that the Cable Car's NPS sits 2 points below the benchmark and falls slightly short of our target. Trip Advisor Achieved - The Company had an average Trip Advisor rating for the year of 4.21 out of 5 Google Review Rating Achieved - The Company had an average Google Review Rating for the year of 4.5 out of 5.	*Achieved - During the year, external consultants were engaged to execute the CXI survey on behalf of the Cable Car.* *Their survey was on a 7 point scale which required some translation to equate to the target of 85% good or very good reviews. It was decided that average score of 6 or higher would mean that we achieved our target.* *The Cable Cars average CXI result for the year was a 6.4 out of 7.*

Performance indicator: The service level meets established tourism standards.	
Target measure: Qualmark endorsement will be maintained.	
ACTUAL - 2021	ACTUAL - 2020
Qualmark Achieved – Qualmark Silver endorsement was achieved.	

Performance indicator: The service level meets established tourism standards.	
Target measure: 517k passenger trips, split as follows: 1st Qtr.: 82,887 2nd Qtr.: 126,981 3rd Qtr.: 163,614 4th Qtr.: 163,515 Full year: 518,977	
ACTUAL - 2021	ACTUAL - 2020
Achieved 1st Qtr.: 106,784 2nd Qtr.: 158,490 3rd Qtr.: 156,117 4th Qtr.: 146,330 Full year: 567,721 Despite a forecasted reduced visitation, we could not foresee the prolonged closed international borders, and the number of times Auckland moved into Alert Level 2 and 3, halting the movements of domestic tourists.	*Not Achieved* 1st Qtr.: 179,669 2nd Qtr.: 320,506 3rd Qtr.: 322,533 4th Qtr.: 39,777 Full year: 862,487 *Due to COVID, and national lock down, the Cable Car was closed for 53 days during Q4. (23/3/20 to 14/5/20). Once re-opened, due to closed international borders and restrictions on regional travel, visitation was significantly reduced.*

PRIDE

We strive to take pride in everything we do.

- Our entire team takes pride to ensure the service is safe and reliable.

PERFORMANCE INDICATOR: Cable car service reliability.	
TARGET MEASURE: Compliance with appropriate legislation and regulations.	
ACTUAL - 2021	ACTUAL - 2020
Achieved 99.94% of trips starting on time. By using the daily trip counts, we calculate the number of missed trips. During FY 2020-21, there were 16 missed trips representing 0.06% of trips not run. We do not count trips not run as a result of scheduled maintenance.	*Achieved 99.94% of trips starting on time* *By using the daily trip counts, we calculate the number of missed trips. There were 16 missed trips during FY 2019/20. Therefore 99.94% of service trips starting on time and 0.06% of trips not run.* *Due to COVID, and national lock down, the Cable Car was closed for 53 days during Q4. (23/3/20 to 14/5/20).*

Performance indicator: Percentage reliability greater than 99.0%.	
Target measure: The number of adverse comments from the relevant regulatory authorities are nil.	
ACTUAL - 2021	ACTUAL - 2020
Achieved.	*Achieved.*



TEAM

The Team works together to deliver consistently great Wellington experiences.

- The Cable Car supports Te Tauihu Te Reo Māori Policy and used the Annual Maintenance Shutdown to put the Team through some Te Reo Māori lessons.
- Te Reo Māori signage is being installed as signage is being replaced.





ADAPTABILITY

We embrace new ideas to sustain & improve our business.



- Collaborated with CCO Whanau (Experience Wellington) on a new initiative to combo the Cable Car with a movie screen at Space Place. This gave Wellingtonians discounted access to two 'must do' attractions which sold over 900 tickets in FY 2020/21.
- WCCL developed a School tour that gives Tamariki a behind-the-scenes look and understanding of the history and engineering of the Cable Car. This has been sold as a standalone product that can also be added to a school trip or combined with STEM sessions delivered at the Cable car Museum.

PERFORMANCE INDICATOR: Budgetary requirements approved by the Wellington Cable Car Limited Board are met.	
TARGET MEASURE: Degree of variance from budget - within 10% of board approved variance.	
ACTUAL - 2021	ACTUAL - 2020
Achieved. All variances approved and signed off by the Directors at the following Board meeting.	*Achieved. All variances approved and signed off by the Directors at the following Board meeting.*

Performance indicator: Board delegations are adhered to.	
Target measure: Board and leadership team approvals of financial and contractual commitments and expenditure - all in accordance with the delegations policy.	
ACTUAL - 2021	ACTUAL - 2020
Achieved.	*Achieved.*

ANNUAL REPORT & STATEMENT OF COMPLIANCE

As at 30 June 2021

Wellington Cable Car Limited is a council-controlled organisation as defined by section 6 of the Local Government Act 2002. Wellington Cable Car Limited is also covered by the Companies Act 1993 and governed by law and best practice.

The Board of Directors present their Annual Report including financial statements for the Branch for the year ended 30 June 2021 and the auditor's report thereon.

The shareholders of Wellington Cable Car Limited have exercised their right under section 211(3) of the Companies Act 1993 and unanimously agreed that this Annual Report need not comply with any of paragraphs (a), and (e) to (j) of section 211(1) of the Act.

STATEMENT OF COMPLIANCE

The Directors of Wellington Cable Car Limited hereby confirm that all statutory requirements in relation to the Annual Report, as outlined in the Local Government Act 2002, have been complied with, being:
within five months after the end of the financial year (extended from three months), an annual report that provides a comparison of its performance with the Statement of Intent, with an explanation of any material variances; audited consolidated financial statements for that financial year; and an auditor's report (in accordance with sections 67, 68 and 69 of the Local Government Act).

Director .....

Director .....

Date: 15 November 2021

COMPANY DIRECTORY

As at 30 June 2021

Issued Capital:	7,434,746 fully paid Ordinary Shares
Registered Office:	Level 4, 276 Lambton Quay Wellington Central, 6011 Wellington, NEW ZEALAND
Directors:	Mr A W Matthews Mr D McComb Mr D Perks
Company Number:	502158
Auditors:	Audit New Zealand on behalf of the Auditor-General
Bankers:	ANZ Bank New Zealand Limited
Share Registry:	101 Wakefield Street Wellington, NEW ZEALAND
Solicitors:	Morrison Mallet
Date of Formation:	2 April 1991

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

For the year ended 30 June 2021

	Note		Actual 2021 $	Budget 2021 $	Actual 2020 $
REVENUE					
Exchange revenue					
Operating Revenue			1,644,019	*1,437,987*	2,782,803
Miscellaneous Revenue			35,828	-	16,049
Interest Revenue			32,866	*108,000*	111,598
Total exchange revenue			1,712,713	*1,545,987*	2,910,449
Non-exchange revenue					
Grants & Subsidies Received		*	1,638,097	*138,864*	138,859
TOTAL REVENUE	9		3,350,811	*1,684,851*	3,049,308
EXPENSES					
Operations and general	10		1,397,348	*1,524,334*	1,829,070
Auditor's remuneration	12		51,417	*50,004*	36,425
Directors' remuneration	13		60,000	*60,000*	45,000
Depreciation	22	**	578,640	*288,000*	286,492
Amortisation	23		6,699	*12,000*	7,427
Employees' remuneration	14		1,268,031	*1,316,412*	1,354,363
Operating leases			110,428	*119,101*	110,945
TOTAL EXPENSES			3,472,564	*3,369,851*	3,669,723
(DEFICIT) / SURPLUS BEFORE TAX			(121,753)	*(1,685,000)*	(620,414)
Income Tax (Benefit) / Expense	21		5,691	-	(320,779)
NET (DEFICIT) / SURPLUS AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS			(127,444)	*(1,685,000)*	(299,635)
Other Comprehensive Revenue or Expense			-	-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE ATTRIBUTABLE TO SHAREHOLDERS			(127,444)	*(1,685,000)*	(299,635)

* Covid-19 support grants were received during the year from Wellington City Council ($1,587,376), Inland Revenue ($6,870) and Work and Income ($43,852). These grants were used to pay general operating costs and salaries and wages during the year.

** During the year the Company reviewed the useful lives of the property, plant and equipment, and the Lambton Quay Terminal fitout was identified as requiring a change in depreciation rate. This change in accounting estimate resulting in an additional $295k of depreciation recorded this year.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

BALANCE AT 1 JULY 2019	3,440,699	7,434,846	10,875,545
Total comprehensive revenue and expenses			
Net surplus/(deficit) for the year	(299,635)	-	(299,635)
BALANCE AT 30 JUNE 2020	3,141,064	7,434,846	10,575,910
Total comprehensive revenue and expenses			
Net surplus/(deficit) for the year	(127,444)	-	(127,444)
BALANCE AT 30 JUNE 2021	3,013,620	7,434,846	10,448,466

STATEMENT OF FINANCIAL POSITION

For the year ended 30 June 2021

	Note	Actual 2021 $	Budget 2021 $	Actual 2020 $
CURRENT ASSETS				
Cash and cash equivalents	15	1,372,055	444,198	358,623
Short term deposits	16	1,802,321	2,045,802	3,427,406
Trade and other receivables	18	1,234,479	86,000	33,794
Inventories	19	293,018	-	330,837
Income Tax Receivable	21	17,190	-	103,662
Prepayments		10,500	-	-
GST Receivable		-	-	81,186
TOTAL CURRENT ASSETS		4,729,563	2,576,000	4,335,508
NON-CURRENT ASSETS				
Property, plant & equipment	22	7,022,125	7,368,000	7,529,888
Intangibles	23	12,135	-	14,563
TOTAL NON-CURRENT ASSETS		7,034,261	7,368,000	7,544,451
TOTAL ASSETS		11,763,823	9,944,000	11,879,959
CURRENT LIABILITIES				
Trade and other payables	20	283,071	490,000	413,272
Employee Benefit Liabilities		134,210	-	187,191
GST Payable		163,142	-	-
TOTAL CURRENT LIABILITIES		580,423	490,000	600,462
NON-CURRENT LIABILITIES				
Deferred tax liability	21	734,935	750,000	703,587
TOTAL NON-CURRENT LIABILITIES		734,935	750,000	703,587
TOTAL LIABILITIES		1,315,357	1,240,000	1,304,049
NET ASSETS		10,448,466	8,704,000	10,575,910
EQUITY				
Contributed Equity		7,434,846	7,434,846	7,434,846
Accumulated Revenue and Expense		3,013,620	1,269,154	3,141,064
TOTAL EQUITY		10,448,466	8,704,000	10,575,910

For and on behalf of the Board:

Director .....

Director .....

Date: 15 November 2021

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STATEMENT OF CASH FLOW

For the year ended 30 June 2021

	Note	Actual 2021 $	Budget 2021 $	Actual 2020 $
Receipts from operations		1,671,305	*1,785,945*	2,837,646
Receipts from grants & subsidies		555,526	*138,864*	160,222
Payments to suppliers and employees		(2,964,040)	*(3,436,362)*	(4,021,450)
Refunds of tax		129,320	-	-
Payments of tax		(17,190)	-	(94,070)
Goods and services tax (net)		(65,436)	-	(53,990)
NET CASH FLOWS FROM OPERATING ACTIVITIES		(590,516)	*(1,511,553)*	(1,171,642)
Receipts from interest		60,281	*108,000*	120,007
Investment in term deposits		1,625,085	*1,294,485*	(87,120)
Sale of property, plant and equipment		4,250	-	-
Purchases of property, plant and equipment		(85,668)	*(172,000)*	(169,591)
NET CASH FLOWS FROM INVESTING ACTIVITIES		1,603,948	*1,230,485*	(136,705)
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-	-
NET CASH FLOW		1,013,432	*(281,068)*	(1,308,345)
Cash and cash equivalents as at the beginning of the year		358,623	*725,266*	1,666,968
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	15	1,372,055	*444,198*	358,623

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1 REPORTING ENTITY

Wellington Cable Car Limited is a company wholly owned by Wellington City Council and is registered under the Companies Act 1993. It is a Council Controlled Organisation (CCO) as defined by Section 6 of the Local Government Act 2002 and is domiciled in New Zealand.

The primary objective of the Wellington Cable Car Limited is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Wellington Cable Car Limited has designated itself as a public benefit entity for Financial Reporting Purposes.

2 BASIS OF PREPARATION

Statement of Compliance

These financial statements are for the year ended 30 June 2021. They have been prepared in accordance with the requirements of the Companies Act 1993, the Financial Reporting Act 2013 and the Local Government Act 2002 and comply with generally accepted accounting practice in New Zealand (NZ GAAP) and Tier 2 PBE Standards Reduced Disclosure Regime (PBE Standards RDR) accounting standards applicable for Public Sector entities.

The company qualifies as a Tier 2 reporting entity with reduced disclosures on the basis that it does not have public accountability, is not large and has total expenses < $30 million but > $2 million, and that elects to be in Tier 2.

These financial statements have been prepared on the basis that the Company is a going concern and has the continuing support of its shareholders. Based on the continuing financial support of its shareholders, the Company would satisfy the solvency requirements of the Companies Act 1993.

The financial statements are for the year ended 30 June 2021 and were approved by the Board of Directors on 15 November 2021.

Measurement Base

The financial statements of Wellington Cable Car Limited have been prepared on an historical cost basis.

Functional and presentation currency

These financial statements are presented in New Zealand dollars (NZ$) which is the company's functional and presentation currency, and all values are rounded to the nearest (NZ$), except where otherwise indicated.

Changes in Accounting Policies

The accounting policies detailed in the following notes have been applied consistently to all periods presented in these financial statements and have been applied consistently by the Company, except as explained in Note 4, which addresses the changes in accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

3 USE OF JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from those estimates.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Judgements

Judgements made in applying accounting policies that have had the most significant effects on the amounts recognised in the financial statements include the application of the going concern assertion. The Covid-19 pandemic has had a significant impact on the Company, as disclosed in the notes below.

(b) Assumptions and estimation uncertainties

There are no key estimates that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

(c) Changes in accounting estimates

During the period the company revised the remaining useful life of the Lambton Quay terminal fit-out from 36 years to 6 years. The change in estimate will accelerate the recognition of depreciation in surplus or deficit, as detailed in the relevant accounting policy note below.

4 CHANGES IN ACCOUNTING POLICIES

Changes due to the initial application of new, revised, and amended PBE standards

(a) Going concern disclosures (amendments to to PBE IPSAS 1)

During the period, an amendment to PBE IPSAS 1 in relation to going concern disclosures was adopted by the Company. The amendment introduced more specific disclosures about going concern assessments to provide more relevant and transparent information about matters considered when making such assessments. This amendment has not had an impact on the accounting policies of the Company. The covid-19 pandemic has had a significant impact on the Company and further disclosures around the going concern assessment are detailed in the Covid-19 Pandemic note below.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

5 SUMMARY OF ACCOUNTING POLICIES

In the preparation of these financial statements, the specific accounting policies are as follows:

(a) Property, Plant & Equipment

Recognition

Property, plant and equipment consist of operational assets. 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.

Property, plant and equipment is shown at cost, less accumulated depreciation and impairment losses.

Measurement

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.

Cable Car Assets

The Cable Car assets comprising the Cable Car, Tracks and Cable Car Equipment are valued at cost less accumulated depreciation and annually reviewed for impairment to ensure its carrying value is accurately reflected.

Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment in accordance with PBE IPSAS 21 and PBE IPSAS 26. 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 surplus or deficit.

Disposal

Realised 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 surplus or deficit in the period in which the transaction occurs.

Depreciation

Depreciation is provided on all property, plant and equipment, except for 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 depreciation rates of the major classes of property, plant and equipment are as follows:

Cable Car Tracks	2%
Cable Car & Equipment	2%-33%
Computer Equipment	33%
Motor Vehicles	20%
Furniture & Fittings	20%

The residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Change in accounting estimate

During the year the Company reviewed the useful lives of the property, plant and equipment, and one asset was highlighted as requiring a change in depreciation rate, as indicated below. This change in accounting estimate resulted in an additional $295k of depreciation being recorded in the 2021 financial year. Further, an additional $20k depreciation will be recorded per year for the next six years, at which time the asset will have reached the end of its revised useful life.

Lambton Quay terminal fit-out	5% SL (2020: 2% SL)

Work-in-progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed. It is transferred to the relevant asset class only if it is probable that future economic benefits associated with the item will flow to Wellington Cable Car Limited and the cost of the item can be reliably measured.

(b) Foreign Currencies

Transactions in foreign currencies that are settled in the accounting period are translated into NZD (the functional currency) using the spot exchange rates at the dates of the transaction. Transactions in foreign currency that are not settled in the accounting period, resulting in monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to NZD at the foreign exchange rate ruling at that date. Foreign exchange differences arising on their translation are recognised in the surplus or deficit.

(c) Intangible Assets

Intangible assets comprise computer software which has a finite life and is initially recorded at cost less any amortisation and impairment losses. Amortisation is charged to the surplus or deficit on a straight-line basis over the useful life of the asset.

Typically, the estimated useful lives of these assets are as follows:

Computer Software	3 years

Realised gains and losses arising from disposal of intangible assets are recognised in the surplus or deficit in the period in which the transaction occurs. Intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an intangible 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. Losses resulting from impairment are reported in the surplus or deficit.

(d) Goods & Services Tax

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST. The net amount of GST recoverable from or payable to Inland Revenue is included as part of receivables or payables in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

(e) Income Tax

Income tax expense is charged in the Statement of Comprehensive Revenue and Expense in respect of the current year's results. Income tax on the surplus or deficit for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable revenue for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at reporting date. Deferred income tax assets are recognised to the extent that it is probable that future taxable surplus will be available against which the temporary differences can be utilised.

(f) Inventories

Wellington Cable Car Limited's inventory comprises of items held in respect of maintaining and operating the Cable Car, and merchandise held for sale. In accordance with PBE IPSAS 12, all inventory has been valued at the lower of cost using the weighted average cost formula or net realisable value.

(g) Leases

Operating 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 surplus or deficit in the period in which they are incurred. Payments made under operating leases are recognised in surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of Comprehensive Revenue and Expense as an integral part of the total lease payment.

(h) Statement of Cash Flow

The Statement of Cash Flow has been prepared using the direct approach.

Operating activities include cash received from all revenue sources of the Company 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 activities that change the equity and debt capital structure of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

(i) 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 also include key management personnel or a close member of the family of any key management personnel.

Directors' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a Director during the reporting period. Directors' remuneration does not include reimbursement of legitimate work expenses or the provision of work-related equipment such as cell phones and laptops.

(j) Financial Instruments

Wellington Cable Car Limited classifies its financial assets and financial liabilities according to the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

The entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the entity is recognised as a separate asset or liability.

The entity derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the entity has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial Assets

Trade and other receivables

Trade and other receivables are initially recorded at their fair value plus directly attributable transaction costs, and subsequently at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment is established where there is objective evidence that the Company will not be able to collect all amounts according to the original terms of receivable. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted using effective interest method. Receivables with a short duration are not discounted.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity from the date of acquisition. These are recorded at their fair value.

Short term investments

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents. These are accounted for on the same basis as trade and other receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Financial Liabilities

Trade and other payables

Short term payables are initially recorded at fair value (plus transaction costs) and are measured subsequently at amortised cost using the effective interest method.

(k) Exchange Revenue

Wellington Cable Car Limited derives revenue from the cable car passenger service with fares being the main source of exchange revenue along with a minor amount of income from merchandise sales.

Revenue is recognised when billed or earned on an accrual basis.

Rental income arising from sub-lease of the office premises is accounted for on a straight-line basis over the lease term.

Interest income is recognised as the interest accrued, using the effective interest method.

(l) Grants - Non-exchange revenue

Grants are recognised as revenue when received, unless conditions apply. Any grants for which conditions apply under the grant agreement are carried as liabilities until all the conditions have been fulfilled.

(n) Employee Benefit liabilities

Short term employee benefit liabilities are recognised when the Company has a legal or constructive obligation to remunerate employees for services provided and that are expected to be settled wholly before 12 months after the reporting date. Short-term employee benefits are measured on an undiscounted basis and expensed in the period in which employment services are provided.

(o) Share Capital

The total number of authorised, issued and fully paid shares at reporting date was 7,434,846 (2020: 7,434,846) ordinary shares.

These shares have full voting rights and participate fully in all dividends and proceeds upon winding up.

6 NATURE OF THE BUSINESS

Wellington Cable Car Limited owns and operates the Wellington Cable Car providing passenger service to Kelburn and a tourist attraction for the city of Wellington.

The Cable Car business is funded from Cable Car fares.

There has been no change in the nature of business during the year under review.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

7 CONTINGENCIES

On 4 June 2020, the Company received a notification from MYOB regarding our payroll software which stated that they had identified issues with the calculations of leave rates and entitlements for employees who have variable hours and pay, treatment of changes to work patterns and certain special circumstance leave types that impact annual holiday entitlements. The Wellington Cable Car Limited consulted with an agency in the 2020 year to discuss the scope of work, however no work has been completed as yet to investigate and understand the level of remediation required (2020: $0).

8 VARIANCES TO BUDGET

Commentary is provided for major variances to budget

Statement of comprehensive revenue and expenses	2021 Actual	2021 Budget	Variance	Variance
	$	$	$	%
Operating revenue	1,712,713	1,545,987	166,726	11%
Non-exchange revenue	1,638,097	138,864	1,499,233	1080%
Operating expenses	2,887,225	3,069,851	(182,626)	-6%
Depreciation and amortisation	585,339	300,000	285,339	95%

The company made a deficit of $127k before tax, which is significantly better than the budgeted deficit of $1,685k before tax. The majority of the variance against budget relates to operational grants received from Wellington City Council of $1,587k (GST excl) which were not budgeted for. The remaining variance relates to small improvements in operating revenue over budget, and small cost savings in operating expenditure over budget.

Depreciation was over budget for the year due to a change in the useful life the Lambton Quay terminal fit-out. This change in estimate resulted in an additional $295k of depreciation being recorded through the 2021 financial year.

Statement of financial position	2021 Actual	2021 Budget	Variance	Variance
	$	$	$	%
Current assets	4,729,563	2,576,000	2,153,563	84%
Non-current assets	7,034,261	7,368,000	(333,739)	-5%
Current liabilities	580,423	490,000	90,423	18%
Non-current liabilities	734,935	750,000	(15,065)	-2%
Equity	10,448,466	8,704,000	1,744,466	20%

Current assets were significantly above budget at 30 June 2021 due to the operational grants allocated from the Wellington City Council during the year. $613k (GST incl) of these grants were received in cash during the year, and $1,212k (GST incl) was recorded as a trade debtor at 30 June 2021. This has had a positive impact on the net asset position at year-end.

Non-current assets were slightly under budget at 30 June 2021 to a change in the useful life the Lambton Quay terminal fit-out. As highlighted above, this change in estimate resulted in an additional $295k of depreciation being recorded through the 2021 financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

8 VARIANCES TO BUDGET (CONTINUED)

Statement of cash flows	2021 Actual $	2021 Budget $	Variance $	Variance %
Net cash flow from operating activities	590,516	1,511,553	(921,037)	-61%
Net cash flow from investing activities	(1,603,948)	(1,230,485)	(373,463)	30%
Net cash flow from financing activities	-	-	-	0%

Due to the ongoing revenue impacts of Covid-19, the Company continued to utilise its cash reserves in the 2021 year to fund operating activities. The impact of this was included in the budget, and the cash reserves held at year-end were $684k higher than budgeted. This was predominantly due to the operating grant received from Wellington City Council, along with fare revenues and operating expenditure both performing slightly ahead of budget.

9 REVENUE

	2021 $	2020 $
Exchange revenue		
Cable Car revenue	1,644,019	2,782,803
Miscellaneous revenue	35,828	16,049
Interest Revenue - loans and receivables	32,866	111,598
Total exchange revenue	1,712,713	2,910,450
Non-exchange revenue		
Covid-19 wage subsidy	43,852	138,859
Wellington City Council Grant received	1,587,376	-
Covid-19 Resurgence Support grant received	6,870	-
Total non-exchange revenue	1,638,097	138,859
Total Revenue	3,350,811	3,049,309

For the current year, Cable Car fare revenue was $1,165k less than in the 2020 year. This was predominately due to the follow on impacts of COVID-19 and the international borders remaining closed, as well as organisations continuing to offer flexible working arrangements which results in a large proportion of CBD workers continuing to work remotely during the year.

The Company received a Covid-19 support grant in the current year of $1,587,376 (2020: $nil) from Wellington City Council. This grant was used to pay general operating costs during the year. The Company received a Covid-19 resurgence support grant in the current year of $6,870 (2020: $nil) from Inland Revenue, relating to the resurgence of Covid-19 in the community in June 2021 and the subsequent increase in alert level to L2.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Covid-19 Wage Subsidy	2021	2020
	$	$
Balance at 1 July 2020	21,363	-
Covid-19 Wage Subsidy Received	22,489	160,222
Subsidy Used	(43,852)	(138,859)
Balance at 30 June 2021	-	**21,363**

The Company received a Covid-19 Resurgence wage subsidy in the current year of $22,489 (2020: $160,222). The Company used this resurgence subsidy, along with $21,363 unpaid subsidies from the 2020 year, to pay current year salaries. There is a balance of $nil identified as a liability as at 30 June 2021 (2020: $21,363).

10 OPERATIONS AND GENERAL EXPENSES

	2021	2020
	$	$
Cable Car operational costs	218,371	372,756
Cable Car maintenance costs	398,001	805,311
Marketing costs	30,565	57,829
Administration costs	211,556	140,273
Insurance costs	538,855	415,322
Miscellaneous expenses	-	37,579
Total Operations and General Expenses	**1,397,348**	**1,829,070**

Maintenance costs are significantly lower this year than the 2020 year due to the work completed during annual maintenance shutdown differing year on year. The August 2019 annual maintenance shutdown was the single largest body of work, consisting of both planned tasks and minor maintenance tasks that evolved into larger projects. In comparison the annual maintenance shutdown in August 2020 was significantly less involved.

11 INSURANCE

"Managing insurable risk is increasingly challenging for the Wellington Cable Car in the current market. Costs have continued to increase in the last 12 months, and the market is impacted by regional events.

Wellington Cable Car Limited has material damage insurance coverage in the event of an earthquake. Wellington Cable Car Limited maintains a self-insurance fund of $502k and is further supported by a healthy balance sheet."

	2021	2020
	$	$
Replacement value of property, plant and equipment	72,612,244	45,203,751
Insured value of property, plant and equipment	25,000,000	27,106,330
Insurance Costs	538,855	415,322

The Company conducted an asset revalution assessment in the 2021 year, which has resulted in an accurate depiction of the replacement value of all items insured. This has had a direct impact on the increased premiums in the current year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

12 AUDITOR'S REMUNERATION

	2021 $	2020 $
Auditing the financial statements	51,417	36,425
Total Auditor's Remuneration	**51,417**	**36,425**

No payments were made to the auditor for other services during the year under review (2020: $nil).

13 RELATED PARTIES

Wellington Cable Car Limited contracts various services from the Wellington City Council.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect Wellington Cable Car Limited would have adopted in dealing with the party at arms' length in the same circumstances. Further, transactions with other Councils / Council Controlled Organisations are not disclosed as related party transactions when they are consistent with the normal operating arrangements between Councils / Council Controlled Organisations and undertaken on the normal terms and conditions for such transactions.

As disclosed in Note 9, the Company received Covid-19 operating grants from Wellington City Council of $1,587,376 during the reporting period, which were used to pay general operating costs during the year. "

We are required to disclose the remuneration and related party transactions of key management personnel, which comprise the Directors, the Chief Executive, Asset and Engineering Manager and the Passenger Service Manager.

Key Management Personnel

The key management personnel are the directors, Chief Executive and Senior Leadership Team. The full-time equivalent (FTE) number of individuals receiving remuneration as key management (excluding directors) during the year was 2.5 (2020: 3.3). At 30 June 2021 this number was two.

	2021 $	2020 $
Salaries and wages	455,385	441,433
Directors' fees	60,000	45,000
Total key management personnel remuneration	**515,385**	**486,433**

The FTE number of directors at 30 June 2021 was three (2020: two). Due to the difficulty in calculating the FTE for directors, the FTE figure is taken as the number of directors.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Directors' Remuneration	2021	2020
	$	$
A Matthews	30,000	30,000
H Evans (end date 19 June 2020)	-	15,000
D McComb (appointed 19 June 2020)	15,000	-
D Perks (appointed 19 June 2020)	15,000	-
Total Directors' remuneration	**60,000**	**45,000**

There have been no other transactions with Directors other than Directors' remuneration. It is noted that the directors' remuneration listed above for D McComb and D Perks is payable to Wellington City Council.

14 EMPLOYEES' REMUNERATION	2021	2020
	$	$
Salaries and wages	1,243,344	1,328,041
Contributions to defined contribution funds	24,688	26,322
Total employees' remuneration	**1,268,031**	**1,354,363**

15 CASH AND CASH EQUIVALENTS	2021	2020
	$	$
ANZ Cheque Account	181,075	30,975
ANZ Savings Account	783,792	238,830
ANZ Foreign Current Accounts	7,188	88,817
ANZ Term deposit	400,000	-
Total cash and cash equivalents	**1,372,055**	**358,623**

The ANZ Term deposit has a term of 61 days, and interest rate of 0.25% p.a., and matures 5 July 2021. The ANZ bank accounts have interest rates of 0% - 0.05% p.a.

16 SHORT TERM DEPOSITS	2021	2020
	$	$
ANZ Term deposits	1,802,321	3,427,406
Total short term deposits	**1,802,321**	**3,427,406**

The ANZ Term deposits have terms of five - six months, interest rates of 0.55% p.a. - 0.80% p.a., and maturity dates of July - November 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

17 FINANCIAL INSTRUMENTS

Financial instruments include cash and cash equivalents, receivables from exchange transactions and payables from exchange transactions. The carrying amounts of financial assets and liabilities in each of the financial instrument categories are as follows:

	2021	2020
Financial Assets	$	$
Loans and receivables		
Cash and cash equivalents	1,372,055	358,623
Short term deposits	1,802,321	3,427,406
Receivables and prepayments	1,234,479	33,794
Total financial assets	4,408,855	3,819,822
Financial Liabilities		
Financial liabilities at amortised cost		
Trade payables and payables with related parties	283,071	600,462
Total financial liabilities	283,071	600,462

18 TRADE AND OTHER RECEIVABLES

	2021	2020
	$	$
Exchange		
Trade receivables	8,326	2,579
Other receivables	6,794	31,214
Total exchange	15,120	33,794
Non-exchange		
Trade receivables	1,212,490	-
Other receivables	6,870	-
Total non-exchange	1,219,359	-
Total trade and other receivables	1,234,479	33,794

All receivables greater than 30 days in age are considered past due. There are no material trade receivable balances past due.

The Company has not provided for any impairment of debtors based on a review of significant debtor balances and a collective assessment of all debtors. The collective impairment assessment is based on an analysis of past collection history and write-offs.

Trade receivables from non-exchange is the Covid-19 operating grant receivable from Wellington City Council, which was received in July 2021. This is the first year a Covid-19 operational grant was received from the Council.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

19 INVENTORY

	2021 $	2020 $
Cable Car parts	276,244	303,536
Merchandise	16,774	27,301
Total inventory	293,018	330,837

Due to the nature of specific components having to be sourced from Europe on long lead in times, the Cable Car began to acquire critical parts and increase our inventory holdings in preparation for the 2020 annual shutdown. A large proportion of these parts are still held at 30 June 2021.

20 TRADE AND OTHER PAYABLES

	2021 $	2020 $
Exchange		
Trade payables	104,823	187,439
Accrued Expenses	178,248	174,083
Related party payables (Note 13)	-	51,750
Total exchange	283,071	413,272
Total trade and other payables	283,071	413,272

21 INCOME TAX

	2021 $	2020 $
Components of tax expense		
Current tax expense	-	-
Adjustments to current tax in prior periods	(25,658)	-
Deferred tax expense	31,348	(320,780)
Adjustments to deferred tax in prior years	-	-
Tax expense	5,691	(320,780)
Reconciliation of effective tax rate		
Net (deficit) for the period before tax	(121,753)	(620,414)
Tax at 28%	(34,091)	(173,716)
Plus/(less) tax effect of:		
Non-deductible expenditure	457,008	39
Non-taxable income	(456,744)	-
Reintroduction of tax depreciation on buildings	-	(72,885)
Deferred tax adjustment	65,175	(74,218)
Prior period adjustment	(25,658)	-
Tax expense	5,691	(320,780)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Movement in deferred tax asset/(liability)

	Property, plant & equipment	Provisions	Tax Losses	Total
	$	$	$	$
Balance at 30 June 2019	(1,054,145)	29,779	-	(1,024,364)
Charged to surplus or deficit	170,009	13,521	137,250	320,780
Charged to other comprehensive income	-	-	-	-
Balance at 30 June 2020	(884,136)	43,300	137,250	(703,586)
Charged to surplus or deficit	73,948	(13,005)	(92,291)	(31,348)
Charged to other comprehensive income	-	-	-	-
Balance at 30 June 2021	(810,187)	30,295	44,958	(734,934)

	2021	2020
	$	$
Income tax receivable/(payable)		
Opening balance	103,662	9,591
Tax on income	-	-
RWT deducted	17,190	34,023
Provisional tax paid/(refunded)	(129,320)	60,048
Prior period tax adjustment	25,658	-
Income tax receivable/(payable)	17,190	103,662

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

22 PROPERTY, PLANT & EQUIPMENT

	Cable Car equipment & tracks	Furniture & Computer equipment	Motor Vehicles	Work in Progress	Total
Cost					
Balance at 30 June 2020	9,892,140	141,166	68,852	128,928	10,231,087
Additions	18,977	8,696	-	48,918	76,591
Disposals	-	(15,619)	-	-	(15,619)
Balance at 30 June 2021	9,911,117	134,243	68,852	177,846	10,292,060
Depreciation and amortisation					
Balance at 30 June 2020	2,554,868	99,042	47,288	-	2,701,198
Charge for the year	552,564	20,571	5,505	-	578,640
Disposals	-	(9,905)	-	-	(9,905)
Balance at 30 June 2021	3,107,432	109,708	52,793	-	3,269,934
Carrying amount					
Balance at 1 July 2019	7,602,658	45,970	30,771	13,135	7,692,534
Balance at 30 June 2020	7,337,272	42,124	21,564	128,928	7,529,888
Balance at 30 June 2021	6,803,685	24,535	16,059	177,846	7,022,125

There are no restrictions over Wellington Cable Car Limited's property, plant & equipment. No property, plant or equipment is pledged as security for liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

23 INTANGIBLES

	Intangibles Software
Cost	
Balance at 30 June 2020	207,703
Additions	9,050
Disposals	(194,858)
Balance at 30 June 2021	**21,895**
Depreciation and amortisation	
Balance at 30 June 2020	193,139
Charge for the year	6,699
Disposals	(190,079)
Balance at 30 June 2021	9,759
Carrying amount	
Balance at 1 July 2019	9,146
Balance at 30 June 2020	14,563
Balance at 30 June 2021	12,135

There are no restrictions over Wellington Cable Car Limited's intangible assets. No intangible assets are pledged as security for liabilities.

24 OPERATING LEASE COMMITMENTS

Non-cancellable operating lease commitments:	2021 $	2020 $
As lessee		
Not later than 1 year	83,544	102,495
Later than 1 and not later than 2 years	5,039	63,564
Later than 2 and not later than 5 years	-	2,519
Total lessee	88,583	168,578
As lessor		
Not later than 1 year	2,500	-
Later than 1 and not later than 2 years	-	-
Later than 2 and not later than 5 years	-	-
Total lessor	2,500	-

During the period Wellington Cable Car Limited sub-leased part of their office premises at 276 Lambton Quay, Wellington, to Wellington Museums Trust. The agreement is cancellable with 30 days notice by either party.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

25 CAPITAL COMMITMENTS

At reporting date there are no capital commitments (2020: $0)

26 SUBSEQUENT EVENTS

No significant events have occurred since reporting date requiring disclosure in these financial statements, other than those detailed in Note 27 (2020: nil).

27 COVID-19 PANDEMIC

The 20/2021 year saw significant impacts of COVID-19 on the Company with the long-term restrictions the New Zealand Government has continued to place on the border, resulting in minimal international tourism. With this having a significant impact on visitor numbers, the Company continued to shift focus towards the domestic tourist and Wellington local market.

In mid-August 2020, community transmission of COVID-19 was detected in Auckland, and the New Zealand Government again placed restrictions on businesses, organisations and individuals within New Zealand. Those restrictions were fully lifted by early October 2020. The Company applied for and received the Government resurgence wage subsidy.

In June 2021, restrictions were placed on businesses, organisations and individuals in Wellington by the New Zealand Government following the confirmation of an Australian traveller being infected with COVID-19 whilst visiting the city. Those restrictions were fully lifted by 30 June 2021.

As at 30 June 2021, the Company is in a good financial position and continues to hold sufficient cash reserves to help mitigate any currently foreseen adverse economic impact COVID-19 may have. At the reporting date, COVID-19 was not present in the community and there were no restrictions on the activities of individuals, organisations or businesses within New Zealand, although substantial restrictions remained at the border.

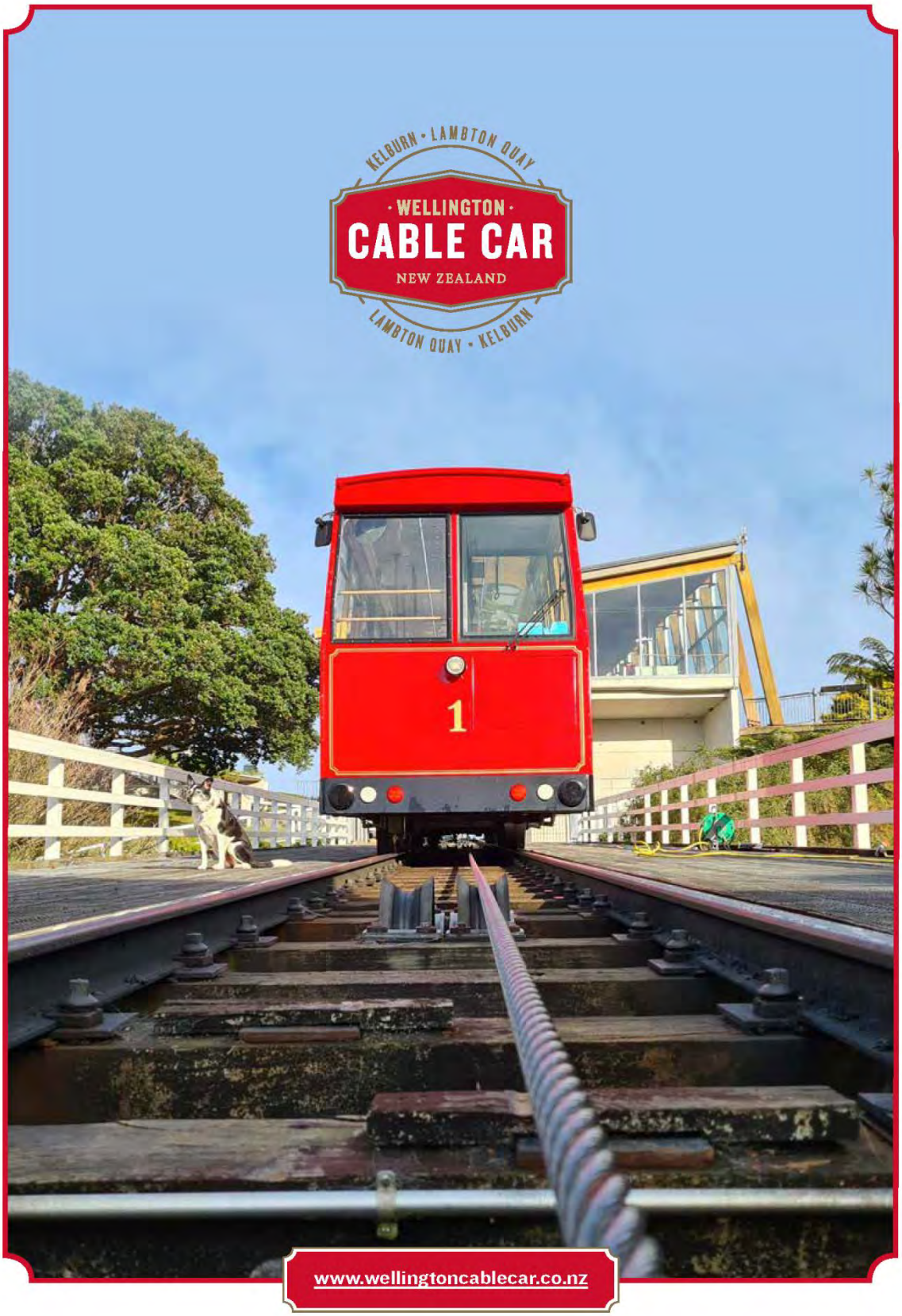
On 18 August 2021, New Zealand was once again put into a Level 4 nationwide lockdown by the New Zealand Government after Covid-19 was found present in the community in Auckland and Wellington. Wellington was reduced to alert level 3 from 1 September, with Auckland continuing to remain in alert level 4 until reducing to alert level 3 on 22 September. The cable car was closed for operation on 18 August and reopened to the public again on 8 September when Wellington restrictions were reduced to alert level 2.

We are continuing to monitor the economic situation closely so we can remain agile and respond quickly to further developments. Non-committed capital or maintenance expenditure has been deferred until the economic outlook is more certain.

On consideration of the factors above, the Board of Directors consider the preparation of the financial statements on a going concern basis is appropriate.

INDEPENDENT AUDITOR'S REPORT

To be supplied.


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experience Wellington
wellington museums trust

PRINCIPAL FUNDER

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

Te Pūrongo ā-Tau

Experience Wellington
Annual Report
2020/21



Working together with and for Wellington to create remarkable experiences



Christian Thompson *Loom Aura 2* 2018 in *Oracles*, City Gallery Wellington, 2020

Generating vitality, strengthening the city we love

City Gallery Wellington Te Whare Toi

Wellington Museum

Space Place

Cable Car Museum

Nairn Street Cottage

capital nōku te ao

Ngā Wāhanga o Roto

Contents

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1	12	**Auaha Pōneke** Creative Capital
2	18	**Honoa ngā Hapori** Connecting Communities
3	28	**Whakatūara Pōneke** Showcasing Pōneke
4	34	**Ngā Rautaki Whakamua** Strategic Project Update
5	38	**Ko Tātou Tēnei** Our People
	52	**Whakauka Pakihi** Business Sustainability



Nā te matā toki pounamu ka tū te tātai o te whakairo

He wheako, he tauira.
An experience, an impression.

Just as a tohunga whakairo (carver) creates a design in wood by leaving lasting impressions in its surface, a part of our role at Experience Wellington is to provide meaningful experiences that leave lasting impressions upon our visitors.

In a wharenui, whakairo (carvings) hold an important role communicating the story of an iwi and its tūpuna. In this report, each chapter reveals a new whakairo design that references the content within the section. Alongside articles and data, marks such as haehae (parallel lines), raperape and koru (spirals) and unaunahi (scales) imprint the pages to tell our stories of growth amongst change, connections across communities, and flourishing amongst uncertainty.

Chair and Chief Executive Foreword

> **We would like to thank the staff of Experience Wellington for their commitment and mahi, and Wellington City Council for their continued funding and support**

Dr Sarah Rusholme and Jane Wrightson

Tēnā koutou,

It is with pleasure that we present Experience Wellington's 2020-2021 Annual Report. In this report we share with you some of the highlights from the 2020-2021 financial year, which featured an array of local content and creativity across our six experiences - Capital E, Space Place, City Gallery Wellington, Nairn Street Cottage, Wellington Museum and the Cable Car Museum.

As new Chief Executive and Board Chair we would like to start by thanking our colleagues and wider staff of Experience Wellington for their support, commitment and mahi over the last year. We also thank Wellington City Council for the continued funding and support, along with our other partners *(see page 53)* whose contribution has enabled us to further strengthen and support the city we love.

Special thanks and acknowledgement to Jackie Lloyd who completed her term as Chair in December 2020. Jackie was appointed to the Wellington Museums Trust Board in 2011 and became Board Chair in 2016. For just under a decade Jackie's grounded stewardship provided the Board and management with sound governance advice and expertise. We are forever grateful for her remarkable contributions and dedication.

We are proud of the huge efforts by our teams to ensure that our sites operated safely throughout the COVID pandemic alert level changes and that, despite financial challenges, we were able to deliver a rich and diverse array of local content to audiences. This has ranged from colourful Wellington characters sharing their stories at Nairn Street Cottage and Wellington Museum events, to projects like *Ngā Tohunga Whakatere – The Navigators*, at Space Place, which have brought the capital's creative talent together to tell the important story of Aotearoa's navigation history.

We are also bringing international art of the highest calibre to Aotearoa with a once-in-a-lifetime exhibition of the stunning works of Swedish artist and mystic Hilma af Klint. *The Secret Paintings* at City Gallery Wellington will display af Klint's mysterious works—hidden by the artist till after her death — which have been captivating audiences and breaking records for gallery attendance worldwide.

To ensure we have a strategy that takes account of the COVID operating environment and our wider objectives, in October we refreshed our Strategic Plan with our staff *(see pages 8-9)*. This included deepening our commitment to embracing te ao Māori, while also focusing on enhancing our experiences so that they spark emotion and curiosity, connect communities, people and ideas.

Our new strategic plan has the following four pou, anchoring and driving our mahi:

Wheako Pōneke
Enriching lives through our experiences

Ma te huruhuru te manu ka rere
Embracing te ao Māori

Mahitahi
Working together as one team

Tukua kia rere
Experience Wellington flourishes

We knew that if our strategy was to be successful, our organisational structure also needed to flex and adapt. We proposed a new organisational model which was further refined and developed through staff feedback. A flatter structure was implemented that better supports mahitahi, working as one team, by reorganising teams into functional groups, while retaining our sites and individual brands. Among the new roles in the Executive Leadership Team, is a Director of Māori Engagement to support our comprehensive approach to embracing te ao Māori.

There was public debate around various implications for City Gallery Wellington which reinforced for us both the high regard in which the Gallery is held, and the importance of supporting it appropriately.

As always, this needs the support of many parties: Wellington City Council, the City Gallery Wellington Foundation, patrons, and sponsors, so we can all help bring great contemporary art experiences to Wellington.

Our new structure has been developed to improve joined-up planning across all our sites and reduce duplication. This is vital as we begin a series of redevelopment projects that will help us deepen our connection with audiences and build on the capital's creativity. In short, while we now need every dollar to count, we also need to remunerate our people better in a sector that is not well-paid overall. As part of our realignment, we are very pleased that we have managed to move our experienced staff to market rate remuneration.

In June we welcomed support from Wellington City Council to strengthen and redevelop Wellington Museum with the inclusion of this project in the Long Term Plan. Meanwhile we are working with the Council on Capital E returning to its original home - Te Ngākau Civic Square, as part of the Te Matapihi central library strengthening project. The redevelopment of Te Ngākau is also vital for the continuing success of City Gallery Wellington.

As Board Chair and Chief Executive, we are excited about the future direction for Experience Wellington and our institutions that, collectively, are a vital part of Wellington's cultural infrastructure. We are also incredibly proud of what our staff, and everyone that we have partnered with over the last year, have helped us to achieve. We are all working together with and for Wellington to create remarkable experiences that generate vitality, strengthening the city we love.

Ngā mihi nui,



Dr Sarah Rusholme
Tumu Whakarae
Chief Executive



Jane Wrightson
Heamana
Chair





Strategic Plan 2021-2024

Te Mahere Rautaki o Wheako Pōneke

ENRICHING LIVES

Wheako Pōneke

Experience Wellington

ENRICHING LIVES MEANS...

Our experiences spark emotion, curiosity and reflection: connecting communities, people and ideas.

We are proud to be the beating heart that nourishes the city and its people.

EMBRACING TE AO MĀORI

Ma te huruhuru te manu ka rere

Adorn the bird with feathers so that it may fly

EMBRACING TE AO MĀORI MEANS...

We are committed to Te Tiriti o Waitangi and support tangata whenua as kaitiaki.

There is a Māori dimension to everything we do.

OUR PURPOSE

Working together with and for Wellington to create remarkable experiences that generate vitality, strengthening the city we love

OUR VISION

Engaged, curious communities

EXPERIENCE WELLINGTON FLOURISHES

Tukua kia rere

Allow to fly

EXPERIENCE WELLINGTON FLOURISHES MEANS...

Our business is strong, future proofed, and true to our purpose, vision, and values.

We resource what's important for our organisation to thrive.

MAHITAHI

Ehara taku toa i te toa takitahi

My success is not mine alone, but of us all

MAHITAHI MEANS...

Our success comes from our combined expertise and strengths.

We are one team who have each other's backs.

Strategic Plan 2021-2024

Te Mahere Rautaki o Wheako Pōneke

Enriching Lives

WE ACHIEVE THIS THROUGH:

- Making connections that keep people coming back.
- Taking insightful data-driven decisions.
- Engaging with new and diverse audiences and communities.
- Being recognised as a leader in education and learning.
- Taking risks and breaking new ground.

WHAT'S DIFFERENT:

- A vibrant programme sits at the centre of our corporate planning cycle.
- Our planning is informed by our insights, vision, purpose and values; and has an 18-month lead time.
- We forge strong links with our audiences that encompass every aspect of their journey with us.
- We work purposefully across the organisation to build relationships with new and diverse audiences and communities.
- We develop a sector-leading learning offering for children and young people.

Embracing Te Ao Māori

WE ACHIEVE THIS THROUGH:

- Developing and implementing a Māori engagement strategy.
- Building meaningful relationships with mana whenua.
- Implementing our Māori employment strategy.
- Developing and reflecting an Experience Wellington tikanga in our practices and values.

WHAT'S DIFFERENT:

- A growing number of our experiences enable our audiences and our people to see, feel and connect with Te Ao Māori.
- Onsite and online Experience Wellington touchstones (website, signage, welcome) reflect our commitment to Te Ao Māori.
- The number of staff who identify as Māori grows.
- Te Reo, tikanga Māori and Te Tiriti o Waitangi training is in place.

Mahitahi

WE ACHIEVE THIS THROUGH:

- Identifying and implementing better ways of working together as one team.
- Providing ongoing opportunities for our people to achieve, develop and learn.
- Building trust and confidence in each other to deliver.
- Providing a healthy, safe, and high performing organisation for our people.

WHAT'S DIFFERENT:

- Our staff engagement increases to 8.0/10.
- We have a zero-harm culture.
- The Executive Leadership Team work collectively to address issues raised via staff engagement surveys.
- New values support our mahi and our behaviours bring these to life.
- Our learning and development opportunities, internal communications and support systems are underpinned by our values and strategic plan.

Experience Wellington Flourishes

WE ACHIEVE THIS THROUGH:

- Setting smart, data-led targets that stretch us.
- Continuously improving systems and processes.
- All staff consider the financial and environmental impact of their decisions.
- Understanding and celebrating our value.
- Nurturing loyal stakeholders.

WHAT'S DIFFERENT:

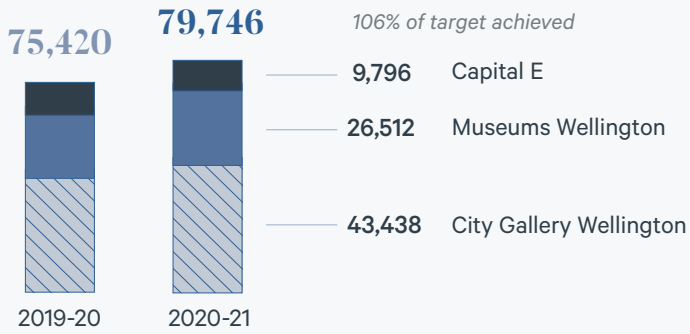
- Our business systems review is complete and delivers efficiencies for staff, stakeholders, and the bottom line.
- Our use and procurement of resources is connected across the organisation.
- Our commercial opportunities deliver maximum impact.
- We retain our Carbon Zero accreditation and reduce our waste and power consumption.
- Our stakeholders are engaged, and fundraising revenue grows.

Engaging with our Visitors

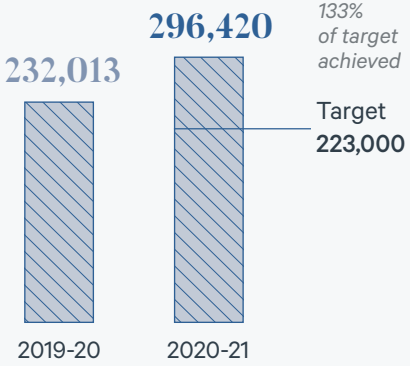
Strategic Pou: *Enriching Lives*

We are proud of our achievements throughout this last year and the ongoing scale and growth of programmes and audiences reached.

Social Media Followers



Website Visitors



Learning Experiences

26,861

Total number of children and young people who visited for a learning experience across all of our sites

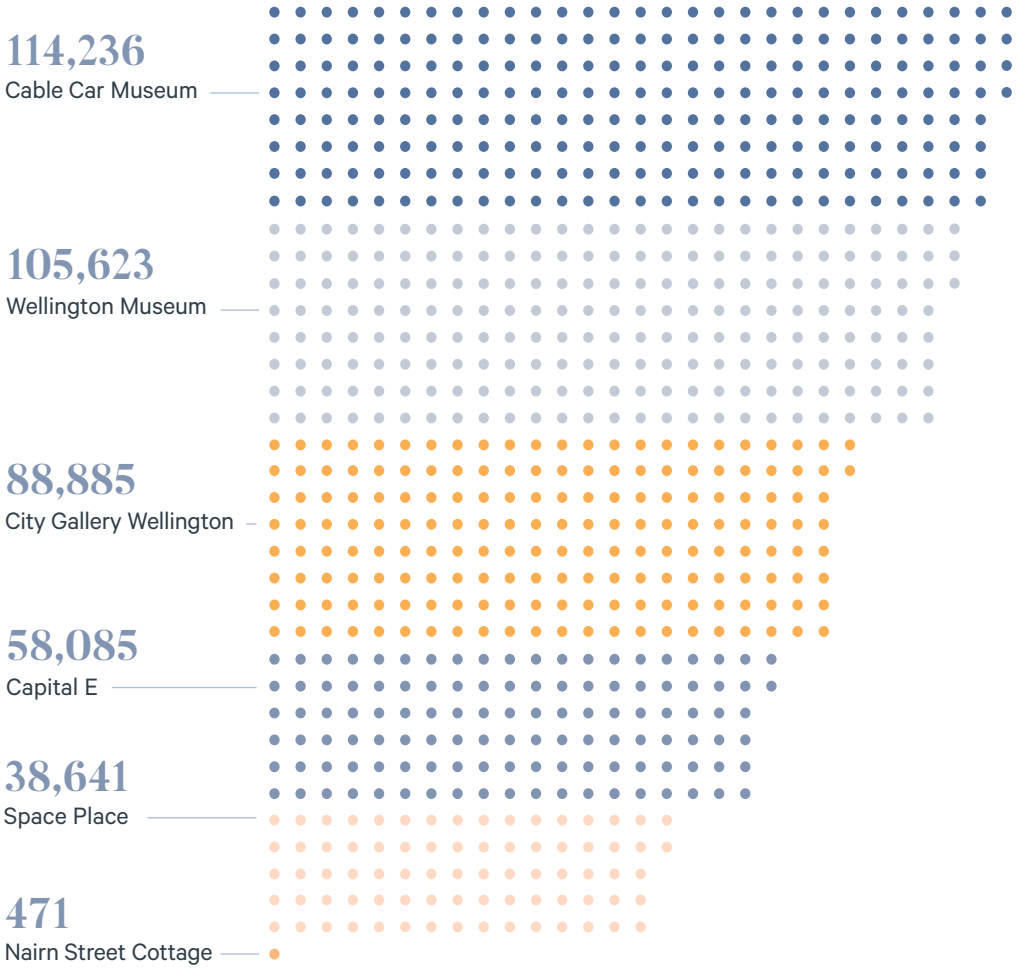
43,994

Total learning hours delivered, including education theatre shows

405,941

Total Visitors

155% of target achieved



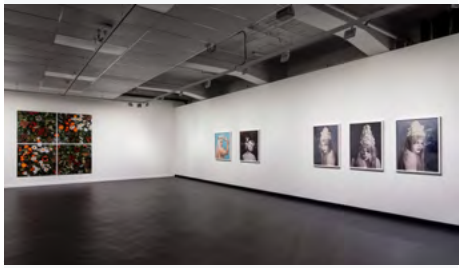
Building our Cultural and Sustainable Capabilities

Strategic Pou: *Embracing Te Ao Māori | Mahitahi | Experience Wellington Flourishes*

We are embracing te ao Māori, reducing our impact on the environment and delivering quality experiences for our local audiences.



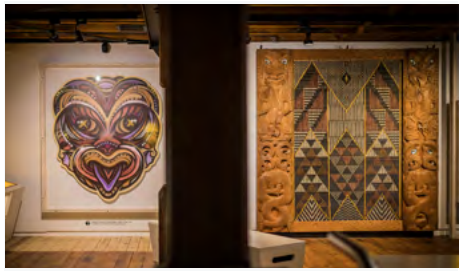
Collaborating with tikanga Māori and Pasifika experts on projects such as *Ngā Tohunga Whakatere – The Navigators*



Reducing our carbon emissions by upgrading lighting and HVAC systems



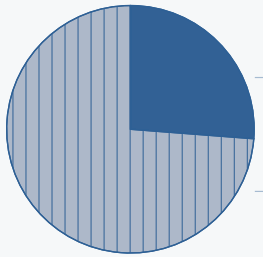
Welcoming a high numbers of local businesses to use our spaces



Developing bilingual and te reo Māori education programmes for ākonga

Total Revenue

$14,277,000
Total Revenue

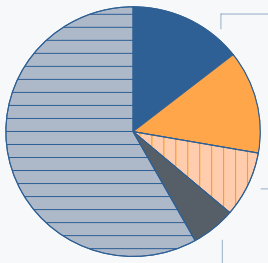


$3,744,000
Non-Council Revenue

$10,533,000
Council Revenue

Non-Council Revenue

$3,744,000
Total Non-Council Revenue



$2,176,000
Grants

$540,000
Retail Sales

$499,000
Admissions

$318,000
Venue Hire

$211,000
Sponsorship / Donations / Other

1 Auaha Pōneke

Creative Capital

Creating remarkable experiences

13	Mittens Mania
14	The Lost Letter Office
15	Seasons
16	State of the Art

Mittens Mania

Wellington Museum

Opening just after the first national lockdown, Wellington Museum's *Mittens: Floofy & Famous* exhibition provided a well-timed dose of the warm and fuzzies.

Mittens, Wellington's world-famous Turkish Angora, is known for his friendly antics around the city. Close to 70,000 follow The Wonderous Adventures of Mittens, the Facebook group set up in his honour and last year the fluffy fur-nomenon was awarded the Key to the City.

Floofy and Famous drew almost 20,000 loyal subjects and a claw-ful lot of media attention over its four-month run. One News, The AM Show, Newstalk, RNZ, and even CNN among others covered the royal's story.

The exhibition featured Mittens' pap-purr-ratzi shots, paw-some fan art and Mittens' guide to keeping native birds safe. Mittens also endorsed the su-purr popular *Pet Projects* workshop, a community space with a range of free, creative activities for all ages. The exhibit displayed His Royal Floofiness' very own collar, food bowl, and the "crystal glass" he liked to drink out of, which are now part of the Wellington Museum collection.

Through Mittens merch, in-kind support from Photo Booth Fun, and exhibition TradeMe auctions, Wellington Museum was able to donate $8,978.34 and eight big boxes of cat food to SPCA Wellington Centre. His royal fur-lanthropist is so purr-oud!

The community exhibition was made possible by our talented staff, thank you for your mahi. A special thanks to Mittens' human Silvio Bruinsma and Visitor Services Manager Krystle Spademan who came up with the idea that brought 20,000 smiles to the museum in a year that needed more.



The Lost Letter Office

Capital E

Capital E was proud to debut *The Lost Letter Office* in 2020, a brand-new National Theatre for Children production created by Jen McArthur and Renata Hopkins. This colourful show used magic, movement, music, and clown performance to tell the story, making it easily accessible across a wide range of ages and cultures.

Just before the national tour of *The Lost Letter Office* was set to begin, New Zealand went into COVID-19 lockdown and the first half of the tour was put on hold. With a lot of hard work from the Capital E team, the performances were rescheduled, contingency plans developed, new health and safety protocols adopted, and the tour was able to continue from October 2020 to March 2021.

The Lost Letter Office reached an audience of more than 6000 people across 23 centres, supporting tamariki from around the country to access uplifting, enriching arts experiences despite the challenging COVID-19 environment.



We would like to thank Creative New Zealand for supporting the National Theatre for Children.

Seasons

Capital E

In 2021 Capital E's National Theatre for Children remounted their audience-favourite repertoire show *Seasons*. This beautifully crafted production is known for its memorable tunes and puppets, and has introduced generations of young tamariki to the magic of theatre since its first presentation in 2000.

The 2021 iteration of *Seasons* celebrates all of Aotearoa's official languages – te reo Māori, English, and New Zealand Sign Language - making it accessible to diverse audiences and creating memorable experiences for attendees. One teacher commented:

"I was very impressed with the use of NZSL throughout the show. I took a girl who is deaf and it really made her day. I really wish there would be more shows that use NZSL in NZ. Thank you so much. Also the use of te reo was awesome too!"

Seasons toured the North Island from April to July, reaching nearly 6,000 tamariki in 14 different centres. The national tour will continue through six more centres in the South Island from October.

Capital E is honoured to tour *Seasons* in memory of Peter Wilson, writer of *Seasons* and Founding Director of Capital E National Theatre for Children, and Laughton Pattrick, composer of *Seasons*.

We would like to thank Creative New Zealand for supporting the National Theatre for Children.



State of the Art

City Gallery Wellington

City Gallery Wellington feels incredibly fortunate to have brought world-renowned contemporary art to our capital city in a time of travel restrictions. During the last financial year, 88,885 people visited the gallery, this figure far exceeds the COVID-adjusted target for the year (56,200).

Visitors experienced provocative and emotive exhibitions including *A Place Apart*, *Marianna Simnett: CREATURE* and *Every Artist* with the pandemic making itself felt.



Taryn Simon, from *Contraband* 2010.

> **The gallery is proud to create space for art in our community in a year of isolation and missed connections.**

State of the Art

City Gallery Wellington

Terminal

The timing of City Gallery Wellington's exhibition *Terminal* could not have been more poignant. Opening against the backdrop of COVID-19 in August 2020, the major exhibition's themes of globalisation, border control and personal freedom reached new heights.

Terminal featured art made about the airport, not for it. Laid out like an imaginary airport, visitors were invited to explore international artworks in zones dedicated to Arrivals, Screening, the Runway and Departure. Threads of romance, politics, environmental threats and personal freedom were explored in the exhibition and the gallery hosted it's first virtual book club talk.

With New Zealand borders closed 44,797 checked in at *Terminal*.

Zac Langdon-Pole: Containing Multitudes

Prior to the pandemic, Zac Langdon-Pole's work was set to feature in a group exhibition at City Gallery Wellington. When the Berlin-based Kiwi found himself stranded in Aotearoa, our curators developed *Containing Multitudes*, his largest solo show to date.

Our curators, educators and community engagement teams continue to work together to deliver remarkable, creative experiences for our audience. City Gallery Wellington is thrilled to bring the phenomenal works of Swedish artist and mystic Hilma af Klint to Wellington in December.



Simon Ingram *Stonewall Alp Cliff* 2019

2 Honoa ngā Hapori

Connecting Communities

Working together to strengthen the city we love

19	Pride of Place
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24	Engaging our Ākonga
26	Whānau-focussed Events

Pride of Place

Celebrating Pride Month

There's a lot to love about celebrating Pride month. Here at Experience Wellington, we are proud to provide space for LGBTQIA+ arts.

Category is: science fiction realness! Space Place celebrated Wellington Pride Festival with Sci-Fi Sundays: Pride Edition. Hosted by drag star Queen Olivia, three rainbow films were screened among the stars of our planetarium.

The three-part series featured cult classic *The Rocky Horror Picture Show*, Argentinian film *Brief Story from the Green Planet*, and *Riot Girls*, a rock 'n' roll take on *Lord of the Flies*.

Our fabulous host was thrilled to make queer art available at Space Place. "To me, Pride means visibility. I never see myself reflected in Hollywood films. Film festivals are a way to foster community and make connections."

During the Pride Festival, Wellington Museum hosted *The Eternal Queers*, a play produced and performed entirely by queer and BIPOC (black, indigenous, and other people of colour) creatives. Like City Gallery Wellington's Aitu Ball, the sold-out performance highlights Wellington's desire for queer storytelling. We are committed to uplifting the mana of Wellington's LGBTQIA+ whānau across our cultural sites.



Queen Olivia Lucretia-Bourgeois Connie St Redfern III

Oracles

City Gallery Wellington

Working across performance, photography, and video, City Gallery Wellington's *Oracles* exhibition was a visual conversation between Pacific artist Pati Solomona Tyrell and Australian Aboriginal artist Christian Thompson. Their haunting works discuss cultural identity, colonial consequences, and gender.

Tyrell is a founding member of FAFSWAG, a queer Pasifika arts collective of Tāmaki Makaurau. His collective appears as powerful, gender-fluid deities in *Fāgogo* and the fierce dance avatars of *FAFSWAG: The Interactive Documentary*. FAFSWAG was awarded the 2020 Arts Foundation Laureate for highlighting queer and Pasifika communities in interdisciplinary arts.

Thompson's photography features himself as an androgynous spirit framed with decorative flowers, rocks, crystals, and maps. The artist wears masks of colonial figures and looks back at us through cut-out eyeholes. His works live between realms and ask viewers where identity comes from.

City Gallery Wellington continues to challenge audiences, explore the in-between, and showcase indigenous talent.



Pati Solomona Tyrell activates *Oracles* at City Gallery Wellington

Aitu Ball

City Gallery Wellington

Alongside *Oracles*, City Gallery hosted the *Aitu Ball*, Wellington's first Vogue Ball.

Ballroom and voguing culture dates to 1980s New York, where 'Houses', walk, pose, and perform, competition style in various categories.

In partnership with Pātaka and Taki Rua Productions, two vogue workshops were held in the lead up to the big night. Beginners learned the five elements of vogue and the history of ballroom.

The *Aitu Ball* featured five fierce categories inspired by fire, te kore (the void), plus-size ocean deities, the bizarre and wild creatures. The panel of judges included Khiyara Aitu, Khaos of The Order, Mayoress of Newtown, and Empress Coven-Carangi.

On the night, the gallery pulsed with electric energy. Vogue virgins and veterans battled on the ballroom floor. Celebrating what it means to be queer, performers served in outrageous and captivating looks. The audience added to the spectacle with roaring support for the competitors.

The *Aitu Ball* is the longest running vogue ball in Australasia. City Gallery Wellington is privileged to be part of its story and make the experience available to our queer community in Aotearoa.



Soundscapes

Capital E

Capital E's PlayHQ installation, *SoundScapes* was realised as a part of Capital E's Ideatorium process. It was designed by Wellington-based artist, Tony De Goldi, Auckland-based sound engineer, Simon Watts and the Capital E Public Programmes team.

It was designed for tamariki to discover and explore sounds inspired by New Zealand nature. *Soundscapes* took tamariki on an interactive journey through tree trunk tunnels to unearth the trickling sounds of The Water Stream, The Squishy Forest Floor, and The Echos of Glow Worm Cove.

Since opening in January 2021, the space has received outstanding feedback including, "This is the best installation we've seen from Capital E. We're looking forward to coming back for more!"

The space has seen over 7,700 visitations making it one of the most popular PlayHQ installations to date.



Baby Rock & Rhyme

Capital E

Partnering with Wellington City Libraries, Capital E's Public Programmes team developed a collaborative weekly term-time programme, *Baby Rock & Rhyme*.

Designed as a way for parents and caregivers to interact with their pēpi through rhymes, finger-plays, and stories delivered by experienced presenters. It's a great opportunity to have fun, socialise and spend quality 'one-on-one' time with their pēpi.

This new programme has been essential in building a strategic partnership with Wellington City Libraries. It has seen over 120 participants, despite COVID-19 cancellations, making it the most popular term time activity at Capital E to date.



Engaging our Ākonga

Learning Programmes

Our learning team have welcomed nearly 19,000 students into Experience Wellington sites this year. It's a pleasure to see so many engaged ākonga visit through their schools or places of learning and have a wonderful experience with us.

Here's some of our top education highlights from the 20-21 year:

Wellington Museum:

On 12 May, the Museum's educators hosted Māori and Pasifika college students for the day. They had a special behind-the-scenes tour of the museum and met with some of the team. The accessibility of heritage institutions for Māori and Pasifika, and young people in general, was a hot topic of conversation. Both the students and our team really enjoyed the day. We look forward to developing this event in the future!

Space Place:

The Space Place educators enjoy sparking kids' curiosity and sending them down "rabbit holes of discovery". They had a particularly rewarding experience when a special school visited the planetarium. Many of the tamariki were non-verbal or communicating via electronic speech pads. The planetarium was a big hit - full of the sounds of wonder. One child summed up their Space Place experience by communicating "that's sick" on their electronic speech pad.

City Gallery Wellington:

A highlight for the Gallery educators is watching students create their own art, inspired by what they see on the gallery's walls. In a workshop for *Containing Multitudes*, students enjoyed exploring Zac Langdon-Pole's surprising juxtapositions. They created their own unlikely connections by placing together unrelated images and objects on light-sensitive paper, capturing their creations in a cyanotype blueprint image.

Capital E:

The educators at Capital E welcomed back the Waiopehu College social studies course for the fifth year in a row. The students did a brilliant round of news segments for their NCEA assesments, and the team enjoyed their visits. We're looking forward to welcoming next years class already.



Learning Programmes Highlights

26,861
Children and young people participated in learning experiences

43,994
Learning hours

9,420
Children attended education theatre shows

Tamariki thrive with bespoke, whānau-focussed events

In March, Capital E celebrated Children's Day with a festival on Queens Wharf. Capital E's Digital, LIVE, and Public Programmes teams came together to produce an incredibly varied and vibrant day of activities.

Local drag king Hugo Grrrl emceed the day of performances for and by children. The line-up featured StarJam, Virtuoso Strings, Kozo Kaos, and highlights from our National Theatre for Children production *Seasons*. Off-stage, tamariki constructed Bloom sculptures, contributed to the Coolest Little Time Capsule, and experimented in OnTV. PlayHQ saw 716 visitors during the festival, marking the highest number of visits since moving to Queens Wharf. The festival was a huge success with approximately 3,000 joining the Children's Day celebration.

Cable Car Museum ran a hugely popular Meccano expo over the Easter break in collaboration with Wellington Meccano Club. More than 3,100 Meccano enthusiasts visited Let's Go Meccano and its wide range of whirling creations and kinetic sculptures.

Every school holidays, City Gallery Wellington hosts Family Day, a day of free, whānau-friendly activities inspired by current exhibitions. The first Family Day after the nation-wide lockdown was warmly welcomed in May with over 1,000 joining in the fun. Following the "Gallery Games" theme tamariki were invited to experiment with paint, win spot prizes, watch films from Square Eyes Film Foundation and pop giant bubbles in Te Ngākau Civic Square!



> Making engaging, creative experiences accessible to young people is at the heart of our diverse institutions.





Whānau Event Attendance Highlights

3,000	3,100	1,060
Children's Day	Let's Go Meccano	Family Day*

**May 2021 Family Day, the largest of our four annual Family Day events*

3 Whakatūara Pōneke

Showcasing Pōneke

Putting Wellington on the map

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Space is the Place

Space Place

Space Place at Carter Observatory tells the stories of Aotearoa skies through remarkable, engaging experiences.

A report by WellingtonNZ showed Space Place as the second most appealing 'hero' experience in the Wellington/Wairarapa region by travel motivation for their 'Family Fun' audience. Our interactive exhibits and rotation of stellar events make Space Place the place to be.

Astronomy on Tap remains a popular monthly event where guests are invited to 'cheers to the stars' and journey across the galaxy with bespoke star talks. Tamariki got creative in Space Place's sell-out school holiday programmes with our stop motion animation and Matariki-inspired screenprinting.

Space Place celebrated New Zealand Music Month with four spectacular nights of live performances. Local music heroes like Riki Gooch, Ruby Solly and Paddy Free performed under custom, spacey visuals of the planetarium.

Space Place looks forward to premiering planetarium film *Ngā Tohunga Whakatere – The Navigators* later in 2021. Made possible by Lottery's Tuia 250 grant, the strategic project explores our nation's dual voyaging heritage. Created with the knowledge from mātauranga Māori and science experts the film enables visitors to see the world through the eyes of their ancestors.



New Zealand Music Month at Space Place, May 2021. Image credit: Kahmur Studios

We Collect Wellington

From Steven Adams' size 18 basketball boots, to a fire-starter coffee roaster, the last financial year signalled a turning point in the collecting practices of Museums Wellington. After several years of planning, the collections team shifted into a programme of contemporary collecting focussed on the region's cultural identity.

Casting back to the gritty Cuba Street scene of the 1980s, Museums Wellington acquired a significant donation by Claire Croskery, founder of Anatomy Clothing Company (1986 – 1993) and a pair of pants belonging to Head Like a Hole lead singer Nigel 'Booga' Beazley. Another Cuba Street highlight is Havana's first coffee roaster—the prototype Voltair No.1 - notoriously combustible and responsible for almost burning down the Midnight Espresso building in 1990.

Continuing with the homegrown ingenuity, we also acquired a Tuatara Brewery bottle mould, the first to feature their signature spine and scale texture.

The underbelly of our capital city is captured in a battered hard drive donated by investigative journalist Nicky Hager. The hard drive contains files copied by police after a raid on Hager's home in 2014 at the height of the Dirty Politics scandal. After the High Court ruled the raid to be illegal, the drive was given to Hager but not before it was struck 213 times in a bid to 'delete' the remaining files.

In addition to these uniquely Wellington items, the Museum collections continue to inspire visitors with a range of displays that celebrate the region's colourful past, including our maritime history.





> The Museum collections continue to inspire visitors with a range of displays that celebrate the region's colourful past, including our maritime history.



The Rest is History

What does a friendly elephant, an investigative journalist, and a Paralympian swimmer have in common? They are all part of Wellington's vibrant history.

Wellington Museum's monthly *Word of Mouth* series began in February. Featuring a range of Wellington characters, each koha talk highlights the more curious corners of Pōneke's past.

Special guests included local sport icons, *Dirty Politics* author Nicky Hagar, sex worker's right activist Dame Catherine Healy, theatre maker Nina Nawalowalo, and Liz Roberts whose husband cared for Wellington Zoo icon Kamala the elephant – just to name a few.

Nairn Street Cottage shared stories from inspiring locals with three-part series, *My Wellington*. High tea with a twist, the catering for each talk reflected the hosts' backgrounds. Sister Sue Cosgrove of the Sisters of Compassion, activist and healthcare professional Gertrude M. Agbozo, and entertainment manager Bessie Fepulea'i shared motivational stories of community mahi.



Bessie Fepulea'i presents on balancing ā'iga (family) and business with ease at Nairn Street Cottage's high tea series *My Wellington*.



Dame Margaret Sparrow, and Cr Sophie Handford present at 'Women of Significance', one of a series of talks at Wellington Museum's, *Word of Mouth.*

> **Our capital city is rich with history. Making local heritage accessible is vital in uplifting the mana of Wellington communities and inspiring the next generation of storytellers.**

Gertrude M. Agbozo presents at Nairn Street Cottage high tea series *My Wellington.*



4 Ngā Rautaki Whakamua

Strategic Project Update

Our agreed strategic projects have made great progress in the last financial year

Strategic Project Update

Strategic Goal: *To present high profile, large scale international contemporary art exhibitions at City Gallery Wellington*

It was with immense excitement, that in March 2021 we announced we would be presenting *Hilma af Klint: The Secret Paintings*. The news that we will be the only city, and sole venue in Aotearoa to show this astounding work was met with elation by the cultural sector, our audiences, and communities.

The secret paintings of Swedish artist and mystic Hilma af Klint whose body of work has changed the course of art history is captivating audiences worldwide and changing how we view the course of art history. From December 2021, City Gallery Wellington will proudly display more than 100 of af Klint's awe-inspiring paintings up close. Unprecedented in scale and ambition, af Klint's paintings feature remarkable colour combinations, monumental formats, and shapes that are both organic and otherworldly.

Hilma af Klint: The Secret Paintings will be one of the most important exhibitions ever to be staged in Aotearoa. It will be presented with the cooperation of the Hilma af Klint Foundation, Stockholm, and in association with Heide Museum of Modern Art, Melbourne, and the Art Gallery of New South Wales, Sydney, and supported by Wellington City Council, City Gallery Wellington Foundation, WellingtonNZ, Middleware Group - Glueware, and Kowtow. The exhibition is indemnified by the New Zealand Government.



The Ten Largest, No. 7, Adulthood, Group IV, 1907, HAK No. 108. By courtesy of the of Hilma af Klint Foundation. Photo: The Moderna Museet, Stockholm, Sweden.

Strategic Project Update

Strategic Goal: *To complete the development of Wellington Museum*

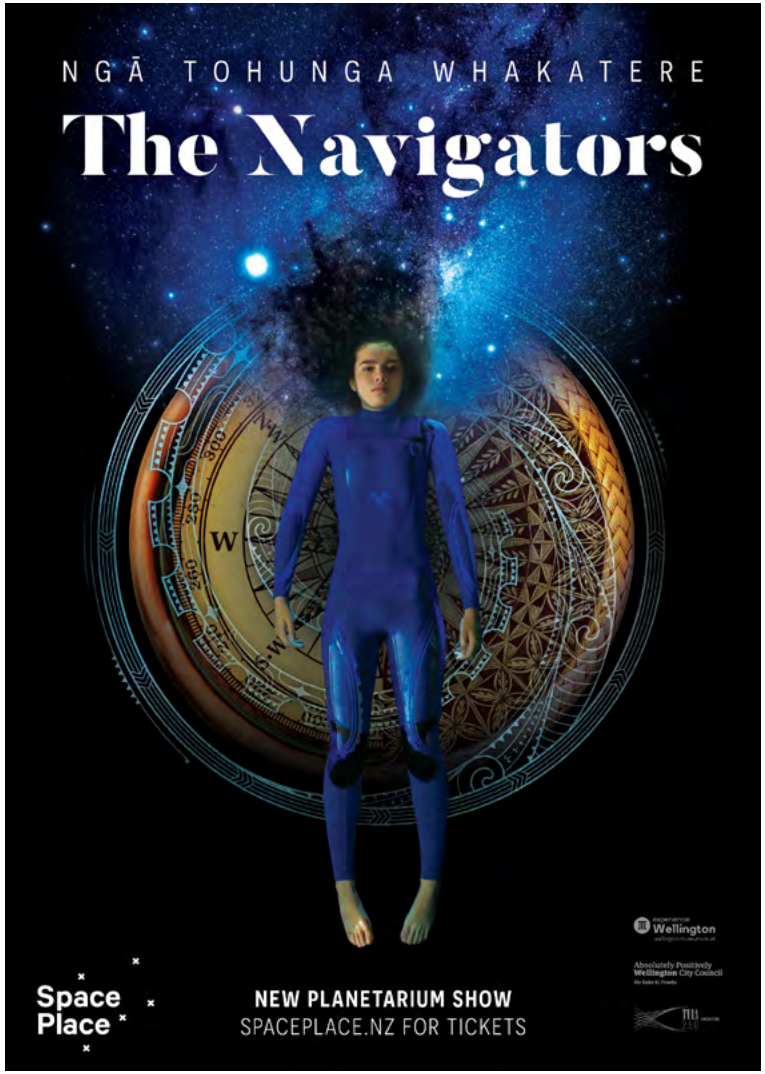
Our Business Case was presented to Wellington City Council for the strengthening and redevelopment of the Wellington Museum, and we were pleased to receive a commitment of $21m finalised in Council's 2021-31 Long Term Plan. We have now handed over responsibility and project management of the building works to Council but will remain active and integral participants of the project governance group. The project centres on upgrading earthquake strengthening of the building and the visitor experience (exhibition area).

Strategic Goal: *Producing 'Ngā Tohunga Whakatere - The Navigators' Planetarium Show for Space Place*

Ngā Tohunga Whakatere - The Navigators tells the story of early Pacific, Māori and European navigation through the eyes of a young girl, Moko.

The 30-minute animated planetarium show takes viewers on an unforgettable adventure, exploring the value of indigenous knowledge and early cultural practices in the rich maritime heritage of Aotearoa.

Ngā Tohunga Whakatere - The Navigators showcases Wellington's creative talent including an original soundtrack and stunning animation designed for Space Place's digital dome planetarium screen. It was made with the support of Tuia 250 Ministry for Culture and Heritage fund and opens in the later part of 2021 at Space Place.



Strategic Project Update



Strategic Goal: *To upgrade our IT equipment and systems*

As we have over the last three years, we continue to update our business systems with the latest applications that will enable efficient integration across all our platforms, including our CRM database (Salesforce). To this end we have introduced a new retail system (Vend) across all our retail outlets together with a new integrated eftpos system that directly communicates with our cloud-based accounting system.

The focus for the year ahead is scoping and introducing a new cloud-based ticketing and venue hire system. Acknowledging the complexity of the different systems that function across the business and the ongoing importance of keeping our systems operating and relevant, we have increased our capability to oversee the ongoing review and implementation of these vital business systems. Embracing the newest technology trends ensures our charity stays connected, creative and productive.

Strategic Goal: *Identifying a long-term home for Capital E Nōku Te Ao*

For 15 years the home of Capital E was Te Ngākau Civic Square, the heart of the city, until November 2012 when the building was discovered to be earthquake prone, and Capital E was forced to close. While moving to Queens Wharf has provided a new home for Capital E close to Wellington Museum, the space is limited, and therefore, so are many of Capital E's activities.

This year we have continued our journey with Wellington City Council's Future Library team, exploring how Capital E might return to a revitalised Te Ngākau within a reimagined Te Matapihi Central Library.

Capital E and Te Matapihi share clear alignment in their purpose and offerings. Our kaupapa has always been to create extraordinary experiences for, with, by, and between children and young people. Today's libraries are spaces where the community can connect and engage to discover, innovate, create and showcase ideas, which has strong synergies with the mahi of Capital E.

Throughout the year we started to explore these synergies – supporting the library redevelopment team in workshops as the foundational concept for Te Matapihi was developed. We were proud to underline how Capital E could augment this extraordinary new asset for the city. And we were delighted when Council announced the investment required to bring this ambitious project to life in the 2021-31 Long Term Plan. The future holds a formal collaborative agreement between Council and Experience Wellington with more sessions bringing our teams together as we shape what's possible as we envision the future Capital E, activating a thriving Te Ngākau for our youngest citizens.

5 Ko Tātou Tēnei

Our People

He aha te mea nui o te ao?
He tāngata, he tāngata, he tāngata.

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He Rīpoata Kāwanatanga

Governance

Experience Wellington is governed by a Trust Deed between Wellington City Council and Wellington Museums Trust Incorporated. The Deed was first executed on 18 October 1995 and updated on 15 August 2007.

Te Mana Whakahaere Governance Trustees

Trustees	Date of appointment to Board	Number of Board meetings attended during 2020-21
Jackie Lloyd (Chair until 31/12/20)	1 July 2011	5 (tenure ended December 2020)
Jane Wrightson (Chair as of 01/01/21)	1 January 2016	9
Diane Calvert (Councillor)	1 November 2016	7
Rachel Farrant	1 July 2013	6
Peter Jackson	1 June 2019	9
Peter Johnston	1 June 2019	9

Wellington Museums Trust Board are appointed by Council and are standard-bearers for Experience Wellington's vision. The Board bring a mix of skills, tenure, experience, and diversity and are responsible for setting the strategic direction of the organisation and approving the Statement of Intent and the Strategic Plan. The Board monitors organisational performance, the organisation's ongoing viability, and the maintenance of its competitiveness. It delegates the day-to-day operation of Experience Wellington to the Chief Executive, who reports to the Board.



L-R: Wellington Museums Trust Board Jane Wrightson, Diane Calvert, Peter Jackson, Rachel Farrant, Peter Johnston

The Board meet no fewer than nine times per year and operate three committees which review relevant matters prior to consideration by the full Board. These are the Audit and Risk (A&R) Committee; the People, Performance, and Safety (PPS) Committee; and the Chief Executive Performance and Remuneration (CEP&R) Committee. In addition, the Board will convene ad hoc working groups to consider specific issues. Guidance in specialist areas is also provided as appropriate.

As part of its health and safety due diligence the Board undertake regular health and safety observations, and annually dedicate one Board meeting to a health and safety site review. The Board also monitor health and safety through the PPS Committee and via regular Board reports from management. The Board is committed to the highest standard of corporate governance, overseeing reporting, and meeting best practice standards. The Board undertake an annual self-review, including a review of individual Trustees and the Chair's performance.

> **The Board bring a mix of skills, tenure, experience, and diversity and are responsible for setting the strategic direction of the organisation.**

Te Komiti Whakahaere Board Committees:

Audit and Risk (A&R) Committee assists the Board in carrying out its duties in regard to financial reporting, risk management and legislative compliance.

People, Performance and Safety (PPS) Committee provides guidance and support to the Chief Executive in a Human Resources context and assists the Board to meet its due diligence responsibilities regarding Experience Wellington's compliance with Health and Safety legislation.

Chief Executive Performance and Remuneration (CEP&R) Committee advises the Chair in connection with the performance and remuneration of the Chief Executive.



Former Board Chair, Jackie Lloyd

At the end of 2020 the Board farewelled Jackie Lloyd after almost a decade of service, with Jane Wrightson appointed to the role of Board Chair in January 2021.

Our People

It has been a challenging year for our staff as we respond to changing alert levels, refocusing our content for local audiences and adapting to our new teams and ways of working following our structure change. Our people are a passionate, committed, and resilient group, and are of course, our greatest asset. We thank them for their tremendous efforts and for working together to keep our sites operational amid all this change.

When Dr Sarah Rusholme began as Chief Executive in June 2020, one of her key objectives was to ensure staff felt a stronger connection to our Strategic Plan and were able to work together more easily across our sites. She recognised this connection was essential for staff to enable joined-up planning, reduce duplication and better harness the wide-ranging expertise. After a series of workshops with staff, our Strategic Plan was refreshed and now provides greater clarity and staff engagement to our vision, purpose, and values.



L-R: Experience Wellington Executive Leadership Team James Unwin, Justine McLisky, Carolyn Mettrick, Judith Cooke, Sarah Rusholme, Louise Saviker, Elizabeth Caldwell

Our People

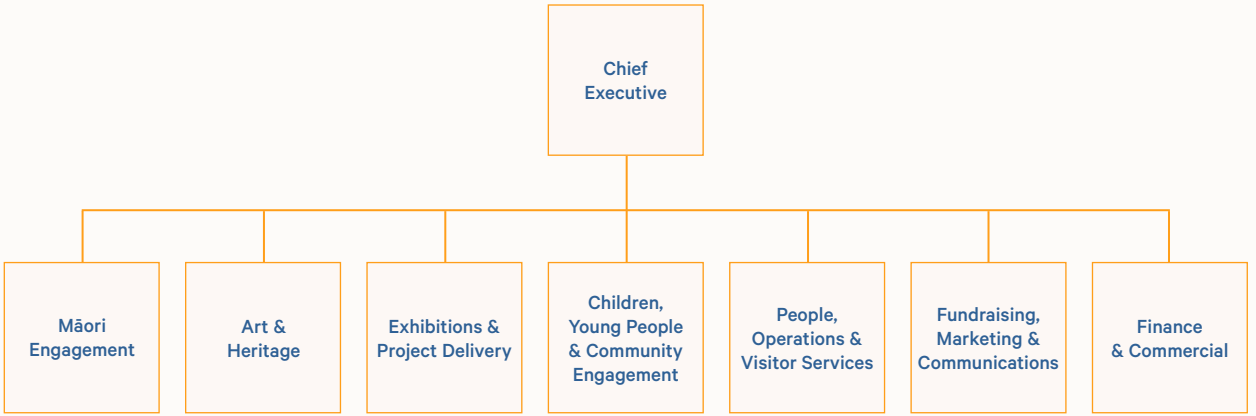
The year concluded with the roll-out and implementation of our organisation-wide restructure. The new design is flatter and aligns our people resources to the new strategy, while reducing managerial positions from 26 to 15. The new Executive Leadership Team (ELT) are working hard to connect with their new teams and build on a positive team culture.

Two new roles with a Māori focus were established as part of the organisational restructure including a Director Māori Engagement, Te Tūhono Reo (part of ELT) and Curator (Toi Māori).

These roles join the two existing roles of Kaiako Māori and Curator Māori (Taonga). At year-end Experience Wellington employs 60 full time and 56 part time people (compared to 62 and 57 respectively last year). Our average tenure remains steady on 3.8 years, tracking slightly up on last year.

Developing the full potential of our employees is integral to our success and we continue to invest in their ongoing learning. A group attended a wānanga at Whakarongotai Marae in April. As well as giving staff a chance to experience a noho marae, the wānanga explored elements of tikanga Māori and the Treaty of Waitangi incorporating a museum and heritage perspective.

Experience Wellington Team Structure



Our People

We are pleased that 55% of current employees have now completed te reo Māori training and we are including te reo classes as part of induction for all new employees to build capability across our staff.

Other training included a targeted initiative for our organisation wide committee chairs. Internally we offered privacy training to a group of staff supporting us to identify improvements required with the introduction of new legislation.

We have retained and supported our workforce throughout the COVID-19 pandemic and are grateful to our staff who have supported our operations throughout changing alert levels. Where possible, our employees have been supported to work remotely and teams have developed new ways of working together across our sites.

The health, safety and wellbeing of our staff and visitors is an absolute priority. We have put in place robust planning to support alert level changes at our experiences, along with COVID tracer sign-in stations, hand sanitiser stations, and increased deep cleaning.

Staff Health and Safety Committee Leads the Way

Our Health and Safety Committee work together across all sites to manage and mitigate any potential harm-related issues, review health and safety best practice and legislation, and ensure we provide a safe space for our staff and visitors. This year the committee reviewed and updated our tsunami evacuation maps and procedures at each site, including carrying out practice evacuations.

Reports showed a higher-than-normal level of minor incidents this year - many were contributed to external social issues, along with a mix of near misses, accidents and slips, trips and falls.

One serious harm incident was reported involving a staff member working at an external site. Staff are always encouraged and supported by their managers to raise any health, safety and wellbeing concerns.

Alongside our proactive Health and Safety Committee, a group dedicated to support the wellness and mental health of our staff was established. The Wellbeing Committee carries out general ‘check-ins’ with staff to help build personal wellness. This included team-based sessions where staff came together to drive their own wellbeing in a model that is focused on personal agency and self-management.

As we look to the next financial year, we look forward to further building on our developments in 2020-2021. A focus for the Chief Executive will be building staff engagement and workplace culture to support our people to deliver to their best mahi as we work to create remarkable experiences for Wellingtonians.

Te Rōpū Mahi Tiriti

Te Rōpū Mahi Tiriti champion the embodiment of te ao Māori across all Experience Wellington sites. Led by Heamana (Chair) Helen Lloyd, the work group strengthens our kete of knowledge by developing meaningful resources and experiences for staff.

With the support of board member Peter Jackson, Te Rōpū representatives created Experience Wellington's own waiata, 'Wheako Pōneke.' Kupu for the lyrics were collected from site-wide workshops led by the work group. The waiata speaks to the amazing efforts of our diverse charity.

In addition to our waiata, Te Rōpū produced 'Te Kete Waiata,' a pukapuka of karakia and other waiata significant to Experience Wellington. Created with aroha, the beautiful resource is regularly seen at staff hui, waiata practice, and special events.

Te Rōpū Mahi Tiriti encourage staff participation in significant cultural events. Through ātaahua internal comms, the group highlighted all Matariki events held across sites and Wellington City Council. Te Rōpū celebrated Te Wiki o Te Reo Māori by sharing resources like lock screens with useful kupu, te reo Māori zines, and tips on typing tohutō (macrons).

Te Rōpū support our attendance at Victoria University's annual wānanga at Hongoeka Marae. Eleven Experience Wellington staff, including Chief Executive Sarah Rushome, attended in April. Staff explored many aspects of te ao Māori, mātauranga Māori, tikanga Māori and Māori cultural practices specific to museums, and taonga.

> **Te Rōpū Mahi Tiriti strengthens our kete of knowledge by developing meaningful resources and experiences for staff.**



Accessibility and Inclusion Committee

Experience Wellington's Accessibility and Inclusion Committee is committed to making our sites welcoming and safe for all.

The committee secured funding from the National Foundation for the Deaf and Wellington Community Trust to update Experience Wellington's New Zealand Sign Language (NZSL) videos. Working with local deaf filmmaker Jared Flitcroft, the NZSL content will welcome visitors onsite and inform users online.

The committee also supported Wellington Museum's introduction of a monthly low-sensory hour. In association with Autism New Zealand, Wellington Museum reduces light and sound during this time for the neuro-diverse community to comfortably explore local taonga.

Committee representatives also began the substantial mahi of a site-wide accessibility audit, beginning with Nairn Street Cottage. The comprehensive project will reveal what needs attention, and opportunities to improve access to our experiences.

The workgroup recently introduced safe-space policies to Experience Wellington. Tailored to our unique experiences, the roll-out of the statement and associated processes supports staff and visitors in the case of inappropriate or harmful behaviours.

The workgroup continues to champion accessibility and embed thoughtful processes into our everyday mahi. We firmly believe that our whole community benefits when everyone can access our extraordinary experiences.

We firmly believe that our whole community benefits when everyone can access our extraordinary experiences.



Reducing our Impact on the Environment

It is important we promote and demonstrate environmental best practice at Experience Wellington, and throughout the year we held several environmentally focused events at our sites.

Partnering with Sustainable Coastlines, Wellington Museum's annual *Great Big Waterfront Clean Up* was a hugely successful event. This family friendly event saw approximately 150 keen Wellingtonians donning gloves and collecting over 1,300 litres of rubbish from in and around our waterfront – thank you to all who volunteered their time that day!

The Rubbish Trip hosted a number of free lunchtime workshops in our spaces, including *The Bare Essentials Workshop* which saw participants learning how to make DIY toiletries and cleaning products, and *Make Your Own Mug Hugger* where glass jars were upcycled into reusable coffee mugs. The Nairn Street Preservation Society also put on a *Worm Farm Workshop* to demonstrate how to setup and care for worm farms and reduce the amount of food waste sent to landfill.

Working alongside Wellington City Council, we are upgrading the lighting and heating systems in our buildings, reducing our carbon emissions, and giving us better controls over energy usage. We are also reducing our contribution to landfill and looking into ways we can further repurpose or upcycle our materials after the conclusion of our exhibitions and events.

In July 2020, our Environmental Sustainability Committee challenged staff to take on the global 'Plastic Free July' movement. A Plastic Free July fair encouraged staff to bring in and swap pre-loved clothing. There was also a seed and plant swap and recycling stations for batteries, pens and plastic lids. The event also included waste reduction tips, educational material, and displays of simple household swaps. Smaller eco events were held for staff throughout the year including e-bike trials as part of the *Aotearoa Bike Challenge*, a sunflower growing competition to promote the wellbeing benefits of our environment, and at Nairn Street Cottage, which has two active beehives, a morning tea discussing the important roles bees play in our environment.

We encourage all staff to consider the impact they have on our planet, both at home and at work, and will continue to work together to make positive changes in this space, and in promoting environmentally friendly events to our visitors.

> **... encouraging staff to use environmental best practice, and to consider the impact they have on our planet, both at home and at work.**

Environmental Sustainability Committee Co-Chairs Jo Arenhold and Hana Makin



Ngā Paraihe Kaimahi

Experience Wellington Staff Awards 2020

At Experience Wellington, we celebrate our successes. We are proud to recognise our staff who made remarkable things happens amidst the extraordinary challenges of 2020.

City Gallery Wellington and Nikau Café hosted our 2020 staff awards celebration. In spirit of the "Colour the Gallery" theme, staff lit up the space dressed in bold, bright colours.

Structured by the strategic pou in our refreshed Strategy Plan, the awards acknowledged staff, teams, and projects reflecting our core values.



Trustee Peter Jackson with award-recipient Flavia Wilson

Ngā Paraihe Kaimahi

Experience Wellington Staff Awards 2020

Enriching Lives

We recognise staff and teams committed to connecting communities, people and ideas.

Award Recipients

Krystle Spademan, David Waller, Matt Henry, Tom Etuata, Ian Wards, Amber Callanan, Violette Squire, Rachel Ingram, the Visitor Services Team, Jilly Lind-Thomas, Hannah Eaton, Lizzie Murray, Flavia Wilson, Tessa Baty
For the creation, development, and delivery of *Mittens: Floofy and Famous* and the *Pet Projects* programme.

Megan Dunn, Robert Leonard, Erika McClintock, Caleb Gordon, Rachel Fox, Lauren Ward, Lara Signal, Kate van Arts, the Visitor Services Team
For the delivery of the spectacular *Aitu Ball*, voguing workshops, and *Oracles* exhibition.

Karen Carey, Pippa Drakeford, Halo Collins, Natalie Crane, Elena Torres
For innovation during lockdown - moving daily term-time activities online along with developing creativity resources and activities for parents and teachers.

Graham Frost & Elisa Brusset
For advocating for blind and low vision visitors by developing resources, training as audio description guides, and running workshops.



Trustee Rachel Farrant, with award-recipients Beth Taylor, Abby Rainbow, and Fiona Tucker

Ngā Paraihe Kaimahi

Experience Wellington Staff Awards 2020

Embracing Te Ao Maori

Acknowledging tangata whenua as kaitiaki and Te Tiriti o Waitangi is crucial to Experience Wellington. Recipients embed te ao Māori in their mahi and the audience experience.

Award recipients

Pippa Drakeford, Ian Wards & Lawrence Wharerau
For collaboration and the development of Wheako Pōneke, our own waiata.

Flavia Wilson
For her commitment to te ao Māori, the naming and redesign of Te Kete Waiata, and the development of resources to support Te Wiki o te Reo Māori.

Experience Wellington Flourishes

Recipients help our charity thrive and stay true to our kaupapa.

Award Recipients

Amber Callanan, Philip Claassen & Jilly Lind-Thomas
For innovation and revenue generation developing sell out merchandise to accompanying *Mittens: Floofy and Famous*.

Catherine Laranang
For applying for and establishing Experience Wellington's Google Ads Grant resulting in increased awareness and website visitation.

Marianne Taylor, Beth Taylor, Abby Rainbow, Fiona Tucker, Joe Newman
For regrouping and collaborating to ensure *The Lost Letter Office* tour was able to continue after lockdown.

Mahitahi

We are stronger together. We recognise those who work hard to share their kete of knowledge across teams.

Award Recipients

Business Systems Review team lead Erika McClintock
For continued mahi to improve our complex business systems and processes across Experience Wellington.

Wellbeing, Health and Safety Committee: Simon Jones, Alex Kinzett, Amber Baldock, Daniel Campbell-MacDonald, Fiona Tucker, Ian Wards, Lizzie Murray, Natalie Crane, Eleanor Carr, Joe Newman, Abby Rainbow, Caleb Gordon, Lizzie Murray, Jo Arenhold, Marta Ordejón-Mateos, Annie Mercer
For ongoing, supportive and exemplary work in Wellbeing, Health and Safety.

Ngā Paraihe Kaimahi

Experience Wellington Staff Awards 2020

Living our Values

Four recipients modelled all Experience Wellington values.

Award Recipients

Lizzie Murray
For constantly going beyond her role to help others and contributing to the success of the organisation through her writing skills.

Simon Jones
For advocating and modelling Wellbeing, Health and Safety across Experience Wellington.

Claire Hopkins
For advocating, developing and testing resources for visitors on the autism spectrum, and for creating magical experiences for teachers and visitors.

Caleb Gordon
For leadership, a passion for accessibility & inclusion and caring and considerate relationships with team members and visitors.



Chief Executive Sarah Rusholme and award recipient Lizzie Murray



Chair Jane Wrightson, with award-recipients: Flavia Wilson, Jilly Lind-Thomas, Violette Squire, Judith Frost-Evans, Lizzie Murray, Tom Etuata, Emily Hamilton, Kate Gallaher, Emma Keel, Emma Clements, Tessa Baty, Wiremu Chrisp



Chair Jane Wrightson with award-recipients: Kate van Arts, Robbie Motion, Lauren Ward, Bonnie Wroe, Siân Stephens, Caleb Gordon, Georgia Pope, Josie Connor, Erika McClintock, Holly Walker, Matthew Savage, Gina Matchitt, Mica Mick

Whakauka Pakihi

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Ngā Pou Whirinaki

Partners & Supporters

We rely on the generous support of individuals, organisations, trusts and foundations to deliver our programmes and events, expand our collections, and provide enriching experiences for our audiences. This support ensures our doors are open to all – enabling inclusion, learning, and connectedness that generates vitality and enhances the health and wellbeing of our communities.

Many thanks to our principal funder, Wellington City Council.

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

And our major supporters, Creative New Zealand, Ministry of Education, and City Gallery Wellington Foundation.

creative nz
Arts Council of New Zealand Toi Aotearoa

Ministry of Education
Te Tāhuhu o te Mātauranga

Foundation

With our thanks

Architecture Plus

Australia Council for the Arts

Carter Observatory Trust

Community Trust South

Eastern & Central Community Trust

EightyOne

Foundation North

Interislander

Maritime Archaeological Association of NZ

Maritime Friends of Wellington

Ministry for Culture & Heritage Manatū Taonga

MJF Lighting

National Services Te Paerangi

Otago Community Trust

Qin Foundation

Rātā Foundation

Seresin Estate

The Lion Foundation

The NFD Trust

The Stout Trust

Thomas George Macarthy Trust

Tuatara Breweries

Webb's

Wellington Astronomical Society

Wellington Community Trust

Wellington Historical & Early Settlers' Association

WellingtonNZ

Wright Family Foundation

Performance against 2020-21 Statement of Intent Targets

Non-Financial Performance Measures

Physical Visitation

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
	Not Achieved: Total 535,421 visits.	**Total visits of 261,700 are achieved.**	**Achieved: Total visits: 405,941**
City Gallery Wellington	111,365	56,200	**88,885** ✓
Wellington Museum	100,165	56,000	**105,623** ✓
Capital E	86,821	45,500	**58,085** ✓
Cable Car Museum	192,915	79,000	**114,236** ✓
Space Place	43,449	24,000	**38,641** ✓
Nairn Street Cottage	706	1,000	**471** X

Virtual Visitation

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
	Achieved: Total 232,013 unique visits.	**Total unique visits of 223,000 to institutional web/mobile sites are achieved.**	**Achieved: Total 296,420 unique visits.**
City Gallery Wellington	86,579	78,000	**104,172** ✓
Museums Wellington	110,444	110,000	**135,949** ✓
Capital E	34,990	35,000	**56,299** ✓

Social Media Profile

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
	Achieved: Snapshot of 74,871 Facebook friends, Instagram and Twitter followers	**Snapshot target of 75,300 Facebook friends, Instagram and Twitter followers**	**Achieved: Snapshot of 79,160 Facebook friends, Instagram and Twitter followers**
City Gallery Wellington	41,078	41,500	**43,438** ✓
Museums Wellington	14,387	13,500	**15,233** ✓
Capital E	9,123	9,500	**9,796** ✓
Space Place	10,283	10,800	**10,693** X

Performance against 2020-21 Statement of Intent Targets

Non-Financial Performance Measures

Quality of Visit[1]

Outputs	Status at 30 June 2020	Measures 2020-21	Status at June 30 2021
City Gallery Wellington	85% X	88%	**85%** X
Wellington Museum	92% ✓	90%	**89%** X
Capital E	93% ✓	90%	**94%** ✓
Cable Car Museum	78% X	80%	**80%** ✓
Space Place	91% ✓	90%	**89%** X
Nairn Street Cottage	98% ✓	90%	**97%** ✓

[1] Visitors are asked to complete a short survey when exiting our sites which helps us to assess ease of access, friendliness of staff, level of comfort and overall satisfaction of their visit. 2020-21 targets were exceeded for Capital E, Cable Car Museum, and Nairn Street Cottage, with all sites achieving average scores above 80%.

Children & Young People Visiting for a Learning Experience[2]

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
	Achieved: 42,126 children & young people visited for a learning experience.	**21,000 children & young people visited for a learning experience.**	**Achieved: 26,861 children & young people visited for a learning experience.**
City Gallery Wellington	2,410	4,500	**2,907** X
Museums Wellington[3]	3,136	3,500	**3,269** X
Capital E	31,995	10,000	**17,763** ✓
Space Place	4,585	3,000	**2,922** X

[2] The number of students as part of a booked group visiting us for learning experiences. The delivery of LEOTC is part-funded by the Ministry of Education.

[3] Museums Wellington includes Wellington Museum, Cable Car Museum, and Nairn Street Cottage. Space Place is reported separately.

City Residents' Awareness (Annual Survey)[4]

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
City Gallery Wellington	89% X	95%	**88%** X
Wellington Museum	91% X	95%	**91%** X
Capital E	75% X	90%	**74%** X
Cable Car Museum	93% X	95%	**89%** X
Space Place	89% X	92%	**87%** X
Nairn Street Cottage	50% X	54%	**47%** X

[4] Council annually conducts a City Residents' Awareness Survey, of which all Experience Wellington sites are included. Our targets were not achieved for the 2020-21 year, however, are on par with the previous year, with over 85% awareness for City Gallery, Wellington Museum, Cable Car Museum, and Space Place. We strive to continuously increase awareness of all our sites.

Performance against 2020-21 Statement of Intent Targets

Financial Performance Measures

Non-Council Revenue

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021	
	Achieved: $2,741,000 of non-Council revenue.	**$536,000 of non-Council revenue is achieved.**	**Achieved: $1,366,000 of non-Council revenue.**	
City Gallery Wellington	$235,000	99,000	**206,000**	✓
Museums Wellington[5]	$808,000	144,000	**511,000**	✓
Capital E	$608,000	127,000	**148,000**	✓
Space Place	$570,000	136,000	**496,000**	✓
Sub Total	**$2,597,000**	**506,000**	**1,361,000**	✓
Sub-letting, Interest & Other	$228,000	30,000	**5,000**	x

Fundraising

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021	
	Not Achieved: $932,000 of non-Council revenue.	**$1,921,000 of non-Council revenue is achieved.**	**Achieved: $2,378,000 of non-Council revenue.**	
City Gallery Wellington	$165,000	395,000	**345,000**	x
Museums Wellington[6]	$152,000	100,000	**139,000**	✓
Capital E	$534,000	942,000	**1,359,000**	✓
Space Place	$81,000	485,000	**503,000**	✓
Trust Office	0	0	**32,000**	✓

Spend per visitor

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021	
	Achieved: $3.38 was the average spend per visitor.	**The average spend per visitor is $1.93.**	**Achieved: $3.36 was the average spend per visitor.**	
City Gallery Wellington	$2.11	1.76	**2.32**	✓
Museums Wellington[7]	$2.75	1.06	**2.32**	✓
Capital E	$3.42	2.79	**2.54**	x
Space Place	$10.79	5.67	**12.84**	✓

[5-7] Museums Wellington includes Wellington Museum, Cable Car Museum, and Nairn Street Cottage. It excludes Space Place which is reported separately.

Performance against 2020-21 Statement of Intent Targets

Financial Performance Measures

Operating Subsidy per Visit

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
	Not Achieved: $14.55 was the average subsidy per visit.	**The average subsidy per visit is $29.47.**	**Achieved: $21.32 was the average subsidy per visit.**
City Gallery Wellington	$22.07	43.34	**27.43** ✓
Museums Wellington[8]	$7.25	15.52	**9.59** ✓
Capital E	$21.74	39.26	**30.78** ✓
Space Place	$12.63	23.56	**13.82** ✓

Full Subsidy per Visit, inclusive of Council's Ownership Costs[9]

Outputs	Status at 30 June 2020	Measure 2020-21	Status at June 30 2021
	Not Achieved: $20.00 was the average subsidy per visit.	**The average subsidy per visit is $31.39**	**Achieved: $28.26 was the average subsidy per visit.**
City Gallery Wellington	$24.20	46.87	**34.65** ✓
Museums Wellington[10]	$10.49	16.79	**15.38** ✓
Capital E	$23.25	42.46	**38.22** ✓
Space Place	$20.60	23.56	**26.57** ✗

[8, 10] Museums Wellington includes Wellington Museum, Cable Car Museum, and Nairn Street Cottage. It excludes Space Place which is reported separately.

[9] Council's estimated ownership costs are supplied by Council. These include costs such as insurance, maintenance, and depreciation.

Te Rīpoata Kaitātari

Independent Auditor's Report

To the readers of Wellington Museums Trust Incorporated's Financial Statements and Performance Information for the year ended 30 June 2021

The Auditor-General is the auditor Wellington Museums Trust Incorporated (the Trust). The Auditor-General has appointed me, Sonia Isaac using the staff and resources of KPMG, to carry out the audit of the financial statements and performance information of the Trust on his behalf.

Opinion

We have audited:

— the financial statements of the Trust on pages 61 to 78, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and

— the performance information of the Trust on pages 54 to 57.

In our opinion:

— the financial statements of the Trust on pages 61 to 78:

- present fairly, in all material respects:
  - its financial position as at 30 June 2021; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Accounting Standards applying the reduced disclosure regime; and

— the performance information of the Trust on pages 54 to 57 presents fairly, in all material respects, the Trust's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Trust's objectives for the year ended 30 June 2021.

Our audit was completed on 13 August 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Trustees and our responsibilities relating to the financial statements and the performance information, and we explain our independence.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Trustees for the financial statements and the performance information

The Board of Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Trustees also responsible for preparing the performance information for the Trust.

The Board of Trustees responsible for such internal control as they determine is necessary to enable them to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Board of Trustees also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Trustees intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

The Board of Trustee's responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

For the budget information reported in the financial statements and the performance information, our procedures were limited to checking that the information agreed to the Trust's statement of intent.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

— We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Trustees.
- We evaluate the appropriateness of the reported performance information within the Trust's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Trustee and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Board of Trustees is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor- General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.



Sonia Isaac
KPMG
On behalf of the Auditor-General
Wellington, New Zealand

Statement of Financial Position

For the year ended 30 June 2021
In New Zealand Dollars

	Note	2021 Actual	2021 Unaudited Forecast	2020 Actual
Assets				
Property, plant and equipment	7	1,132,667	2,153,000	2,120,232
Collection and artefacts	8	2,338,816	2,339,000	2,338,816
Intangible assets	9	35,711	8,000	63,754
Endowment Fund with Nikau Foundation	12	293,325	-	259,528
Total non-current assets		**3,800,519**	**4,500,000**	**4,782,330**
Inventories		144,604	150,000	195,443
Trade and other receivables	10	845,570	600,000	497,022
Cash and cash equivalents	11	1,737,000	(398,000)	1,553,485
Total current assets		**2,727,174**	**352,000**	**2,245,950**
Total assets		**6,527,693**	**4,852,000**	**7,028,280**
Equity				
Reserves	12	2,601,840	2,601,000	2,568,043
Retained earnings	12	1,394,766	641,000	1,877,801
Total equity		**3,996,606**	**3,242,000**	**4,445,844**
Liabilities				
Employee benefits	13	42,778	50,000	59,638
Total non-current liabilities		**42,778**	**50,000**	**59,638**
Trade and other payables	14	2,005,169	1,310,000	2,102,046
Employee benefits	13	483,140	250,000	420,752
Total current liabilities		**2,488,309**	**1,560,000**	**2,522,798**
Total liabilities		**2,531,087**	**1,610,000**	**2,582,436**
Total equity and liabilities		**6,527,693**	**4,852,000**	**7,028,280**



Jane Wrightson
Board Chair
13th August 2021



Rachel Farrant
Board Member
13th August 2021

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2021
In New Zealand Dollars

	Note	2021 Actual	2021 Unaudited Forecast	2020 Actual
Revenue	4	14,277,094	12,334,000	13,219,444
Total revenue		**14,277,094**	**12,334,000**	**13,219,444**
Personnel expenses	6	(7,238,212)	(6,718,000)	(6,823,249)
Depreciation and amortisation expenses	7, 9	(477,327)	(520,000)	(523,225)
Other operating expenses	5	(7,047,297)	(6,354,000)	(5,948,909)
Total operating expenses		**(14,762,836)**	**(13,592,000)**	**(13,295,383)**
Operating surplus/(deficit) before finance income		**(485,742)**	**(1,258,000)**	**(75,939)**
Finance income		2,707	30,000	24,864
Endowment fund earnings		5,709		3,267
Net finance income		**8,416**	**30,000**	**28,131**
Surplus/(Deficit) for the period		**(477,326)**	**(1,228,000)**	**(47,808)**
Endowment fund revaluation		28,088	-	4,053
Other comprehensive revenue and expense		**28,088**		**4,053**
Total comprehensive income for the period		**(449,238)**	**(1,228,000)**	**(43,755)**

Statement of Changes in Equity

For the year ended 30 June 2021
In New Zealand Dollars

	Note	2021 Actual	2021 Unaudited Forecast	2020 Actual
Balance at 1 July 2020	12	**4,445,844**	**4,470,000**	**4,489,599**
Surplus/ (Deficit) for the period		(477,326)	(1,228,000)	(43,755)
Total comprehensive income for the period		**(449,238)**	**(1,228,000)**	**(43,755)**
Transferred to Reserve		-	-	-
Balance at 30 June 2021	12	**3,996,606**	**3,242,000**	**4,445,844**

Statement of Cash Flows

For the year ended 30 June 2021
In New Zealand Dollars

	Note	2021 Actual	2021 Unaudited Forecast	2020 Actual
Cash Flows from Operating Activities				
Cash was provided from:				
Receipts from customers		2,214,555	2,534,000	4,147,132
Receipts from related parties		**10,914,325**	**9,670,000**	**9,563,374**
		13,128,880	12,204,000	13,710,506
Cash was applied to:				
Payments to suppliers and employees		(12,084,138)	(11,173,000)	(11,346,940)
Payments to related parties		(1,542,013)	(1,769,000)	(1,442,476)
Net GST received/(paid)		152,052	-	(34,139)
		(13,474,099)	(12,942,000)	(12,823,555)
Net Cash flows from Operating Activities	17	**(345,219)**	**(738,000)**	**886,951**
Cash Flows from Investing Activities				
Interest received		2,707	30,000	24,864
Cash was applied to:				
Purchase of property, plant and equipment		(162,713)	(520,000)	(440,568)
Reimbursement of Work in Progress		683,031	-	-
Endowment Fund		-	-	-
Net Cash Outflow from Investing Activities		**523,025**	**(490,000)**	**(415,704)**
Cash Flows from Financing Activities				
		5,709	**-**	**-**
Net Cash Inflow from Financing Activities		**5,709**	**-**	**-**
Net Increase/(Decrease) in cash and cash equivalents		**183,515**	**(1,228,000)**	**471,247**
Cash and cash equivalents at the beginning of the period		**1,553,485**	**830,000**	**1,082,238**
Cash and cash equivalents at the end of the period	11	**1,737,000**	**(398,000)**	**1,553,485**

Ngā Whakāmarama Tauākī Pūtea

Notes to the Financial Statements

1. Reporting Entity

The Wellington Museums Trust Incorporated, now trading as Experience Wellington, is a registered charity under the Charities Act 2005 and domiciled in New Zealand. It is a Wellington City Council (Council) Controlled Organisation (CCO) in terms of the Local Government Act 2002.

The financial statements of Experience Wellington include the activities of the following business units: the Wellington Museums Trust; Wellington Museum; City Gallery Wellington; Capital E; Nairn Street Cottage; Cable Car Museum; and Space Place at Carter Observatory.

The main activity of Experience Wellington is to manage and develop cultural institutions and to operate them for the benefit of the residents of Wellington and the public generally.

The financial statements of Experience Wellington are for the year ended 30 June 2021. The financial statements were authorised for issue by the Trustees on 13th August 2021.

2. Basis of Preparation

a. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity Standards. Experience Wellington is a public sector entity and is listed in Schedule 2 of the Public Audit Act 2001. The criteria under which Experience Wellington is eligible to report in accordance with Tier 2 PBE Standards are that it is not publicly accountable and is not large and disclosure concessions have been applied. Certain comparative figures have been represented to correspond with current year's presentation.

b. Basis of Measurement

The financial statements are prepared on the historical cost basis except for donations into the Endowment Fund which is recorded at fair value.

c. Presentation Currency

These financial statements are presented in New Zealand dollars ($).

3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these 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 or service potential 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 & AV equipment	33% SL
— Office and equipment	25% SL
— Motor vehicles	20% SL
— Building Fittings	5%-25% SL
— Exhibitions	10% SL
— Collections & artefacts	Not depreciated

The residual value of assets is reassessed annually.

Collections are artefacts that are of cultural or historical importance. A substantial amount of the 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.

b. Collections and Artefacts (cont.)

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 during the year to 30 June 2021 and have confirmed that the carrying value at 30 June 2021 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

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.

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.

g. Impairment

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.

g. Impairment (cont.)

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

The trading activities of Experience Wellington are supported by grants and sponsorship. 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 fulfilled. Funds that have no such obligation attached, and merely a restriction imposed on the use of the funds, are recognised as revenue when they become available.

ii. Services Provided

Revenue from services rendered is recognised in proportion to the stage of completion of the transaction at the reporting date. Income is recognised 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 amortised to income throughout the period of the exhibition.

iii. Donations

Cash donations from the community are recognised in the Statement of Comprehensive Income at the point at which they are receipted into the Trust's bank account.

iv. Sale of Merchandise

Revenue from the sale of merchandise is recognised 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.

I. 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.

Endowment Fund

The Endowment Fund is categorised as a financial asset designated at fair value through other comprehensive revenue and expense. After initial recognition, the Endowment Fund is measured at fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to the surplus or deficit.

Availability of Future Funding

Experience Wellington is reliant on the Council for a large part of its income and operates under a Funding Deed with the Council. The Funding Deed was for a period of three years and is extended annually for a further year subsequent to the initial 3 year term. Funding from the Council has been approved for the year ended 30 June 2022. In addition, due to the forecast impact of COVID-19 on future visitation and revenue, the Council have provided a Letter of Comfort regarding funding for any shortfall that may arise.

ii. Finance Income and Expenses (cont.)

The Council has agreed to fund $430,494.96 (plus GST) being the current proportion of rental subsidy previously allocated to the Capital E building rental, for use by Experience Wellington for Capital E's interim accommodation.

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 realised 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.

m. Income tax

Experience Wellington is registered as a Charitable Trust 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.

n. 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.

o. Statement of Intent Forecast Financial Statements

Forecast Financial Statements are approved by the Board of Trustees and issued as part of the annual Statement of Intent. The Forecast Financial Statements are prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP), using accounting policies that are consistent with those used in preparing these Financial Statements. The Forecast Financial Statements are not audited. The Forecast for the 2020-21 financial period is included in the Financial Statements.

4. Revenue and Other Operating Income

	Note	2021	2020
Revenue from exchange transactions			
Retail Sales		539,532	936,845
Admissions income		499,228	528,128
Facility hire		317,619	335,292
Sub-lease income		71,813	40,875
Other income		38,951	51,859
		1,467,143	**1,892,999**
Revenue from non-exchange transactions			
Wellington City Council operational grant		7,793,789	7,530,880
Wellington City Council rental grant		1,768,980	1,796,098
Wellington City Council underwrite	18	140,986	259,988
Ministry of Education contracts for service		476,971	219,594
Creative New Zealand contracts for service		997,422	254,766
Other grants, sponsorship & donations		903,799	468,477
Wellington City Council – COVID-19 resiliency grant underwrite		728,004	796,642
		12,809,951	**11,326,445**
Total revenue		**14,277,094**	**13,219,444**

5. Other Operating Expenses

	2021	2020
Cost of sales	434,853	599,746
Exhibitions & programmes	2,820,082	1,696,137
Rent paid	1,870,927	1,871,196
Marketing & promotions	463,906	441,076
Occupancy costs (excluding rent)	592,112	607,003
Other administration expenses	204,689	195,474
Communication costs	105,600	123,821
Trustee fees & expenses	96,000	95,030
Technology costs	226,023	193,254
Professional fees	221,958	61,998
Provision for Bad Debts	(27,203)	28,074
Auditors' remuneration audit fee	38,350	36,100
	7,047,297	**5,948,909**

6. Personnel Expenses

	2021	2020
Wages and salaries	7,238,212	6,823,249
	7,238,212	**6,823,249**

7. Property, Plant and Equipment

	Computer equipment	Office & equipment	Motor vehicles	Building fittings	Work in Progress	Exhibitions	Total
Balance at 30 June 2021							
Cost	967,062	1,504,091	23,730	2,501,087	312,816	1,363,906	6,672,692
Accumulated depreciation	879,379	1,490,504	23,730	2,393,119	-	753,293	5,540,025
Carrying value	**87,683**	**13,587**	**-**	**107,968**	**312,816**	**610,613**	**1,132,667**
Current year depreciation	148,912	16,638	-	143,184	-	137,990	446,724
Balance at 30 June 2020							
Cost	948,288	1,501,591	23,730	2,501,087	874,931	1,363,906	7,213,533
Accumulated depreciation	730,467	1,473,866	23,730	2,249,935	-	615,303	5,093,301
Carrying value	**217,821**	**27,725**	**-**	**251,152**	**874,931**	**748,603**	**2,120,232**
Current year depreciation	187,083	17,864	-	155,124	-	137,991	498,062

The opening Work in progress included both architects and engineering fees relating to the earthquake strengthening of the Museum building, being costs incurred on behalf of Wellington City Council (the Council - a related party). These costs, which were incurred over the last four years, were fully reimbursed before year end. Current work in progress includes $312,816 related to the Wellington Museum new exhibition planned once the building has been earthquake strengthened and upgraded. The Council has allocated $21 million in its Long-Term Plan for this project and construction is expected to start in early 2023.

8. Collections and Artefacts

	2021	2020
Opening balance	2,338,816	2,338,816
Additions	-	-
Disposals	-	-
Closing balance	**2,338,816**	**2,338,816**

9. Intangible Asset

	2021	2020
Cost	283,500	280,940
Accumulated amortisation	247,789	217,186
Carrying value	**35,711**	**63,754**
Current year amortisation	30,603	25,163

10. Trade and Other Receivables

	2021	2020
Accounts receivable	170,189	289,089
Receivables from related parties	541,706	-
Prepayments	48,558	32,585
GST receivable	85,117	175,348
	845,570	**497,022**

11. Cash and Cash Equivalents

	2021	2020
Bank balances	1,737,000	1,342,586
Bank balances	-	210,899
	1,737,000	1,553,485

Equity and Reserves

Reconciliation of Movement in Equity and Reserves

	Capital Reserve	Capital E	Endowment Fund	Nairn Street Cottage Collection	Wellington Museum	Retained earnings	Total equity
Balance at 1 July 2020	2,122,961	44,630	259,528	23,895	117,029	1,877,801	4,445,844
Surplus/(Deficit) for period	-	-	5,709	-		(483,035)	(477,326)
Endowment fund revaluation	-	-	28,088	-		-	28,088
Balance at 30 June 2021	**2,122,961**	**44,630**	**293,325**	**23,895**	**117,029**	**1,394,766**	**3,996,606**
Balance at 1 July 2019	2,122,961	44,630	252,208	23,895	117,029	1,928,876	4,489,599
Surplus/(Deficit) for period	-	-	3,267	-		(51,075)	(47,808)
Endowment fund revaluation	-		4,053	-		-	4,053
Balance at 30 June 2021	**2,122,961**	**44,630**	**259,528**	**23,895**	**117,029**	**1,877,801**	**4,445,844**

Equity and Reserves cont.

Capital Reserve

The Capital Reserve was established on 29 February 1996 on the transfer from the Wellington Maritime Museums Trust of their collection and artefacts, cash and other sundry office equipment of the Wellington Maritime Museum.

Nairn Street Cottage Reserve (formerly the Colonial Cottage Museum) Collection Reserve

During the year ended 30 June 2003, The Colonial Cottage Friends Society wound up the society and donated the remaining funds ($11,948) to the Experience Wellington for the purpose of establishing a collection fund for the Colonial Cottage Museum now known as the Nairn Street Cottage. Experience Wellington agreed to transfer this and a similar amount to the fund.

Wellington Museum (formerly the Museum of Wellington City & Sea) Collection Reserve

During the year ended 30 June 2005 the Trustees decided to place all donations received from the Poneke History Club membership into a collection reserve for future museum acquisitions.

Endowment Fund

In 2019 the Trustees decided to place the proceeds from the Sir Alexander Grant bequest into an endowment fund managed by Nikau Foundation. The future return on this fund is to be used to support programming and the development of museum and art gallery assets managed by Experience Wellington.

Employee Benefits

	2021	2020
Current		
Payroll accruals	209,006	162,647
Liability for holiday pay	**274,134**	**258,105**
	483,140	**420,752**
Non-current	42,778	59,638
Liability for long-service leave	**42,778**	**59,638**
	525,918	**480,390**

12. Trade and Other Payables

	2021	2020
Trade payables	798,300	348,246
Payables to related parties	176,817	126,134
Funds held and Revenue in advance	678,937	1,478,603
ACC premiums	6,307	5,661
GST Payable	-	-
Restructuring Provision	124,000	-
Non-trade payables and accrued expenses	220,808	143,402
	2,005,169	**2,102,046**

Operating Leases

Leases as Lessee

Non-cancellable operating lease rentals are payable as follows:

	2021	2020
Less than one year	1,880,117	1,261,707
Between one and five years	2,241,918	2,480,588
More than five years	-	-
	4,122,035	**3,742,295**

Operating Leases
Leases as Lessee (cont.)

Experience Wellington holds leases on property, office equipment and motor vehicles.

Two of the property leases are for Council owned buildings, Wellington Museum on Queens Wharf, and City Gallery on Civic Square. Under the Funding Deed between Experience Wellington and the Council, rental payable to Council under these leases is covered by a rental subsidy.

Since 1 September 2013 Experience Wellington has leased premises for the operation of Capital E and by agreement with Council, the cost of these leases is covered by the rental subsidy.

Other property leases are held by Experience Wellington for storage of Collections and the operation of the Executive office.

13. Capital Commitments

As at 30 June 2021, there are no capital commitments (2020: $nil), which have not been accounted for.

14. Contingencies

There are no material contingent liabilities at balance date (2020: $nil).

15. Reconciliation of Operating Surplus to Net Cash Flows from Operating Activities

	2021	2020
	(477,326)	(47,808)
Operating Surplus / (Deficit) for the Year		
Adjustments:		
Add Non-Cash Items:	477,328	523,215
Depreciation and amortisation expense		
Movements in Working Capital:		
Decrease/(Increase) in Other Current Assets	(297,709)	129,861
(Decrease)/Increase in Trade Creditors	(34,489)	272,639
(Decrease)/Increase in Accruals and Provisions	(4,607)	37,175
Investing Income	(8,416)	(28,131)
Net Cash Inflow from Operating Activities	**(345,219)**	**886,951**

16. Related parties

i. Identity of related parties

Experience Wellington is not related to the Council by shareholding. It was established by, and is reliant upon, the Council for a large part of its income which indicates sufficient reliance on the Council, by Experience Wellington, for a related party relationship to exist. Additionally, the Council consolidates the financial results of Experience Wellington for its own reporting purposes.

Experience Wellington operates under a Funding Deed with the Council which requires delivery of services in accordance with the provisions of the Trust Deed, the Funding Deed, and the Statement of Intent, agreed with Council on an annual basis.

The Funding Deed was for a period of three years and is extended annually for a further year subsequent to the initial 3-year term. The rental grant is paid back to the Council as rent on properties owned by the Council and occupied by Wellington Museum and City Gallery Wellington.

In the case of Capital E which no longer occupies a Council owned building the rental grant is used to meet Capital E's accommodation costs.

Experience Wellington purchased accounting services during the year totalling $nil (2019: $8,952) from an accounting firm of which a trustee is a partner.

ii. Related party transactions

During the year, Experience Wellington entered related party transactions of the following nature:

	Transaction value year ended		Balance outstanding as at 30 June	
	2021	**2020**	**2021**	**2020**
Receipts				
Wellington City Council - operational grant	7,793,789	7,530,880	-	-
Wellington City Council - rental grant	1,768,980	1,796,098	-	-
Wellington City Council – Covid-19 resiliency grant underwrite	728,004	-	394,129	-
Wellington City Council - underwrite	140,986	-	146,309	-
Wellington City Council - miscellaneous	1,024,272	236,396	1,267	-
Total	**11,456,031**	**9,563,374**	**541,706**	**-**
Payments				
Wellington City Council - rental	1,338,485	1,338,485	128,271	-
Wellington City Council - miscellaneous	254,211	103,991	48,545	126,134
Total	**1,592,696**	**1,442,476**	**176,817**	**126,134**

During the year $5,323 less was received than accrued in relation to the prior financial year (2019-20) underwrite for Space Place.

iii. Remuneration of key management personnel

Executive officers' remuneration is included in "personnel" expenses (see note 6).

	2021	2020
Trustees	96,000	95,030
Executive officers	1,051,214	933,950
	1,147,214	**1,028,980**

17. Space Place at Carter Observatory

Experience Wellington governs manages and controls Space Place at Carter Observatory for Council under a Memorandum of Understanding (MOU) as if it were an institution under the Trust Deed but subject to and with the benefit of the MOU. Under this agreement the Council has agreed to reimburse Experience Wellington for any deficit incurred through the operations of Space Place. Therefore, Experience Wellington has recognised the operations of Space Place in the financial statements.

18. Subsequent Event

There have been no significant events after balance date that have affected the accuracy of these financial statements.

Te Papatohu

Directory

experience Wellington
wellington museums trust

Executive Office
Level 4, 276 Lambton Quay
PO Box 893, Wellington
P: 04 471 0919

Fundraising, Marketing and Communications
Level 8, AMI Plaza, 342 Lambton Quay

experiencewellington.org.nz

Wellington Museum
Te Waka Huia o Ngā Taonga Tuku Iho
The Bond Store, Queens Wharf
PO Box 893, Wellington
P: 04 472 8904
E: museumswellington@experiencewellington.org.nz
museumswellington.org.nz/wellington-museum

Space Place
Te Ara Whānui Ki Te Rangi
Botanic Gardens
PO Box 893, Wellington
P: 04 910 3140
E: spaceplace@experiencewellington.org.nz
museumswellington.org.nz/space-place

Cable Car Museum
1 Upland Road
PO Box 893, Wellington
P: 04 475 3578
E: cablecar@experiencewellington.org.nz
museumswellington.org.nz/cable-car-museum

Nairn Street Cottage
68 Nairn Street
PO Box 893, Wellington
P: 04 384 9122
E: cottage@experiencewellington.org.nz
museumswellington.org.nz/nairn-street-cottage

Plimmer's Ark Galleries
Old Bank Arcade (timbers in situ)

City Gallery Wellington
Te Whare Toi
Te Ngākau Civic Square
101 Wakefield Street
PO Box 893, Wellington
P: 04 913 9032
E: citygallery@experiencewellington.org.nz
citygallery.org.nz

Capital E
Nōku te Ao
4 Queens Wharf
PO Box 893, Wellington
P: 04 913 3740
E: capitale@experiencewellington.org.nz
capitale.org.nz

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
nzcricketmuseum.co.nz
Note: The New Zealand Cricket Museum is currently closed.

Te Pūrongo ā-Tau

Experience Wellington
Annual Report
2020/21

experience Wellington
wellington museums trust

PRINCIPAL FUNDER

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke


sky
STADIUM
Wellington Regional Stadium Trust
Annual Report
2021

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TRUST PARTICULARS

Settlors:	Wellington City Council Greater Wellington Regional Council
Trustees:	Rachel Taulelei (Chair) Tracey Bridges Nicola Crauford Steven Fyfe Glenda Hughes John Shewan (retired 30 June 2021) Sean Rush Stephen Tew
Registered Charity:	CC10754
Web:	www.skystadium.co.nz

sky STADIUM

CHAIR AND CHIEF EXECUTIVE'S REPORT

EXECUTIVE SUMMARY

The past year was a year like no other. The events industry worldwide was ravaged by the impact of the global pandemic. Border closures and alert level changes had a significant impact on the Trust's business. Nonetheless due to the favourable situation in New Zealand relative to the rest of the world, the Stadium was still able to host some great events.

Some highlights of the year:

- Sky Stadium was named 'Best Venue 2019' at the New Zealand Event Awards for hosting Te Matatini ki te Ao and Eminem the prior year.
- A memorable drawn Bledisloe Cup match, the first international rugby match played anywhere in the world since the pandemic started.
- Hosting the SIX60 concert, our first concert headlined by a New Zealand artist, in front of almost 32,000 adoring fans.
- Welcoming the Phoenix back, in front of a record crowd, for their only Wellington game of the 2020/21 A-League season.
- A bumper year of Super Rugby with nine games in Wellington over two seasons of Super Rugby Aotearoa as well as Super Rugby Trans-Tasman.
- The completion of the next stage of the concourse upgrade and the launch of our Heritage Walk.
- The launch of Live Sky Sport Match Commentary via the Sky Stadium app.

The year was overshadowed by Covid-19, which continues to have a significant impact on the sports and events industry. Straddling at least three financial years, the pandemic has seen crowds reduce to half of their long-term averages, the effects of which weigh heavily on the 2021 financial year and will do so into the next year.

During the year, the Stadium was unable to host many events including the entire Phoenix season, the All Blacks v Wales test match, as well as a number of concerts that had been pencilled for the summer of 2020-21. The Stadium hosted several closed-door events due to alert level changes including the North v South game, Manu Samoa v Māori All Blacks and two out of three Blackscaps v Australia & White Ferns v England T20 international games. The third game was hosted with a crowd, but only with two days' notice.

Ongoing restrictions on mass gatherings and restrictions on international borders will curtail the Trust's business for the foreseeable future. Alert Level 1 currently allows unrestricted mass gatherings however a Trans-Tasman bubble is required to host A-League, Super Rugby and NRL. Open international borders are required to host concerts, international rugby and cricket.

Despite the challenges, the Stadium was able to host some memorable events including the first rugby test match and first stadium concert of scale anywhere in the world since the pandemic began. And who will forget that memorable afternoon when the Wellington Phoenix returned for their only home game of the season in front of their largest ever regular season home crowd.

We continued to make good progress on some major capital works including the completion of the second stage of the concourse upgrade as well as seismic strengthening of the Fran Wilde Walk.

Thanks to the Board of Trustees for their ongoing support and guidance and to the staff whose hard work and commitment contributes directly to the success of the Stadium. A special mention must again be made of our hirers who choose Sky Stadium to host their events and to the fans and attendees who make these events so special.

EVENTS

Sky Stadium is first and foremost a venue that exists to provide a facility for a range of events to take place.

The emergence of Covid-19 has introduced a much greater level of uncertainty into the Stadium's operating environment which will continue for the foreseeable future. Our ability to host revenue-generating events is dependent on open borders and no restrictions on public gatherings.

Overall, Sky Stadium was fortunate enough to maintain a good run of events in the 12 months to 30 June 2021, hosting 39 event days with attendance of 290,529. This is an improvement on the prior 12-month period (28 event days, 236,354 attendance) but well down on pre-Covid-19 attendance averages of over 500,000 per year.

It was a busy year for rugby, with 16 event days across the year. July and August 2020 had three well-attended Hurricanes games in the newly launched Super Rugby Aotearoa competition. Between September and November, we hosted the Wellington Lions as they played four home games in the Mitre 10 Cup Rugby competition. In September we were able to assist New Zealand Rugby by hosting the North v South match, behind closed doors, after it had to be relocated from Auckland at short notice due to Covid-19 alert level changes.

In October we were delighted to host the All Blacks as they took on Australia for a Sunday afternoon rugby test match that resulted in a 16-16 draw. With a relatively short sales window, and the game occurring on the last day of the school holidays, this match wasn't quite a sell out but those in attendance were appreciative of being able to attend an international rugby test match when many around the world could not.

The start of 2021 and the ongoing impacts of Covid-19 brought with it another version of Super Rugby Aotearoa and we hosted the Hurricanes for four matches, followed by two games in the Super Rugby Trans-Tasman competition. Finally, we also hosted Manu Samoa v the Māori All Blacks but unfortunately this game had to take place behind closed doors.

Hurricanes 2020		
v Highlanders	Win	17-11
v Blues	Win	29-27
v Chiefs	Win	31-18
Wellington Lions 2020		
v Bay of Plenty	Win	32-10
v Otago	Loss	34-35
v North Harbour	Win	25-20
v Manawatu	Win	31-5
All Blacks		
v Australia	Draw	16-16

Hurricanes 2021		
v Blues	Loss	16-31
v Chiefs	Loss	29-35
v Crusaders	Loss	27-30
v Highlanders	Win	41-22
v Rebels	Win	35-13
v Reds	Win	43-14

A particular highlight of 2021 was the SIX60 concert, held on a beautiful Wellington evening in February (and very fortunately one day prior to an alert level change), with over 31,500 in attendance. At the time, it was one of the largest concerts taking place in the world. This event also saw the launch of bilingual messaging on entry to the Stadium, developed with the assistance of WellingtonNZ and Te Taura Whiri i te Reo Māori (the Māori Language Commission).

In early March we were on track for a great crowd to attend a double header of T20s between the White Ferns and England and the Blackcaps and Australia. A few days ahead of that game, Auckland moved to alert level 3 and the rest of the country moved to alert level 2 so that game had to be played behind closed doors. We were able to assist New Zealand Cricket by hosting two additional match days with the same teams playing as games were rescheduled from elsewhere in the country. By the following Sunday, crowds were able to attend but with all the changes a much smaller crowd attended than would otherwise have. New Zealand Cricket were very appreciative of the work of the Trust in facilitating these additional games.

May saw the very welcome return of the Phoenix who were able to play one of their 20-21 season games here to a bumper crowd of over 20,000. Thankfully, the weather came to the party, for a late afternoon game that gave the Phoenix a 3-0 win.

It was a busy period for our exhibition providers with 18 exhibition days in total. The latter half of 2020 saw four shows take place, all of which had rescheduled from earlier in 2020. In 2021 they were able to resume their usual timings. Attendance across these shows was strong and the variety of exhibitions hosted continue to provide opportunities for a wide range of people to attend shows at the Stadium.

Once again, the annual Wellington Marathon was affected by Covid-19 restrictions. The Stadium has continued to be used on multiple occasions for training exercises run by organisations such as the Police, Customs, Fire and Emergency, Corrections and Defence. The carpark was again made available to Sport Wellington for Round the Bays parking.

Sky Stadium was named 'Best Venue 2019' at the NZEA New Zealand Event Awards for hosting Te Matatini ki te Ao and Eminem on back-to-back weekends in 2019. These Awards acknowledge the success of sports, arts and culture, community, corporate social responsibility and business events, individuals, venues, sponsors and suppliers.

The year ended with the retirement of John Shewan after nine years as Chair and saw Rachel Taulelei step into the role.

FINANCIAL PERFORMANCE

The financial result for the year to 30 June 2021 is a net surplus of $1.42 million compared to a budgeted deficit of $0.86 million.

This result includes $2.96 million of grant monies received from the Wellington City Council toward the concourse upgrade. The total grant of $5.0 million has now been received in full.

Excluding the grant income, the result is a net loss of $1.54 million compared to a budgeted loss of $3.67m. Most of this variance is attributable to the careful management of overhead expenditure, given the ongoing uncertainties created by Covid-19.

Net returns from events were better than budget by $0.57m - in part due to changes in the event calendar. In total we had budgeted for 42 events days (excluding community events) and achieved 39 event days. The budget had assumed that the Phoenix would be able to play some of their 20-21 season in New Zealand, but only one game was possible. However, some additional cricket and rugby events took place, as well as the concert which was not in the original budget.

During the year the Trust made the first drawdown against the credit facility being jointly provided by its settlors (Wellington City Council and Greater Wellington Regional Council), for a combined total of $1.8 million. The Trust notes its appreciation for this facility being made available by the settlors and will be making further drawdowns against this facility in the coming year.

STADIUM IMPROVEMENTS

During the year the major phase of the concourse improvement project was completed. This project has included:

- The enhancement and renovation of the food and beverage outlets.
- The use of design features to split the concourse into different zones, and enhancing the overall concourse look and feel to make it more welcoming with new lighting, signage and colour.
- Making the space more suitable for exhibition clients.

Part of this work included the development of a Heritage Walk between Aisles 17 and 20 which displays some of the key moments and stars from the Stadium's first 20 years.

We have had very positive feedback on these changes and thank the Wellington City Council for their funding contribution to this work.

The last major element of the current project is to refurbish the floor covering on the concourse; however this won't be done until design work for the seismic resilience improvements have been finalised.

Other major capital expenditure work during the year was the continuation of the project to install corbels into the carpark and Fran Wilde walkway to improve its resilience. This work is now expected to be completed by the end of 2021.

BASIN RESERVE

The Trust's turf team also provides turf management services to the Basin Reserve Trust. It was another busy year at the Basin Reserve. Events included a test match between the Blackcaps and the West Indies and an ODI between the Blackcaps and Bangladesh. A number of Super Smash games for the Wellington Firebirds and Wellington Blaze were held. Both teams made their finals, held at the Basin, and the Firebirds won the men's Super Smash competition for the second year in a row.

The ground played host to the following:

	Days
Cricket match days	51
Cricket practice days	104
Junior Sports (Rugby/Football)	16
Other Events	2
Total	**173**

MEMBERSHIPS AND CORPORATE BOXES

We are particularly grateful for the ongoing support of our Stadium members, and corporate box holders, especially in the current environment. Some of these members and box holders have been with the Stadium since it opened in 2000. We are pleased to have been able to deliver a relatively strong programme of events over the year, notwithstanding the challenges posed by Covid-19.

NAMING RIGHTS SPONSOR

We continue to work with our naming rights partner, Sky, on bringing enhancements to the event experience for fans in the venue. In April, we launched an upgrade to the Sky Stadium app in partnership with Sky which allows fans to listen to the live Sky Sport Commentary on their phones in real time and at no cost from their seat using the mobile app and the free Sky Stadium WiFi.

ACKNOWLEDGEMENTS

Sky Stadium is proud of its position as an iconic venue for the Wellington region. The diverse range of events that we provide each year is possible thanks to the support of our key stakeholders, the Wellington City Council and Greater Wellington Regional Council, as well as WellingtonNZ.

We thank both councils for their support of the Stadium and the inclusion of financial support in their respective Long Term Plans for seismic improvements to the main stadium building.

We achieve such a diverse and successful calendar of events only with the support of our hirers. We are most appreciative and thank the following for working with us over the last year:

Hurricanes Rugby
Wellington Rugby Union
New Zealand Rugby
Armageddon
Jade Promotions
Xpo Exhibitions

Cricket Wellington
New Zealand Cricket
Wellington Phoenix Football Club
Wellington Culinary Events Trust
Eccles Entertainment

Thank you again to our dedicated staff, who worked tirelessly over the year to deliver great events for Wellington.

The team is supported by a number of key suppliers and contractors all of whom go above and beyond in their provisions, often with short notice. We thank you all for your professionalism and support.

We pay tribute to John Shewan who retired from the Board on 30 June 2021 after nine years of tireless service as Board Chair. The Board and staff will miss your invaluable insights and calm stewardship and thank you for your wide-ranging contributions over the past nine years.

We also welcomed Steve Tew onto the Board part way through the year.

Finally, we offer our sincere thanks to the fans who support all of our events throughout the year. We hope that you have enjoyed your various experiences here at Sky Stadium over the past twelve months and we look forward to welcoming you back again soon.

Rachel Taulelei
Chair

Shane Harmon
Chief Executive

sky STADIUM

EVENTS HELD DURING THE YEAR		
Date	Event	Attendance
12-Jul-20	Super Rugby: Hurricanes v Highlanders	14,728
18-Jul-20	Super Rugby: Hurricanes v Blues	18,517
1-2 Aug-20	Exhibition: Armageddon	12,423
8-Aug-20	Super Rugby: Hurricanes v Chiefs	20,317
5-Sep-20	Rugby: North v South*	-
25-Sep-20	Mitre 10 Cup Rugby: Wellington Lions v Bay of Plenty	2,262
2-4 Oct 20	Exhibition: Home & Garden Show	10,659
10-Oct-20	Mitre 10 Cup Rugby: Wellington Lions v Otago	1,947
11-Oct-20	Rugby Test: All Blacks v Australia	28,774
17-Oct-20	Mitre 10 Cup Rugby: Wellington Lions v North Harbour	1,428
30-Oct - 1 Nov 20	Exhibition: Food Show	10,644
14-Nov-20	Mitre 10 Cup Rugby: Wellington Lions v Manawatu	1,509
20-21 Nov	Exhibition: Beervana	11,001
13-Feb-21	Concert: SIX60	31,548
27-Feb-21	Super Rugby: Hurricanes v Blues	11,655
3-Mar-21	Cricket T/20: White Ferns v England* Cricket T/20: Blackcaps v Australia*	-
5-Mar-21	Cricket T/20: White Ferns v England* Cricket T/20: Blackcaps v Australia*	-
7-Mar-21	Cricket T/20: Blackcaps v Australia Cricket T/20: White Ferns v England	6,267
20-Mar-21	Super Rugby: Hurricanes v Chiefs	9,193
11-Apr-21	Super Rugby: Hurricanes v Crusaders	13,670
17-18 Apr 21	Exhibition: Armageddon	13,927
30-Apr-21	Super Rugby: Hurricanes v Highlanders	12,678
14-16 May 21	Exhibition: Better Home & Living Show	6,351
21-May-21	Super Rugby: Hurricanes v Rebels	7,629
22-May-21	A League: Phoenix v Western United FC	20,937
28-30 May 21	Exhibition: Food Show	12,729
11-Jun-21	Super Rugby: Hurricanes v Reds	9,736
26-Jun-21	Rugby Test: Manu Samoa v Māori All Blacks*	-
	Total Attendance *Event held with no crowd due to Covid-19 restrictions	**290,529**

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Wellington Regional Stadium Trust (Incorporated)
Statement of Comprehensive Revenue & Expense
For the Year Ended 30 June 2021

	Notes	2021 $000	2020 $000
Revenues			
Event Revenues		4,645	3,987
Corporate Box, Membership & Sponsorship Revenues		4,001	4,292
Sundry income	1	5,993	2,983
Total Revenue		14,639	11,262
Less Operating Expenses	2	9,166	8,952
Operating Surplus before Depreciation & Finance costs		**5,473**	**2,310**
Less:			
Depreciation	8	3,960	4,206
Finance costs	3	98	175
Total comprehensive revenue & expense		**1,415**	**(2,071)**

Wellington Regional Stadium Trust (Incorporated)
Statement of Changes in Trust Funds & Limited Recourse Loans
For the Year Ended 30 June 2021

	Notes	2021 $000	2020 $000
Balance at 1 July		89,158	91,229
Total comprehensive revenue & expense for the year		1,415	(2,071)
Balance at 30 June		**90,573**	**89,158**

The accompanying accounting policies and notes form part of these financial statements

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Wellington Regional Stadium Trust (Incorporated)
Statement of Financial Position
As at 30 June 2021

	Notes	2021 $000	2020 $000
TRUST FUNDS			
Accumulated Surplus		50,178	48,763
Limited Recourse Loans			
Greater Wellington Regional Council	4	25,000	25,000
Wellington City Council	4	15,395	15,395
Total Trust Funds & Limited Recourse Loans		90,573	89,158
NON-CURRENT LIABILITIES			
Revenue in Advance		135	53
Borrowings	5	4,300	2,500
Total Non-Current Liabilities		4,435	2,553
CURRENT LIABILITIES			
Revenue in Advance	6	2,515	2,816
Payables	7	1,158	1,505
Total Current Liabilities		3,673	4,321
TOTAL FUNDING		98,681	96,032
Represented by:			
NON-CURRENT ASSETS			
Property Plant & Equipment	8	93,012	93,078
Total Non-Current Assets		93,012	93,078
CURRENT ASSETS			
Cash		4,138	1,360
Receivables & Prepayments	10	1,531	1,594
Total Current Assets		5,669	2,954
TOTAL ASSETS		98,681	96,032

On behalf of the Trustees:

Trustee

Trustee

Date: 30 September 2021

The accompanying accounting policies and notes form part of these financial statements

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Wellington Regional Stadium Trust (Incorporated)
Statement of Cash Flows
For the Year Ended 30 June 2021

	Note	2021 $000	2020 $000
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES			
Cash was provided from:			
Event and operating income		4,606	4,269
Corporate box, membership and sponsorship income		4,053	4,160
Goods and services tax	16	140	-
Sundry income		2,821	2,680
		11,620	11,109
Cash was applied to:			
Payments to suppliers and employees		(9,330)	(9,172)
Interest paid		(163)	(165)
Goods and services tax	16	-	(88)
		(9,493)	(9,425)
Net cash inflow from operating activities		2,127	1,684
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES			
Cash was provided from:			
Grant income		2,957	373
Disposal of property, plant & equipment		1	-
		2,958	373
Cash was applied to:			
Purchase of property, plant & equipment		(4,107)	(3,553)
Net cash (outflow) from investing activities		(1,149)	(3,180)
CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES			
Cash was provided from:			
Council loan drawdown		1,800	-
Net cash inflow (outflow) from financing activities		1,800	-
NET INCREASE/(DECREASE) IN CASH HELD		2,778	(1,497)
Cash at beginning of the period		1,360	2,856
CASH AT END OF THE PERIOD		4,138	1,360

The accompanying accounting policies and notes form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. SUNDRY INCOME

	Note	2021	2020
		$000	$000
Carpark income		1,949	1,602
Tenancy income		373	330
Grant income	12	2,957	373
Interest income		1	2
Other sundry income		713	676
Total sundry income		5,993	2,983

The Grant income has been received from the Wellington City Council as a contribution to the concourse upgrade project. A total of $5 million has been received since 2017 and this grant is now fully paid.

In the prior financial year, the Trust applied for and received $248,379 in wage subsidies as part of the Ministry of Social Development's Covid-19 Wage Subsidy and Extension Scheme. This has been recorded as Other Sundry Income of $70,296 (2021) and $178,083 (2020).

2. OPERATING EXPENSES

	Note	2021	2020
		$000	$000
Event operating expenses		2,644	2,677
Maintenance and facility operation		2,332	2,074
Insurance		1,616	1,554
Personnel *	12	2,049	2,116
Loss on disposal of assets		-	15
Audit Fee - annual audit		34	34
Rental expense on operating leases		3	4
Doubtful debt expense		-	4
Other operating expenses		488	474
Total operating expenses		9,166	8,952

*Personnel expense includes Kiwisaver employer contributions of $56,116 (2020: $58,147)

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3. FINANCE COSTS

	2021	2020
	$000	$000
Interest and line fee on bank loan	161	162
Interest rate swaps - fair value adjustment	(65)	9
Other financing charges	2	4
Total finance costs	98	175

4. LIMITED RECOURSE LOANS

The development of the stadium was partially funded by the Wellington City Council ($15 million) and the Greater Wellington Regional Council ($25 million). The funding was by way of unsecured limited recourse loans. No interest has been charged on these loans by the Councils.

The Wellington City Council loan includes an amount for accrued interest (face value $394,893) which arose under a membership underwrite agreement. The interest component is not payable until both of the original Council limited recourse loans have been repaid. The underwrite was fully repaid in a previous financial year and no further interest will accrue.

The Trust is required to pay surplus funds to the Wellington City Council and the Greater Wellington Regional Council in reduction of their loans after meeting costs, liabilities, and debt reductions and after allowing for the appropriate capital expenditure and transfers to reserves. No surplus funds are available for repayment in the current year (2020: Nil).

To maintain the Stadium asset to a suitable standard will require ongoing investment in the asset. This will be funded either from accumulated earnings or borrowings. The Trust's view is that it will need to maintain a level of borrowing for the foreseeable future. Until the bank loan is extinguished, the Trust is not required to make any repayments of the limited-recourse loans.

5. BORROWINGS

	2021	2020
	$000	$000
Westpac New Zealand Ltd	2,500	2,500
Greater Wellington Regional Council	900	-
Wellington City Council	900	-
Total borrowings	4,300	2,500

The Westpac borrowing is secured by a Composite General Security Agreement and a registered first mortgage over the Stadium property. The current drawdown of $2.5 million is subject to an interest rate swap that expires in October 2021 and fixes the interest rate at 4.67% (2020: 4.67%)

At balance date the Westpac loan limit is $10 million, and therefore $7.5 million remains available for drawdown if required. The facility expires on 30 June 2023 and is expected to be extended prior to that date.

Since 30 June 2020, the two settlors of the Trust have jointly provided the Trust with a credit facility of up to $4.2 million (combined) to assist the Trust in managing the impact of Covid-19 on its operations. The term of the facility is 10 years, with an annual interest rate of 3% that applies from December 2022 (No interest is payable for the first two years after the initial drawdown). At balance date, $900,000 has been drawn down from each settlor. No repayment is due until December 2030.

6. REVENUE IN ADVANCE (CURRENT)

This balance represents the portion of funds received from corporate box holders, stadium members and signage and sponsorship agreements that will be recognised as revenue in the next 12 months, as the services deliverable under the contracts are delivered to those clients.

7. PAYABLES

	Note	2021	2020
		$000	$000
Trade payables		710	744
Accrued expenses		249	554
Employee entitlements		168	111
Fair value of interest rate swaps		31	96
		1,158	1,505

8. PROPERTY PLANT & EQUIPMENT

	1-Jul-19		30-Jun-20	Additions	Disposals & impairment		30-Jun-21
	$000		$000	$000	$000		$000
Cost							
Land	4,225		4,225	-	-		4,225
Pitch	3,397		3,397	-	-		3,397
Stadium Buildings	90,326		91,633	793	-		92,426
Fitout	17,289		18,030	2,976			21,006
Replay Screen & Production equipment	3,754		3,782	2	(8)		3,776
Fittings	1,781		1,788	375	(18)		2,145
Plant, machinery & equipment	31,690		32,017	960	(42)		32,935
Work in progress	822		1,650	-	(1,212)	*	438
	153,284		156,522	5,106	(1,280)		160,348

Depreciation	1-Jul-19	Charge for year	30-Jun-20	Charge for year	Disposals		30-Jun-21
Land	-	-	-	-	-		-
Pitch	(785)	(230)	(1,015)	(229)	-		(1,244)
Stadium Buildings	(29,908)	(1,799)	(31,692)	(1,519)	-		(33,211)
Fitout	(9,193)	(488)	(9,373)	(615)	-		(9,988)
Replay Screen & Production equipment	(3,090)	(189)	(3,273)	(194)	8		(3,459)
Fittings	(1,529)	(56)	(1,581)	(55)	18		(1,618)
Plant, machinery & equipment	(15,194)	(1,444)	(16,510)	(1,348)	42		(17,816)
Work in progress	-		-				-
	(59,699)	(4,206)	(63,444)	(3,960)	68		(67,336)

Carrying value	1-Jul-19		30-Jun-20				30-Jun-21
Land	4,225		4,225				4,225
Pitch	2,612		2,382				2,153
Stadium Buildings	60,418		59,941				59,215
Fitout	8,096		8,657				11,018
Replay Screen & Production equipment	664		509				317
Fittings	252		207				527
Plant, machinery & equipment	16,496		15,507				15,119
Work in progress	822		1,650				438
	93,585		93,078				93,012

*The disposals column of Work in Progress shows the net transfer into Additions from this category over the year.

There is no evidence of impairment in the carrying amount of any Property Plant and Equipment at balance date.

For details of the security held by Westpac over the stadium land and buildings refer to Note 5.

9. INSURANCE

The Trust has insurance cover for the Stadium asset with a combined maximum policy limit 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.

10. RECEIVABLES

	2021	2020
	$000	$000
Trade receivables	717	815
Prepayments	814	783
Less provision for doubtful debts	-	(4)
	1,531	1,594

11. FINANCIAL INSTRUMENTS RISK

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Trust uses interest rate swaps to manage the interest rate risk on its borrowings. The interest rates on the Trust's borrowings are disclosed in Note 5. The interest rate swaps are recorded at fair value and classified as held for trading.

Credit risk
Financial instruments which potentially expose the Trust to credit risk consist of bank deposits, short term investments, accounts receivable and interest rate swaps. The Trust invests with high credit quality financial institutions. Accordingly, the Trust does not require any collateral or security to support financial instruments with organisations it deals with. There is no concentration of credit risk with respect to accounts receivable.

Currency Risk
The Trust has no exposure to currency risk.

12. RELATED PARTY TRANSACTIONS

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 the settlors of the Trust, the governing body and key management personnel.

Related party disclosures have not been made for transactions with related parties that are within normal supplier relationships on terms and conditions no more or less favourable than those it is reasonable to expect the Trust would have adopted in dealing with the party at arm's length in the same circumstances.

Settlors of the Trust

Wellington City Council

Councillor Sean Rush has been the Wellington City Council's representative on the Board of Trustees since November 2019. Trustee Fees for the Council representative are paid directly to the Council.

Details of the Advance from the Wellington City Council are given in Note 4 and details of the loan made available for Covid-19 support are given in Note 5.

The Basin Reserve Trust is a Council Controlled Organisation of the Wellington City Council. During the year the Trust received income from the provision of turf management services to the Basin Reserve Trust, of $358,695 (2020: $339,113). The receivables balance outstanding is $125,435 (2020: $67,830).

During the year the Trust also received grant income of $2,957,281 (2020: $372,719) from the Wellington City Council as detailed in Note 1.

Greater Wellington Regional Council

Councillor Glenda Hughes has been the Greater Wellington Regional Council's representative on the Board of Trustees since November 2019. Trustee Fees for the Council representative are paid directly to the Council.

Details of the Advance from the Greater Wellington Regional Council are given in Note 4 and details of the loan made available for Covid-19 support are given in Note 5.

Key management personnel compensation	2021	2020
	$000's	$000's
Board members		
Trustee Fees	157	81
Full time equivalents based on number of Trustees	8	8
Management team		
Remuneration	995	1,026
Full time equivalent members	5	6

During the prior financial year, the Trustees waived payment of their Trustee Fees for a period of six months, in light of the disruptions caused by the Covid-19 pandemic.

13. COMMITMENTS

The following amounts have been committed to by the Trust, but not recognised in the financial statements:

	2021	2020
	$000	$000
Operating leases		
Non cancellable operating lease commitments		
Within one year	3	3
Between one and five years	1	4
More than five years	-	-
	4	7
Capital expenditure		
Amounts committed to capital expenditure	511	3,457

14. CONTINGENCIES

The Trust has no contingent liabilities at 30 June 2021 (2020: Nil).

15. EVENTS AFTER BALANCE DATE

On 23 July 2021, the New Zealand Government announced the closure of the Trans-Tasman bubble for quarantine free travel between New Zealand and Australia, for an initial period of 8 weeks. As a result of this closure, New Zealand Rugby reallocated the two international rugby test matches that had been scheduled to take place at Sky Stadium in August and September 2021 to other venues.

Since 17 August 2021, New Zealand has been subject to varying levels of Covid-19 Alert Level restrictions which has resulted in the rescheduling of some events and may impact whether they are subsequently held with crowds in attendance.

The estimated reduction in operating surplus from these disruptions to the Trust's business at the date of issue of these financial statements is $1.0 million.

There were no events subsequent to balance date that require adjustment of amounts in the financial statements or additional disclosures.

16. GOODS & SERVICES TAX IN CASH FLOW STATEMENT

In the Statement of Cash Flows, the GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

17. IMPACT OF COVID 19 AND GOING CONCERN ASSESSMENT

The Covid-19 pandemic has impacted the revenues of the Trust in the year ended 30 June 2021 through the restrictions on mass gatherings and the constraints on New Zealand's borders. Uncertainty currently exists over how long these conditions will persist.

If these conditions continue Trust revenues will be impacted directly through loss of event revenues and potentially flow-on impacts from reduced memberships, sponsorship and marketing revenues. As the worldwide rollout of vaccine programmes continues, it is expected that the impact of these restrictions will reduce.

Financial forecasts have been prepared which incorporate the Trustees' and management's current view of the recovery time frame. Based on what is known today the forecasts show that the Trust can return to positive operating surpluses, before the deduction of depreciation. A significant judgement has been made that the event calendar will return to levels similar to pre Covid-19 levels within the next two years, as the vaccination rate increases in New Zealand.

Should the Covid-19 conditions persist other scenarios have been considered including careful management of operating and capital expenditure, the exploration of alternative uses of the Stadium assets and the continued financial support of the Settlors and bank loan facilities referred to in Note 5. Therefore, the Trustees are satisfied that the going concern basis remains valid for the preparation of these financial statements.

18. 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.

The financial statements of the Trust are for the year ended 30 June 2021. The financial statements were authorised for issue by the Trustees on 30 September 2021.

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. The impact of Covid-19 on the going concern assessment is discussed in Note 17.

Revenue

Revenue is recognised 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 recognised 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 recognised 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 three 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 in the year ended 30 June 2021.

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the readers of the Wellington Regional Stadium Trust's financial statements for the year ended 30 June 2021

The Auditor-General is the auditor of the Wellington Regional Stadium Trust (the Trust). The Auditor-General has appointed me, Matthew Geddes, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of the Trust on his behalf.

Opinion

We have audited the financial statements of the Trust on pages 9 to 24, that comprise the statement of financial position as at 30 June 2021, the statement of comprehensive revenue and expense, statement of changes in trust funds and limited recourse loans, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information.

In our opinion, the financial statements of the Trust on pages 9 to 24:

- present fairly, in all material respects:
  - its financial position as at 30 June 2021; and
  - its financial performance and cash flows for the year then ended; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards Reduced Disclosure Regime.

Our audit was completed on 30 September 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the ongoing impact of Covid-19 on the Trust. In addition, we outline the responsibilities of the Trustees and our responsibilities relating to the financial statements, we comment on other information, and we explain our independence.

Emphasis of matter – Ongoing impact of Covid-19

Without modifying our opinion, we draw attention to the disclosures about the significant ongoing impact of Covid-19 on the Trust as set out in notes 1, 5, 12, 15 and 17 to the financial statements. Note 17 outlines the significant judgements made when forecasting revenue, and why the Trustees are satisfied that the going concern basis of preparation remains valid despite uncertainties over how long Covid-19 conditions will persist.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Trustees for the financial statements

The Trustees are responsible on behalf of the Trust for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Trustees are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible on behalf of the Trust for assessing the Trust's ability to continue as a going concern. The Trustees are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees intend to wind-up the Trust or to cease operations, or have no realistic alternative but to do so.

The Trustees' responsibilities arise from clause 15 of the Trust Deed of the Trust.

Responsibilities of the auditor for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of these financial statements.

We did not evaluate the security and controls over the electronic publication of the financial statements.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.

- We conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Trustees are responsible for the other information. The other information comprises the information included on pages 2 to 8, but does not include the financial statements, and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be

materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Trust in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Trust.

Matthew Geddes

Matthew Geddes
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand



WELLINGTON ZOO

ANNUAL REPORT

2020 / 2021

WELLINGTON Zoo



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Highlights



Whānau

Our Role

Achieved Toitū carbonzero certification for **eighth year running**

Expanded Zoo electric vehicle fleet from **two to four**

Extended charity partnerships to include the **Wellington City Mission and ChangeMakers Resettlement Forum** to allow more locals to enjoy the Zoo



Tinana

Our Animals

Welcomed four **Ring-tailed female Lemurs** from Hamilton Zoo

The birth of a critically endangered **male Cotton-top Tamarin;** named Germàn by Proyecto Titi, our conservation partner

The team in The Nest Te Kōhanga **treated 456 native animals**



Hinengaro

Our Purpose

Launched Conservation Strategy Me tiaki, kia ora! in September

Continued to support the work of **13 conservation partner organisations** in the field

Contributed $550,547 directly to field conservation through advocacy, research, donations and staff time and expertise



Wairua

Our Community

Hosted a record number of **1,343 guests** to our annual adults-only Valentine's Night

Launched **Safe Cat Safe Wildlife** to build a community of cat owners who have the tools to keep cats safe and enriched at home, helping wildlife

Developed first ever **Behind the Scenes Experiences** at Wellington Zoo – Minibeasts, Sun Bear and Zoo Keeper for a Day



Oranga

A Healthy Organisation

Awarded the **Qualmark Gold** Sustainable Tourism Business Award, which we have achieved every year since joining in 2009

New Health and Safety incident reporting system **IHI** went live, enabling streamlined tracking and reporting

New staff initiative called **Open Ideas Week** provided formal avenue for staff to submit new ideas, solutions and opportunities for the organisation

Developed and launched a cultural competency project, **Kanohi Kitea**, to involve all staff in the Zoo's journey towards incorporating te ao Māori

Trust Chair report

Wellington Zoo has reacted to COVID-19 impacts through our strategy to respond, rebuild and regenerate. We are fortunate that we were sheltered from the devastating impacts felt in other parts of the world. The support of Wellington City Council and central government (via the Wage Subsidy, the Strategic Tourism Assets Protection Programme and the Wildlife Institutions Relief Fund) has helped us weather the COVID-19 storm and continue to do our mahi to save wildlife and wild places. We thank the Zoo and Aquarium Association Australasia for their advocacy and support of members through this period.

We are a robust and nimble organisation with a passionate and committed team – and we have aligned our decisions to our strategic directions of Oranga, Wairua, Hinengaro, Tinana and Whānau. We have welcomed our community with open arms and aroha in line with our organisational value of Manākitanga.

We have continued to support our conservation partners – many of whom have been greatly affected by COVID-19 funding impacts. We have increased our sustainability outcomes by adding more electric vehicles to our fleet and receiving Toitū carbonzero certification for the eighth year running. Our future focussed Conservation Strategy was launched this year

Our professional team have continued to add to the body of conservation research and the publication of this research continues to be an important outcome for our organisation, so that we live our value of being a Voice to be Heard.

Our construction work has continued to renew the Zoo as a progressive zoo with the delivery of projects like the Ring-tailed Lemur habitat (a new species for our Zoo), Te Hononga Tuatara management facility, Te Piringa Iti, the Pygmy Marmoset habitat rebuild and the Giraffe House refurbishment. The Snow Leopard project is on track for opening in 2022 and the design is exciting, engaging and linked closely to our conservation connections for this species.

I would like to express my thanks for the dedication of our Trustees in embracing the work of the Zoo. I would also like to thank our passionate Zoo team for their continued response to the COVID-19 crisis and to the mahi of protecting our planet so all life can thrive. Our kaupapa of Me tiaki, kia ora! is more important than ever.

We look forward to an exciting year ahead as we continue to rebuild and regenerate with new ideas, clear strategy and support from our community.

Me tiaki, kia ora!

Craig Ellison
Chair



Chief Executive report



Wellington Zoo has risen to the challenges of the past year by taking opportunities for growth and continued success. We are proud that we have met or exceeded 16 of the 21 pre-covid strategic measures and 20 of the COVID-adjusted strategic measures for 2020-21.

We appreciate how important our community support is for our success. Without our partners, volunteers, funders, supporters our mahi to save wildlife and wild places could not be done. This year we added two new charities to the organisations we support. We welcomed Wellington City Mission and ChangeMakers Resettlement Forum to our whānau. Three new experiences were added to our suite of engaging opportunities- Minibeasts, Sunbear Behind the Scenes and Keeper for a Day. These experiences are opportunities for our community to glimpse into the world of a progressive Zoo, experience up close and personal connections with our animals and our team and be inspired to act for wildlife and wild places.

We welcomed new animals to Wellington Zoo such as the four female Ring-tailed Lemurs, a colony of Bees and a male Spider Monkey. We welcomed animals born at Wellington Zoo this year such as four Squirrel Monkeys, a Cotton-top Tamarin, and three Nyala. To some animals we said farewell such as four Nyala who moved to Orana Wildlife Park. We were very saddened by the deaths of Djane and Zahra our Lionesses who lived to a ripe old age with us. The loss of the three Kiwi – Tahi, Jack White and Fizzy - was devastating for us all and we are still investigating the cause of this significant conservation medicine case.

We have utilised technology to improve our reporting and operations. Notably IHI, our new Health and Safety reporting system and Zoo Monitor which assesses our animal behaviour to inform welfare outcomes. Systems like these add to our information and create better and more timely information flow.

Our people are our cornerstone for success and this year we implemented the Keeper Development Programme which creates career paths for our Zookeepers which are the largest group of employees at the Zoo. An initiative called Open Ideas Week was implemented stemming from our last Ask Your Team 'Your Say Our Future' survey. Open Ideas Week generated over 50 ideas from our people which can improve how we work at Wellington Zoo. We also started Kanohi Kitea, a cultural competency programme for all our staff which is delivered in partnership with Taranaki Whānui ki Te Upoku o Te Ika. We aim to be a bicultural organisation and this programme is the first step in our strategy to integrate Te Ao Māori at Wellington Zoo.

We thank everyone who has supported Wellington Zoo in 2020-21 - we can't do our important mahi without you. We will be striving to ensure that this coming year brings success for our Zoo as we embrace our challenges and take our opportunities.

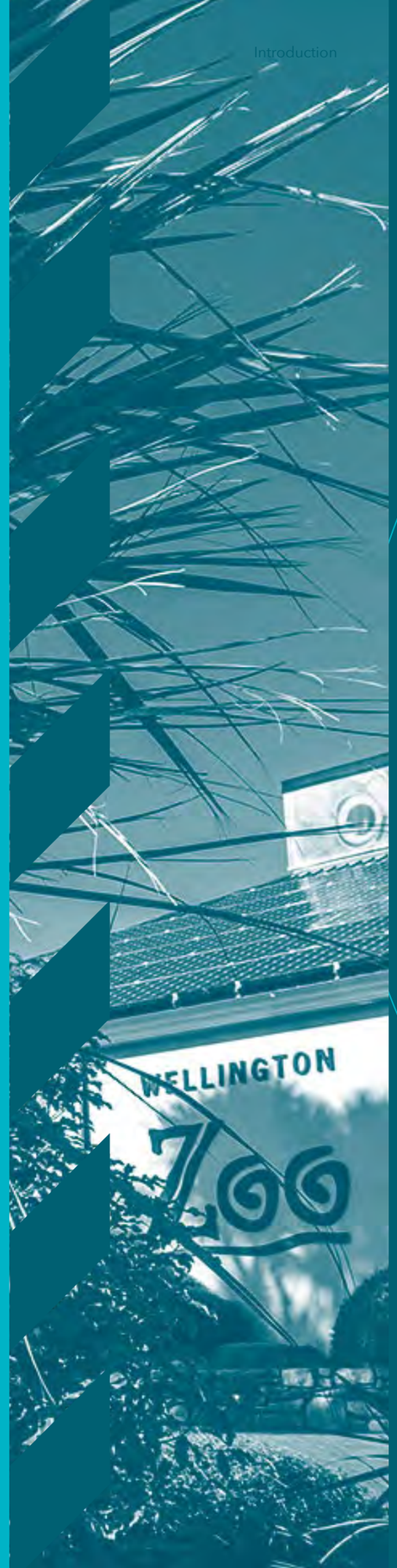
Me tiaki, kia ora!

Karen Fifield MNZM
Chief Executive

COVID-19

Despite being relatively insulated from many of the impacts that the rest of the world has experienced due to COVID-19, there have still been significant impacts on the operations of Wellington Zoo over the last year. Changes in Alert Levels in August, February and again in June affected the Zoo's ability to deliver visitor programmes and meant there was wariness by visitors to commit to booking group functions, school visits, venue hires or Zoo sleepovers and even visiting. We noticed lower visitor numbers as we experienced a full COVID-19 summer and saw the impact of the lack of international tourists enjoying our Zoo. To help offset this loss of revenue we were incredibly thankful to receive central government funding through the Significant Tourism Asset Protection Programme and the Wildlife Institution Relief Fund.

The Zoo team continued to deliver the best possible animal and customer care during Alert Level changes and adapting to different operating conditions. To recognise these efforts, and those during lockdown last year, all Zoo staff were given an extra day's annual leave to say thank you for their efforts during this time of change.



Me Tiaki, Kia Ora!

At Wellington Zoo, we are the Zoo with the biggest heart: a creative, innovative and progressive zoo.

We are a team of powerfully passionate individuals who are champions for the welfare of all animals - within and beyond the boundaries of the Zoo. We are supported by a community that actively takes part in our commitment to caring for and saving species locally, nationally and globally.

We are guided by our kaupapa, Me tiaki, kia ora! We must look after our environment, so all things will flourish. It is up to us collectively to make a difference for animals and the wild places they call home.

Whānau
OUR ROLE

INSPIRED BY TĀNE PROTECT OUT PLANET





Integrating the United Nations Sustainable Development Goals:
Life On Land, Life Below Water, Climate Action, Quality Education, Responsible Consumption and Production, and Sustainable Cities and Communities



United Nations Sustainable Development Goals

We have begun the process of selecting measures for the Zoo's work based on our chosen Sustainable Development Goals (SDGs) of Life on Land, Life Below Water, Sustainable Cities and Communities, Climate Action, Quality Education and Responsible Production and Consumption. We have analysed the UN targets as well as those in the World Association of Zoos and Aquarium (WAZA) sustainability strategy, Protecting Our Planet, and created a long list of measures. We are currently refining these to select appropriate measures and goals.

Wellington Zoo made a submission on He Pou a Rangi the Climate Change Commission's draft advice to government around reducing emissions in Aotearoa which is relevant to Climate Action (SDG 13). We aim to be active and vocal in our support of climate action, and to be a voice to be heard in these important conservation discussions.

The Zoo provided input to 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).

"Wellington Zoo Trust welcomes the opportunity to contribute to He Pou a Rangi the Climate Change Commission's advice to government. Decisive, far reaching, and rapid climate action is of the utmost importance for the future of our planet, both for the people and for the rest of the living world. Wellington Zoo Trust supports the Climate Change Commission in its advice that the government must take immediate action to limit global warming to below 1.5°C above pre-industrial levels."

From Wellington Zoo Climate Change Commission draft advice submission



The World Zoo and Aquarium Conservation Education Strategy *Social Change for Conservation*

Contributing to Quality Education (SDG 4), the Zoo's General Manager Communication, Experience and Conservation Amy Hughes was part of the editorial team for the World Zoo and Aquarium Conservation Education Strategy which was launched in October. This is the first unified global strategy on conservation education and affirms the International Zoo Educators Association (IZE) and WAZA's commitment to lead and support their members and the wider Zoo and aquarium community to build expertise, leadership, and capacity in quality conservation education.



WAZA Sustainability Strategy *Protecting our Planet*

Protecting our Planet was launched in October. This strategy is based around helping zoos and aquariums to implement sustainable practises into their operations based on the UN SDGs. The writing group for this strategy was led by Karen Fifield, MNZM, Wellington Zoo's Chief Executive, with chapters contributed by General Manager Communication, Experience and Conservation Amy Hughes and the design and layout completed by Wellington Zoo's Design and Production Advisor Emily Elvin. This strategy has been translated into seven languages.



Developing initiatives for social, environmental and economic sustainability

Toitū carbonzero certification

For the eighth year in a row the Zoo achieved Toitū carbonzero certification. This concerted effort on measuring and reducing our emissions demonstrates our commitment to reducing the organisation's environmental impacts and links directly to our commitment to Climate Action.

Interestingly, there was no discernible reduction in power use while the Zoo was closed to visitors due to COVID-19 lockdowns. We reduced our carbon emissions by just over 65 tonnes with the largest emissions reduction compared to 2018/19 due to air travel, which was heavily affected by COVID-19. The significant reduction in overall emissions can be primarily explained by reduced air travel.

As in previous years, we choose to offset by investing in Aotearoa New Zealand native biodiversity restoration projects. This year offsets were purchased to support Hinewai Reserve on the Banks Peninsula.

Expanded EV fleet

This year two new efficient vehicles joined the Zoo fleet replacing old and inefficient cars. One full electric Hyundai Kona is the pool car for the Zoo, used by all staff members for business outside of the Zoo. The other, a plug-in hybrid EV, is used by the Zoo's Maintenance team as a large work utility vehicle. This brings the EV fleet at the Zoo up to four.

Water meters

We have installed a network of water meters around the Zoo to allow for better water use monitoring and reporting at key locations. The water pipes around the Zoo are generally very old, and it can take some time to identify leaks if they are not immediately apparent. The water meters will help us identify any areas of the Zoo where water use is significantly higher than it should be to help us identify and remedy any leaks.

Green initiatives

The Zoo's Green Team, made up of motivated staff members, has restored two donated bikes for staff to use on short trips. They have also established a new recycling hub at the Zoo to make it easy for staff to recycle items at the Zoo that may be difficult to recycle including lightbulbs, e-waste and polystyrene.

The General Manager Communication, Experience and Conservation, Amy Hughes, was invited by WellingtonNZ to participate in a week-long design sprint to make Wellington a sustainable tourism destination. As a result of this work, she participated in the appointment process for the delivery contractor. This project will help establish environmental sustainability as a core part of Wellington's tourism offering.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Maintain Toitū carbonzero certification	Achieved	Achieved ✓	Achieved ✓	Achieved

*Certification for 2019/20 verified on 29/01 with a 38% reduction in emissions compared to the 2018/19 figures.



Social and Community Initiatives

Neighbours' Night

Every year we open the Zoo to our Newtown neighbours including Wellington City Council housing tenants for them to meet our team, visit the Zoo and enjoy spending time with others in their community. This event is a favourite of the Zoo team as we welcome our neighbours and give back to our local Newtown community. Sadly, this year on our 16th Neighbour's Night in January, there was unseasonable torrential rain. We still welcomed over 600 visitors who enjoyed special animal talks and activities, a barbecue sponsored by New World Newtown, ice creams from Tip Top and drinks from Frucor Suntory. Our Zoo team volunteer their time and once again we were ably supported by volunteers from the Wellington City Council City Housing team.

"It was a great opportunity to meet our tenants in another setting where we can see them having fun with their families and see Newtown community come together. It makes my night seeing the smiles on everyone's faces."

Kerry McCracken, Tenancy Advisor, City Housing, Wellington City Council

Welcome Weekend

Welcome Weekend, operated in previous years as Open Weekend, on 29 and 30 May was an opportunity for visitors to come to the Zoo for a discounted price. We pre-sold tickets to Welcome Weekend which meant we could contact trace if we had to, and also allowed us to anticipate the number of visitors who would attend, as in the past we have seen some incredibly busy days. We pre-sold 5,500 entry tickets to the Zoo per day. Unfortunately, the weather over the weekend was wet and cold, however, we still saw 8,453 people, many of them families, come to the Zoo. All money from entry sales from Welcome Weekend is donated to the Wellington Zoo Conservation Fund, and we raised $33,543.37 to help us save wildlife and wild places.

The Warehouse Zoofari

Zoofari is a nationwide programme giving many Kiwi kids their first Zoo experience. It is run in partnership with The Warehouse, Auckland Zoo, Hamilton Zoo, Wellington Zoo and Orana Wildlife Park. Funding remaining from last year enabled schools to visit Wellington Zoo for Zoofari learning sessions in Term One 2021. The Warehouse Zoofari programme enables many students from low decile schools to visit and receive free conservation learning experiences and transport to the Zoo. This year 924 students from 14 schools across Wellington and the lower North Island visited the Zoo for their Zoofari experience. We are currently working with The Warehouse and other Zoos in Aotearoa New Zealand to confirm the future for this project.

Winter Wednesdays

Our annual winter accessibility initiative of half-price Wednesdays for the month of August was cancelled, as the Zoo offered free entry to the community for six weeks post COVID-19 lockdown in June and July 2020.

Partnering with charities for accessibility

We support four charities in the Wellington region, who work with families throughout our community. We know that children who visit places like Zoos with their families are more likely to come back as adults, and it is important for us to welcome families from across the Wellington region to the Zoo.

We re-signed partnership agreements with Ronald McDonald House Charities and, Wellington Children's Hospital including their Neonatal Unit, which continue to support families and children with medical needs. We give families using their services passes to visit the Zoo.

We expanded our charity partnership programme and two new partnerships were confirmed: ChangeMakers Resettlement Forum and the Wellington City Mission. We wanted to work with well-established Wellington organisations which are closely involved in their communities and work to improve the lives of all Wellingtonians. ChangeMakers Resettlement Forum is a Wellington-based not-for-profit organisation that supports Wellington's refugee community (from as far away as Myanmar, Syria, Colombia and Somalia). The Wellington City Mission support individuals and families across Wellington. We provide both of these organisations with free and transferable family passes to distribute to the individuals and families they work with.

"What a day! We had 24 of our guests assemble in the lounge this morning like children going to their first school camp. It was such a buzz, collecting their packed lunch off to their big journey walking to the zoo, I then witnessed their return, the wellness this has created is just stunning, amazing, awesome. The hardest of selected guests returned glowing in so many ways. This is just an amazing partnership that will create happiness and wellness within the community. Your team is amazing and I feel they need to understand and realise their support makes such a difference in lives within our communities."

Ray Tuffin, Community Engagement Advisor, Wellington City Mission

Tinana
OUR ANIMALS

INSPIRED BY TANGAROA
WE CARE FOR OUR ANIMALS





World leading animal care so the animals live their best lives



We pride ourselves on the care that we provide to all animals at Wellington Zoo, whether resident Zoo animals or injured and sick native animals brought in for treatment at The Nest Te Kōhanga.

Behavioural enrichment

Behavioural enrichment, the physical or mental stimulation we give our Zoo animals, is a vital part of the Five Domains of Animal Welfare. It encourages animals to explore and interact with their habitat and stimulates natural behaviours as well as providing psychological stimulation. It means animals we care for are active and happy, living better lives. Some things implemented this year include new high powered jets in the Kororā Little Blue Penguin pool which better simulates the ocean and has led to an increase in the amount of time the Kororā are swimming and the Capybara habitat has been extended to encourage exploring and grazing.

Training and enrichment



The Nest Te Kōhanga and Animal Care teams have worked to build on the existing programmes of conditioning and training with our animals for improved husbandry and veterinary care. Some great examples of the work done in this space this year include:

- Target training Monitor Lizards and working on building training for voluntary medical husbandry;
- Sasa the Sun Bear has been trained to take her immunotherapy tincture by mouth;
- Ongoing training of animals, such as crate training Otters, scale training for the Servals, Caracals and Tasmanian Devils;
- Zahara Giraffe has been trained for dental X-rays;
- Nyala recall behaviour is well established following training. This has led to the calm isolation of individuals in the herd for medical treatment, internal moves and most recently the calm drafting off and conscious crating of 3 female nyala for transfer to Orana Wildife Park;
- Several Kororā have been trained to feed in the water as opposed to handfeeding on land;
- Derbyan Parrots are crate trained;
- Sheep are being halter trained so they can be walked out of their habitat;
- Kea are syringe trained, which assists with medicating when necessary.

Nutrition Centre

The specialist staff in the Nutrition Centre, assisted by the keeping and veterinary teams, ensure all our animals' diets meet their nutritional and behavioural needs. The Nutrition Centre has continued to focus on environmental sustainability in its procurement practice. We procure high quality, often locally produced, items. Buying local and seasonal items wherever possible has assisted us to manage without some of the disruption that other organisations have experienced due to the impact of COVID-19 on global supply chains.

The Nest Te Kōhanga

The Nest Te Kōhanga is our award-winning hospital, offering state of the art treatment for both the animals we care for at the zoo and native wildlife.

After disruptions due to COVID-19, our ability to accept injured native wildlife to be admitted to The Nest Te Kōhanga was limited. We took this time to conduct a strategic review of injured or sick native species that could be admitted to The Nest Te Kōhanga for care. A new framework was drawn up in conjunction with the Department of Conservation (DOC) and SPCA Wellington to effectively manage where, and how, injured or ill native wildlife would be treated. This means that the specialist team in The Nest Te Kōhanga are focused on treating a range of conservation threatened native animals, while non-threatened species are treated by our colleagues at the SPCA, rehabilitation centres or local vet clinics.

Caring for our Zoo animals

Some of the notable diagnostic, medical and surgical work performed this year for our Zoo animals was:

- **Sun Bear Sasa** has successfully been trained for immunotherapy treatment;
- **Kunekune pigs** Atanga and Pani had health checks this year. Atanga also underwent dental surgery to remove a broken incisor, and then follow up surgery to plug the holes left in his gums;
- **Capuchin David** received a health check and his teeth were cleaned;
- **Caracals Tinka and Jasiri** received general health checks and were both in good health;
- The two elderly **Cheetahs Cango and Kunjuka** underwent health checks to get a baseline for their health;
- **Kororā Little Blue Penguin Malteser** was treated for ulcers in his oesophagus, which were thought to be contributing to him regurgitating his food. He is now back to full health;
- **Tuatara Tuatahi** had some swelling under the jaw which was investigated with a CT scan at our partner Pacific Radiology. The scan went very smoothly as Tuatahi sat still in the box with no need for anaesthetic, so the procedure was completed within 10 minutes. On reviewing the images there was no signs of damage to the bone (which was the concern).











456
native animals
were treated at
The Nest Te Kōhanga

Caring for native wildlife

The Nest Te Kōhanga is the hub for native wildlife care in the Wellington region and the work we do underpins the Zoo's biggest contribution to saving wildlife and wild places. This year we have treated 456 native animals, 63% of which were restored back to the wild post the 72-hour triage period. Due to COVID-19, we could not accept native wildlife from community members in Alert Level Two.

Native wildlife treated included the following:



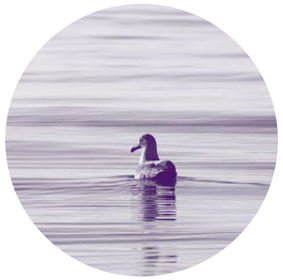
Tarāpunga Red-billed Gulls
The Nest Te Kōhanga treated some Tarāpunga that had been shot. The Nest Te Kōhanga team, SPCA and DOC are working together to highlight to our community that these birds are a threatened species. We are also collaborating to highlight issues with marine birds swallowing items as we have treated a number of birds this year that have swallowed fishhooks and other items such as a vape pen.



Kiwi
The Nest Te Kōhanga team assisted with blood/faecal testing of Kiwi in Zealandia Te Māra a Tāne for ongoing issues with Toxoplasmosis which is becoming more prevalent in some Kiwi.



Moko Kākāriki Wellington Green Gecko
A Moko Kākāriki Wellington Green Gecko that had dropped its tail after being attacked by a cat. The team managed to nurse it back to good health and released it near where it was originally found.



Toroa and Toroa Pango Albatrosses
Albatrosses are an infrequent sight at The Nest Te Kōhanga. Towards the end of the year a juvenile Toroa Royal Albatross was brought in, weakened, covered in parasites and blind in one eye due to an eye injury. Sadly the team was not able to save this bird.

Around the same time we also received a Toroa Pango Light-mantled Sooty Albatross that was found by the community on one of Wellington's southern beaches. He was very underweight and dehydrated, and had possibly got caught in a recent storm. At the time of writing his prognosis was looking positive with the aim to return him to his natural habitat in the near future.



Hihi Stitchbird
The team treated a very unwell Hihi and restored it to health for restoration back into Zealandia Te Māra a Tāne. Now confirmed as a female, she will be an invaluable addition to their vulnerable population of approximately 25 females.



Kāruhiruhi Pied Shag
A vape pen was found lodged inside a weak and emaciated Kāruhiruhi. Despite being able to remove the vape pen, the bird could not be saved.

"It is always a pleasure working with The Nest Te Kōhanga. The staff there have tremendous skills, knowledge and expertise, and we value being able to work closely with them to benefit Wellington's biodiversity. From making nocturnal admittances for some of our night-loving fauna to providing helpful advice on everything from disease screening to nest box mites, their care for Wellington's fauna is unparalleled and goes above and beyond the call of duty."

Dr. Danielle Shanahan Director, Centre for People and Nature, Zealandia Te Māra a Tāne

Measure	Actual 2020/21	Target 2020/21	✓	COVID Target 2020/21	✓	Actual 2019/20
Percentage of native animals released to the wild after triage and treatment by The Nest Te Kōhanga (TNTK)	63%	50%	✗	50%	✓	69%

Science-based animal welfare practices so the animals are happy

Animal Welfare Committee

The Animal Welfare Committee ensures that the Zoo is positioned as a leader, advocate and authority on science-based animal welfare best practice. Reflecting the importance of animal welfare to the Zoo, this committee has external representatives as well as Zoo staff. These external members are Massey University Associate Professor Ngaio Beausoleil, Te Herenga Waka-Victoria University of Wellington Associate Professor Anne Galloway and former Wellington City Councillor Dr Peter Gilberd. The Committee met three times this year, rather than the usual four, due to COVID-19.

Presentations to the Committee

- 11 September - WAZA Definition of Animal Welfare, presented by Karen Fifield, MNZN, Chief Executive
- 11 September - Research Update: End of Life Decision making for zoo animals, presented by Alison Clarke, Wildbase Vet Resident, Massey University
- 27 November - WAZA Animal Welfare Goals 2023, presented by Karen Fifield, MNZM, Chief Executive
- 6 April – Wellington Zoo Trust Keeper Development Programme, presented by Daniel Warsaw, General Manager Animal Care and Science



Animal Welfare Committee (above), from left to right: Karen Fifield MNZM, Daniel Warsaw, Dr Peter Gilberd, Zel Lazarevich, Dr Ngaio Beausoleil (Massey University), Jo Richardson, Glyn Avery, Claudia Richards, Dr Phil Kowalski, Lynne Laurie, Simon Eyre, Dr Anne Galloway

"The Committee, with its in-depth discussion informed by observation and knowledge, and a membership driven by respect for animals and their welfare, helps underpin Wellington as "the zoo with the biggest heart". The staff's passion for animal welfare extends to practice and policy world-wide, enriching the lives of individual animals and supporting conservation."

Peter Gilberd, community member, Animal Welfare Committee

ZAA accreditation

The Zoo and Aquarium Association Australasia (ZAA) is the professional association for zoos, aquariums, sanctuaries and wildlife parks across Australasia. ZAA gives accreditation to zoos and aquariums that demonstrate commitment to positive animal welfare based on the Five Domains Model of animal welfare. Accreditation is awarded every three years, however, the processes involved in using the frameworks to assess animal welfare is ongoing.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Maintain Zoo and Aquarium Association Animal Welfare Accreditation	Achieved	Achieved ✓	Achieved ✓	Achieved

ZooMonitor

ZooMonitor, our animal behavioural observations monitoring app, has been successfully piloted with the Caracals, Cotton-top Tamarins, Red-fronted Macaw, Giraffe, Sun Bear and Tuatara. ZooMonitor traces the animals' movements in their habitats. The collation of the captured data will assist the Animal Care and Science team to improve animal care and welfare outcomes for animals in the Zoo.

A ZooMonitor project has commenced to continue the PhD research completed by Dr Samantha Chiew on whether the presence of Zoo visitors might impact on the use of the pond by the Kororā Little Blue Penguins.

Cheetah Close Encounters discontinued

Cheetahs, Cango and Kunjuka, are getting older and became less interested in participating in Cheetah Close Encounters. For their sake we decided to discontinue our incredibly popular Cheetah Close Encounter programme. They completed their last Close Encounter in February 2021 before their retirement. They continue to be popular with visitors to the Zoo and we still support our conservation partner Cheetah Outreach through the Anatolian Shepherd Dog programme.

"Cango and Kunjuka have been incredible ambassadors for their species over the last seven years, creating lifelong memories for many visitors and helping to raise valuable money for the Wellington Zoo Conservation Fund to help save wildlife and wild places."

Daniel Warsaw, General Manager Animal Care and Science, Wellington Zoo Trust

Tuatara observations

Te Herenga Waka-Victoria University of Wellington PhD student Lin Liu spent two weeks at the Zoo observing Tuatara as part of her research investigating how sex ratios influence behaviour, which is relevant for their conservation under climate change as sex ratios are determined by ground temperature.





Strategic species planning for our site and staff expertise

A number of different animals from other zoos or wildlife organisations came into our care this year. We also had success with several significant breeding programmes at the Zoo. Animal moves result from species planning decisions relating to, for example, breeding, numbers and group dynamics. These moves are generally made on the recommendation of Species Coordinators who manage the species programmes for animals in zoos as part of both regional and global managed species programmes.

We donate 5% of the transport costs for animals coming to and from the Zoo to partner organisation TRAFFIC South East Asia which helps combat illegal wildlife trade. This year, that contribution was $747.93.

Species Coordinators

Species Coordinators are voluntary positions that help support managed programmes for species transfers and breeding. Their work can cover zoos, sanctuaries, wildlife parks and similar facilities across Aotearoa New Zealand and internationally.

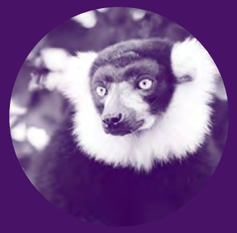
Species Coordinators work with studbooks which record the ancestry of each animal within a regional or international population. A studbook allows a Species Coordinator to determine the level of relatedness between every individual animal in the programme. They make transfer and breeding recommendations based on relatedness to ensure the best genetic and demographic outcomes for the species.

Species Coordinator positions at Wellington Zoo:

- Simon Eyre, Animal Science Manager: Tuatara, Meerkat, Nyala, African Crested Porcupine
- Harmony Neale, Primate Team Leader: Pygmy Marmoset

New animal arrivals

We welcomed a number of exciting new animals to the Wellington Zoo whānau this year:



Black-and-white Ruffed Lemur
Male Lemur Kamory travelled to the Zoo from National Zoo and Aquarium in Canberra to join male Ankari. Kamory is a welcome addition since Ankari's father Lucky was sadly euthanised on animal welfare grounds last year.



Cape Barren Goose
Our female Cape Barren Goose was joined by another female from Willowbank Wildlife Reserve, Christchurch.



Emperor Scorpion
A male Emperor Scorpion returned from being on loan to Auckland Zoo.



Spider Monkey
A male Spider Monkey arrived from Hamilton Zoo to be introduced to our females for breeding



Ring-tailed Lemurs
Four Ring-tailed Lemurs came from Hamilton Zoo. These four females are all related and will be the founders of a matriarchal troop at Wellington Zoo, with the plan to establish a breeding programme.



Moko Kākāriki Wellington Green Gecko
The numbers of Moko Kākāriki at the Zoo have grown with one female and seven male Geckos added from a private breeder.



Ostriches
We welcomed two female Ostriches from a private breeder, to live with our existing female.



Pygmy Marmoset
A male Pygmy Marmoset arrived from Natureland Zoo in Nelson to form a breeding pair with a Pygmy Marmoset already at Wellington Zoo.



Bees
A colony of Bees was introduced to the display hive in Meet the Locals He Tuku Aroha.





Notable newborns

We welcomed some special babies to the Zoo this year:

- A male Cotton-top Tamarin (critically endangered). He has been named Germàn by Proyecto Titi, our Cotton-top Tamarin conservation partner;
- Four male and seven female Nyala;
- One male and three female Squirrel Monkeys.

Animal farewells

Sadly, we also had to say some tough goodbyes this year:

- **Female Lions Zahra and Djane** were euthanised in April. Both 19-year old Lions had been closely monitored by animal care and veterinary staff for 18 months due to age-related health concerns. Djane's health deteriorated rapidly and, after she had an emergency investigative procedure under general anaesthetic, the decision was made to euthanise her. Following this procedure, Zahra, Djane's sister, was also euthanised on animal welfare grounds.
- **Brown Kiwi Tahi, the one-legged Kiwi** and iconic conservation ambassador for his species, died following a prolonged period of illness, despite extensive testing and treatment by The Nest Te Kōhanga team. Two other Brown Kiwi, Fizzy and Jack White, also died following illnesses. Further investigations are taking place to identify potential medical links between these deaths.
- **Boer Goats Donna and Lotti** were euthanised this year. Donna's euthanasia was on medical grounds due to ongoing health concerns with her reproductive tract. She had an emergency investigative procedure performed by a surgeon from Massey University who was unable to remove her uterus successfully due to complications caused by her condition. Lotti's euthanasia was on animal welfare grounds.
- **Lucky the Black-and-white Ruffed Lemur** was euthanised on animal welfare grounds
- **Red-fronted Macaw, Swinger,** was euthanised on welfare grounds.

Some animals went to new homes due to recommendations from Species Coordinators or to advance regional programmes:

- Some animals went to new homes due to recommendations from Species Coordinators or to advance regional programmes:
- Two Tarantulas went to Otago Museum and two to Canterbury Museum;
- A female Duvaucel's Gecko to Ngā Manu Nature Sanctuary;
- Three Nyala males to Gibbs Farm;
- Three female and two male Nyala to Orana Wildlife Park;
- A female Tasmanian Devil to Auckland Zoo.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Number of vulnerable, endangered or critically endangered species (IUCN Red List and DOC National list) at the Zoo	29	25 ✓	25 ✓	30

Hinengaro
OUR PURPOSE

INSPIRED BY TŪ WE SAVE WILDLIFE AND WILD PLACES





Hinengaro | Our Purpose

Recognition and involvement of the Zoo's conservation expertise



Conservation Strategy Me tiaki, kia ora! launched

Wellington Zoo's Conservation Strategy 2020-23 was launched in September. The aim of the conservation work of the Zoo is to make an impactful and ongoing contribution to saving wildlife and wild places regionally, nationally and internationally and the Strategy gives us focus for our conservation work going forward.

In the first nine months of our Conservation Strategy, we have focused on laying the groundwork for some of our bigger goals: Integrating the UN Sustainable Development Goals (SDGs); leading small population management of native animals to support restoration projects; and co-leading a conservation research project in partnership with a university. We have begun by taking stock of our work across the Zoo to measure our contributions to the UN SDGs and to look for new opportunities to contribute to these global goals. We have also initiated conversations with collaborators and have narrowed down a shortlist of native species for exciting new conservation projects.

Conservation Manager appointed



Dr Ox Lennon, Conservation Manager, joined the Zoo in November 2020. Ox came from Te Herenga Waka-Victoria University of Wellington, where they had been teaching and researching since completing their PhD in 2019. Ox's PhD assessed the conservation outcomes of translocations of Aotearoa New Zealand Lizards. Ox is leading the work to implement the new Conservation Strategy launched in September 2020.

Staff conservation champions

Driven by our strong commitment to saving wildlife and wild places, we ensure all our staff have the opportunity to be involved in conservation work. This provides real practical benefit to conservation projects and our conservation partners and connects staff with the Zoo's kaupapa.

Conservation Fund Staff Grants

All permanent Zoo staff are invited to apply for grants from the Wellington Zoo Conservation Fund to support the work of our conservation partners in the field. Zoo staff give support and expertise while learning about the challenges and opportunities our conservation partners face working to save wildlife and wild places.

Due to ongoing travel restrictions caused by COVID-19, this year grants were only available for staff to work with partners within Aotearoa New Zealand.



Dave Laux,Team Leader, Reptile and Invertebrates



Dr Phil Kowalski, Veterinarian, The Nest Te Kōhanga



Dr Baukje Lenting, Senior Veterinarian, The Nest Te Kōhanga

Tuatara translocation

73 Tuatara were translocated from Invercargill and restored to the wild on two islands in the Marlborough Sounds. This was a collaborative effort between many organisations and individuals including Ngāti Koata, Ngāi Tahu, Wellington Zoo, DOC, Southland Museum and Art Gallery, Invercargill City Council, Te Herenga Waka-Victoria University of Wellington - and private landowners. Phil provided veterinary support and advice for the translocation. Baukje did disease screening on the Tuatara before their release to make sure they were healthy and were not at risk of introducing pathogens to the islands they were released on. Dave attended as a Tuatara husbandry specialist to help with the translocation.



James Kilduff, Keeper, Reptile and Invertebrates



Joel Knight, Keeper, Reptile and Invertebrates

Grand and Otago Skink monitoring

Joel and James went to Mokomoko Drylands Sanctuary in Central Otago for 11 days to help with post-release monitoring of Jewelled Geckos and Western Grand and Otago Skinks. This fenced sanctuary is part of the Central Otago Ecological Trust (COET) which was established in the late 2000s with the assistance of DOC. The vision of Mokomoko is to restore a small patch of Central Otago back to the unique ecosystem that existed before human settlement – and a strong purpose is the diverse and beautiful Lizard species that once lived there.

Wellington Zoo held Western Grand and Otago Skinks before they were restored to the wild in 2019, into the population that Joel and James were helping monitor. Joel and James managed to find, photograph and identify numerous individuals from all three species they were looking for. Their findings were confirmed by COET as significant and extremely helpful, and confirmed the presence of new animals to the study. This shows that all three species have bred in the sanctuary, which is one of the key milestones to any successful translocation.

Joel and James also helped with mice control for a mouse incursion they noticed while in the sanctuary.





Conservation Volunteering Leave

All permanent Zoo staff are invited to apply for grants from the Wellington Zoo Conservation Fund to support the work of our conservation partners in the field. Zoo staff give support and expertise while learning about the challenges and opportunities our conservation partners face working to save wildlife and wild places.

Due to ongoing travel restrictions caused by COVID-19, this year grants were only available for staff to work with partners within Aotearoa New Zealand.



Kaitlyn Manu, Keeper, Carnivores

Kaitlyn spent two days volunteering for Conservation Volunteers New Zealand. One day working on the Key Native Ecosystem project, helping restore dune lands on Worser Bay and Seatoun; the second day in collaboration with Mountains to Sea project helping to restore Te Awa Kaiwharawhara.



Ash Howell, Content and Communications Advisor

Ash spent one day volunteering with DOC to help film for a video project about 1080. Ash talked about 1080 and shared her views on its use to help debunk some of the myths surrounding it.





Deleece McLaren, Keeper, Primates

Deleece spent three days with the Tawaki Fiordland Penguin project in Milford Sound. Deleece performed nest checks, tracking Tawaki chicks when they had wandered from the nest. Deleece also attached GPS loggers to females and collected data from them.



Kat Smith, Keeper, Herbivores

Kat travelled to the 12th Oamaru Penguin Symposium. Kat attended talks about Penguin conservation, networked with other people working for Penguins, and went on a field trip to the Oamaru Blue Penguin Colony.



Georgia Wass, Product Marketing Advisor

Georgia spent one day volunteering for the Stream Team with Conservation Volunteers New Zealand. Georgia helped to restore the stream that runs by Owhiro Bay School in Wellington.



Kerianne Tuapola, Visitor Ranger

Kerianne spent two days volunteering with Te Motu Kairangi Miramar Ecological Restoration. Kerianne helped to organise volunteers and weed a restoration site in the Miramar peninsula, and also spent a day on a stall for the project at Wellington's Pride Festival.







External Conservation Workshops

General Manager Animal Care and Science, Daniel Warsaw, and Conservation Manager, Dr Ox Lennon, attended online the Facilitating Species Conservation Planning Workshop run by the Conservation Planning Specialist Group and the International Union for the Conservation of Nature. This course provided both Daniel and Ox with the ability to help facilitate species conservation planning in Aotearoa New Zealand and around the world.

Conservation Manager Ox and Team Leader Grounds Don Watherston attended a two-day predator trapping training workshop at Otari Wilton's Bush. This event was sponsored by DOC, and run as a partnership by DOC and the Nelson Marlborough Institute of Technology.

Science and research projects

Wellington Zoo works with Aotearoa New Zealand and overseas universities and other partners on research projects that contribute to the global understanding of wildlife welfare.

Te Herenga Waka-Victoria University of Wellington

- Honours student Daisy Abraham is studying Kea at the Zoo to understand their behaviour supervised by Dr Rachael Shaw;
- Lin Liu observed Tuatara over several weeks for her PhD research on Tuatara male-biased sex ratios. Lin's research focuses on how sex ratio and size influence feeding and territorial behaviour, and how behavioural characteristics vary with the seasons.

Masterate Programme in Zoo Animal and Wildlife Health with Massey University

The joint venture Services Agreement for the Masterate Programme in Zoo Animal and Wildlife Health with Massey University was renewed for a further three years. This ensures the next generation of wildlife veterinarians in Aotearoa New Zealand have excellent training, in Zoo experience, and great technical support. This agreement also includes provision of specialist support from Massey University teaching staff for complex procedures in The Nest Te Kōhanga along with teaching and mentoring of our Veterinary staff. The Holdsworth Charitable Trust continues to support the Wellington Zoo and Massey University Masterate Programme in Zoo Animal and Wildlife Health.

List of research projects undertaken by residents:

- Pathogens of Hoiho Yellow-eyed Penguins – Master's thesis in preparation by Dr Emily Kay;
- Disease screening of Fijian Bats – Master's thesis in preparation by Dr Jessica McCutchan;
- What disturbances of clinical significance to physiological homeostasis are occurring during anaesthesia across a range of zoo animals – Master's thesis submitted by Dr Nigel Dougherty;
- The ethics and animal welfare of aged animal management in zoos – Master's thesis in preparation by Dr Alison Clarke;
- Investigating marine predation injuries to Hoiho Yellow-eyed Penguins – Master's thesis in preparation by Dr Kathryn Johnson.

Further research projects and publications

- *The influence of animal welfare accreditation programmes on zoo visitor perceptions of the welfare of zoo animals* - An MBA research paper by General Manager Animal Care and Science, Daniel Warsaw, published in the 30 July issue of the Journal of Zoo and Aquarium Research;
- *Happy Animals: interpreting the Five Domains of Animal Welfare* - article by Amy Hughes, General Manager Communication, Experience and Conservation and Jude Turner, Community Engagement Manager, accepted for publication in the International Zoo Educators' Association Journal 2021;
- *Lead exposure in rural and urban Tūi* – undergraduate project in preparation for publication by Alisdair Eddie and The Nest Te Kōhanga team;
- *Total ear canal ablation in a Lion* – case study being written up for publication by Dr Helen Orbell and The Nest Te Kōhanga team;
- *Lysosomal storage disease in a South Island Kākā (Nestor meridionalis meridionalis)* – case study being written up for publication by Dr Bob Jolly, Dr Stuart Hunter and The Nest Te Kōhanga team;
- *Surgical repair of a meningoencephalocoele in a Kākāpō* – paper published in NZ Veterinary Journal, co-authored by Senior Veterinarian Dr Baukje Lenting;
- *Plastic ingestion is an underestimated cause of death for southern hemisphere Albatrosses* – paper in preparation, co-authored by veterinarians Dr Baukje Lenting, Dr Phil Kowalski and Dr Shelly Butcher;
- *Do Tuatara behaviourally respond to sex ratio variation?* – PhD research by Lin Liu (Te Herenga Waka-Victoria University of Wellington) assisted by Wellington Zoo Reptile and Invertebrate team;
- *Effects of the presence of zoo visitors on zoo-housed* Kororā Little Penguins – paper in preparation for publication by Samantha Chiew (University of Melbourne) co-authored by Simon Eyre, Animal Science Manager ;
- *Regional variation in winter foraging strategies by Weddell Seals in Eastern Antarctica and the Ross Sea* – paper in preparation co-authored by Senior Veterinarian Dr Baukje Lenting.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Participate in zoo-based research projects, scientific papers and presentations	16	10 ✓	10 ✓	N/A new measure

Effective field partnerships for long term conservation outcomes

Saving wildlife and wild places

Wellington Zoo continues to be committed to our Conservation Partners in these tough times. Many Zoos and Aquariums around the world have been shuttered, spending on conservation work has been impacted and some of our partners are operating in countries where COVID-19 continues to be a very real and present threat. Field work programmes and staff wellbeing have been impacted by the pandemic.

Hinengaro | Our Purpose



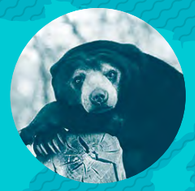
Wild Welfare
worldwide



Red Panda Network, Nepal



Fauna and Flora International,
Vietnam



Free the Bears
South East Asia



TRAFFIC
South East Asia



WildCats Conservation Alliance, Sumatra



Proyecto Titi
Colombia



Golden Lion Tamarin Association, Brazil



Kea Conservation Trust, NZ



West Coast Penguin Trust, NZ



Monitoring Maud Island Frogs, NZ



Cheetah Outreach
South Africa





Madagascar Fauna and Flora Group
Madagascar



Save the Tasmanian Devil Program, Tasmania



ZEALANDIA
Wellington, NZ



The Nest Te Kōhanga
Wellington Zoo, NZ



Gecko Monitoring
Wellington, NZ

Our Conservation partners

The Wellington Zoo Conservation Fund helps finance and support projects managed by our conservation partners. Our 13 global and national conservation partners work with endangered, critically endangered and cornerstone species that we care for at Wellington Zoo. Money for the Wellington Zoo Conservation Fund is raised through proceeds from Close Encounters, Welcome Weekend and other fundraising activities. This year:

- We renewed our agreement with Fauna and Flora International (FFI) for another five-year partnership. We support FFI's work in Vietnam which includes conservation of the critically endangered White-cheeked Gibbon, and the critically endangered Saola, which shares a habitat with the Gibbons
- Our sponsored livestock Anatolian guardian dog, Tiaki, with the Cheetah Outreach Trust, moved to the breeding facility in Limpopo province in South Africa to start producing more puppies for the programme
- We donated money to Save the Tasmanian Devil Program to purchase 16 wildlife monitoring cameras which the team use to monitor the Tasmanian Devils in free range enclosures. This remote monitoring minimises human/Devil interactions, previously heavily relied on. The new cameras will be invaluable tools for the team to provide excellent care for the Tasmanian Devils
- We sent Free the Bears a one-off-donation of $4,000 for water treatment to ensure adequate water supply for the growing population of rescued bears and other wildlife at their sanctuary in Luang Prabang, Laos

"We are very happy that the Wellington Zoo Conservation Fund continues to support our northern White-cheeked Gibbon conservation work in Pu Mat National Park, Vietnam. Wellington were first to support and thus helped breathe life into this project, which is now in its sixth year and going well. With support from the zoo, we established a Gibbon monitoring team in the park, and moreover, recently (in 2020/21) completed the largest and most robust survey ever undertaken for the species. The results are fantastic: We observed 51-54 groups and from this we estimate 430 groups, park-wide, with a confidence interval (erring on the 'safe' side) of around 350-500 groups. Pu Mat is likely the most important place in the world for this species; confirming what we previously believed. The park is thus also of the very - highest global importance for Gibbon conservation in general, and a haven for other rare species. "

Josh Kempinski, Country Director Vietnam Programme, Fauna & Flora International

Other conservation partners we support

- WildCats Conservation Alliance (Sumatran Tigers)
- Madagascar Fauna and Flora Group (Black and White Ruffed Lemurs and Ring-tailed Lemurs)
- Red Panda Network
- AMLD (Golden Lion Tamarin Association)
- Proyecto Titί (Cotton-top Tamarins)
- TRAFFIC
- Wild Welfare
- Kea Conservation Trust
- West Coast Penguin Trust

Measure	Actual 2020/21	Target 2020/21	✓	COVID Target 2020/21	✓	Actual 2019/20
Number of field conservation projects supported for threatened (NZ) and vulnerable, endangered or critically endangered (global) species	12	12	✓	12	✓	N/A new measure
Percentage of Opex directly contributed to field conservation	6.7%	7%	✗	7%	✗	7.1%

*We measure our contributions to field conservation as a percentage of OPEX to ensure we continue to put conservation at the heart of all we do. Despite contributing over $550,000 directly to field conservation this year and achieving 6.7% of OPEX we were 0.3% behind target. This was due to lack of opportunities for Zoo team members to work with our international partners through our Wellington Zoo Conservation Fund Staff Grants, and reduced numbers of patients admitted to The Nest Te Kōhanga due to COVID-19 Alert Level changes.

Matiu/Somes Island Moko Kākāriki Wellington Green Gecko and Ngāhere Gecko Monitoring

As part of our partnership with DOC, the Zoo monitors the translocated Moko Kākāriki Wellington Green Gecko, Ngāhere Gecko, and Mokomoko Ornate Skink populations on Matiu/Somes Island.

From November to March we had two one-day trips, four one-night trips and one four-night trip for Lizard monitoring. 27 staff members took part, including 15 who had never participated in monitoring on the island before. We dedicated 875 paid staff hours to our Matiu/Somes Island work, not including the time that staff were volunteering beyond their normal work hours while on overnight trips.

We had 14 target species sightings, and one sighting of a Moko Kākāriki Green Gecko shed skin - the Gecko nowhere to be found. One of the sightings was a juvenile Ornate Skink which is a good sign indicating breeding of the translocated population. We trained 15 new staff in Gecko handling techniques, and continued to build the skills of twelve staff, which included three more staff who can now lead field trips.

"One of the sightings was a juvenile Ornate Skink which is a good sign indicating breeding of the translocated population."

Dr Ox Lennon, Conservation Manager, Wellington Zoo Trust







Focused investment in conservation innovations

Local Conservation Grants Programme

Thanks to the support of our community and Zoo visitors who contribute to the Wellington Zoo Conservation Fund, in 2019 Wellington Zoo offered a Local Conservation Grants Programme to save the Wellington region and the Chatham Islands' (included as part of the Rongotai electorate) wildlife and wild places.

The local grants have been very successful and are contributing to our 'effective field partnerships of long-term conservation outcomes' and 'focused investment in conservation innovations' conservation strategy goals. We will continue this programme with another round of grants in 2021.

All local grants partners, bar one (who is carrying over funding), successfully completed their planned activities, returned annual reports and received their final payments. Some had complications due to COVID-19 but never significant enough to stop the project - at worst, they had some delays then got back on track.

New management tools for small-scale lizard conservation Kāpiti

The trials for new techniques for mouse control in lizard conservation areas are ongoing, so there are no final outcomes yet. The trials are going well and the funding we provided allowed for an additional trial of Goodnature A24 traps. Goodnature have proposed writing the mouse control findings as a scientific paper once they have some more data.

Ex situ conservation of te Pua o Te Rēinga Dactylanthus taylorii NZ's only fully parasitic plant

Wellington City Council's Conservation and Science Advisor Karin van der Walt has been working on several approaches to conserve this unique native. She has investigated seed development using a successfully flowering plant discovered at Ngā Manu Nature Reserve. She also conducted a population assessment of the final remaining natural Dactylanthus population in Wellington and found that there were no signs of growth or reproduction, and many dead or rotten tubers. Karin has also been developing a propagation protocol for seeds and a viability study for pollen.

Kōhanga o Porokapa

This grant supports a project to create a podocarp forest at Mākara Peak. There were some delays and additional expense due to COVID-19, however, volunteers stepped in to do some work to help mitigate these issues. 1,800 seedlings were planted, with a few lost to frost, but most of them are doing very well. The next few years will focus on releasing the plants from weeds and continuing infill planting.

Trialling the world's first 'no-dig' live capture trap for lizards

Ecology experts Trent Bell and Yachal Upson produced and tested three designs of 'no-dig' live capture traps for lizards with good results. The traps captured four lizard species and performed better than standard pitfall traps. Trent and Yachal plan to continue refining and testing the designs, then will publish the results in a scientific journal.

Monitoring prevalence and distribution of P. oppidanus

Te Ahumairangi Hill Ecological Restoration (TAHER) had not spent the money the Zoo granted them to help protect the tiny native snails they work with - partly due to delays from COVID-19 and partly because some of the materials we agreed to fund were donated free of charge. Wellington Zoo and TAHER signed an agreement to extend the length of the grant by one year so they can use the funds for future expenses.

Chatham Island Tāiko Conservation

10 adult and 10 fledgling Tāiko were successfully tagged with location loggers by the Chatham Island Tāiko Trust. The adults were recaptured after their annual winter migration, and the data collected from them. The data will be recovered from the fledglings in two years when they return to Aotearoa New Zealand. This is exciting research as it gives the first insight into the at-sea distribution of Chatham Island Tāiko. The data is high quality and the next step is for the Trust to analyse it.





Weedingsdays

We held three 'Weedingsdays', organised by the Zoo staff Green Team, where Zoo team members worked on the Zoo's restoration site to free the area of weeds. The restoration site is a partnership with Wellington City Council to restore a waterway adjacent to the Zoo on Manchester Street, Newtown. There was a good turnout with 27 staff (30% of our full-time staff) helping weed the site. We removed some highly noxious weeds including banana passionfruit vine.

We also had some volunteers from Conservation Volunteers New Zealand spend a day weeding the site, as well as a volunteer group of senior students from Scots College.

Community Conservation

In June 2021 the Zoo took part in Restoration Day, which is jointly run by Greater Wellington Regional Council and DOC for members of restoration community groups to network and learn about restoration.

The Zoo hosted Predator Free Wellington's (PFW) Phase Two Launch. Phase Two of this conservation project stretches from Island Bay to the CBD and includes Wellington Zoo in its catchment. The Introduced Species Management Committee have been consulting with PFW to make sure the Zoo is included to contribute to make the city predator free. We face special challenges to combat predators in our animal habitats while keeping our animals safe, so this is an ongoing collaboration.

The Zoo took part in City Nature Challenge, organised by Wellington City Council, as part of a global challenge where cities compete to see who can log the most nature observations on popular nature app iNaturalist. We provided a family pass as a prize for the challenge, advertised the activity in the Zoo and on social media, and featured daily ranger activities over the course of the challenge to show visitors how to log their nature observations in iNaturalist.

Wairua
OUR COMMUNITY

INSPIRED BY RONGO
WE STRENGTHEN COMMUNITY SUPPORT AND ACTION





Engaging message driven experiences to build community environmental action



Valentine's Day

Every year we invite those over 18 to experience the Zoo after hours on Valentine's Night, to enjoy music, adult-themed talks, and to just walk around in the twilight. This year we welcomed a record number of 1,343 guests to our annual adults-only Valentine's Night event – 414 more than last year. This year we trialled new ways of working this event including pre-booked tickets and impromptu experiences on sale during the evening. A post-event survey showed that our visitors rated the event 3.8/5 – mostly good and very good. The survey results show that our objective of attracting people who may not otherwise come to the Zoo was successful: 74.6% of people come to the Zoo once a year or less; 9.19% never having been to the Zoo before; and 74.6% of attendees were under 35. Most of them heard about the event from social media, marketing and through word of mouth.

"It was great being there without kids and with my partner. We both enjoyed it, and I have recommended it to several friends for next year."

Valentine's Night Visitor

Late Night Fridays

We again opened the Zoo late for visitors on Fridays in March for them to experience evenings in the Zoo. This was our best Late Night Fridays event yet on a per day basis with 1,861 visitors in total across the month. Excellent weather and special animal talks and activities provided a great atmosphere for our visitors. The first Friday was in Alert Level 2 so we couldn't offer Close Encounters, but we sold 23 of the 24 available spots for the rest of the month. This was an increase on 58% of available Close Encounters booked last year.



Collaboration with The Dowse Art Museum

On Saturday 12 June we hosted staff from The Dowse Art Museum in Lower Hutt to run an art activity at the Zoo, based on their exhibition "Wild Domain: The Natural History of Jane Dodd Jewellery." A large number of children came to make animal-inspired stencil drawings, clay models and jewellery in the Barn at Meet the Locals He Tuku Aroha.

"Esme and I had so much fun working in your space and everyone at the zoo was so warm, welcoming and fantastic! Looking forward to working together in the future"

Catherine Bennet, The Dowse Learning and Engagement Manager, Hutt City Council

Department of Conservation Whānau Days

As part of our partnership with Department of Conservation, we welcomed DOC staff families to Wellington Zoo for free for the second annual DOC Whānau Days on 27 March and 4 April. In total we welcomed 209 DOC whānau, comprising 133 adults and 76 children across the two days.

Wellington City Council

On 23 and 29 February we welcomed staff and their families from Wellington City Council to Wellington Zoo for free, in recognition of the Council's role as a significant funder of the Zoo. In total we welcomed 385 visitors, comprising 243 adults and 142 children across the two days.

We hosted seven students from the Wellington City Council Amenity Horticulture, and Nursery Production apprenticeship programmes in November for their team building day. They offered their skills to the Maintenance team by assisting with the removal of plants in Neighbours to improve visitor experience, and also touring the Nutrition Centre with Nutrition Team Leader Jeremy O'Brien.

Bring an Aussie mate promo

To celebrate the opening of the trans-Tasman travel bubble in April, we offered half price entry for anyone who brought their Aussie mate to the Zoo. We had 55 Aussies visit us during the promotional period.



Zoo Crew Annual Memberships

Zoo Crew is the annual membership programme which allows our supporters to visit as often as they like during the year. We are very grateful for the support of our Zoo Crew whānau, who are amongst our most fervent supporters and help us provide the best possible care for our animals and support our work to save wildlife and wild places.

As a result of COVID-19 disruptions, all Zoo Crew memberships were extended for the seven weeks while we were closed due to lockdowns, and for the additional period of 16 May to 30 June last year when the Zoo was free to visit for the community.

On the weekend of 28 and 29 November, we hosted members from Zealandia Te Māra a Tāne as part of a no charge "members swap" with our Zoo Crew members. We had 1,330 Zealandia Te Māra a Tāne members visit the Zoo for free, to learn about our partnership with Zealandia Te Māra a Tāne and understand the Zoo's conservation purpose. A number of Wellington Zoo Crew members also visited Zealandia Te Māra a Tāne. Due to the success of this pilot we plan to run this swap again next year.

We again ran our 'Biggest Fan in Jan' competition for Zoo Crew members. This is to see which of our Zoo Crew members visit the most in one month. Our winner visited the Zoo an amazing 25 times in January (they were the runner up last year) and the next most frequent visitor came 24 times during the month.

We ran a Zoo Crew membership renewal campaign in April over the School Holidays offering a free reusable zoo bag and entry into a prize draw for a Close Encounter for all Zoo Crew membership renewals and new memberships. This was targeted at around 600 members whose memberships were up for renewal over April and May as a result of extensions provided due to COVID-19 disruptions. We sold 362 memberships over the two weeks.

Safe Cat Safe Wildlife

This year we launched a new community conservation campaign, Safe Cat Safe Wildlife. This is a joint initiative between Zoo and Aquarium Association Australasia (ZAA) and the SPCA, with ZAA members across Aotearoa New Zealand and Australia taking part. We are asking our visitors to join the Safe Cat Safe Wildlife community; then they receive emails to support them to keep their cat at home, to keep the cat safe and wildlife safe. 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. In the first two months we had 114 scans and 74 sign-ups at Wellington Zoo.

There are signs around the Zoo with QR codes for visitors to scan to easily join the safe cat community, we have shared the campaign on social media and have connected with other Wellington organisations to share the campaign with their networks. We also include the Safe Cat, Safe Wildlife messaging in our animal talks about invertebrates, Tigers and at The Nest Te Kōhanga. We continue to be involved in rolling out the Safe Cat Safe Wildlife messaging to partners and other interested wildlife organisations.



Animal Experiences – Close Encounters, Behind the Scenes

Our Close Encounters continue to be extremely popular with customers getting the opportunity to get up close and personal with some of the most charismatic animals in the Zoo. However, due to COVID-19 Alert Level changes we have had significant periods of this year when we couldn't offer Close Encounters, as they can only occur during Alert Level 1.This year also saw the retirement of the Cheetah Close Encounters due to the disinterest of the animals participating. Visitors can still participate on Close Encounters with Red Pandas, Meerkats, Lemurs, Giraffes and Capybaras.

This year we launched Wellington Zoo's first ever Behind the Scenes Experiences. Visitors can now go behind the scenes with members of the Animal Care team to get an intimate view of the animals involved and learn all about them from a unique vantage point. As with Close Encounters, 10% of proceeds from all Behind the Scenes Experiences go to the Wellington Zoo Conservation Fund.

The Minibeasts Behind the Scenes Experience was launched in August. Participants go inside Hero HQ and see all the amazing work that goes into caring for some of the Zoo's smallest animals. They learn about the amazing adaptations of some of our invertebrate species including getting to see a Scorpion glow under a UV light. Visitors get close to Tarantulas, Giant African Millipedes, Emperor Scorpions and Goliath Stick Insects.

In December 2020 the Zoo launched gift voucher sales for our new Sun Bear Behind the Scenes Experience and we took our first bookings in March. Visitors meet two of our carnivore keepers and venture into Sasa the Sun Bear's dens where they learn all about caring for Sun Bears. Sun Bears are super intelligent and Sasa is no exception; visitors learn how Sasa works with our Zookeepers during her daily health checks. We surveyed the first visitors to participate in the Sun Bear Behind the Scenes experience, and all those who responded rated their experience as 5/5.

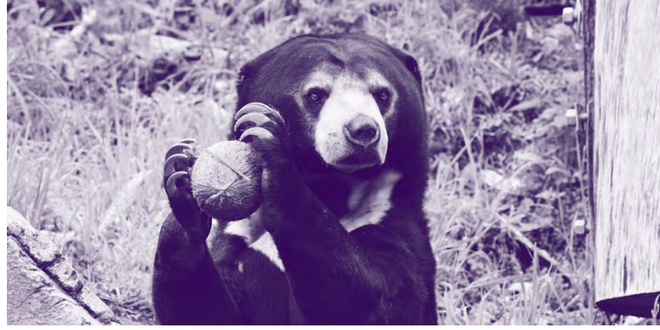
"We thoroughly enjoyed it. Both the Zoo Keepers…were incredible. They were very knowledgeable and engaging, and we learnt so much from the experience. The actual setup and flow of the experience was very well designed too. Our favourite part was watching the little training session that was done with Sasa. We would definitely recommend the experience to others".

Sun Bear Behind the Scenes Experience participants

Following the renovations to the Giraffe house, Giraffe Close Encounters were reformatted for visitors to experience life alongside a Giraffe Keeper. Participants in this Close Encounter explore the Giraffe house to learn how we best care for the largest animals in the Zoo before feeding them from a special place in the Giraffe outdoor space.











Zoo Keeper for a Day Experience

Launched in June, we have developed a Zoo Keeper for a Day Experience, where participants will spend the majority of a day with members of the Animal Care team as they work with different animals across the Zoo. Split into two different options, visitors can choose from Carnivores and Minibeasts, or Primates, Herbivores and Birds and get real hands-on experience and a taste for what being a Zoo keeper is all about. First bookings for this product go live on 2 July.

Free Student Day Te Herenga Waka-Victoria University of Wellington

In the spirit of our continuing partnership with Te Herenga Waka - Victoria University Wellington we offered all enrolled students free entry to the Zoo on Friday 7 May; in previous years, we had included free passes as part of orientation information for new students only. A total of 663 students took advantage of this offer and visited the Zoo for free on a very sunny Wellington day, an increase in visitors from previous years. We offered special talks on our conservation field work during the day and promoted a special Zoo Crew membership deal.





Learning at the Zoo

Wellington Zoo provides a range of formal and informal learning experiences throughout the Zoo. Along with experiences for students run by our Learning team, Visitor Rangers and Animal Care staff deliver engaging informal learning experiences every day.

This year, our measure for learning visits has extended to encompass students across all stages of education, incorporating not just those who are booked in for learning sessions, but also external groups and students who come for self-guided tours. This year 21,204 students visited the Zoo.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Student and Education Visits	21,204	20,000 ✓	14,645 ✓	N/A new measure

Learning Experience Outside the Classroom (LEOTC)
The Zoo's Learning Team continue to deliver LEOTC programmes to students Y1-13 in partnership with the Ministry of Education. 9,713 students participated in LEOTC sessions this year. Our learning programmes continue to go from strength to strength with new programmes and experiences offered this year. COVID-19 Alert Level changes have impacted on the number of groups visiting the Zoo for sleepovers as well as schools from outside of Wellington visiting the Zoo for learning sessions. The return to Alert Level 2 on 12 August affected some school bookings however the instruction from the Ministry of Education that school groups did not constitute a 'mass gathering' and were therefore not subject to the 100-person limit meant we were still able to take all school groups, as long as they were happy to come. More intense hygiene processes were implemented, along with QR codes and hand sanitiser stations at entry, meeting points and on Primate Evolution activities.

New LEOTC sessions have been introduced this year including 'Homeostasis' for Year 13 Biology students. This session is a hands-on practical experience in which students study Zoo examples of animal strategies for maintaining homeostasis stable body temperature and conditions and use themselves as test subjects. They measure their own body's responses to cold in the freezer at the Nutrition Centre, heat, and intense exercise running from the bottom of the Zoo to Giraffe habitat.
Using our existing staff skills we have delivered LEOTC sessions in both Japanese and Spanish for language students. Caring for Animals remains our most popular learning session, centred on animal care and welfare at the Zoo with clear links to The New Zealand Curriculum.

As part of the contract with the Ministry of Education, we provide six-monthly reports to New Zealand Council for Educational Research (NZCER), the monitoring agency for the contract on student numbers and evaluation of our programmes, including impact on participants. We also have a monitoring visit or call from NZCER each year. We had great feedback on how we are delivering LEOTC sessions to students including supporting schools by developing online learning sessions. Positive teacher feedback for in-person sessions showed continuing value for the programmes the Zoo provides.

"The tasks around Primate Evolution created significant areas to develop for the students and allowed them to complete their work back at school successfully. The Homeostasis session was outstanding and really focussed the students into the real biology with a Level 8 [NZ Curriculum] understanding for them all.
It is one of the highlights of the year to attend the zoo with the students and see them being excited about the environment."

Teacher, St Patrick's College Silverstream

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Wellington Zoo's Learning Team hosted a secondary school Science Heads of Departments and Capital City Science Educators teacher hui. This opportunity was used to showcase the work our Learning team does to market ourselves as a learning destination.

We were asked to participate in a video collaboration with a US-based non-profit organisation Turning the Page. They link public schools, families and community to ensure students receive valuable educational resources and a high-quality public education. Wellington Zoo Educators virtually delivered a learning session on Aotearoa New Zealand's taonga species to students in the US.

School Holiday Programme

Our school holiday programmes continue to go from strength to strength. A new programme day delivered this year was a special theme for Earth Day, 'Earth Day 2021 – Restore Our Earth'. The school holiday programmes have been successful this year with 1,809 places sold due to increased targeted marketing efforts. Using cost effective methods like targeted social media ads and our own channels like the Zoo newsletter and social media pages, we sold out almost every day of the Holiday Programmes.

Wellington Zoo Bush Builders

The Zoo's award-winning Bush Builders environmental literacy programme helps urban students discover the wonder of the world around them, in their own schools, and to empower them to take positive action in their own communities.

Two schools participated in Bush Builders this year: 117 students from Fergusson Intermediate continued to work on native tree planting in the school's grounds to encourage native wildlife into their space; and 28 students from Rata St School learned about behavioural enrichment design to engage pet cats and dogs so they don't predate on native wildlife.

Careers Day

On May 12 we held a Careers Day to provide secondary school students in the Wellington region with information and guidance about various career pathways available within a zoo. A total of 25 students attended from two Wellington high schools. Students engaged directly with Wellington Zoo staff before experiencing hands-on examples of work in a zoo at both The Nest Te Kōhanga and the Nutrition Centre.

"Staff were amazing and informative in the small group chat which really gave the students time to ask them questions."

Careers Day participant

Engagement with the Community

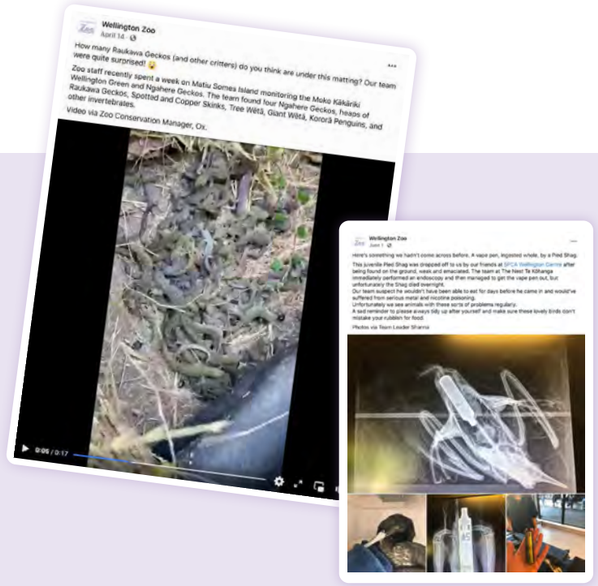
Social media overview

The Zoo's social media channels allow us to share stories of our conservation efforts and engaged people with animals both in local and global communities. The number of followers on our channels are still growing with a moderate increase in total numbers this year.

Some of the most popular content this year:

- A juvenile Kāruhiruhi Pied Shag dropped off by the SPCA after being found on the ground, weak and emaciated. The team at The Nest Te Kōhanga immediately performed an endoscopy and discovered it had ingested a vape pen. The team managed to get the vape pen out, but unfortunately the Shag died overnight. This was a sad reminder about the amount of waste that is inappropriately disposed of in Wellington.
- Facebook video from Matiu/Somes Island conservation monitoring trip of foam matting being lifted to reveal a swarm of wriggling Raukawa Geckos (and other critters) got phenomenal reach of over 759,000 and more than 400,000 views.
- During Te Wiki o Te Reo Māori, Māori Language Week we posted a Kupu o te Rā (Word of the Day) relating to the Zoo and conservation.
- A video of Fern the Kea having a bath was very popular in November.
- We got into the spirit of the season in early December with a great photo of Kitwe the Chimp who wanted his new front tooth for Christmas. In the New Year we shared a photo showing that Kitwe's adult teeth had come through.
- Red Pandas and Capybaras continue to be favourites through social media with a number of very popular posts.





Media coverage

The media is another avenue to tell Wellington Zoo stories to our community and contribute to their understanding of the Zoo's wide-ranging work in animal care, conservation and sustainability.

Some story highlights from the past year were:

- The human impact on our native birds was highlighted with both Stuff and TVNZ running stories about The Nest Te Kōhanga treating some Tarāpunga Red-billed Gulls that had been shot, and a Toroa Albatross treated for plastic ingestion. This included a plea to fishers to take used gear home such as hooks and twine as bird injuries skyrocketed over the summer.
- A number of news outlets featured stories about the proposed fireworks ban for a two-kilometre radius around the Zoo including TV1 and TV3 news. This ban has gained support since the tragic death of a Nyala Antelope as a result of Guy Fawkes Day 2019.
- The Minibeasts and Sun Bears Behind the Scenes Experience captured the community's imagination with features in the NZ Herald and Concrete Playground.
- TV3's The Project crossed live to Wellington Zoo during Valentine's Night to showcase this unique event that allows visitors to enjoy live music, an outdoor bar and special love-themed animal talks.
- The euthanasia of Lionesses Djane and Zahra received widespread media attention as it meant Wellington Zoo would be without Lions for the first time in decades.

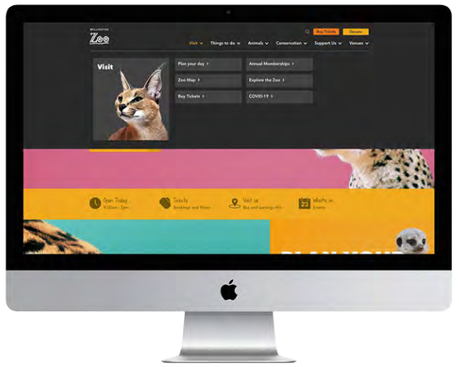
Notable marketing activity

In July 2020, Wellington Zoo went live with its amended website structure to make it easier for our online visitors to find what they want and improve their overall user experience. The main visual change was the new navigation menu and other more subtle changes like tweaks to names of headings and page location.

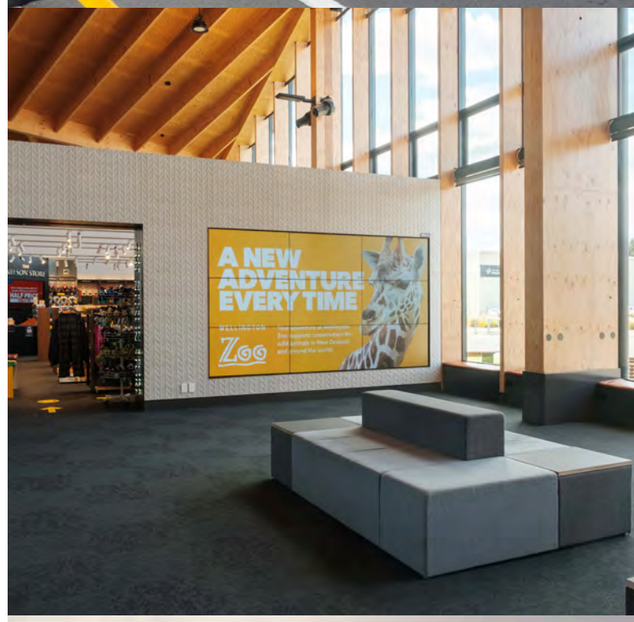
School holiday advertising campaigns this year were partially aimed at visitors outside of Wellington (upper South Island/lower North Island regions) aiming to capitalise on domestic tourism in the wake of COVID-19 lockdowns. The campaigns included digital billboards, radio and Facebook advertising.

We also connected with tourism agencies to further attract domestic tourists. We featured prominently in WellingtonNZ's Wild Weekends campaign and set up a deal with Accor Hotels that featured on the TourismNZ website.

There was a lot of Zoo Marketing activity this year promoting the new Behind the Scenes animal experiences, and three separate products Sun Bear, Minibeasts, Zoo Keeper for a Day; as well as for the arrival of Wellington's first Ring-tailed Lemurs.









Venues

Our Venues team work to highlight the Zoo as a great location for both small and large off-site meetings, functions, and conferences, providing unique and sustainable venues for guests.

Our venues income was significantly impacted by COVID-19 with a decline in bookings while at Alert Level 2 and limited interest in large scale bookings as customers were reluctant to commit due to uncertainty around Alert Level changes. This resulted in a lack of whole Zoo hires in 2020/21, significantly impacting our results for the year. However, we were still successful in hosting 76 meetings and 21 functions/events which brought in $175,022 including two conferences and a 100-person Christmas function.

We became a member of Business Events Industry Aotearoa (BEIA). BEIA creates and supports increased business tourism including conventions, meetings and incentives in Aotearoa New Zealand, and we will work with them to drive venue and corporate experience opportunities. We attended a BEIA networking event in Auckland in December.

We worked closely with WellingtonNZ to explore new venues markets, such as Incentives Experiences. We successfully hosted a variety of familiarisation visits for conference and event organisers, and Australian contacts. We introduced a group Giraffe feed experience for venues guests, to help our guests make the most of their visits to Wellington Zoo.

"Our experience hiring Kamala's was delightful - and what a beautiful venue! In the build-up, all of our questions were answered concisely. On the day, Zoo staff were very attentive and flexible to change; they were instrumental in helping our conference run smoothly and successfully."

Jacob Beullens, ecoPortal

Retail

Retail sales have done very well this year. The retail space has been re-merchandised to allow more space for display stock and expanded merchandising areas for our bestselling ranges. Some new products have been introduced including more toys in our "green" portfolio as we continue to shift our focus to fair trade and sustainable products.

We also re-designed the point of sale and signage in the retail space, updating it to be more in-line with other Zoo branded messaging, to make the experience in the retail shop more cohesive with the broader Zoo experience.

Alongside the changes to the stock layout and signage, the Sales and Service team upskilled through sales development opportunities over the year as they had the chance to test out promotional offers to drive product sales, such as Zoo Crew Memberships and Close Encounters. These promotions were focused on Zoo Crew acquisitions and renewals during key times and Close Encounter sales on the day.

These changes have contributed to strong sales throughout the year, as well as a great retail capture rate of 10.6% for visitors (excluding school children) purchasing retail.

CRM Salesforce

In the partnerships space, the roll out of the Customer Relationship Management (CRM) tool Salesforce has enabled the proactive management of grant applications and accountability, partnership relationships and agreement renewals, and donation campaigns.

Salesforce also supports memberships and it has given Visitor Advisors more information to help members make the most of their visits, for example, when memberships are coming up for renewal. Teams participated in training with implementation partner Gravity Lab on Salesforce reporting and system functionality. This training was delivered with the support of Wellington Community Trust's Life Grant.

Tap to Donate

A new Tap to Donate initiative, which accepts contactless EFTPOS and credit card donations, was launched late November with stations installed in the shop. This new fundraising channel diversifies the way visitors can donate to Wellington Zoo and modernises the donation box.

Donorbox

We went live with a new backend platform to manage online donations and refreshed the Zoo donation page to create a better donor experience. Donorbox has streamlined the management of donors, as it is integrated with Salesforce to help us better understand our community of givers and allows us flexibility in building a variety of donation campaigns.





Integrating te ao Māori within the Zoo

Development began this year for Kanohi Kitea, the Zoo's cultural competency programme. Working with Taranaki Whānui ki Te Upoko o Te Ika, we aim to increase the cultural knowledge across the organisation to begin our journey towards becoming a bi-cultural organisation.

Kanohi Kitea is about cultural change in the organisation with competent understanding of context and all permanent staff will participate in Kanohi Kitea workshops. As the capital city Zoo and Aotearoa New Zealand's first Zoo we want to be ambitious and brave. The name given to the project, Kanohi Kitea means that we will do what we say, we are the face of what we said we would do and reflects our commitment to continuing on this journey.

The 25 indicators that form the cultural baseline include:

- **Te Tiriti o Waitangi** – historical; legal; contemporary; bi-cultural approach, Treaty based organisation;
- **World view** – values; links to Me tiaki, kia ora!; animals; whakapapa; mana;
- **Engagement** - Iwi structures; engagement model; effective engagement;
- **Te Reo** – tikanga; waiata; karakia; salutations; mihi whakatau; pronunciation.

We have surveyed all Zoo staff to assess where they believe they are on the continuum of cultural competency – and then will reassess everyone after the initial programme is complete next year. Initial workshops have been held with staff and will continue in July and August 2021.

Maintaining lasting partnerships for community support and conservation outcomes

Grants

The Zoo is a charitable trust and we are fortunate to have the ongoing support of Wellington City Council and other Zoo partners. The demand for financial support from Trusts and Foundations is significant and it is great to know that these organisations are still wanting to support the amazing work we do at the Zoo.

Considering the COVID-19 situation, this year we were especially grateful to receive the following:

Holdsworth Charitable Trust: $300,000 over three years for operational costs of Te Piringa Iti and Te Hononga.

Four Winds Foundation: $75,000 funding to support the construction of the new Snow Leopard Project.

J&A Mauger Trust: $48,819.42 allocated towards the Snow Leopard Project. This will be J&A Mauger Trust's final contribution to the Zoo as the Trust is closing.

Koala Trust: $8,867.75 for The Nest Te Kōhanga.

Brian Whiteacre Trust: $5,000 also for The Nest Te Kōhanga.

Support from our partners

Tip Top

Tip Top continues to be a valued partner and renewed its supplier partnership agreement with the Zoo for three years, effective October 2020. This year they supported us with ice creams during Neighbours' Night and donated their time and products to roll scoop ice cream at Welcome Weekend. They raised $1,202 for the Conservation Fund through ice cream scoops on the day.

Weta Digital

Weta Digital renewed its agreement with the Zoo for two years for a value of $20,000 per annum. Sound engineers from Park Road Post visited the Zoo to record Meerkat vocalisations as part of a project for Weta Digital. The Carnivore team assisted in organising two visits where the Meerkats had enrichment to encourage group vocalisations.

Caniwi Capital

We received $20,000 sponsorship from Caniwi Capital for support of the Snow Leopard project.

EcoPortal

We signed an agreement with EcoPortal for support of our new Health and Safety reporting tool, IHI.

New World

New World Newtown generously contributed over $2,000 worth of food to make our annual Neighbours' Night event a success. Their team members generously donated their personal time to volunteer at the event to prepare food for visitors.

Wellington City New World continued to sell our reusable Zoo bags, the sale of which has resulted in $2,043 being contributed to our Conservation Fund.

"New World Newtown is very proud to be a key supporter of Neighbour's Night, having supported the event for the past three years. We are a locally owned and operated business at the heart of the Newtown community and we couldn't think of a better event and organisation to partner with! We look forward to continuing our relationship with Wellington Zoo."

Mark Troup-Paul, Owner, New World Newtown

Partners & Sponsors

Caniwi Capital
Clemenger BBDO
ComplyWith
Dot Loves Data
EcoPortal
Frucor Suntory
Massey University of New Zealand
New World Newtown
New World Wellington City
NZME
Pacific Radiology
The Warehouse
ThinkTurf
Tip Top
Tranzit
Umbrellar
Te Herenga Waka-Victoria University of Wellington
Weta Digital

Trusts and Foundations

Brian Whiteacre Trust
Four Winds Foundation
Holdsworth Charitable trust
J&A Mauger Trust
Koala Trust / Perpetual Guardian
Lion Foundation
Lottery Environment and Heritage Fund
Stout Trust
Pub Charity
Wellington Community Trust

"Frucor Suntory is proud to be a partner of Wellington Zoo. We have enjoyed working with the Zoo to support our community and drive positive sustainability outcomes through our respective work, such as supporting the Zoo each year in installing new water fountains."

Dave Eley, Business Manager - Café & Foodservice, Frucor Suntory

Engagement with our partners

We seek to actively engage with our partners and connect them with the work we do.

We welcomed funders, local government representatives, mana whenua, iwi, and Kākā members to celebrate the opening of new habitats and facilities within the Zoo at a range of successful mihi whakatau and stakeholder events. These included:

- The opening of Te Piringa Iti and the Moko Kākāriki Wellington Green Gecko habitat and visitor experience;
- The opening of Te Hononga, our new Tuatara management facility;
- The redevelopment of the Giraffe House;
- Opening of the Ring-tailed Lemur habitat.



Oranga
A HEALTHY ORGANISATION

ORANGA CREATES THE FOUNDATION FOR OUR ZOO STRATEGY AND ENABLES US TO ACHIEVE THE OTHER FOUR PILLARS OF WHĀNAU, TINANA, HINENGARO AND WAIRUA



Oranga | A Healthy Organisation

Embed wellbeing for our people

Our dedicated and passionate team are vital to the running of Wellington Zoo. In recognition of this fact we aim to provide a large number and wide range of opportunities to let them learn, develop and flourish on the job.

Employee Experience review

As an outcome of the Our Say Our Future staff survey a working group was formed around the number one theme voted by staff of 'A Voice to be Heard'. The working group implemented a new initiative this year called Open Ideas Week. Of the 49 solution-focused ideas submitted, 63% were confirmed as already happening or planned. We have decided to repeat Open Ideas Week at the same time next year as a great way to provide a formal avenue for new ideas, solutions and opportunities to be submitted for consideration.

In the second quarter we hosted an induction half day for new staff within their first three months of joining the Zoo; another was held in the fourth quarter. This three-hour interactive session involves new staff hearing a short presentation from each business area, having the opportunity to ask questions of the presenters, meeting informally for coffee with the Chief Executive and getting to know others who are also relatively new. This new initiative will continue three to four times per year.

Tickbox 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. It will be beneficial in ensuring staff's employment journey within Wellington Zoo is a positive one.





St John's Mental Health First Aid Courses

The Zoo's People Leaders participated in St John's Mental Health First Aid Training workshops during August and September. A further workshop was held in December for all staff interested in being part of the Zoo's Mental Health First Aid team.

We 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.

Rainbow Tick

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 welcomes and reflects our rainbow community.

Above the Line/Below the Line learning session

We ran internal learning sessions based around the Above the Line/Below the Line model of understanding our own and others behaviour and responses. In total 67 staff attended these learning sessions.

Social Events Committee

The reinvigorated Zoo Social Events Committee, which was re-established as an outcome of the Our Say Our Future survey, organised three events over the past year including a Fish and Chip lunch in October 2020; an on-site Christmas Lunch in December 2020 with attendees bringing along some non-perishable items to donate to the Wellington City Mission Christmas Appeal; and a trivia quiz night for Zoo team members to enjoy in April 2021.

Sustainable Secret Santa

The Green Team organised the annual staff Secret Sustainable Santa event whereby staff were invited to swap sustainable gifts, for example, a gift made by the giver, or reused items. Staff swapped presents over a shared lunch.

Uniform updates

Following the implementation of Zoo's SunSmart Policy, new long-sleeved shirts were issued to those predominantly working outside. These new shirts complement the wide brimmed hats and sunscreen which are already available for outdoors staff.

Aotearoa Bike Challenge 2021

Staff again competed in the Aotearoa Bike Challenge 2021. The team collectively cycled over 2,446km and were second nationwide in the not-for-profit (50-199 staff) category.



Oranga | A Healthy Organisation

Grow our people through learning and development

Our passionate, dedicated staff are the lifeblood of Wellington Zoo. A Learning and Development framework is being created to guide us in making decisions about staff development to ensure we grow all our people in directions that will benefit the Zoo, their team and delivery of their own role.

A multi-levelled Keeper Development Programme has been co-designed with input from a working group of Animal Care staff. The first two levels of the programme were launched in September and a more intricate 'Specialist' level will be developed.

The first six-monthly assessments for the new Keeper Development Programme were submitted by the five Keepers undertaking the programme and the process went well. Participants are now working on their next three modules for submission at the end of August.

Animal Science curatorial internship programme

Keepers Anders Muller and Deleece McLaren undertook a six-month internship with Animal Science Manager Simon Eyre to learn specialist curatorial knowledge and skills.

Gold Agouti Awards

Every year we celebrate the dedication and achievements of our staff and volunteers at the annual Gold Agouti Awards. Due to the move into COVID-19 Alert Level 2, the Awards were postponed until 1 October.

Categories included: Oranga (a Healthy Organisation); Whānau (Our Role); Tinana (Our Animals); Hinengaro (Our Purpose); Wairua (Our Community); and Living the Values Award. Staff and volunteers having worked at the Zoo for five, ten or fifteen years were also acknowledged with an Aoraki Award.

Winners:

CEO Team Excellence
All Zoo staff for COVID-19 response

CEO Team Excellence (Highly Commended)
Senior Management Team for management of COVID-19 response

CEO Individual Excellence & Highly Commended Individual Excellence
No awards this year – as all staff performed so admirably under ever changing conditions during COVID-19 lockdowns and Alert Level changes

Oranga
Daniel Warsaw, General Manager Animal Care and Science

Wairua
Ash Howell, Content and Communications Advisor

Tinana
Dave Laux, Team Leader Reptiles and Invertebrates

Hinengaro
Chye-Mei Huang, Keeper Reptiles and Invertebrates

Whānau
Jeremy O'Brien, Team Leader Nutrition

Special Recognition Award
Joel Knight, Keeper

Living the Values
Glyn Avery, Team Leader Herbivores and Birds

Volunteer Excellence Award
The Nest Te Kōhanga – Alison Borbely

Volunteer Excellence Award
Visitor Experience - Anne Cole

Volunteer Excellence Award
Animal Care and Science – Debbie King

Volunteer of the Year
Jess Fair - Animal Care and Science

Aoraki Awards for Long Service
Susan Macdonald (15 years)
Harmony Neale (15 years)
Nathan Spurdle (10 years)
Leo McLaughlin (5 years)

Volunteer Aoraki Awards
Penny Sturgess (5 years)
Andy Leeb (5 years)
Alex Blakaway (5 years)

Salty Dip Award
Daniel Warsaw, General Manager Animal Care and Science











Oranga | A Healthy Organisation

Staff learning sessions, training and development

We regularly hold learning sessions at the Zoo to share knowledge and expertise. Learning sessions for staff at the Zoo this year were:

- Team Leader Reptiles and Invertebrates Dave Laux talked about his Conservation Volunteering Leave in the Cayman Islands supporting the National Trust of Caymans Blue Iguana Conservation programme by assisting with the 2020 population census and providing support and training at the captive breeding facility.
- Visitor Ranger Meg McMain talked about using her Conservation Volunteering Leave to help a University of Otago Masters' student study the effect of tourism on Hector's Dolphins in Porpoise Bay, Catlins.
- Zoo Educator Claudia Richards and Health and Safety Advisor Lynne Laurie reported on their trip to Malaysia to work with TRAFFIC, the wildlife trade monitoring network, which was made possible by a Conservation Staff Fund Grant.
- Conservation Manager Dr Ox Lennon presented on their Master's research (molecular barcoding of archival mosquitos) and PhD research (mitigation translocations for conservation of NZ Skinks).
- Keeper Kaitlyn Manu and Veterinary Technician Sarah Gough gave a Conservation Volunteering Leave talk.
- A Financial Literacy Learning Session run by Sam Stubbs, Founder and Managing Director of non-profit KiwiSaver provider Simplicity. Sam covered some basic information around financial markets and helped staff learn more about how to manage their money and how they could make their finances work better.
- Staff from Waste Management presented to the Zoo team about rethinking how we use materials, considering how we can more effectively reduce our usage and the smartest ways to minimise waste going to landfill. As regulations change frequently around which items are accepted for recycling, staff had a chance to have their questions answered and took part in an exercise to sort Zoo recycling.

Training and development events

- Wellington Zoo Board Trustees held their annual Board Development Session in September which was facilitated by Sally Gough and Chief Executive Karen Fifield, MNZM. The session was based around the Gallup 34 Strengths Finder profiles which were overlaid with those of the Strategic Management Team to indicate where the Zoo's governance and management strengths lay within the organisation.
- Our People and Culture team attended a Flexible Work Essentials course run by Human Resources Institute NZ to contribute to a review of our Flexible Working Arrangements Policy.
- The Strategic Management Team had their annual planning day at The Lower Hutt Events Centre.
- The Zoo organised a meeting for staff who are on work visas with our immigration lawyer so they could find out more about the new immigration changes and how these variations will impact on their visa applications.
- The Business and Partnerships and Marketing and Communications teams participated in four dedicated training sessions with Salesforce and Gravity Lab to support the use of Salesforce CRM. This included in-depth training on sales reports and dashboard functionality.

"Our people are the cornerstone of our success. Their professional approach to their mahi is exemplary. The personal and professional growth of our Zoo team is important as part of our training and development programmes"

Karen Fifield, MNZM, Chief Executive Wellington Zoo Trust

- Members of the Zoo's Learning Team attended the Wellington Region Environmental Educators' Forum at Zealandia Te Māra a Tāne. It provided a good opportunity for professional development and a chance to network with environmental educators around the region.
- 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 a workshop on Te Tiriti o Waitangi facilitated by the Wellington Regional Environmental Educators' Forum looking specifically at content from the Treaty education programme.
- General Manager Communication, Experience and Conservation Amy Hughes and General Manager Safety, Assets and Sustainability Chris Jerram attended the CRISIS-X workshop at Te Papa in April.
- General Manager Business and Partnerships Allie Binaco and General Manager Communication, Experience and Conservation Amy Hughes attended the TRENZ Hui in Christchurch in May.
- General Manager Business and Partnerships Allie Binaco attended the BEIA Be-Reconnected networking event in Auckland in December.

Measure	Actual 2020/21	Target 2020/21	✓	COVID Target 2020/21	✓	Actual 2019/20
Staff recognition programme	1	1	✓	1	✓	1
Staff learning and development sessions held	11	10	✓	10	✓	21

Sharing our expertise

Many Wellington Zoo staff are recognised experts in their fields and share their knowledge through connections with the wider professional community.

Zoo and Aquarium Association Australasia (ZAA)

Daniel Warsaw, General Manager Animal Care and Science, was elected to the New Zealand ZAA Committee at its Annual General Meeting in July.

Amy Hughes, General Manager Communication, Experience and Conservation has been appointed to the new ZAA Conservation Engagement Committee. Amy also sits on the ZAA Board and the ZAA Wildlife Conservation Committee.

Oranga | A Healthy Organisation

Other Board representation and Committee appointments

- Dr Ox Lennon, Conservation Manager, was appointed as a WAZA representative on the IUCN NZ Committee and invited to join the New Zealand Restoration Day Committee, which is a collaboration with Greater Wellington Regional Council, DOC, local restorationists and conservationists.
- Karen Fifield, MZNM, Chief Executive, has been appointed to the Te Herenga Waka-Victoria University of Wellington Tourism Management Advisory Group and the Governance Group for Tāpui Aotearoa Sharing Expertise.
- The Central Zoo Authority of India (CZA) has contacted several global zoos, including Wellington Zoo, via a consultancy with Ernst & Young. CZA is seeking to improve the top ten zoos in India (out of 152 across the country) via collaborations with progressive global zoos that are WAZA members. CZA have suggested Wellington Zoo collaborate with Chennai Zoo Arignar Anna Zoological Park, and focus on themes of visitor experience, sustainability, animal welfare and conservation.
- Amy Hughes, General Manager Communication, Experience and Conservation is the Oceanic Regional Representative on the IZE board.

Conference attendance

- Karen Fifield, MNZM, Chief Executive, virtually attended two WAZA Council Meetings and the annual WAZA Conference held in October. At this Conference, Karen (as the Chair of the group leading this work) launched WAZA's Sustainability Strategy, Protecting Our Planet, which is based around the United Nations Sustainable Development Goals.
- Karen, as Chair of the WAZA Ethics and Animal Welfare Committee, co-presented an update on the work being done on the 2023 WAZA Animal Welfare Goals: WAZA Ethics and Animal Welfare Committee Meeting; and WAZA Conservation and Environmental Sustainability Committee Meeting.
- Karen Fifield, MNZM, also attended the online SEAZA Annual Conference which focused on the impact of COVID-19 on zoos and animals within the region and globally.
- Communication, Experience and Conservation (CEC) staff attended the online International Zoo Educators Association (IZE) Conference where the Social Change for Conservation strategy, in which the General Manager, Communications, Experience and Conservation Amy Hughes was involved in developing, was launched. In her capacity as the IZE Board Regional representative, Amy Hughes hosted an Oceania Regional drop-in Zoom session attended by 18 educators from across the region.
- Staff attended the Kiwi Hui in Queenstown in September. This annual meeting is coordinated by 'Kiwis for Kiwi' and brings together Kiwi carers and conservationists from across Aotearoa New Zealand.
- Staff attended virtual annual meetings of the ZAA Taxonomic Advisory Groups to discuss species breeding programmes in our Australasian region for Birds, Primates and Australian mammals.
- Wellington Zoo staff 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.

External presentations by staff

- Daniel Warsaw, General Manager Animal Care and Science, and Simon Eyre, Animal Science Manager, presented to an audience in Japan on the topic of Animal Welfare in Zoos. Their talk (which was translated live into Japanese) reached over 300 live viewers across Japan and was very well received, with a follow-up article being written in a local newspaper.
- Dave Laux, Team Leader Reptiles and Invertebrates, presented to the Wellington Entomology Society on the husbandry and breeding of the Goliath Bird Eating Spiders.
- Karen Fifield, MNZM, Chief Executive, Daniel Warsaw, General Manager Animal Care and Science and Simon Eyre, Animal Sciences Manager undertook a bespoke tour and presentation to 25 members of the Federated Farmers Dairy Council, where they talked about the Five Domains of Animal Welfare in a zoo context. The visit was very well received.
- Chris Jerram, General Manager Safety, Assets and Sustainability, presented on the Zoo's Emergency Response team training for a not-for-profit Global Animal Disaster Management Conference, featuring speakers from around the world.
- Simon Eyre, Animal Science Manager, presented a lecture to Massey University's Companion Animal Science Course on modern zoos, animal welfare and accreditation.

Jo Thomas, Animal Care Manager:

- Presented a lecture to Massey University's Companion Animal Science Course on modern zoos, animal welfare and accreditation.
- Presented to both Probus Wellington and the Moonshine Club in Upper Hutt on the complex dynamics of our Chimpanzee group. This endangered species live within complex communities and by understanding the hierarchical grouping and allegiances it helps our community understand how important it is that we protect these animals.
- Took part in a podcast with Sabrina Brando of Animal Toncepts and Practical Animal Welfare Science (PAWS) on the Five Domains of Animal Welfare at Wellington Zoo. This podcast has a global audience.

General Manager Communication, Experience and Conservation, Amy Hughes presented at:

- Public Libraries of New Zealand Forum about the Zoo's sustainability journey;
- Upper Hutt Grey Power about the Zoo and conservation;
- Te Herenga Waka-Victoria University of Wellington Waka tourism class;
- Waka Kotahi Kaitiaki sustainability group.

General Manager Communication, Experience and Conservation, Amy Hughes presented at:

- Te Herenga Waka-Victoria University of Wellington Waka Aspire Women's Leadership Development programme 2020;
- Skål International (global professional organisation of tourism and travel leaders) on COVID-19 post recovery from the Zoo's perspective;
- Tourism NZ panel discussion as speaker as part of the Tourism NZ Roadshow;
- Creative Welly podcast;
- Zoo Advisors USA – Women in Leadership Conference Focus Group workshop;
- Greenloop Sustainability Conference – WAZA sustainability initiatives;
- Buzzpodcast - on the role of directors and manager in animal welfare research.

Dr Ox Lennon, Conservation Manager:

- Gave an invited talk to the Society for Research on Amphibian and Reptiles at Aotearoa New Zealand's annual conference;
- Presented a talk on Zoos and Conservation to the Wellington Tramping and Mountaineering Club;
- Was interviewed on Jollyville Radio podcast (USA) speaking about Wellington Zoo and the conservation work we do;
- Gave a lecture to biology Masters students at Te Herenga Waka-Victoria University of Wellington on the topic Zoos and Conservation.

Commit to outstanding daily visitor care

We are committed to ensuring that every visitor to the Zoo has a positive experience and the chance to connect with the animals we care for and to be inspired to take positive action for the environment. These connections are vital to ensure the sustainability of the Zoo and to grow a community that cares for animals and their conservation.

Visitor numbers

The ongoing COVID-19 pandemic and changes to Alert Levels has impacted the number of visitors to the Zoo. Visitor programmes like Close Encounters, Behind the Scenes experiences and school visits weren't possible in the higher Alert Level periods. General visitor experience was also affected as we could not run our daily animal talks and activities in Alert Level 2, and some areas of the Zoo where people cannot easily social distance had to be closed to visitors. We also saw the impact of the lack of international tourists over summer, as that is when we traditionally see tourists visiting the Zoo.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Visitors	229,390	254,000 ✗	173,882 ✓	220,607

Qualmark

Qualmark is Aotearoa New Zealand tourism's official quality assurance organisation, providing a trusted guide to quality travel experiences in Aotearoa New Zealand. The Zoo completed its annual Qualmark assessment, which involves an audit of various visitor, marketing and Health and Safety initiatives at the Zoo. We were awarded the Qualmark Gold Sustainable Tourism Business Award, a standard we are proud to have achieved every year since joining in 2009.





Visitor survey

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Measure visitor feedback and satisfaction	9.1	8.5 ✓	8.5 ✓	8.9

Volunteers

Wellington Zoo has a dedicated team of passionate volunteers who help support the Zoo to provide a high standard of animal care and welfare, and help us connect with our community. The Zoo is very grateful for the essential contribution our volunteers make to our work.

We have approximately 50 volunteers across Animal Care and Science, The Nest Te Kōhanga and Visitor Experience. A round of recruitment was completed in March when we welcomed 15 new volunteers to the Zoo.

The new The Nest Te Kōhanga volunteers have undergone training and refresher workshops. The management of the Animal Care and Science volunteers has moved to Isabelle McGregor, Nutrition Assistant who does the roster and keeps the team updated on Zoo news. Visitor Ranger Jacob Rooney looks after the Visitor Engagement Volunteers and sends regular Zoo news to keep them up to date with all the Zoo and animal changes.

Unfortunately our celebration of volunteers planned for National Volunteer Week in June had to be postponed due to the Wellington region's move to Alert Level 2. The volunteers are invited to the annual Gold Agoutis awards where we recognise their support of the Zoo. This year the Zoo agreed to give volunteers 10 free Zoo passes each to enable them to share their love of the Zoo with family and friends and to reward long serving volunteers with Close Encounter vouchers.

Volunteer survey

Every year we check in with our volunteers to ensure they are satisfied with the programme across the three strands of volunteering – engaging our visitors, supporting the work of The Nest Te Kōhanga and helping our Animal Care and Science team. This year's results show that our volunteers are overwhelmingly positive about their experiences: 93.3% happy with volunteer programme (85.7% in 2020); 93.3% happy with support given (80.9% in 2020); 86% happy with communications (90% in 2020).

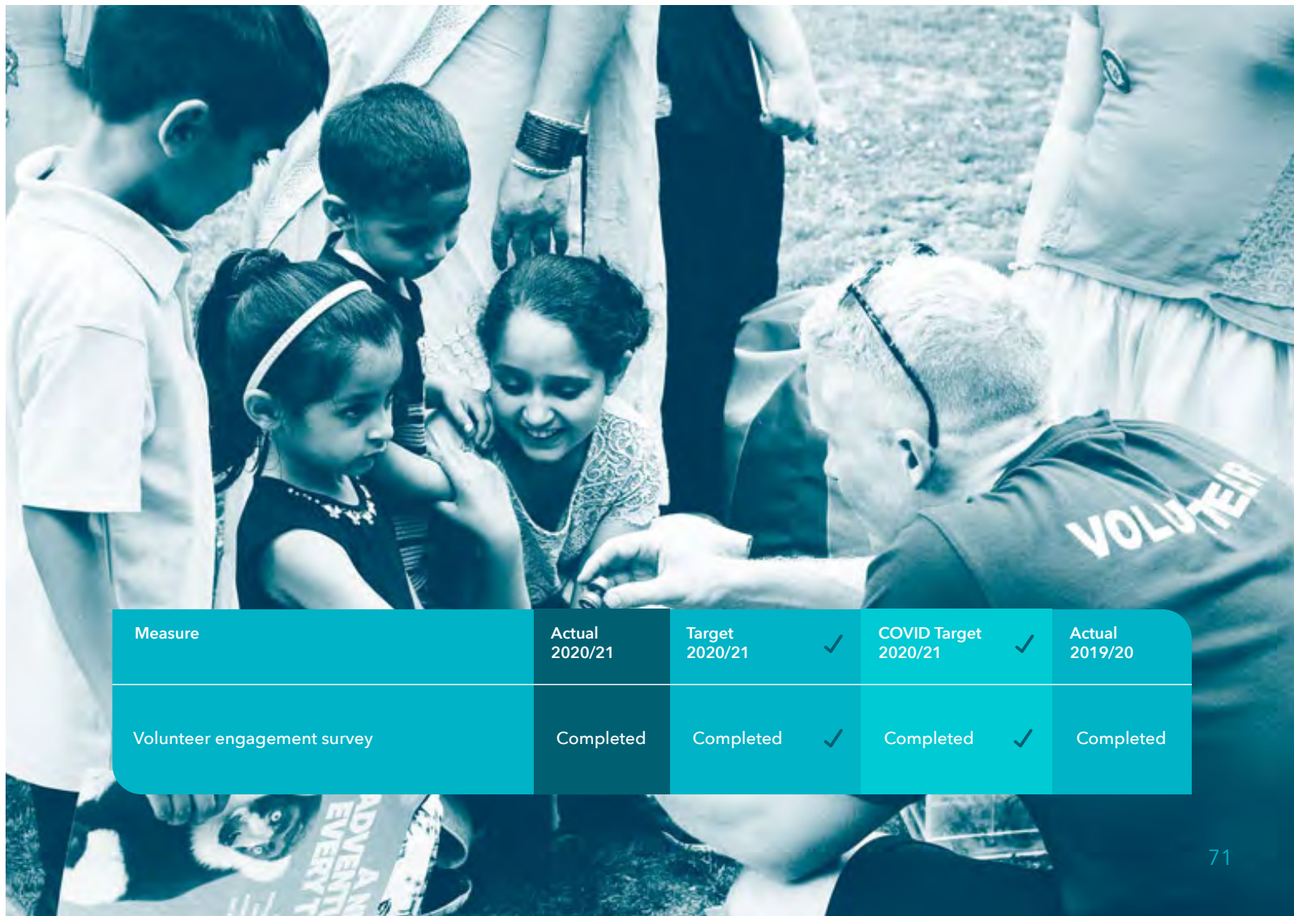
"The Zoo makes me a better person, and I hope that what I do helps enhance our visitors visit. There is a magic at the Zoo, walking through those gates the busy, and demanding reality of life is on the other side and for the time you are there you enter a magical world. People coming to the Zoo have a love of animals and everyone there shares a common goal."

Zoo volunteer, taken from the annual survey









Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Volunteer engagement survey	Completed	Completed ✓	Completed ✓	Completed

Model values-aligned behaviour

At Wellington Zoo we live by our values:



WE ARE A VOICE TO BE HEARD

KA RONGO TE PŌ KA RONGO TE AO



WE HAVE A STRONG GREEN FURRY HEART

ME MANAWANUI



WELCOME TO OUR WILD PARTY

HE WHĀNAU KOTAHI TĀTOU



WE PUNCH ABOVE OUR WEIGHT

EHARA TAKU TOA I TE TOA TAKIHAHI, ĒNGARI HE TOA TAKITINI

Sustain a safety-conscious culture

We aim to deliver best practice and strive for continuous improvement. We are conscious of our duty of care to keep safe the animals that live at the Zoo, our staff and visitors.

Emergency Code drills and training

The Sales and Service team participated in a dedicated emergency procedure training session, facilitated by our Health and Safety Advisor. The Sales and Service team play a critical role during emergency situations and this training was an excellent way to familiarise new staff with procedures and to reinforce training and competency in existing team members.

Staff participated in a fire warden refresh training session in March to ensure everyone at the Zoo knows where the evacuation points are for each of the large buildings. We also carried out several animal related emergency drills to ensure our existing procedures are robust and to meet MPI requirements.

IHI

The new Health and Safety incident reporting system IHI "shining a light on the issues" was loaded with four years of historical Zoo data which will enable long-term trends to be viewed and used for reporting. The programme was fully trialled by our Safety Improvement Team during March which involved performing a variety of actions at different levels and testing reporting methods. IHI was rolled out to all Zoo staff in April and the uptake in the last two months has been overwhelmingly positive. The new system will improve accessibility of reporting to staff, who can have a simple app on their mobile devices, and also streamline tracking and reporting of outstanding health and safety incidents and corrective actions. EcoPortal hosts this reporting system and signed a partnership agreement with us this year as part of the roll-out.

SafePlus

This year was the third year we carried out the SafePlus online self-assessment with all Zoo staff. This has provided valuable insight into how our staff experience health and safety at work and also provides great ongoing performance data to monitor our health and safety journey.

For the first time, we also carried out a SafePlus on-site assessment as part of an external compliance audit of the Zoo's existing health and safety systems and processes. The on-site assessment was carried out by a WorkSafe certified external consultant and takes a deep-dive approach into some of the Zoo's critical risks and involves multiple focus group sessions across the organisation, taking in feedback from approximately 30% of the Zoo's staff. This information will be used to develop the annual health and safety strategic action plan for the next two to three years to ensure we are raising the bar on our health and safety performance.

WorkSafe have made a SafePlus video at Wellington Zoo which will be one of a series of case studies to be used to promote health and safety in the workplace as everyone's responsibility.

Measure	Actual 2020/21	Target 2020/21 ✓	COVID Target 2020/21 ✓	Actual 2019/20
Safety Improvement Team meeting attendance	93%	80% ✓	80% ✓	96%
Successful emergency drill/incident debriefs held	8	8 ✓	8 ✓	8





Business Continuity Plan

As part of the Zoo's ongoing health, safety and preparedness work, General Manager, Safety, Assets and Sustainability Chris Jerram ran a series of workshops to redevelop the Zoo's Business Continuity Plan (BCP). The BCP will pinpoint the most critical areas of the Zoo and identify potential risks in those areas to better prepare Wellington Zoo to recover as quickly and easily as possible following a significant incident.

Wellington Zoo Board Trustees and the Strategic Management Team attended an in-house Health and Safety Workshop at the end of July 2020 and again in April 2021. As Health and Safety is also the responsibility of the Trust Board the three-hour workshops took a "deep dive" from a strategic governance position and covered how critical risks were identified, assessed and mitigated.

PA System

The PA System was installed as a crucial piece of health and safety equipment to ensure we can easily communicate with Zoo visitors during an emergency. The PA system was tested as part of our emergency drill programme in May with Trust Board members present. This project was made possible with support from Four Winds Foundation and The Lion Foundation.

Improve and maintain the physical assets



Snow Leopards

Design work for the Snow Leopard project began in earnest this year and will ensure these majestic big cats have the best possible animal welfare, and that we have best practice staff spaces along with an engaging visitor experience connecting to conservation stories of this vulnerable species. At its December 2020 meeting, the Wellington Zoo Trust Board accepted the Snow Leopard Developed Design Report and cost estimate and approved the Zoo team to move into the Detailed Design stage. Building consent and the construction tender are due in early July – with construction likely to start on site in August/ September 2021 and take approximately 12 months to complete.

Giraffe House

The primary focus of this project was to refurbish the animal husbandry areas of the Giraffe House, including the design, construction and installation of a purpose-built, leading edge, Giraffe Trainer. This new equipment will revolutionise the way the Animal Care team can provide healthcare for our Giraffe for years to come.

The other elements upgraded during the project were new fencing around the Giraffe House and updated feeders and drinkers. The new fencing has facilitated an updated Giraffe Close Encounter providing the Giraffe with more choice about how they participate in the Encounter, while the new feeders have reduced body stressing risks for our staff and provided the Giraffe with more areas to feed thereby increasing the versatility of the Giraffe House as an animal space.

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. This project was made possible with the support of Pub Charity Limited and Wellington City Council.





Te Piringa Iti

The Zoo's newly-refurbished invertebrate breeding facility opened in November to support our conservation of native reptiles. The vision is for the centre to be a versatile space that can cater for any species that needs a bit of help. This project was made possible with the support of the Lottery Environment and Heritage Fund and Stout Trust.



Wellington Green Gecko Moko Kākāriki

In November, the Zoo opened its Wellington Green Gecko Moko Kākāriki habitat. The habitat is located opposite Hero HQ and additional visitor interpretive signage was installed in the surrounding gardens to let visitors know about reptile friendly plants to grow at home. Garden signage also referred to cat enrichment and safe cat activities that visitors can do at home to help protect wildlife. This project was made possible with the support of the Lottery Environment and Heritage Fund.



Pygmy Marmoset habitat

The renovation of the Pygmy Marmoset habitat next to Mojo Zoo café was more extensive than first planned due to the deterioration of the wooden wall. The plants were all removed to enable a concrete floor to be laid but these were replanted once the work was completed. Some items of habitat "furniture" known to be appreciated by the animals was also re-installed. UV lights were installed, and a new roof built so that heat can be better regulated. The renovation of the Pygmy Marmoset habitat in Mojo Café was completed and a new male, Tunche, has arrived - introductions with female Maya have gone well.



Te Hononga Tuatara Management Area

Te Hononga Tuatara Management Area was formally opened on 22 January 2021 with a mihi whakatau with representatives from Ngāti Koata as Tuatara kaitiaki and Taranaki Whānui ki Te Upoko o Te Ika as mana whenua at 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. This project was made possible with the support of the Lottery Environment and Heritage Fund, Stout Trust and the Holdsworth Charitable Trust.



Ring-tailed Lemurs

Construction began on the new habitat 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 arrived in late-April from Hamilton Zoo and the habitat was opened to visitors in early June.



Sustain financial success by data driven decision making

Maintaining a progressive zoo like ours requires significant investment. We need to provide the highest level of animal welfare while meeting the needs of our visitors and community. 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.

Financial success

Wellington Zoo received a 'good news' non-standard audit management report with no new issues for 2019/20. Additional audit work this year was around financial sustainability and the going concern assumption due to COVID-19, which was satisfied by WCC's Letter of Comfort. The term "non-standard" captured the impact of COVID-19 on our organisation (as it will with every other organisation audited this year) and is not a modification of Wellington Zoo's Audit Opinion.

We were thankful to receive central government funding through the Significant Tourism Asset Protection Programme and the Wildlife Institution Relief Fund to help offset the loss of revenue related to COVID-19.

2021/22 budget

The Wellington Zoo Trust 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.

Measure	Actual 2020/21	Target 2020/21	✓	COVID Target 2020/21	✓	Actual 2019/20
Council operating grant per visitor	$15.23	$13.76	✓	$20.10	✓	$15.44
Full cost to Council	$5,724K	$5,560K	✗	N/A	✓	$5,704K
Trading Revenue per visit (excl. grants & interest)	$19.91	$17.77	✓	$17.89	✓	$20.42
Non-Council donations and funding	$390K	$324K	✓	$222K	✓	N/A, new measure
Percentage of operating costs generated by Trust	55.4%	59%	✗	39%	✓	58%
Trust generated income as percentage of the Council grant	131%	144%	✗	93%	✓	139%

Sustainably caring for our assets

IT updates

During August and September, the Zoo's IT network upgrade to Office 365 was completed successfully with minimal disruption to staff. New WiFi units were also installed in many of the buildings which expanded the network for Zoo staff and simplified moving laptops around the Zoo connected to the network.

Phase two of the IT network upgrade works was completed early November with work being done around Te Piringa Iti and the Bea Arthur Office Building to improve the network cabling. The computers in all meeting rooms have also been upgraded to Microsoft Office 365 and Animal Care staff were issued with individual laptops rather than having to share pool computers.

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

Asset Management Plan

The Zoo is developing a detailed Asset Management Plan linked to Wellington City Council's processes to ensure we provide ongoing maintenance and renewal of the Zoo asset. The Asset Management Plan 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;
- resolve any potential Health and Safety issues and the associated reputational risk these issues could bring.



Oranga | A Healthy Organisation

Meet all legal and compliance requirements

Ministry for Primary Industry audits

Wellington Zoo again passed the Ministry of Primary Industries' annual audit, both as a containment facility and as a Transitional Facility. Feedback received from the Ministry was very positive.

WCC Statement of Intent

Wellington Zoo's draft Statement of Intent (SOI) 2021/22 was submitted to WCC's CCO Sub Committee on 26 March. The SOI was discussed as part of the Zoo'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 Wellington Zoo was reviewed and signed under seal at the Board's March meeting. Implementation is due on 1 July 2021.

ComplyWith

ComplyWith survey results measuring our legal compliance reporting for the past year indicated that 68.76% of our legal compliance obligations had been fully met, 29.8% of the obligations did not arise during the period and 1.43% of obligations were non-compliant.

Collective Employment Agreement

The Amalgamated Workers Union NZ and Wellington Zoo have renewed the Collective Employment Agreement which will be in force for three years up to December 2023.

Wellington Zoo Trust Board of Trustees



From left to right: Nina Welanyk Brown, Michael Potts, Fleur Fitzsimmons, Craig Ellison (Chair), Raewyn Bleakley, Benjamin Bateman

Strategic Management Team



From left to right: Daniel Warsaw, Susan Macdonald, Karen Fifield MNZM, Amy Hughes, Chris Jerram, (absent: Allie Binaco)

Independent Auditor's Report

Independent Auditor's Report

Independent Auditor's Report

Independent Auditor's Report

Independent Auditor's Report

Independent Auditor's Report

Statement of Compliance and Responsibility

For the year ended 30 June 2021

Compliance

The Board and management of the Wellington Zoo Trust confirm that all the statutory requirements of the Local Government Act 2002 regarding financial and operational management have been complied with.

Responsibility

The Board and management of the Wellington Zoo Trust accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Wellington Zoo Trust.

In the opinion of the Board and management, the Annual Report for the year ended 30 June 2021 fairly reflect the financial position, results of operations and service performance achievements of the Wellington Zoo Trust.



Craig Ellison
Chair

21 August 2021



Karen Fifield MNZM
Chief Executive

21 August 2021

Statement of Comprehensive Revenue and Expense

For the year ended 30 June 2021

	Note	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
REVENUE				
Grants and Operating Revenue	1	8,888	6,725	7,967
Finance Revenue		7	10	27
Operating Revenue		8,895	6,735	7,994
Capital Grants and Donations	1	504	-	269
TOTAL REVENUE		9,399	6,735	8,263
EXPENSE				
Operating Expense	2	8,389	8,311	8,428
Depreciation		-	-	5
Operating Expense		8,389	8,311	8,433
Vesting of Capital Grants and Donations	3	482	-	174
TOTAL EXPENSE		8,871	8,311	8,607
NET SURPLUS/(DEFICIT) before taxation		528	(1,576)	(344)
Income Tax Expense		-	-	-
NET SURPLUS/(DEFICIT) for the year		528	(1,576)	(344)
Other Comprehensive Revenue		-	-	-
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		528	(1,576)	(344)

The accompanying notes form part of these financial statements.

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been aggregated for comparative purposes. Refer to Note 18 and Note 19 for variances.

Statement of Changes in Equity

For the year ended 30 June 2021

	Note	Actual 2021 $000	Actual 2020 $000
Equity Opening Balances			
Accumulated Comprehensive revenue and expense		242	242
Restricted Funds		1,280	1,624
Total Equity-Opening Balance		1,522	1,866
Comprehensive Revenue			
(Deficit)/Surplus for the year to retained earnings	10,11	528	(344)
Total comprehensive revenue		528	(344)
Equity Closing Balances			
Accumulated Comprehensive revenue and expense		242	242
Restricted Funds		1,808	1,280
Total Equity-Closing Balance		2,050	1,522

The accompanying notes form part of these financial statements. Refer to Note 18 and Note 19 for variances.

Statement of Financial Position

As at 30 June 2021

	Note	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
ASSETS				
Current Assets				
Cash and cash equivalents	4	3,806	43	2,912
Trade and other receivables	5	175	150	300
Inventories		92	100	87
		4,073	293	3,299
Non-Current Assets				
Property, Plant and Equipment	6	-	-	-
		-	-	-
TOTAL ASSETS		4,073	293	3,299
LIABILITIES				
Current Liabilities				
Trade,other payables and accruals	7	960	628	545
Monies held in trust	7	9	-	9
Revenue in Advance	8	468	-	661
Employee Benefits	9	586	380	562
		2,023	1,008	1,777
TOTAL LIABILITIES		2,023	1,008	1,777
NET ASSETS		2,050	(715)	1,522
EQUITY				
Accumulated Comprehensive revenue and expense	10	242	(2,037)	242
Restricted Funds	11	1,808	1,322	1,280
TOTAL EQUITY		2,050	(715)	1,522

The accompanying notes form part of these financial statements

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been broken down further for comparative purposes. Refer to Note 18 and Note 19 for variances.

Statement of Cash Flows

For the year ended 30 June 2021

	Note	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
Cash flows from operating activities				
Cash was provided from:				
Operating Revenue		9,395	6,512	8,155
Interest Received		7	10	27
Net GST received			-	142
Cash was applied to:				
Payments to Suppliers		(2,645)	(2,323)	(3,501)
Payments to Employees		(5,801)	(5,988)	(5,801)
Net GST Paid		(62)	-	
Net cash inflow from operating activities		894	(1,789)	(978)
Cash flows from investing activities				
Cash was applied to:				
Purchase of property,plant and equipment		-	-	-
Net cash (outflow) from investing activities		-	-	-
Net Increase/(Decrease) in Cash and cash equivalents held		894	(1,789)	(978)
Cash and cash equivalents at beginning of year		2,912	1,832	3,890
Cash and cash equivalents at end of year	4	3,806	43	2,912
Made up of:				
Cash and bank balances		3,806	43	2,912
Closing Cash Balance		3,806	43	2,912

The accompanying notes form part of these financial statements.

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been aggregated for comparative purposes. Refer to Note 18 and Note 19 for variances.

Statement of Accounting Policies

For the year ended 30 June 2021

Reporting Entity

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

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

The Trust is reliant on the Wellington City Council (the Council) for the majority of its income and operates under a Contract for Services with the Council. The Contract for Services was re-negotiated to 30 June 2024. 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 ≥ $30million and is not publicly accountable. The reporting period for these financial statements is for the year ended 30 June 2021. The financial statements were authorised for issue by the Board of Trustees on XX TBC

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 include 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. The estimated useful lives of the assets are as follows:

Plant

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

Furniture and Equipment

Composter	10 years
CCTV	3 years
Incubators	12.5 years

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

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

Short Term Employee Benefits
Holiday leave (annual leave 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.

Animal Collection
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.

Notes to the Financial Statements

Note 1: Revenue

	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
Exchange Revenue			
Sale of Goods	489	305	394
Other Corporate income	117	95	131
Total Exchange Revenue	606	400	525
Non-Exchange Revenue			
Admissions	3,605	2,609	2,784
Other Revenue	96	-	75
Contractual Revenue			
Ministry of Education	84	84	85
Wellington City Council Operating Grant	3,508	3,512	3,406
Wellington City Council Funding for Free Entry Period	-	-	274
Wage Subsidy	17	-	581
Wildlife Institutions Relief Fund	411	-	-
Strategic Tourism Assets Protection Programme	254	-	-
Operating Grants and Donations			
Fonterra Brands	19		30
Brian Whiteacre Trust	5		5
General Donations	216		152
Koala Trust	9		10
Weta	20	120	20
Department of Conservation	1		-
Ministry of Primary Industries	19		-
J & A Mauger Charitable Trust			-
Wellington Community Trust	10		1
Ministry of Social Development	5		-
Unitech	3		4
National Institute of Water and Atmospheric Research	-		15
One Foundation	-		-
Operating Grants and Donations	307	120	237
Total Non-Exchange Operating Revenue , Grants and Donations	8,282	6,325	7,442
Capital Grants and Donations			
Pub Charity	239	-	161
Stout Trust	25	-	-
Wellington Community Trust	9	-	35
Lotteries Trust Board	9	-	67
Four Winds	15	-	-
J&A Mauger Trust	49	-	-
Caniwi Trust	20	-	-
ST APP	121	-	-
Lion Foundation	10	-	-
Frucor	7	-	6
Total Non-Exchange Capital Grants and Donations	504	-	269
Total Non-Exchange Revenue	8,786	6,325	7,711
Total Grants, Donations and Operating Revenue	9,392	6,725	8,236

Grants and Donations include grants and bequests received for capital and operational purposes of $811K (2020:$507K). These grants were received for specific purposes. $583K of these Grants and Donations has been transferred to Restricted Funds until it is needed, refer to Note 11.

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been broken down further for comparative purposes.

Note 2: Expense on operating activities

	Note	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
Marketing and Commercial costs		280	279	226
Auditor's remuneration:				
- Audit Services		35	30	30
Entertainment		6	9	6
Consumables		418	530	410
Cost of goods sold		237	159	195
Other Costs		827	671	847
Insurance premiums		11	10	10
Materials and Services		251	275	238
Personnel costs		5,849	5,876	6,005
Trustees' remuneration	16	111	111	96
Utilities		364	361	365
		8,389	8,311	8,428

1. Personnel costs include costs such as salaries, wages, leave and other employee earned compensation.

2. Other costs include expenditure not separately disclosed, such as:

- professional costs
- travel
- administration costs
- animal collection costs
- vehicle fleet costs
- contracts

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been broken down further for comparative purposes.

Note 3: Vesting of Capital Grants and Donations

This entry relates to the transfer of these funds to Wellington City Council. The Zoo has transferred funds of $482K (2020:$174K) to Wellington City Council towards capital spend for this year.

Note 4: Cash and cash equivalents

	Actual 2021 $000	Budget 2021 $000	Actual 2020 $000
Bank Balances	3,801	43	2,907
Cash on hand	5	-	5
Total Cash and cash equivalents	3,806	43	2,912

Note 5: Trade and other receivables

	Note	Actual 2021 $000	Budget 2021 $000	Actual 2020 $000
Receivables (Gross)		51	150	19
Trade Receivables due from Wellington City Council	15	1	-	229
Less provision for impairment of trade receivables		-	-	-
Trade Receivables		52	150	248
GST Receivable		36	-	-
Prepayments		87	-	52
		123	-	52
Total Trade and other receivables		175	150	300

As at 30 June 2021, no Trade Receivables were assessed as impaired.

Note 6: Property, Plant and Equipment

	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
Operational Assets			
Plant			
Plant at cost – opening balance	48	48	48
Accumulated depreciation	(48)	(48)	(48)
Total Plant – opening balance	-	-	-
Depreciation Expense	-	-	-
Total plant – closing balance	-	-	-
Furniture and Equipment			
Furniture and Equipment at cost – opening balance	171	171	171
Accumulated Depreciation	(171)	(171)	(166)
Total Furniture and Equipment – opening balance	-	-	5
Depreciation Expense	-	-	(5)
Total Furniture and equipment – closing balance	-	-	-
Total Operational Assets	-	-	-
Work in progress			
Work in progress at cost – opening balance	-	-	-
Additions	-	-	-
Other	-	-	-
Work in progress at cost – closing balance	-	-	-

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been broken down further for comparative purposes.

Note 7: Trade, Other Payables, Accruals and Monies held in Trust

	Actual 2021 $000	Budget 2021 $000	Actual 2020 $000
Payables under Exchange Transactions			
Exchange Payables and Accruals			
Trade Payables and Accruals	236	628	195
Trade Payables due to parent	554	-	179
Total Payables under Exchange Transactions	790	628	374
Non -Exchange Payables			
Taxes Payable (GST , PAYE)	170	-	171
Total Payables under Non-Exchange Transactions	170	-	171
Total Payables	960	628	545
Donations held in Trust	-	-	-
Regional Amenities Fund	9	-	9
(administered on behalf of Wellington Regional Amenities Fund)			
Total Monies held in Trust	9	-	9

Note 8: Revenue in Advance

	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
Revenue in Advance under Exchange Transactions			
Exchange Revenue in Advance			
Admissions Revenue	319	-	281
Total Revenue in Advance under Exchange Transactions	319	-	281
Non-Exchange Revenue in Advance			
Wage Subsidy	-	-	17
Grants and Sponsorships	149	-	363
Total Revenue in Advance under Non-Exchange Transactions	149	-	380
Total Revenue in Advance	468	-	661

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been broken down further for comparative purposes.

Note 9: Employee Benefits

	Actual 2021 $000	Budget [1] 2021 $000	Actual 2020 $000
Payroll Accruals	185	80	160
Holiday Leave	401	300	402
Total employee benefits	586	380	562
Represented by:			
Current	586	380	562
Total employee benefits	586	380	562

[1]The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. Where required these figures have been broken down further for comparative purposes.

Note 10: Accumulated (Deficit)/Surplus

	Note	Actual 2021 $000	Actual 2020 $000
Accumulated Surplus/Deficit			
Opening Balance		242	242
Net deficit)/surplus		528	(344)
Transfers from restricted funds	11	702	769
Transfers to restricted funds	11	(1,230)	(425)
Accumulated Surplus/(Deficit)– closing balance		242	242
Total accumulated surplus/(deficit)		242	242

Note 11: Restricted Funds

	Actual 2021 $000	Actual 2020 $000
Trusts, Bequests and Capital Grants		
Opening Balance	671	925
Additional funds received	1,134	350
Funds utilised	(582)	(604)
Trusts,Bequests and Capital Grants – closing balance	1,223	671
Animal Transfers		
Opening Balance	301	369
Additional Operating Grants and Donations received	-	-
Transfers from Other Operating Revenue	-	-
Funds utilised	(54)	(68)
Animal Transfers – closing balance	247	301
Conservation Fund		
Opening Balance	308	330
Funds received	96	75
Funds utilised	(66)	(97)
Conservation Fund – closing balance	338	308
Opening Balance	1,280	1,624
Transfers from retained earnings	1,230	425
Transfers to retained earnings	(702)	(769)
Restricted Funds – closing balance	1,808	1,280

The Trust has accumulated funds of $100 contributed by Wellington City Council upon establishment of the Trust on 1 July 2003.

Restricted Funds: Purpose of each reserve

Trusts, Bequests and Capital Grants are monies received for a specific purpose.

Animal Transfer Reserve Fund is made up of money received specifically for the transfer of animals as well as money that the Trust has tagged from Other Operating Income to fund future animal transfers.

Conservation Fund is made up of money received specifically to directly support field conservation.

Note 12: Financial Instruments

The Zoo's financial instrument categories include loans and receivables (cash and cash equivalents, trade and other receivables and financial liabilities at amortised cost (payables that arise directly from operations and borrowings). The main purpose of the Zoo's financial instruments is to raise finance for the Zoo's operations.

Note 13: Commitments

The Trust had no capital commitments as at 30 June 2021 (2020:Nil).

The Trust had no operating lease commitments as at 30 June 2021. Payments due not later than one year Nil, payments due between one to two years Nil (2020:Nil).

Note 14: Contingencies

The Trust had no contingent liabilities as at 30 June 2021 (2020:Nil).

Note 15: Intra group transactions and balances

	2021 $000	2020 $000
Expense for services provided to the Zoo from WCC:		
Wellington City Council	611	342
	611	342
Revenue for services received by the Zoo from:		
Wellington City Council	3,521	3,684
	3,521	3,684
Current receivables owing to the Zoo from:		
Wellington City Council	1	229
	1	229
Current payables owing from the Zoo to:		
Wellington City Council	544	179
	544	179

Note 16: Related Party disclosures

Key Management Personnel Compensation

	2021 $000	202 $00
Total employee benefits	1,055	1,01
Trustee remuneration	111	9
Total Key Management Personnel Remuneration	**1,166**	**1,11**

Key management personnel include the Chief Executive, other senior management personnel and Trustees.

Trustees' Remuneration

Trustees' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a trustee.

The following people held office as trustees of the Zoo during the reporting period. The aggregate remuneration paid to the trustees during the year totalled $111,000 (2020:$96,000) and is disaggregated and classified as follows:

Trustee Remuneration	**2021 $000**	**2020 $000**
Craig Ellison (term as Board Chair started 1 January 2016)	35	32
Nina Welanyk Brown (term started 1 January 2019)	19	16
Michael Potts (term started 1 September 2016)	19	16
Raewyn Bleakley (term started 1 December 2014)	19	16
Ben Bateman (term started 1 July 2017)	19	16
Councillor Fleur Fitzsimons (term started 20 November 2019)	-	-
Total Trustee Remuneration	**111**	**96**

	2021 $000	**2020 $000**
Trustees		
Remuneration	111	96
Full-time equivalent members	6.00	5.89
Strategic Management Team		
Remuneration	1,055	1,018
Full-time equivalent members	6.00	6.00
Total Key Management Personnel Remuneration	**1,166**	**1,114**

Full time equivalent calculations for Trustees are based on number of months in employment and for the Chief Executive and other senior management personnel are based on 2,080 hours. Wellington City Councillors CCO Trust Board appointments are unpaid positions.

Related party transactions

During the year trustees and key management, as part of a normal customer relationship, were involved in minor transactions with the Trust.

The Trust receives a grant from the Wellington City Council under a Contract for Services. In addition, the Wellington City Council receives/(pays) amounts for the provision/(receipt) of other goods and services. These other transactions are conducted on an arms-length basis. The amounts owing to/ from related party balances are disclosed in Note 15.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2019:$Nil).

Note 17: Events after balance date

There were no significant events after balance date that affect the financial statements (2019:$Nil).

Note 18: Explanations of major variances against budget

On 11 March 2020, the World Health Organisation declared the outbreak of COVID-19 a pandemic and two weeks later the New Zealand Government declared a State of National Emergency. From this, the country was in lockdown at Alert Level 4 for the period 26 March to 27 April and remained in lockdown at Alert Level 3, thereafter, until 13 May.

During this period, the Trust provided a revised Business Plan and final SOI to Wellington City Council with a COVID-19 impact budget for 2020-2021 and this was approved by Council. The budget and business plan for 2020-2021 was developed based on assumptions from Wellington City Council and our own view of the impacts on Wellington Zoo Trust from COVID-19.

The COVID-19 impact budget is the budget that has been reported on in the financial statements for the 2020/21 financial year. As a result, there are variances from actual results to budget due to the periods during the financial year when the actual COVID-19 alert level was different to the assumptions the budget was based on.

Statement of comprehensive revenue and expense

Revenue
Operating Revenue was higher than budgeted by $2,160,000 due to visitor revenue being higher than budget by $996,000 and sales of goods being higher than budget by $184,000 as a result of higher visitation than budgeted in the COVID-19 revised budget. This is related to the actual COVID-19 alert levels during the financial year being different than the predicted alert levels the budget was based on. The Trust also received unbudgeted funding of $411,000 from the Department of Conservation for the Wildlife Institutions Relief Fund and $254,000 from the Ministry of Business, Innovation and Employment for the Strategic Tourism Assets Protection Programme in 2020/21 to mitigate the impacts of COVID-19. Operating grants and donations were higher than budgeted by $187,000.

Capital Grant revenue is $504,000 which is related to capital grants and donations received in the year.

Statement of financial position

Current Assets
Current Assets are greater than budgeted by $3,780,000 largely because cash and cash equivalents are higher than budget by $3,763,000 due to receipts of grant funding for capital projects, visitor revenue and operational grants and donations revenue being higher than budgeted. This is also due to the receipt of the unbudgeted grants from the Department of Conservation and Ministry of Business, Innovation and Employment.

Current Liabilities
Current liabilities are greater than budgeted by $1,015,000 due to higher than budgeted revenue in advance of $468,000 as a result of receipts of grant funding for capital projects and vouchers for experiences booked in advance. Employee Benefits are above budget by $206,000 due to annual leave provision being higher than budget by $101,000 and payroll accruals higher than budget by $105,000. The annual leave provision has been impacted by COVID-19 with employees not taking annual leave over elevated Alert Level periods. Trade Payables are also higher than budget by $332,000 due to vesting payable to Wellington City Council of $554,000 and ACC Levy of $100,000 which were unbudgeted. This was offset by lower general payables which are below budget by $392,000.

Statement of Cashflows

Cashflow
Cash outflows are higher than budgeted by $3,763,000 due to higher operating revenue than budgeted for grants revenue and visitor revenue.

Note 19: Explanations of major variances against prior year

Statement of comprehensive revenue and expense

Revenue
Operating Revenue was higher than prior year by $901,000. This is due to visitor revenue being higher than prior year by $821,000 and retail sales higher by $95,000 due to the impact of COVID-19 on the prior year results where the Zoo was closed to visitors from 23 March until 15 May 2020 and free entry from 16 May to 30 June 2020 as an initiative as part of Wellington City Council Pandemic Plan. The Trust also received funding of $411,000 from the Department of Conservation for the Wildlife Institutions Relief Fund and $254,000 from the Ministry of Business, Innovation and Employment for the Strategic Tourism Assets Protection Programme in 2020/21 to mitigate the impacts of COVID-19. The Trust also had an increase in the Wellington City Council Operating Grant of $102,000. This was offset by revenue received in the prior year, including the receipt of the Wage Subsidy of $581,000 and funding received from Wellington City Council for the period the Zoo was open for free entry of $274,000.

Statement of financial position

Current Assets
Current Assets are higher than prior year by $774,000 largely because cash and cash equivalents are higher than prior year by $894,000 due to receipts of grant funding for capital projects and visitor revenue is higher than prior year. Trade and other receivables are lower than prior year by $125,000 due mainly to lower receivables of $228,000 due from Wellington City Council for recharges of renewals for capital works completed. This was offset by the GST Receivable balance due this financial year of $36,000 and higher prepayments of $35,000.

Current Liabilities
Current liabilities are higher than prior year by $246,000. This is due to trade payables and other accruals being higher than prior year by $415,000 largely due to vesting due to Wellington City Council of $554,000 compared to vesting due to Wellington City Council of $174,000 in the prior year. This is offset by revenue in advance being lower than prior year by $193,000 due to capital funding held in advance.

Equity
Closing equity is higher than prior year due to the net surplus of $528,000 for the year ending 30 June 2021.

Note 20: COVID-19 Impact

The COVID-19 impact on the previous financial year result was mitigated by the support received from Central Government. Once the Zoo was able to open again, visitors continued to visit and support the Zoo and the financial position at the end of the financial year was better than had been anticipated as a result.

The COVID-19 pandemic continues to be a consideration for the Trust as any changes in Alert Levels and no international tourists visiting the Zoo impacts on visitor revenue. The Trust is confident that the impact on the financial position from no international tourism until the borders open will be mitigated by new visitor experiences and habitats to drive revenue from local visitation and domestic tourism. If there are any future occurrences of Alert Level changes, the Trust will apply for Central Government funding that is available and draw on reserves, if necessary, to mitigate the impact.



REVIEW OF THE HALF YEAR REPORT FOR WELLINGTON INTERNATIONAL AIRPORT LTD TO 30 SEPTEMBER 2021

Kōrero taunaki
Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee provides the Committee with a review of the report submitted by Wellington International Airport Limited for consideration in accordance with the requirements of the Local Government Act 2002.

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☒ Sustainable, natural eco city ☒ People friendly, compact, safe and accessible capital city ☒ Innovative, inclusive and creative city ☒ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

2. There are no financial considerations in receiving this information.

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

3. There are no risks to be considered by Council in receiving this information.

Author	Warwick Hayes, Team Leader Economic & Commercial
Authoriser	Stephen McArthur, Chief Strategy & Governance Officer

Taunakitanga
Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Takenga mai Background

4. Wellington International Airport Limited is 34% owned by the Council and majority owned by Infratil Limited, a publicly listed company on the New Zealand securities and derivatives market, which is operated by NZX Limited (NZX). The market operates under a legislative framework established by the Financial Markets Conduct Act 2013.
5. The reporting from Wellington International Airport Limited is considered by this Committee under the cover of a separate Committee report and depending upon timing of the meeting and the publication of the company's report, this process is sometimes considered in public excluded by this Committee.
6. Consideration of the report by this Committee in the public excluded forum is not necessary as the company's report has been released to the NZX which itself is subject to a regulatory framework under the Financial Markets Authority Act 2011.

Kōrerorero

Discussion

7. The half year report has been received from Wellington International Airport Limited for consideration by the Committee and is attached as an appendix.
8. The report has been reviewed by officers and no risks or issues have been identified.

Ngā mahinga e whai ake nei

Next actions

9. No further actions.

Attachments

Attachment 1. Wellington International Airport Ltd Half Year Accounts

WELLINGTON INTERNATIONAL AIRPORT LIMITED

Consolidated Financial Statements for the Six Months Ended 30 September 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Aircraft movement and terminal charges		27,432	11,312	33,973
Retail and trading activities		16,238	7,951	22,148
Property rent and lease income		6,997	6,539	12,666
Total revenue		**50,667**	**25,802**	**68,787**
Operating expenses	A2	(14,274)	(10,319)	(22,136)
Employee remuneration and benefits		(4,933)	(4,558)	(10,693)
Subvention payment	D1	-	(37,501)	(38,094)
Total operating and other expenditure		**(19,207)**	**(52,378)**	**(70,923)**
Investment properties revaluation net increase	B2	2,500	3,895	4,945
Depreciation	B1	(14,417)	(13,516)	(29,648)
Gain/(loss) on sale of property, plant and equipment	B1	(108)	-	(649)
Revaluation increase of property, plant and equipment	B1	-	-	4,359
Operating earnings before financing expense		**19,435**	**(36,197)**	**(23,089)**
Interest income		154	169	723
Interest expense		(12,650)	(13,088)	(27,198)
Other finance (expense)/income		(321)	573	1,444
Net financing expense		**(12,817)**	**(12,346)**	**(25,031)**
Net profit/(loss) from continuing operations before taxation		**6,618**	**(48,543)**	**(48,120)**
Taxation (expense)/income		(3,619)	18,699	12,404
Net profit/(loss) after taxation		**2,999**	**(29,844)**	**(35,716)**
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Property, plant and equipment revaluation		61,035	-	77,828
Income tax on property, plant and equipment revaluation		(10,930)	-	(301)
Total items that will not be reclassified to profit or loss		50,105	-	77,527
Items that may subsequently be reclassified to profit or loss:				
Fair value movements recognised in the cash flow hedge reserve		5,225	(4,657)	3,842
Tax effect of movements in the cash flow hedge reserve		(1,463)	1,304	(796)
Total items that may subsequently be reclassified to profit or loss		3,762	(3,353)	2,046
Total other comprehensive income		**53,867**	**(3,353)**	**79,573**
Total comprehensive income		**56,866**	**(33,197)**	**43,857**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	Attributable to Equity Holders				
		Capital	Asset Revaluation Reserve	Cash Flow Hedge Reserve	Retained Earnings	Total Equity
		$000	$000	$000	$000	$000
Balance as at 1 April 2021		9,050	584,305	(10,234)	89,606	672,727
Comprehensive income						
Net profit/(loss)		-	-	-	2,999	2,999
Other comprehensive income		-	50,105	3,762	-	53,867
Total comprehensive income		-	50,105	3,762	2,999	56,866
Total contributions by and distributions to owners		-	-	-	-	-
Unaudited balance as at 30 September 2021		9,050	634,410	(6,472)	92,605	729,593
Balance as at 1 April 2020		9,050	506,778	(12,280)	137,383	640,931
Comprehensive income						
Net profit/(loss)		-	-	-	(29,844)	(29,844)
Other comprehensive income		-	-	(3,353)	-	(3,353)
Total comprehensive income		-	-	(3,353)	(29,844)	(33,197)
Contributions by and distributions to owners						
Dividends to equity holders	D1	-	-	-	(12,061)	(12,061)
Total contributions by and distributions to owners		-	-	-	(12,061)	(12,061)
Unaudited balance as at 30 September 2020		9,050	506,778	(15,634)	95,478	595,673
Balance as at 1 April 2020		9,050	506,778	(12,280)	137,383	640,931
Comprehensive income						
Net profit/(loss)		-	-	-	(35,716)	(35,716)
Other comprehensive income		-	77,527	2,046	-	79,573
Total comprehensive income		-	77,527	2,046	(35,716)	43,857
Contributions by and distributions to owners						
Dividends to equity holders	D1	-	-	-	(12,061)	(12,061)
Total contributions by and distributions to owners		-	-	-	(12,061)	(12,061)
Audited balance as at 31 March 2021		9,050	584,305	(10,234)	89,606	672,727

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

	Note	30 Sep 2021 $000 Unaudited	30 Sep 2020 $000 Unaudited	31 Mar 2021 $000 Audited
Cash and cash equivalents		16,009	9,633	30,835
Short-term deposits		30,000	75,000	50,000
Receivables		7,765	9,425	9,949
Prepayments and sundry receivables		3,190	3,037	5,562
Current tax asset		-	3,388	460
Current assets		**56,963**	**100,483**	**96,806**
Property, plant and equipment	B1	1,346,958	1,204,354	1,293,163
Investment properties	B2	99,524	95,974	97,024
Derivative financial instruments		9,551	25,071	8,977
Non current assets		**1,456,033**	**1,325,399**	**1,399,164**
Total assets		**1,512,996**	**1,425,882**	**1,495,970**
Trade and other payables		1,140	639	1,437
Current tax payable		780	-	-
Accruals and other liabilities		9,665	9,166	10,174
Accrued employee benefits		2,071	1,170	1,060
Derivative financial instruments		-	786	306
Loans and borrowings	C1	-	105,000	105,000
Current liabilities		**13,156**	**116,761**	**117,977**
Deferred taxation		117,128	96,275	101,860
Lease liabilities		10,381	10,616	10,500
Derivative financial instruments		7,301	19,882	12,216
Loans and borrowings	C1	635,437	586,675	580,690
Non current liabilities		**770,247**	**713,448**	**705,266**
Attributable to shareholders		729,593	595,673	672,727
Total equity		**729,593**	**595,673**	**672,727**
Total equity and liabilities		**1,512,996**	**1,425,882**	**1,495,970**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Note	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Cash flows from operating activities				
Cash was provided from:				
Receipts from customers		52,651	30,446	72,900
Interest received		154	169	723
Cash was disbursed to:				
Payments to suppliers and employees		(15,584)	(20,763)	(35,625)
Interest paid		(12,152)	(13,418)	(26,794)
Subvention payment	B1	-	(37,501)	(38,094)
Net cash flows from operating activities		**25,269**	**(41,073)**	**(30,890)**
Cash flows from investing activities				
Cash was disbursed to:				
Purchase of property, plant and equipment		(7,284)	(11,478)	(35,036)
Net cash flows from investing activities		**(7,284)**	**(11,478)**	**(35,036)**
Cash flows from financing activities				
Cash was provided from:				
Issue of bonds		125,000	100,000	100,000
Drawdown of bank facilities		-	60,000	70,000
Maturity of short-term deposits		50,000	-	-
Cash was disbursed to:				
Investment in short-term deposits		(30,000)	(75,000)	(50,000)
Repayment of bonds		(75,000)	(25,000)	(25,000)
Repayment of bank facilities		(70,000)	-	-
Repayment of commercial paper		(30,000)	-	-
Debt issue costs		(2,692)	(1,262)	(1,570)
Dividend payment	B1	-	(12,061)	(12,061)
Repayment of lease liabilities		(120)	(114)	(229)
Net cash flows from financing activities		**(32,812)**	**46,563**	**81,140**
Net increase/(decrease) in cash and cash equivalents		(14,827)	(5,988)	15,214
Cash and cash equivalents balance at the beginning of the period		30,835	15,621	15,621
Cash and cash equivalents balance at the end of the period		**16,008**	**9,633**	**30,835**

Reconciliation of net profit after taxation to net cash flows from operating activities:		6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Net profit/(loss) after taxation		**2,999**	**(29,844)**	**(35,716)**
Other finance income/(expense)		321	(573)	(1,444)
Depreciation	B1	14,417	13,516	29,648
Investment properties revaluation net increase	B2	(2,500)	(3,895)	(4,945)
Other movements not involving cash flows		3,495	(19,032)	(15,751)
Movements in working capital		6,537	(1,245)	(2,682)
Net cash flows from operating activities		**25,269**	**(41,073)**	**(30,890)**

The accompanying notes form part of and are to be read in conjunction with these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

REPORTING ENTITY

The unaudited, condensed and consolidated half year financial statements presented are those of the Wellington International Airport Limited Group (the Group), comprising Wellington International Airport Limited (WIAL and/or the Company) and its subsidiaries: Wellington Airport Noise Treatment Limited (WANT Limited - which provides noise mitigation activities to manage the impact of noise generated from the airport on the surrounding community), Whare Manaakitanga Limited (Rydges Wellington Airport hotel company) and Meitaki Limited (captive insurance company incorporated in the Cook Islands).

The Group operates predominantly in Wellington, New Zealand, providing integrated airport and commercial facilities and services to various airlines and other airport users. The Group also operates a commercial retail park adjacent to the airport site.

STATUTORY BASE

The parent company, WIAL, is a profit oriented company incorporated and domiciled in New Zealand as a limited liability company registered under the Companies Act 1993. The company has bonds listed on the NZX Debt Market (NZDX) and on that basis meets the definition of a Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

BASIS OF PREPARATION

These financial statements for the six month period to 30 September 2021 have been prepared using Generally Accepted Accounting Practice in New Zealand (NZ GAAP) and comply with IAS 34: *Interim Financial Reporting* and NZ IAS 34: *Interim Financial Reporting*, as appropriate for a for-profit entity.

These financial statements have been prepared in accordance with the accounting policies stated in the Group's published Annual Report for the year ended 31 March 2021 and should be read in conjunction with the Annual Report. Where relevant, prior year amounts have been reclassified for consistency with the current year presentation. This has no impact on the reported results.

Accounting estimates and judgements

Unless otherwise stated, the key accounting estimates and judgements are consistent with those used in preparing the financial statements for the year ended 31 March 2021 as published in the 2021 Annual Report.

COVID-19

COVID-19 continues to have a significant impact on the aviation industry and on WIAL's business. In July 2021 when domestic travel was relatively unrestricted, domestic traffic had recovered to 93% of the level of July 2019. In September 2021, following the reimposition of restrictions, traffic was down to 45% of the pre-COVID-19 2019 level. The longer term effects of COVID-19 remain uncertain, as the potential impacts of the pandemic continue to evolve.

With regards to these half year financial statements, COVID-19 has specifically impacted certain areas of financial reporting and have required the Group to make estimates or judgements. There remains uncertainty around forecast domestic and international air travel from the ongoing impacts of COVID-19, and on WIAL's cash flows as a consequence. The Group is forecasting a recovery back to pre-COVID-19 passenger levels over the next few years. Forecasts are based on the information available to the Group at the time of preparing these financial statements and are based on reference to various data sources including airlines, IATA and travel and tourism bodies. Further disclosure of the material impacts of COVID-19 are included in the relevant notes in these financial statements.

The Group received wage subsidy contributions from the NZ Government during the period ended 30 September 2021, which has been recognised in the 'Employee remuneration and benefits' line in the Consolidated Statement of Comprehensive Income. The NZ Government also provides aviation sector support, but this was directed at airlines and airports with international freight services, and was not available to the Group.

NOTES CATEGORIES

The summary notes include information which is required to understand the consolidated half year financial statements and is material and relevant to the operations, financial position and performance of the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

A. FINANCIAL PERFORMANCE

A1. Segment reporting and non-NZ GAAP measure

Operating segments are identified based on the nature of the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker of the Group has been identified as the Chief Executive Officer. Based on the internal reporting to the Chief Executive Officer, the Group is considered to have one operating segment.

The Group refers to a non-NZ GAAP financial measure of earnings before interest, tax, depreciation, amortisation, change in fair value of financial instruments, revaluations and impairments of PPE, gain/(loss) on sale of assets (EBITDAF) and subvention payment within these consolidated financial statements. The Board and management consider it a useful non-NZ GAAP financial measure as it shows the contribution to earnings prior to non-cash items, cost of financing and subvention and is used by management, in conjunction with other measures, to monitor financial performance. The limited use of this non-NZ GAAP measure is intended to supplement NZ GAAP measures and is not a substitute for NZ GAAP measures. As these measures are not defined by NZ GAAP, NZ IFRS, or any other body of accounting standards, the Group's calculations may differ from similarly titled measures presented by other companies.

	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Net profit/(loss) after taxation	**2,999**	**(29,844)**	**(35,716)**
Subvention payment	-	37,501	38,094
Net financing expense	12,817	12,346	25,031
Taxation expense/(income)	3,619	(18,699)	(12,404)
Depreciation	14,317	13,516	29,648
Investment properties revaluation net increase	(2,500)	(3,895)	(4,945)
(Gain)/Loss on sale of property, plant and equipment	108	-	649
Revaluation increase of property, plant and equipment	-	-	(4,399)
EBITDAF before subvention payment	**31,460**	**10,925**	**35,958**

A2. Operating expenses

	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Fees paid to auditors:			
Audit of statutory financial statements	74	71	175
Taxation and other services	32	59	72
Regulatory and assurance services (Note 1)	17	17	34
Directors' fees	297	215	505
Regulatory compliance and airline pricing consultation	191	191	282
Marketing and development	568	429	828
Cleaning and energy	1,482	1,184	2,565
Rates and insurance	4,550	3,884	8,343
Repairs and maintenance	936	952	1,855
Software support	767	717	1,496
Noise mitigation program	657	256	609
Expected credit loss provision	-	50	50
Administration and other expenses	4,703	2,294	5,322
Total operating expenses	**14,274**	**10,319**	**22,136**

Note 1 - Includes audit of WIAL's regulatory Annual Disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

B. FIXED ASSETS

B1. Property, plant and equipment	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Opening balance	**1,293,163**	**1,206,427**	**1,206,427**
Additions	7,177	11,443	34,157
Disposals	-	-	-
Depreciation	(14,417)	(13,516)	(29,648)
Movement in asset revaluation	61,035	-	82,226
Impairment losses	-	-	-
Closing balance	**1,346,958**	**1,204,354**	**1,293,163**

Assessment of Fair Value
Fair value is determined by independent external valuation experts, or by management, using recognised valuation techniques. Independent external valuations are undertaken on a systematic basis at least every five years. In the intervening years and at each reporting date, a material change assessment of each asset class is performed to assess whether carrying amount differ materially from fair value. Further details of the valuations, including the last independent external valuations performed for each asset class, are set out in the 2021 Annual Report.

As at 30 September 2021, the Group made an assessment of whether the carrying amounts of assets differed materially from fair value. This assessment is undertaken by management and based on the latest available information at the time of preparation of these financial statements, and includes passenger and cashflow forecasts. It also includes reference to key indices including the capital goods price index and construction index, internal discounted cash flow models, land values and investment property (as relevant to each class of asset) as an indicator of material change in fair value of property plant and equipment. Based on this assessment and with reference to the relevant indices, the following adjustments to carrying value were made as at 30 September 2021:

Land
The Group's assessment of land includes reference to NZ and Wellington house price indices published by Real Estate Institute of NZ, changes in commercial and industrial property values and consideration of other key inputs. Based on this assessment, the Group has indexed the carrying value of land resulting in an increase to carrying value of $22 million (30 September 2020: nil, 31 March 2021: $76.8 million) being recognised in the Asset Revaluation Reserve and Other Comprehensive Income.

Buildings
Buildings are assessed as three main components: (a) Specialised buildings, (b) Vehicle business assets and (c) Hotel business assets.

(a) Specialised buildings – based on the Group's assessment which includes reference to the cost of construction including the capital goods price index and consumers price index, a valuation uplift of $13.9 million (30 September 2020: nil, 31 March 2021: nil) has been recognised in Asset Revaluation Reserve and Other Comprehensive Income.

(b) Vehicle business assets – based on the Group's assessment which includes reference to passenger forecasts and discounted cash flow modelling, a valuation uplift of $13.0 million (30 September 2020: nil, 31 March 2021: nil) has been recognised in Asset Revaluation Reserve and Other Comprehensive Income.

(c) Hotel business assets – based on the Group's assessment which includes reference to passenger forecasts and discounted cash flow modelling, no material change in the carrying value of these assets was identified (30 September 2020: nil, 31 March 2021: $5.5 million).

Civil Assets
Based on the Group's assessment which includes reference to the cost of construction including the Waka Kotahi Construction index and the Producers Price index, a valuation uplift of $12.1 million (30 September 2020: nil, 31 March 2021: nil) has been recognised in Asset Revaluation Reserve and Other Comprehensive Income.

COVID-19
Due to COVID-19, there remains uncertainty around forecast domestic and international air travel and consequently on WIAL's cash flows. Whilst passenger numbers are recovering, the Group has forecast a significant reduction in passengers for the year ending 31 March 2022 (when compared to pre-COVID-19 levels), along with a recovery back to pre-COVID-19 levels forecast to occur in the next few years. These forecasts are based on the information available to the Group at the time of preparing these financial statements and are based on reference to various data sources including airlines, IATA and travel and tourism bodies.

The Group's estimates of passengers, recovery and growth rates remain uncertain and are dependant on a number of factors. This includes any potential future restrictions on travel, for example as a result of further COVID-19 outbreaks or changing of alert levels, border controls for international travel, public demand and behaviour with respect to travel and airline scheduling. Material changes in any of these factors might have a material impact on the Group's estimates of income and cashflows used in the above assessments of fair value as at 30 September 2021. In addition, the longer-term effects of COVID-19 on WIAL's business remain uncertain and the potential impacts of the pandemic continue to evolve.

Capitalised borrowing costs
For the period ended 30 September 2021, capitalised borrowing costs relating to capital work in progress amounted to $0.6 million (30 September 2020: $0.7 million, 31 March 2021: $1.2 million), with an average capitalisation rate of 3.7% (30 September 2020: 4.1%, 31 March 2021: 4.0%).

B2. Investment properties
As at 30 September 2021, the fair value of investment properties owned by the Group were assessed by independent valuers Jones Lang Lasalle (JLL). This valuation estimated a fair value of $88.6 million (30 September 2020: $85.1 million, 31 March 2021: $86.1 million) which resulted in a valuation increase of $2.5 million (30 September 2020: $3.9 million, 31 March 2021: $4.9 million). This valuation increase is recognised in profit or loss in the Consolidated Statement of Comprehensive Income.

The investment property balance as at 30 September 2021 also includes Right-of-Use assets as defined under NZ IFRS 16 of $10.9 million (30 September 2020: $10.9 million, 31 March 2021: $10.9 million).

As part of the valuation process, the Group has provided information to JLL including current tenants, rent agreements and lease terms based on information available at the time of preparing these financial statements. The valuation is based on a discounted cash flow and capitalisation rate approach.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

C. FUNDING

C1. Loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to and management of interest rate and foreign currency risk, refer to the 2021 Annual Report.

	Issue Date	Maturity	Interest Rate	6 months 30 Sep 2021 $000 Unaudited	6 months 30 Sep 2020 $000 Unaudited	12 months 31 Mar 2021 $000 Audited
Commercial paper	Sep-20	Dec-20	0.64%	-	30,000	30,000
Drawn bank facilities	Aug-20	Refer below	1.18%	-	60,000	70,000
Retail bonds WIA020	Nov-13	May-21	6.25%	-	75,000	75,000
Retail bonds WIA030	May-16	May-23	4.25%	75,000	75,000	75,000
Retail bonds WIA040	Aug-16	Aug-24	4.00%	60,000	60,000	60,000
Retail bonds WIA050	Dec-16	Jun-25	5.00%	70,000	70,000	70,000
Retail bonds WIA060	Apr-19	Apr-30	4.00%	100,340	103,894	101,860
Retail bonds WIA070	Aug-20	Aug-26	2.50%	100,000	100,000	100,000
Retail bonds WIA080	Sep-21	Sep-31	3.32%	124,857	-	-
USPP Notes - Series A (US$36 million)	Jul-17	Jul-27	3.47%	55,417	61,388	54,197
USPP Notes - Series B (US$36 million)	Jul-17	Jul-29	3.59%	55,417	61,388	54,197
Total borrowings at face value				**641,031**	**696,670**	**690,254**
Unamortised transaction costs				(5,594)	(4,995)	(4,564)
Carrying value of borrowings				**635,437**	**691,675**	**685,690**
Current				-	105,000	105,000
Non-current				635,437	586,675	580,690

Financial covenants
As at 30 September 2021 WIAL had bank facilities amounting to $170 million, with no drawn bank debt. These facilities and the US$72 million USPP Notes have similar financial covenants, with which WIAL was compliant as at 30 September 2021.

Shareholder support
WIAL's shareholders have committed to provide WIAL with $75.8 million (66% Infratil and 34% Wellington City Council) of support in the form of redeemable preference shares for which WIAL's option to draw down expires 30 June 2022. This support remains undrawn as at 30 September 2021.

Bank facilities
As at 30 September 2021, WIAL's four banks provided $170 million of facilities (30 September 2020: $170 million, 31 March 2021: $170 million). $70 million matures May 2022, $30 million matures June 2022, $45 million matures May 2023, and $25 million matures August 2023. As at 30 September 2021 WIAL's total drawn facilities are $nil (30 September 2020: $60 million, 31 March 2021: $70 million). The Group's debt includes unsecured and unsubordinated bank facilities with a negative pledge arrangement, which with limited exceptions does not permit the borrower to grant any security over its assets. The bank facilities require the borrower to maintain certain levels of shareholder funds and operate within defined performance and gearing ratios. The banking arrangements also include restrictions over the sale or disposal of certain assets.

Bonds
The Trust Deeds for the bonds require the Group to operate within defined performance and debt gearing ratios. The arrangements under the Trust Deeds create restrictions over the sale or disposal of certain assets. As at 30 September 2021, the bonds had a fair value of $530.2 million (30 September 2020: $517.1 million, 31 March 2021: $507.4 million). During the period the Group issued $125 million of retail bonds (WIA080 issued on 24 September 2021) at a coupon rate of 3.32%, which fully repaid bank debt and surplus funds are currently held in cash and short-term deposits.

USPP notes
On 27 July 2017 WIAL completed its inaugural United States Private Placement (USPP) note issuance, securing US$72 million of long term debt. The USPP comprised two equal tranches, a US$36 million 10 year note with a coupon of 3.47% and a US$36 million 12 year note with a coupon of 3.59%. In conjunction with the USPP issuance, WIAL entered into Cross Currency Interest Rate Swaps (CCIRS) to hedge the exposure to foreign currency risk over the term of the notes. As at 30 September 2021, the USPP notes had a fair value of $110.8 million (30 September 2020: $123.2 million, 31 March 2021: $112.5 million). This debt is carried in the consolidated statement of financial position at amortised cost, translated to New Zealand dollars using foreign exchange rates at balance date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE PERIOD ENDED 30 SEPTEMBER 2021

D. OTHER NOTES

D1. Related parties

WIAL is 66% owned by NZ Airports Limited, which is wholly owned by Infratil Limited. Wellington City Council owns the remaining 34% of the Company.

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
Transactions made during the period	Unaudited	Unaudited	Audited
Infratil and its subsidiaries			
Infratil Group - subvention payment	-	(37,501)	(38,094)
Infratil Limited - insurance and other costs	(5)	(195)	(248)
Vodafone New Zealand Limited - commercial rents and other costs	20	38	73
Pacific Radiology Limited - commercial rents	24	-	-
H.R.L. Morrison & Co Limited			
Directors' fees	(165)	(114)	(277)
Consulting and other fees	(5)	(4)	(4)
Wellington City Council			
Dividend payment	-	(12,061)	(12,061)
Directors' fees	(39)	(28)	(67)
Rates	(2,148)	(1,867)	(3,837)
Grants, consents and other fees	(332)	(29)	(127)

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
Balance receivable/(payable) as at the end of the period	Unaudited	Unaudited	Audited
Infratil and its subsidiaries	14	-	16
H.R.L. Morrison & Co Limited	-	-	-
Wellington City Council	-	4	(84)

D2. Capital commitments

	6 months 30 Sep 2021	6 months 30 Sep 2020	12 months 31 Mar 2021
	$000	$000	$000
	Unaudited	Unaudited	Audited
Contracted but not provided for	**21,000**	**26,024**	**21,306**

The commitments contracted but not provided for includes the purchase of land from the Miramar Golf Club. The Group has paid a deposit for part of the land held by Miramar Golf Club with the remainder of $21 million to be paid upon WIAL taking occupation of the land.

D3. Contingent and subsequent events

The Group is in negotiations with a contractor on one of its projects in relation to closing out works and costs. These remain ongoing with the final outcome, timing and expected settlement amounts being unknown at 30 September 2021 and at the date of these financial statements being released (30 September 2020: Nil, 31 March 2021: Nil).

There were no events after the reporting date requiring adjustment or disclosure.

D4. Changes in financial reporting standards

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision for configuration or customisation costs in a cloud computing arrangement. The decision discusses whether configuration or customisation expenditure relating to cloud computing arrangements is able to be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The Group's accounting policy has historically been to capitalise all costs related to cloud computing arrangements as intangible assets in the Statement of Financial Position. The adoption of this agenda decision could result in a reclassification of these intangible assets to either a prepaid asset in the Statement of Financial Position and/or recognition as an expense in the Statement of Comprehensive Income, impacting both the current and/or prior periods presented.

As at 30 September 2021, the Group has not adopted this IFRIC agenda decision. The Group has yet to complete its assessment of the impact of the IFRIC decision however, the preliminary analysis indicates the impact is not material. The Group expects to adopt this IFRIC agenda decision in its financial statements for the year ending 31 March 2022.

The Group is also monitoring the External Reporting Board's (XRB) development of its climate related disclosures framework and consultation process. The new standard is expected to come into effect from 1 January 2023, and is therefore mandatorily applicable for the Group for its financial year ending 31 March 2024. Given the early stages of development, the impact of the new climate related disclosure standards on the Groups financial statements is not currently known.

HEALTH AND SAFETY REPORT

Kōrero taunaki
Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee …

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☐ Sustainable, natural eco city ☐ People friendly, compact, safe and accessible capital city ☐ Innovative, inclusive and creative city ☐ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	Outline relevant previous decisions that pertain to the material being considered in this paper.

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☐ Low	☐ Medium	☒ High	☐ Extreme

Author	Wendi Henderson, Health, Safety & Security Manager
Authoriser	Meredith Blackler, Chief People and Culture Officer

Taunakitanga
Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. Since the last quarterly report provided to Kāwai Māhirahira – Audit and Risk Subcommittee on 15 September, a number of ongoing actions have occurred in Health, Safety and Security. This report outlines four key areas of information for Elected Members to be aware of, either through being topical, i.e. COVID-19, or requested information in the previous Kāwai Māhirahira meeting or subsequent queriers by Elected Members.

Takenga mai

Background

3. This Report provides information that aligns with the Officer due diligence responsibilities under the Health and Safety at Work Act 2015 (HSWA), specifically having:

    - Knowledge of work health and safety matters
    - An understanding of the nature of operations and the hazards and associated risks
    - Appropriate resources and processes to eliminate or minimise risk
    - Appropriate resources to receive and consider information
    - Verification of the provision and use of resources and processes
    - Processes for compliance with duties or obligations under the HSWA.

    This out-of-cycle report comprises qualitative commentary on activities that have occurred in the last 1.5 months. Standard quarterly reporting will re-commence for the next Kāwai Māhirahira quarterly reporting cycle in early 2022.

Kōrerorero

Discussion

4. In mid-October, we surveyed our staff to understand the level of vaccination uptake within WCC. We achieved a response rate of 63.3% (1150 staff) completing the survey with 92.3% of those staff (1061) indicating that they received a vaccination. Of those who had not received a vaccination (5.4%), 1.5% responded that they intended to get vaccinated. 1.9% of respondents preferred not to say. These results align with the high vaccination rate of the Wellington region.

    Insights from the survey showed:

- Approximately half of the respondents felt that any concerns had already been alleviated through vaccination advice, resources (especially the Dr Siouxsie Wiles webinar during lockdown) and the way WCC was managing the H&S requirements on Delta AL2 protocols.
- Some staff are concerned about their sense of safety in their worksite with unvaccinated staff being present – concern was expressed for their own H&S and for their families who cannot currently be vaccinated (e.g. children under 12).
- A small lack of trust of in the vaccine and its efficacy.
- An expression of freedom of choice for those not wanting to be vaccinated linked to their human rights.

Most recently, the Government has mandated education providers to be vaccinated, set out in the COVID-19 Public Health Response (Vaccinations) Order 2021 (LI 2021/94). The Council delivers a range of activities, including Education Outside of the Classroom (EOtC) which means we need to consider the impacts of this health order on our staff. The Ministry of Education website confirms that any of our roles which deliver EOtC or may have contact with children or students while carrying out their work, are covered in the health order and employees must be vaccinated to continue doing their role.

- ***Risk assessments of roles***; Health and safety risk assessments of roles are now commencing. These assessments, against WorkSafe's guidelines, will provide the Council with a risk-based approach to ascertain whether the incumbents of various roles across the Council require to be undertaken by a vaccinated staff member. The government has indicated they are developing shorter and easier guidelines, however WCC will nevertheless continue with our own assessment in the meantime as the new Traffic Light System could come into action sooner than the projected January / February 2022 deadline. Vaccination remains our number one defence against COVID-19.
- ***Vaccination Policy***; a draft vaccination policy has been provided to affected staff and the union for consultation. This policy is specific to how the Council will manage vaccinations under the Health Order. Future iterations of the Policy may be required with this fast-moving landscape and if Local Government is included in future Health Orders.
- ***Traffic Light System***; moving from the Alert Level system to the new Traffic Light system requires a considerable amount of operational planning. In the absence of detailed guidance from central government, we are approaching the Traffic Light System with a health and safety lens due to the next phase 'Suppression' requires us all to live and work with COVID in our communities. Staff and management from across the Council met in a workshop on 3 November to commence planning and actions required to meet our obligations as a PCBU. It is yet to be determined whether Council public facilities will require vaccination only entry; although gyms are included in the new traffic light system and can only operate under 'green' so will potentially be subject to Phase 2 of vaccination requirements along with the other high-risk roles identified through the role health and safety risk assessments.

Being Well @ WCC – the Council's new Wellbeing Framework

5. An annual wellbeing programme was launched in early November to all staff as a key deliverable in our Inclusion strategy and prioritises wellbeing as a key lever to create an inclusive organisation.

   We know that 'Belonging', feeling manaakitanga – cared for, whakawhanaunga – connected and able to bring our authentic selves to work has a significant impact on enabling employees to feel and contribute their best at work. When we are not feeling our best, we cannot work at our best and this has a detrimental impact not only on an individual's work but also their home life.

   The new wellbeing programme, Being Well at WCC, has been designed to provide our staff with access to speakers, resources and learning material, to support increased levels of wellbeing at WCC. Being Well at WCC is centred around six key focus areas drawn from two Māori health and wellbeing frameworks: Te Whare Tapa Whā, and Te Wheke:

   1. Caring for your Hinengaro (Mental Wellbeing)
   2. Fuelling your Wairua (Spiritual Wellbeing)
   3. Looking after your Tinana (Physical Wellbeing)
   4. Focusing on your Whānau (Whanau Wellbeing)
   5. Taking care of your Āpōpō (Financial Wellbeing)
   6. Growing your Umanga (Career Wellbeing)

   The programme will officially start in January 2022 and will provide for each quarter in the year an area of focus for our wellbeing initiatives. For example, in the first quarter of the year, we will focus on supporting our staff to: get outside while the weather is warm to increase their **physical wellbeing**, set goals for the year to support their career **wellbeing**, and identify ways in which they can engage and connect as a family over the summer period to support **whānau wellbeing**.

   Alongside the launch of the programme, we have made available a comprehensive wellbeing hub on our learning management system. This hub contains individual and team resources, playlists, webinar recordings and other learning activities. Between now and the end of 2021 we have engaged a guest speaker, Jess Stuart, to talk to WCC staff about how to manage change and uncertainty during tough times.

Staff pressures and workload

6. The impacts of COVID are more far reaching than just on staff wellbeing and is likely to also have an impact on the delivery of work programmes due to a range of extraneous variables and impacts. While Officers are committed to achieving the ambitious programme of work in the LTP, real world impacts of supply chain issues, low levels of immigration and talent shortages are causing workload and other stressors.

   Within our influence and control we have either put in place or are investigating a range of levers to reduce the impact of these issues. These include:

- **Monitoring of workload through Business Unit plans**. All business units have compiled and provided centrally business plans that outline their priorities, risks and workforce requirements. These have been reviewed by a cross section of central services (e.g. Finance, People and Culture, Risk and Assurance, and Planning) with recommendations and insights provided to the ELT. These will continue to be monitored by Chief Officers.
- **Change programmes to address resourcing**. Recent formal changes to Groups and Business Units have been undertaken to address workload and resourcing issues, as well as setting up these functions to be aligned to the strategic priorities of Council e.g. the Planning and Environment change has seen an increase in cycle lanes resourcing to better resource this priority.
- **Responding to a challenging labour market**. The current national unemployment rate to the September quarter is 3.4%**.** The Wellington region average is much lower at 2.9%, one of the lowest in the country and attracting and retaining skilled staff is becoming increasingly difficult, particularly with the Council's proximity to Central Government.

  To respond to this and a national talent shortage, we have been undertaking a range of activities including:

  - Taking a systems thinking approach to uncover areas we should focus on to respond to the talent shortage and the identification of solutions to attract and retain talent at WCC.
  - Designed and started implementation of a talent management approach in areas of critical business delivery and in areas of staff flight risk. This approach will identify key talent and look at retention options, succession possibilities and career progression and development opportunities.
  - Developing a dedicated talent acquisition strategy to provide a strategic approach to how we attract talent to WCC, improve our external brand in the labour market and leverage relationship in key talent markets.
  - Continuing our approach to increasing well-being through our Being Well @ WCC programme.
  - Reviewing the remuneration framework and other benefits in order to attract and retain staff. Some of our staff have been recruited by Central Government for pay rates that have been much higher than previously offered. We cannot compete without reviewing our own remuneration strategy.

Personal Confrontation

7. Personal Confrontation, the Council's number one risk, is any incident in which a person is abused, threatened, or assaulted in circumstances relating to their work. This definition covers a broad range of behaviours that can create a risk to the health and safety of workers. Whether it is intended or not, occupational personal confrontation is a workplace hazard and sits as the number one risk for WCC.

   To provide context, over the last 2 years, WCC has recorded 956 instances of personal confrontation. Not only do we have a moral obligation to protect and mitigate this risk

for Council Officers, legislation requires employers to ensure risks to health and safety are eliminated or reduced so far as reasonably practicable.

Education and increased encouragement of staff to enter incident reports into Risk Manager has contributed to the increase of reports coming through on personal confrontation. This is consistent with experiences of other Councils.

To gain some key insights on the personal confrontation risk, Kevin Black (Parking Services Manager) attended the recent Health and Safety Steering Group (HSSG) meeting and outlined insight into the increase in reporting of this risk in Parking Services.

Key insights included:

- Most of the incidents are happening during the daytime.
- There is a general lack of tolerance within the community and continued negative media or social media coverage of Parking Officers legitimately issuing infringements is reducing tolerance even further.
- Level of abuse is becoming increasingly vicious and affecting staff welfare e.g. 33 incidents have been reported to the police over the last three months. Overall Police reports are steady, with numbers staying consistent. Staff are reporting more issues of Personal Confrontation though, so other issues for Police (Break ins, stolen property) are be decreasing accordingly and include: staff having eggs thrown at them, being threatened with dogs, pictures taken and publicly and negatively posted on social media and public squirting officers with water guns.

The effect of the personal confrontation risk on our staff was most recently demonstrable highlighted in the “Facing Conflict on the Frontline” video created and released internally and externally. The video provided a powerful message told by WCC staff of their personal experiences with confrontation as they carry out their roles on behalf of the city.

This deliberate action by WCC was to publicly call out the effect of this on our staff and to not only educate the public but to express a human side to the delivery of Council services. By humanising our people doing their mahi, we hope to reduce the instances, a tactic used by other Council’s but also other service orientation professions e.g. NZ Police.

To protect and support our staff, we are continuing to provide a range of mechanisms including:

- Providing body cameras on Parking Wardens which get activated when they are feeling threatened or vulnerable.
- Providing training to
support officers navigate potentially dangerous incidents e.g., personal confrontation training.
- Developing new de-escalation training for customer/public facing staff.
- Supporting officer resilience through our Roadmap to resiliency training.

Ngā mahinga e whai ake nei

Next actions

8. Ongoing monitoring of trends and associated actions already form the Health and Safety annual workplan. Talent management and wellbeing actions form part of the new People and Culture strategy, which has a range of measures in place for the next three (3) to five (5) years.

Attachments

Nil

PERFORMANCE REPORT QUARTER ONE 2021/22

Kōrero taunaki
Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee …

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☒ Sustainable, natural eco city ☒ People friendly, compact, safe and accessible capital city ☒ Innovative, inclusive and creative city ☒ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☒ Functioning, resilient and reliable three waters infrastructure ☒ Affordable, resilient and safe place to live ☒ Safe, resilient and reliable core transport infrastructure network ☒ Fit-for-purpose community, creative and cultural spaces ☒ Accelerating zero-carbon and waste-free transition ☒ Strong partnerships with mana whenua
Relevant Previous decisions	Receive the Repot

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

2.

Risk

☐ Low	☒ Medium	☐ High	☐ Extreme

Authors	Bronwen Green, Senior Advisor, Planning and Reporting Lloyd Jowsey, Team Leader, 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

Taunakitanga
Officers' Recommendations

Officers recommend that the Pūroro Tahua | Finance and Performance Committee:

1. Receive the first Quarter One (Q1) Performance Report on the 2021 Long-term Plan (LTP).

2. Note the key headlines covered in the summary and in each section of the report.
3. Note that this report is the first quarterly report against the 2021 LTP and is aligned with the Corporate Monitoring and Reporting Framework (level 1) and supports the strategic oversight and monitoring role of the LTP by the Finance and Performance Committee.
4. Note that the approach and core structure of the Corporate Monitoring and Reporting Framework was presented to the Pūroro Tahua | Finance and Performance Committee in September.
5. Note that further development of the quarterly report (under the agreed framework) will occur over subsequent quarters.
6. Note that the report draws upon without duplication, detailed project level monitoring reports to other Committees.
7. Note the key capital programme delivery headlines in this report also aligns with the report on the Capital Programme also presented to this meeting of the Pūroro Tahua | Finance and Performance Committee.

Whakarāpopoto

Executive Summary

4. The purpose of the Quarterly report is to support the governance oversight and monitoring of the delivery of the current Long-term Plan (LTP). Oversight covers the:
   - LTP strategic direction and risks to overall progress
   - tracking of delivery of the programmes supporting LTP priorities; and
   - the monitoring of significant quarter by quarter changes in service delivery KPIs.
5. The structure of the Quarterly report content is detailed in its introduction. In summary the covers the:
   - LTP six strategic priorities and 53 supporting work programmes. These programmes cover 114 projects
   - 93 service delivery key performance indicators (KPIs). The KPI framework was reduced and reset in the development of the 2021 LTP
   - quarter by quarter LTP budget performance; and
   - information and analysis on the status of changes in the indicators used to monitor changes in the LTP Community outcomes (or Wellbeings).
6. The key performance headline in the report for Q1 relates to the pressures faced by the capital programme supporting the LTP strategic priorities.
7. The report notes that there are pandemic linked constraints in labour markets, materials supply, construction sector capacity and scalability is constraining pace at which the capital work programme is delivered. These constraints are limiting the pace of implementation, scaling up or delivery momentum of key LTP work programmes
8. In this environment there is a high risk that capital programme may not match delivery expectations for the next three years. The consequences of this are addressed in a separate paper on the Capital programme to this meeting of the Finance and Performance Committee.

Takenga mai

Background

9. While the quarterly report will undergo further development throughout the year, the core strategic (or whole of LTP) focus will continue to guide those developments. This includes avoiding duplication of individual project monitoring reports to other Committees - for example priority project reporting to the Infrastructure Committee.
10. As far as possible the Finance and Performance Committee consideration of the quarterly report has been scheduled to follow detailed project reporting to other Committees
11. As this is the first report against the 2021 LTP, it is largely to establish a baseline for the reporting of future quarters performance

Kōrerorero

Discussion

12. The key performance headlines from the Q1 report are:

Strategic Priority Work Programmes: *(for details see page 8 of the Q1 report)*

- Total LTP capaital expenditure has doubled from the 2018 LTP. The six strategic priorities in the 2021 LTP have 53 work programmes comprising of 114 projects,
- Many projects supporting the six LTP strategic priorities are in the historically challenging delivery phase,
- Pandemic linked constraints in labour markets, materials supply, construction sector capacity and scalability are impacting the pace at which the capital work programme can implement, scale up or sustain delivery momentum; and
- These constrains indicate there is a high risk that capital programme may not match delivery expectations over the next three years.

LTP Service Delivery KPIs: (*for details see page 10 of the Q1 report)*

- Of the new, updated and streamlined suite of service delivery KPIs in the LTP, 67% of KPIs were met, exceeded or mostly met (i.e.within +/-10% of target). KPI targets that were not met related to 3 waters, on-going pandemic impacts, and consenting capacity challenges.

LTP Budget Performance: *(for details see page 12 of the Q1 report)*

- Both Operating and Capital expenditure are below budget YTD. The Capital underspend is forecast to be $66.7m under the total budget of $420.9m by year end.

Community Outcomes (Wellbeing) Indicator Trends: (*for details see page 16 of the Q1 report)*

- Q1 establishes an opening position for wellbeing outcomes for the start of the 2021/22 period: 29% of indicators were trending in the desired direction; 34% were not - particularly for the Social and Cultural Wellbeing and no trend was evident for 37%.

Ngā mahinga e whai ake nei

Next actions

13. The next quarterly report will see further developments in the reporting of strategic priority work programme performance, commentary and analysis of trends in outcomes indicators and reporting of LTP community activities and achievements.

Attachments

Attachment 1. Q1 Performance Report

Quarterly Performance Report

Quarter One 2021/22

(YTD 1 July 2021 - 30 September 2021)

Nau mai | Welcome

This report supports the governance oversight of Wellington City Council's (the Council) quarterly performance against its Long-term Plan (LTP) by the **Pūroro Tahua | Finance and Performance Committee**. Quarterly Reports are produced four times in each financial year. Each report covers the period from the first to the last day of each quarter.

The Council's LTP is published on the Council's website (www.wcc.govt.nz) with details on our outcome indicators, performance measures and strategic priorities and supporting key projects.

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Introduction

Purpose

The information in this report supports governance oversight and monitoring of the delivery of the current long-term Plan (LTP). Oversight covers the:

- LTP strategic direction and risks to overall progress
- Tracking of delivery of the programmes supporting LTP priorities, strategies, action plans and key projects; and
- Monitoring of significant quarter by quarter changes in service delivery KPIs.

The report informs three key questions:

- Is the LTP progressing as expected?
- Are the responses to risks sufficient to mitigate undesirable impacts? and;
- Is service performance on track?

The Quarterly report is provided to the Council's **Pūroro Tahua | Finance and Performance Committee** (the Committee)

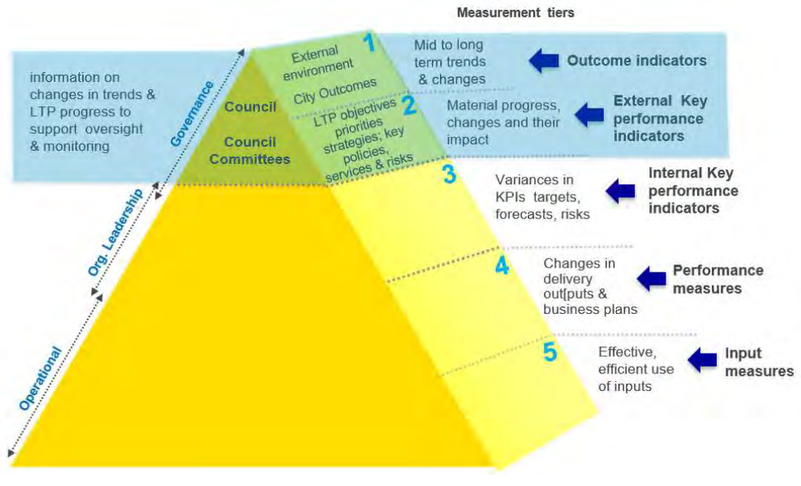
What we report

The content of the Quarterly Report (this report) aligns the 2021 LTP, the Finance and Performance Committee LTP oversight role, the monitoring role of other Council Committees and tiers 1 and 2 of the Councils monitoring and Reporting Framework (Figure 1). A specific focus of the report is oversight of progress against the six LTP priority objectives (LTP priorities) and their supporting work programmes.

This approach recognises that reporting detailed performance for individual projects, policies etc. is in general within scope of other Committees for example the Infrastructure, Planning and Environment or, Social, Cultural and Economic Committees. The Quarterly Report is in general timed after detail focused reporting to other Committees.

The LTP is effective from 1 July 2021 and includes an updated and reduced suite of external key performance indicators (KPIs). Consequently, the content of the Quarterly report will increase across the 2021 financial year - as trends and new KPI data becomes available. The starting point (or baseline) for reporting LTP progress is the 2021-22 year. The report scope includes LTP amendments and Annual Plan variations.

Figure 1: Monitoring and Reporting framework



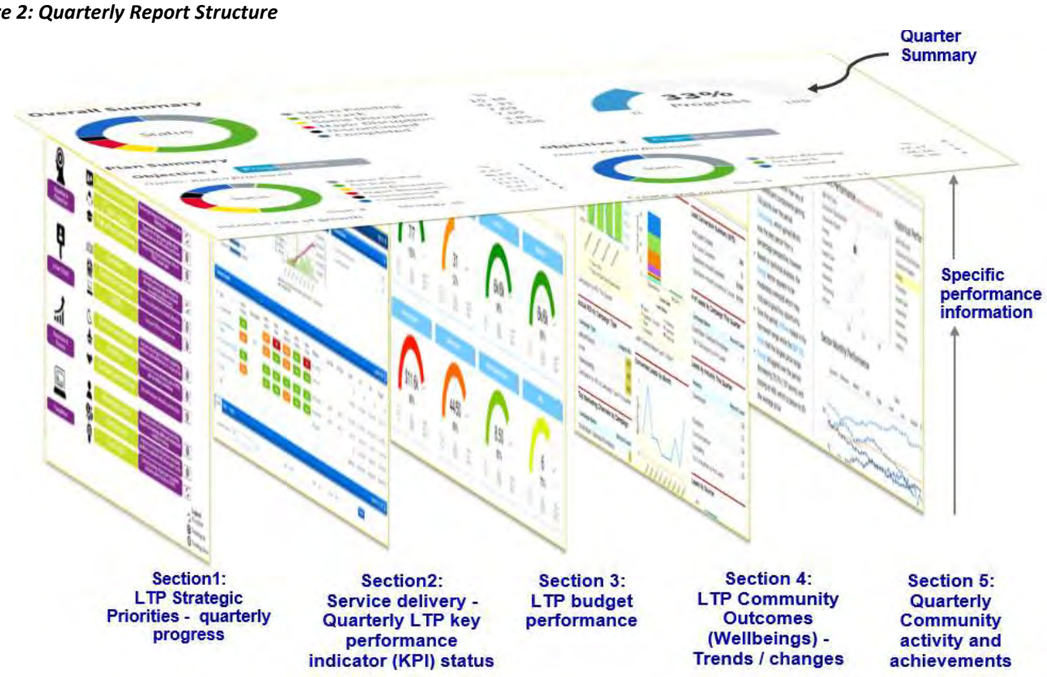
Performance data

Financial and non-financial results are reported ***quarter***-to-date. All information is current as at the end of the relevant quarter. Results that are gathered annually e.g. from an annual residents' monitoring survey is published in the Council's Annual Report along with all KPI results for the full financial year**.** Programme information focuses on overall progress, programme health and risks to progress. Where possible actual and forecast information is provided.

Report structure and information presentation

A fully implemented quarterly report has five 'drill-down' sections with a rolled-up quarter overview or summary (Figure 2). This report covers section 1-4. Additional content will be added in the following quarters. The 'rolled-up quarter summary' has key summary information from each section, in general focusing on the significant changes during or between quarters. Where possible information is organised and reported visually and in an A3 dashboard style. to show changes in status etc.

Figure 2: Quarterly Report Structure



How we report

Exception reporting

In general, only items with a status of red or blue are reported - with a focus on over and/or under performance (or by 'exception'). The blue highlight indicates over performance and the red highlight indicates under performance. Red is used for financial reporting where variance is >$500k AND >10% off target. Risks are reported using the Council's risk reporting framework. Using a range for "met" of +/-10% allows for seasonal changes in performance.

How we record status

To decide what is significant and therefore what to focus on in this report, we use the status definitions that are indicated on the relevant dashboard. The statuses use colours to identify the items that need ongoing monitoring and / or attention.

LTP Community Outcomes

The LTP contributes to improving Wellington's social, cultural, environmental and economic community outcomes (or Wellbeings) This report (in Section Four) includes information on the city's changing Social, Cultural, Environmental or Economic wellbeing. This content can vary from quarter to quarter depending (for example) on the external environment at the time of the report and / or the availability of data. Material changes in Social, Cultural, Environmental or Economic wellbeing indicators are typically to be observed over a longer period e.g. 3 years or more.

LTP Strategic priorities and supporting work programmes

Table 1 indicates the alignment between the six LTP priority objectives (strategic priorities) and long-term Community Outcomes. Two of the six strategic have work programmes that contribute to all outcomes. The organisation of information for a number of sections in this report reflects this alignment.

Table 1: LTP Community Outcomes and Priority Objectives

Community outcomes	**Environmental** Sustainable, climate friendly eco capital	**Social** People friendly, compact, safe, accessible capital	**Cultural** Innovative, inclusive and creative city	**Economic** Dynamic, sustainable economy
Strategic priorities	A functioning, resilient & reliable 3 Waters infrastructure	Affordable, resilient & safe housing	Resilient & fit-for-purpose city, community, creative & cultural spaces	Wellington's core transport infrastructure is a safe, resilient and reliable network
	Strong partnerships with mana whenua			
	An accelerating zero carbon & waste free transition			

The work programes supporting the LTP strategic priorities contain the projects that deliver the LTP. Because of their expected impact or urgency some of those projects are classified as 'high priority projects'. Aggregated information from these projects is included in this report. Detailed individual project monitoring reports for the 'priority projects' is received by the Infrastructure Committee from the Project Management Office. This approach avoids duplication of individual project information reported to other Committees. Table 2. provides an overview of the alignment of work programmes to LTP priorities.

Table 2: Alignment of LTP priorities, LTP budget, programmes and projects

LTP Strategic priorities, Y1 budget (000's)	Objectives	LTP work Programmes	No. of projects
A functioning, resilient & reliable 3 Waters infrastructure	A reliable 3 Waters infrastructure	3 Waters network Stormwater Wastewater Targeted upgrades	14 (3 high priority projects)
	A resilient 3 Waters infrastructure	Drinking Water	1
	A functioning 3 Waters infrastructure	3 Waters Reform Programme	1
Affordable, resilient & safe housing	Urban Planning	Planning for growth	1
	Safe Housing	Social Housing	2
	Affordable Housing	Housing Investment Programme (projects) Proactive development (SHIP) - Te Kāinga (projects) Housing Action Plan (projects)	4 (2 priority projects)
	Resilient Housing	Proactive development (SHIP)	7
The core transport infrastructure is safe, resilient & reliable network	Reliable, safe Transport network	Let get Welly Moving Priority Planning Speed management upgrades Bike network	20 (8 priority projects)
	Resilient, safe Transport network	Carriageway Shelly bay Network renewals Network access	7
Resilient and fit-for-purpose city, community, creative & cultural spaces	Fit-For-Purpose Community, Creative & Cultural Spaces	Aho tini 2030 Civic precinct Public space improvements Waterfront Development Zealandia Zoo upgrades Community Centres & Halls upgrades Suburban Centres upgrades City Venues Poneke Promise Te Ngakau Civic Precinct Venues Seismic strengthening	Community facilities development Streets for People: Laneways programme Public safety - Poneke Promise Burial & Cremations policy Waterfront Development: Frank Kitts Park Public Space and City Greening: CBD greening, pocket park development Public Space and City Greening	27 (10 high projects)
	Resilient Community, Creative & Cultural Spaces	Community facilities planning Waterfront facilities Sportsfields upgrades EQ Risk Mitigation: Seismic strengthening	Community facilities earthquake resilience EQ Prone buildings Venues Seismic strengthening Asset Management Programme CCO Upgrades	13 (2 priority project)
An accelerating zero carbon and waste free transition	Te Atakura - first to zero	Climate and sustainability Climate Change response Resource efficiency - energy Seed funding for climate action	Sustainable food (SF) systems Mode shift WCC EV fleet transformation	14 (2 priority project)
	Waste Free Transition	Waste Minimisation :Resource efficiency - waste	Waste Minimisation: Resource efficiency - waste Waste Minimisation	
Strong partnerships with mana whenua	Innovative, creative and inclusive city	Inclusive city		3
		Maori and mana whenua partnerships		
Reporting Legend		Reported to Finance and performance Committee		
		Reported to the other relevant Committee		

Reporting programme performance

Quarterly programme reporting focuses on changes to programme delivery (progress), budget, overall programme health and risk status against a LTP starting position as of 1 July 2021 and over the three years between LTP updates. As a number of programmes have projects that are being planned or start in subsequent years, the first quarterly report will contain programmes that have projects that are:

- in-flight from the previous LTP; and
- are finalising their plans to commence in the next quarter.

This means that the content and programmes covered in this will expand over subsequent reports. The Quarter one (1 July-30 September) report for 2021 sets a starting position (or baseline) for on-going quarterly programme reporting.

Where we get our data

The Information in this report is sourced from the Councils and CCO busines units including Finance, Risk and Assurance and the Project Management Office.



Summary Headlines: Quarter 1 2021

Strategic Priority Work Programmes: (Details p7)

- Total LTP capital expenditure has doubled from the 2018 LTP. The six strategic priorities in the 2021 LTP have 53 work programmes comprising of 114 projects.
- Many projects supporting the six LTP strategic priorities are in the historically challenging delivery phase.
- Pandemic linked constraints in labour markets, materials supply and/or construction sector capacity and scalability are impacting pace at which the capital work programme can be implemented, scaled up or delivery momentum sustained.
- These constrains indicate that there is a high risk that capital programme may not match delivery expectations over the next three years.

LTP Service Delivery KPIs: (Details p.9)

- Of the new updated and streamlined suite of service delivery KPIs in the LTP, 67% of KPIs were met, exceeded or mostly met (i.e. within +/-10% of target). KPI targets that were not met related to 3 waters, on-going pandemic impacts, and consenting capacity challenges.

LTP Budget Performance: (Details p11)

- Both Operating and Capital expenditure are below budget YTD. The Capital underspend is forecast to be $66.7m under the total budget of $420.9m by year end.

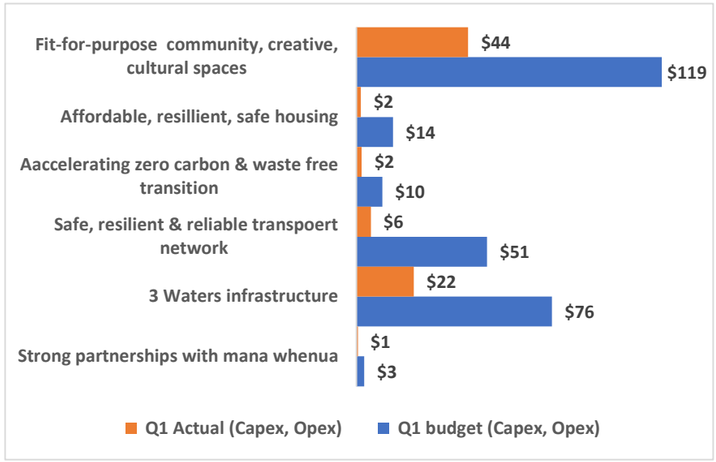
Community Outcomes (Wellbeing) Indicator Trends: (Details p15)

- At start of the quarter 29% of indicators were trending in the desired direction; 34% were not - particularly for the Social and Cultural Wellbeing and no trend was evident for 37%.

Quarter Summary

1. LTP STRATEGIC PRIORITY WORK PROGRAMMES - The pace of delivery of a large capital programme is being constrained and likely to be underspent

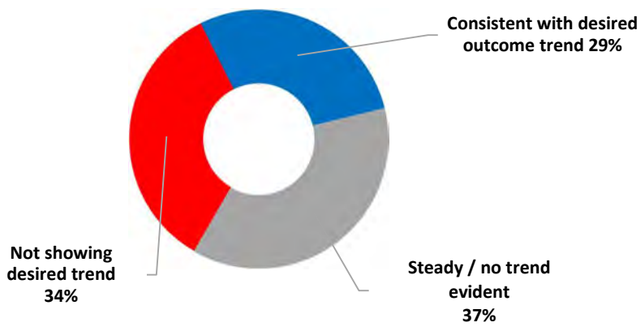
Q1 Capital and Opex Spend - Underspent for all work programmes ($m)



Programme Delivery: There is a material risk that market capacity and capability pressures may constrain the pace of programme delivery.

Pressures	Possible impact:
• Constrained labour markets, materials supply chain and cost escalations • Availability of external contractor resources pressuring the planning and prioritisation of resources	• Progress slowed for projects in-flight • Delay projects at planning stage; and/or

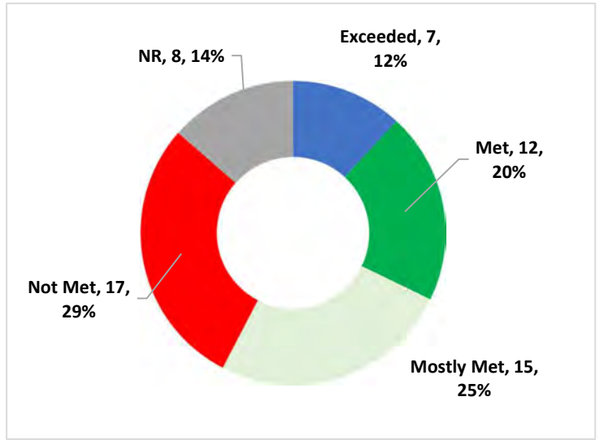
4. LTP COMMUNITY OUTCOMES (WELLBEINGS): Social and cultural wellbeings have the most indicators not showing the desired trend



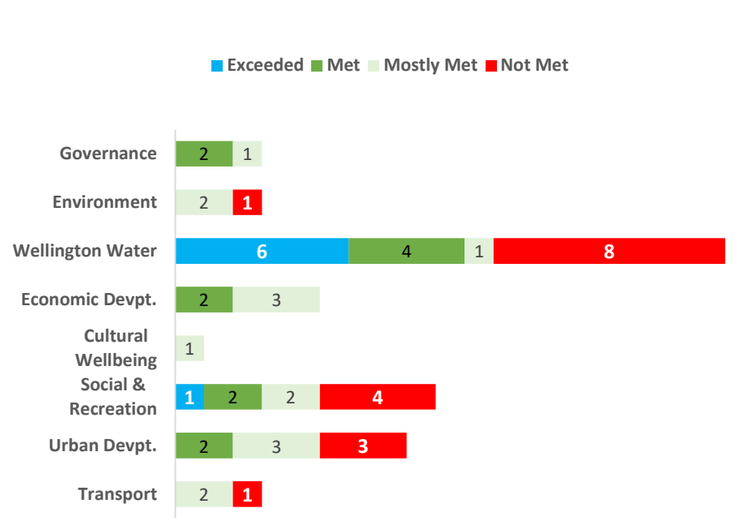
Outcome indicator trends are generally observed over 3 -5 yrs

2. LTP SERVICE PERFORMANCE - First result for new LTP KPIs; KPIs not met similar to previous year

Service delivery performance against LTP KPI targets



KPI performance against target for each Activity Area

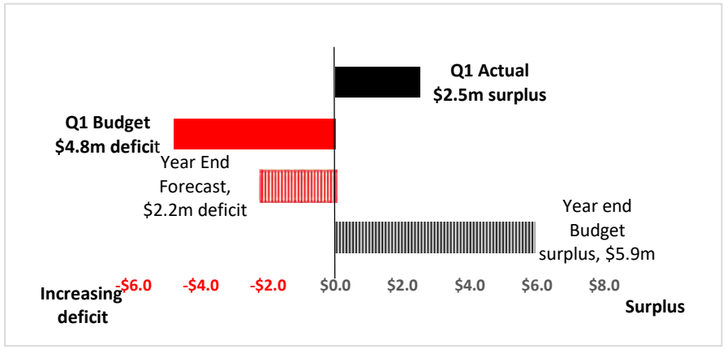


The main Activity Area KPI targets not met relate to:

- ***Three waters:*** Same KPI exceptions as the previous year
- ***Environment:*** Lower waste diverted from landfill showing the impact of lockdowns
- ***Urban development:*** Timeliness for compliance and consenting KPIs, and parking occupancy (similar to previous year)

3. BUDGET PERFORMANCE YTD

Q1 Net Operating Position a $2.5m surplus

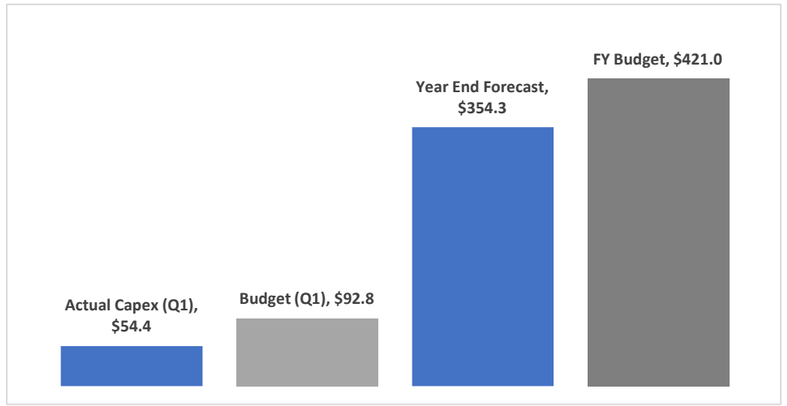


- **Net Operating Position:** Position is $7.3m favourable to budget (actual $2.5m surplus vs budget of $4.8m deficit)
- **Total Expenditure:** 9% ($14.4m) favourable to budget
- **Revenue:** 5% ($7.1m) unfavourable to budget

Forecast Year End deficit of $2.2m ($m)

- Forecast year end position is a deficit of $2.2m unfavourable against a budgeted surplus of $5.9m

Capital spend - under budget YTD and for the year-end forecast ($m)



- **Year to date: Capital:** budget underspent by $38.4m (41%)
- **Significant variances**: Tākina is over budget. Underspending has occurred in each of the St James Theatre strengthening, Basin Reserve Upgrade, Community Halls programme of works and parts of the Transport and Property programmes (Civic precinct)
- **Forecast:** $66.7m (16%) year-end underspend on the $421.0m budget (including carry forwards). The revised budget was derived from the addition of carry forwards ($77.3m) and other adjustments ($0.5m) to the original budget of $343.0m



Section 1: LTP Strategic Priorities: Supporting Work Programmes

Quarter one headlines:

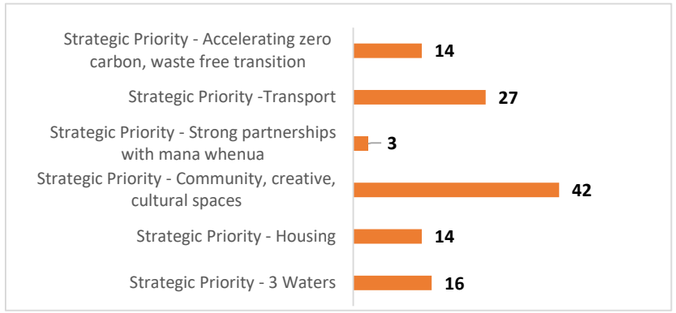
- The starting position is a capital programme that has doubled in spend from the last LTP - historically capital spending has lagged delivery aspirations
- Of the 114 projects supporting the LTP priorities 27 of these projects are high priority and significant to the development of the City (e.g. 3 waters, Central Library, Transport (LGWM), Takina - Convention Centre, Bike network etc) the majority of which have projects are in the historically challenging delivery phase
- There is a risk that external pressures (pandemic, labour shortages, contractor capacity, materials supply) impacting in-flight and projects being planned - will continue to constrain the pace of implementation or delivery progress.
- There are a number key action plans in the planning phase that will utilise resources and /or add to existing LTP strategic priority work programmes (e.g. Maori Strategy Action Plan, Bike programme, Aho-tini 2030, Economic Wellbeing Strategy)
- Continuing to strengthen our ability to deliver and mitigate significant risks across work programmes is an ongoing priority

Programmes supporting LTP Strategic Priorities

For 2021-22 priorities there is large spend to be delivered through 52 work programmes involving 114 supporting projects

LTP priorities have 45 Work programmes with 114 projects and 27

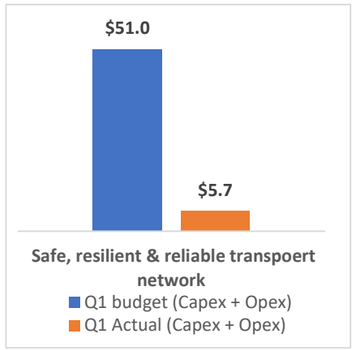
Number of projects by strategic priority

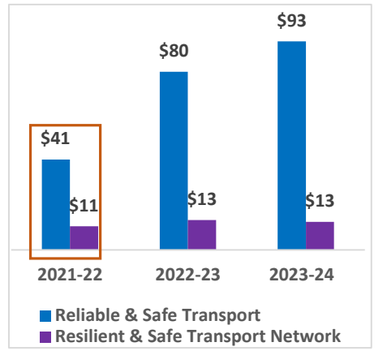


- The 27 priority projects reported to the infrastructure Committee are included in the strategic priority project count.

Priority: The transport infrastructure is a safe, resilient & reliable ($m)

Q1 Total Budget Performance ($m) | **LTP 3yr. Capital Budget ($m)**

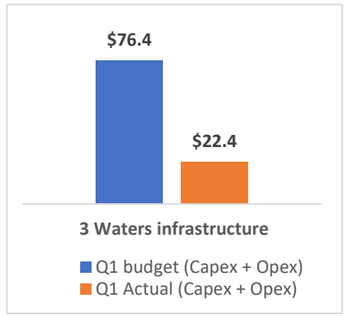


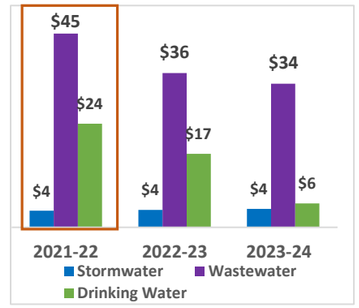


- Includes priority projects Transitional Cycleways programme, Let's Get Welly Moving, Cycleways Connections and Island Bay programmes

Priority: A functioning, resilient, reliable 3 Waters infrastructure ($m)

Q1 Total Budget Performance ($m) | **LTP 3yr Capital Budget ($m)**

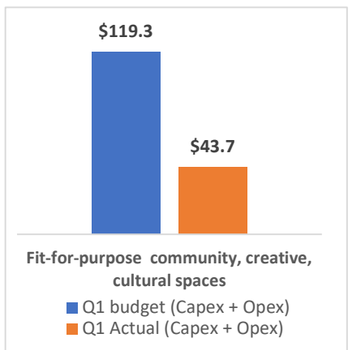


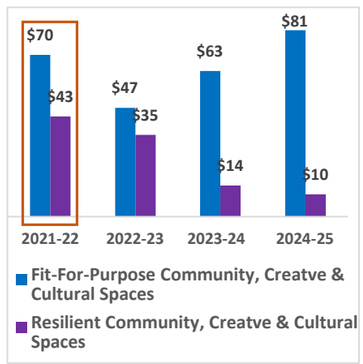


- Includes priority projects of Omāroro Reservoir, CBD sewage upgrades and 3 water reform

Priority: Resilient, fit-for-purpose, community, creative cultural spaces

Q1 Total Budget Performance ($m) | **LTP 3yr LTP Capital Budget ($m)**

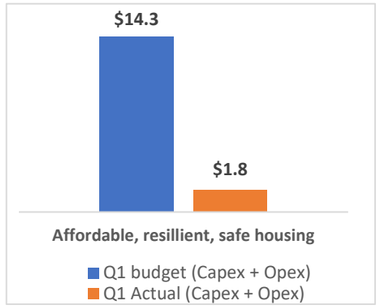


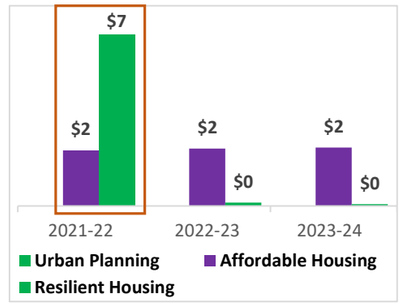


- The community investment plan review will inform out year investment in community, creative and cultural spaces

Priority: Affordable, resilient & safe housing ($m)

Q1 Total Budget Performance ($m) | LTP 3yr Capital Budget ($m)

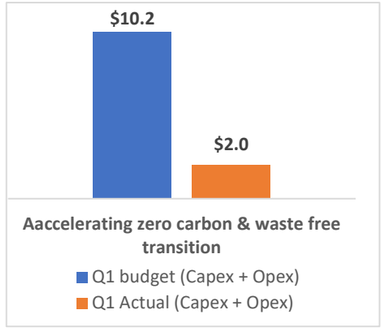


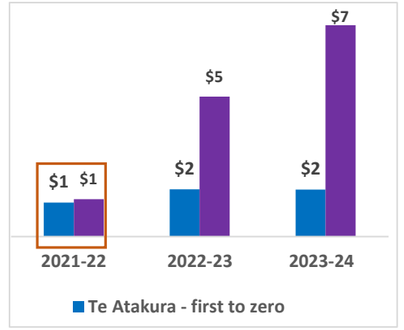


- Proposals for the on-going financial sustainability of the housing portfolio will go for consultation (as an LTP amendment) in the 2022-23 Annual Plan.

Priority: An accelerating zero carbon & waste free transition

Q1 Total Budget Performance ($m) | **LTP 3yr LTP Capital Budget ($m)**



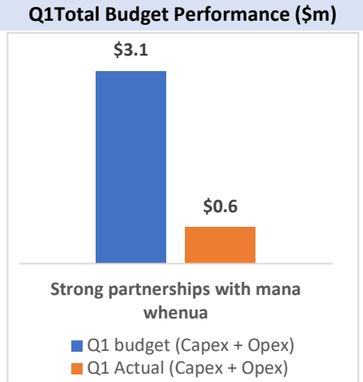


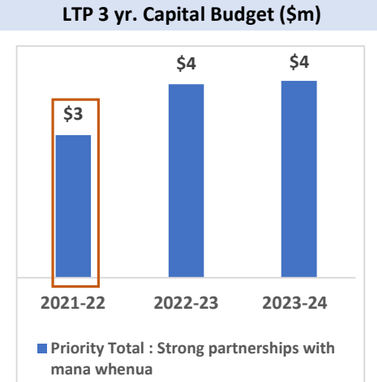
- Includes priority projects Residual waste disposal (Southern Landfill), Sludge Minimisation, (Project Jasmine)

The capital programme delivery is exposed to material pressures over the next 3 years that are likely to constrain pace of implementation or delivery.

Priority: Strong partnerships with mana whenua

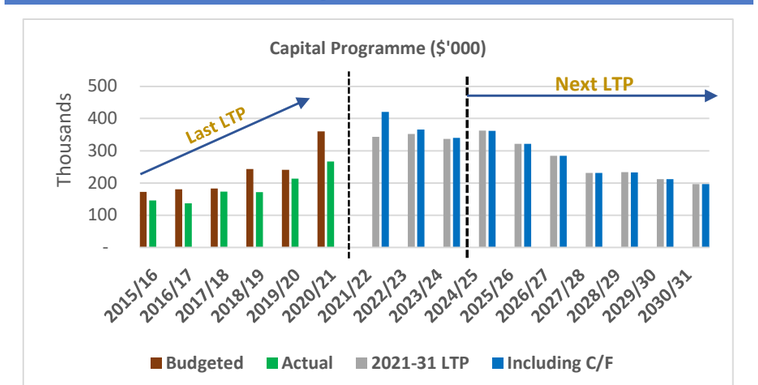
Q1Total Budget Performance ($m) | **LTP 3 yr. Capital Budget ($m)**





- New Maori strategy is largely completed with a supporting action plan being developed for implementation across the year

We have caried forward* incomplete or additional work from the last LTP and are forecasting to do continue until the next LTP



* Capital projects spend is an indicator of work programme delivery

A key risk to the delivery of the LTP work programmes is disruption of the pace of delivery

Any increase in the pressures driving this risk (see below) is likely to slow in-flight projects, disrupt projects at planning stage

Key pressures driving risks to delivery:

- Labour market shortages
- Constrained materials supply chains and cost escalations
- Availability of external contractor resources / scalable capacity pressuring the planning and prioritisation of resources

Continuing to strengthen internal capacity to deliver to mitigate construction capacity risks across the portfolio remains a key priority. Mitigation includes

- Embed coordination, prioritisation and management of dependencies between programmes across the business
- Reporting across the portfolio of work programme



Section 2: LTP Service Delivery Key Performance Indicators (KPIs)

Quarter one headlines:

- The 2021 LTP KPIs have been reduced from 312 in the previous LTP to 93. DIA 3 waters measure have been retained. There are 19 new measures across Activity Areas
- 67% of KPIs were achieved (i.e. met, exceeded or within 10% of target).
- Key LTP KPI variances for Q1 with targets not met related to3 waters, on-going pandemic impacts, consenting volume and capacity pressures. These KPIs were largely those that were reported in the previous year

Key Performance indicators (KPIs) - Key variances

Key KPI variances for Q1 were largely those that were reported for Q4 in the previous year

1. Environment - key Q1 KPI variances

KPI	Target	Result	Variance	Variance comment
Volume of waste diverted from landfill	5000	2557	-49%	• No glass collections during levels 3 & 4 due to health and safety. • July totals - 956 Aug totals 453 which is more than a 50% reduction in kerbside tonnages collected.
Number of complaints about the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, (per 1000 connections)	5	3.7	26%	• Exceeded response to offensive removal during Level 3 with a fast response time - 93.7%.
Median response time for attendance for water network urgent call outs (minutes)	60	109	-82%	• Alert Level 4 lockdown provided an opportunity to reduce the outstanding jobs. Customer Operations focused on resolving older jobs and closing them out. This is reflected in a one-off spike in median response times across the board this quarter. • To mitigate growing skill shortage (which impacts response times) a Wellington Wate launched a front-line training programme for youth starting in 2022.
Median response time for attendance for water network non-urgent call outs (hours)	36	40	-11%	
Median response time for resolution for water network non-urgent call outs (days)	5	4.1	18%	
Dry weather wastewater overflows, expressed per 1000 connections	0	0.6	-100%	• An environmental health Mitigation project is underway and targeting environmental health improvements at catchments across Wellington City Council. This result is the same as Q4 2021 and an improvement from prior results.
Total number of complaints about wastewater system (per 1000 connections*)	7	3.7	47% exceeded	*Connections to territorial authority's sewerage system

2. Environment - key Q1 KPI variances (con't)

KPI	Target	Result	Variance	Variance comment
Number of complaints about the stormwater system (per 1000 connections)	5	3	40% exceeded	
Median response time to attend a flooding event (minutes)	60	6143	-10138%	• 17 July 2021 the region had an up to a 1 in 60-year flooding event which overwhelmed many areas of our sewer and stormwater networks and generated over 600 customer calls. Post Event Response Team was activated to address the large number of customer requests that came through the Customer Hub and client councils.
Number of flooding events	2	1	50%	
Number of habitable floors per 1000 connected homes per flooding event	0.13	0.7	-438%	
Compliance with the resource consents for discharge from the sewerage system -total number	0	1	-100%	• An infringement notice was received by Wellington Water on 26 July for a discharge of non-compliant effluent water quality from the Moa Point Wastewater Treatment Plant. The cause was damage in a clarifier, causing the suspended solids in the effluent discharge to above the consented value.
Number of wastewater reticulation incidents per km of reticulation pipeline (blockages)	0.8	0.1	88%	• Exceeded
Median response time for wastewater overflows (attendance time minutes)	60	305	-408%	• Alert Level 4 lockdown provided an opportunity to reduce the outstanding jobs. Customer Operations focused on resolving older jobs and closing them out. This is reflected in a one-off spike in median response times across the board this quarter. • To mitigate growing skill shortage (which impacts response times) a Wellington Wate launched a front-line training programme for youth starting in 2022.
Median response time for wastewater overflows (resolution time hours)	6	32.8	-447%	

3. Social and Recreation - key Q1 KPI variances

KPI	Target	Result	Variance	Variance comment
Food registrations - premises (%) inspected within Food Act regulation required timeframes (new business and existing businesses)	100%	32.2%	-68%	• Food Inspections unable to be conducted under Covid 19 Level 4 and Level 3. • Backlog now reduced to 96% at end of June
Graffiti removal – response time frames (%) met	80%	93.7%	17%	• Target exceeded. • Fast response to offensive material removal during Level 3,93.7% responded to
Dog control - response timeframes (%) met	100%	89.0%	-11%	• Delays in notifying complaints to email address and relaying complaints from contact centre • Responses monitored Monday to Friday.
Licences - premises inspected within target timeframes (%)	100%	2.8%	-97%	• Inspections unable to be undertaken in Covid 19 Level 4 and Level 3 • There are zero Very High-Risk premises
Public toilets - response timeframes (%) met	95%	73.0%	-23%	• Covid causing delays for sourcing materials, which is delaying jobs being completed • Some new contractors still becoming familiar with our facilities and processes

4. Urban Development - key Q1 KPI variances

KPI	Target	Result	Variance	Variance comment
Building consents (%) issued within 20 workings days	100%	87.0%	-13%	• The Building Compliance and Consent unit is facing on-going capacity issues with external structural engineering review of building consents. This constraint is impacting timeliness for consent processing. Options to mitigate the constraint are under development.
Land Information Memorandums (LIMs) (%) issued within 10 working days	100%	74.0%	-26%	• The LIM team had several staff departures in July that affected processing timeliness. The team has now increased resourcing and expects to return to normal level of LIM issuance.
Resource consents (non-notified) (%) issued within statutory time frames	100%	71.89%	-28%	• This quarter there were over 100 applications a month coupled with staff vacancies • Granted 6 applications for 9 or more units across the City • Hearings held this quarter - Johnsonville-vegetable-market consent approved;131 Coromandel St 21-unit multi-unit for Kainga Ora - waiting decision

5. Transport - key Q1 KPI variances

KPI	Target	Result	Variance	Variance comment
City parking peak occupancy (% utilisation)	75%	47%	-37%	• A reduction in occupancy for the months of August and September as a result of the August lockdown



Section 3: LTP Budget Performance

Quarter one headlines:

- Underspending in operating expenditure cost control is had a positive impact for the quarter - $7.3m favourable, reporting a net surplus of $2.5m against a budgeted deficit of $4.8m.
- Material reductions in revenue from COVID effects (which are forecast to continue) and reduced NZTA subsidies suggest ongoing risks to achieving budget revenue
- Capital expenditure is currently $38m, 41% underspent, the full year forecast underspend is $66.7m (16%) by year end.

Budget performance

Consolidated financial performance 1 July 2021 – 30 September 2021

Consolidated Performance

	Actual *$000's*	*Budget* *$000's*	*Non-Op Var $000's*	*Op Var $000's*		*Forecast* *$000's*	*Budget* *$000's*	*Non-Op Var $000's*	*Op Var $000's*
Rates & Levies Revenue	98,188	98,203	0	(15)		392,812	392,812	0	0
Revenue from Operating Activities	35,024	38,085	0	(3,062)		146,915	154,615	0	(7,701)
Investment Revenue	2,810	2,597	0	212		10,619	10,503	0	115
Finance Revenue	344	3	0	341		203	13	0	190
Other Revenue	6,382	11,387	(4,817)	(188)		39,224	50,767	(11,302)	(242)
Development Contribution Revenue	1,281	875	406	0		3,517	3,500	17	0
Total Income	***144,027***	***151,150***	***(4,411)***	***(2,712)***		***593,289***	***612,210***	***(11,285)***	***(7,637)***
Personnel	35,149	34,838	0	(311)		138,836	137,060	0	(1,776)
Contracts, Services, Materials	44,768	54,042	0	9,274		196,817	202,815	0	5,998
Professional Costs	1,965	4,769	0	2,803		16,191	18,812	0	2,621
General Expenses	19,154	21,292	0	2,139		84,127	86,199	0	2,072
Depreciation and amortisation	35,820	37,332	0	1,512		146,736	146,736	0	(0)
Interest Expense	6,500	5,831	0	(670)		22,964	23,323	0	358
Internal Recharge and Recoveries	(1,840)	(2,160)	0	(320)		(10,151)	(8,645)	0	1,506
Total Expenditure	***141,516***	***155,944***	***0***	***14,427***		***595,520***	***606,300***	***0***	***10,780***
NETSURPLUS/(DEFICIT) BEFORE ALLOCATIONS	***2,510***	***(4,793)***	***(4,411)***	***11,715***		***(2,231)***	***5,911***	***(11,285)***	***3,143***
Allocations	0	0	0	0		(0)	0	0	0
Total Allocations	***0***	***0***	***0***	***0***		***(0)***	***0***	***0***	***0***
COUNCIL NET SURPLUS/(DEFICIT)	***2,510***	***(4,793)***	***(4,411)***	***11,715***		***(2,231)***	***5,911***	***(11,285)***	***3,143***

- Revenue from Operating Activities $-3.1M (-8%) unfavourable due to Parking Services which is under budget by $3.2m having been impacted by a lockdown at level 4 for two weeks in August 2021, level 3 for one week in September, and level 2 ongoing.
- Parks, Sports and Recreation is also under budget by $1.1m and has similarly been impacted by Covid closures in recreation centres and swimming pools. This is largely offset by favourable variances in Transport $0.6m around timing for advertising income and Waste Operations where landfill revenue is favourable by $0.5m due to higher volumes.

YEAR TO DATE commentary

Additional YTD variances:

- **Other Revenue** is $5.0m (-44%) unfavourable, which is due to Waka Kotahi (NZTA) roading subsidies being lower than planned due to the NZTA funding decision on low-cost low risk and improvement projects not approved until September.
- **Contracts, Services & Materials** are $9.3m (17%) favourable. Under spending is occurring broadly across the business in the following areas. Parks, Sports and Recreation is under budget $1.4m driven by the lack of activity with the Covid lockdown, lower than planned maintenance costs in City Housing $1.0m, the timing of grants costs in Economic Wellbeing $1.8m and Planning & Environment $0.6m, Contract costs are under budget in 3 Waters $1.0m (timing of expenditure and the utilisation of stimulus funding), Building Resilience $0.8m (timing dependent on the outcome of a court decision concerning intervention on two disputed buildings) and Transport $1.3m which is behind in their programme as noted above.
- **Professional costs** are $2.8m (59%) favourable, in the main due to timing in Place Planning (work around the District Plan), Climate Change Response and under spending in Property and on Te Ngakau.
- **General Expenses** are under budget by $2.1m (10%). The main variances are Utilities (rates and cleaning), external IT costs and sponsorship.

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Forecast (Full Year/FY) commentarty

The forecast for this report shows the full year expected results, including the following variances:

- **Revenue from Operating Activities** is $7.7m (5%) unfavourable and is largely due to projected losses in Parking $6.2m, and Parks, Sports and Recreation $2.4m (both due to the impacts of COVID-19). This is in part offset by a favourable forecast for City Transport $0.6m.
- **Other Revenue** is $11.5m (23%) unfavourable, which is due to reduced NZTA revenue based on the assumption of reduced spend for the Capital programme.
- **Contracts, Services & Materials** are recast to be $6.0m (3%) favourable. Under spending is forecast to occur predominantly in City Transport $3.9m through reduced contract spend, City Housing $1.3m through lower maintenance costs and Property $0.8m, as well as lower than expected maintenance costs. The budget also contains funding for the Ngauranga to Petone cycle way of $2.5m. This was expensed last financial year and will therefore be not required. Partially offsetting these will be overspends in Economic Wellbeing by $1.0m and Corporate Finance $0.9m in grants costs.
- **Professional costs** are forecast to be $2.6m under budget. This is in Place Planning $0.5m on the District Plan (offset to some extent by higher contract spending), Te Ngakau $0.5m (offset by internal personnel costs), Let's Get Wellington Moving $0.4m and City Transport $0.6m.

Treasury Report

Summary

- All positions compliant with policy
- Net interest expense is $0.196m over budget in the month.
- Capex programme was under budget by $7.3m 26.6%) in the month, $27.3, 33.4% YTD

Funding Policy Parameters (calculated on a rolling monthly average)				
Period	Minimum %	Maximum %	Actual	Compliant (Y/N)
0-3 years	15%	60%	41%	Yes
3-5 years	15%	60%	17%	Yes
5 years plus	15%	60%	42%	Yes

Borrowings

- Total committed borrowing facilities as at the end of September were $1.032bn providing headroom of $250.5m.
- Our liquidity ratio under current policy is 120%.
- Total net borrowings at the end of September were $781m.
- Gross borrowings were $1,03bn.
- The next maturities are in November- 2021 - pre-funded.

Investments

Deposits	**Sept-21**
General deposits	$60m
Deposits for pre-funding	$61.5m
Cash	$128.5m
Total funds on for month	$250.m

Activity Area Financial Performance

1 July 2021 - 30 September 2021

All Activity Areas - generally ontrack ; emerging revenue at risks

Total All Activity Areas - Q1 Budget Performance ($000s)						
	Actual	Budget	Variance	%	YE Forecast	YE Budget
Revenue	(144,027)	(151,150)	(7,124)	5%	(593,289)	(612,210)
Expenditure	141,516	155,944	14,427	9%	595,520	606,300
Net operating expenditure	(2,510)	4,793	7,304	152%	2,231	(5,911)
Capital expenditure	54,359	92,801	38,442	41%	354,300	420,968

Environment - generally on track

Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(6,970)	(6,490)	480	-7%	(26,622)	(26,544)	Favourable due to higher volumes of contaminated waste received at the landfill
Expenditure	49,614	53,685	4,070	8%	208,851	213,818	Favourable YTD due to lower than planned contracts costs across both street cleaning and water network maintenance and reduced stormwater rates expenditure
Net operating expenditure	42,644	47,194	4,550	10%	182,229	187,273	Favourable YTD, predominantly due to reduced contracts costs across both street cleaning and water network maintenance and reduced stormwater rates expenditure. Revenues were also favourable with higher-than-expected landfill income
Capital expenditure	13,686	19,345	5,659	29%	77,735	79,485	Favourable variance for the first quarter, predominantly due to contracts savings across the wastewater network, both renewals and upgrades, reservoir upgrades and the delay in upgrades at the zoo

Cultural Wellbeing - on track

Cultural Wellbeing - Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(332)	(242)	90	37%	(950)	(967)	Immaterial variance both YTD and forecasted.
Expenditure	7,003	7,821	818	10%	25,370	24,629	Favourable YTD with under spending in the City Events programme and a temporary YTD saving across Capital of Culture grants. The higher cost of grants in the Cultural Grants Pool is the main driver of the year end forecast position.
Net operating expenditure	6,671	7,579	908	12%	24,420	23,662	Favourable YTD with the under spending in the City Events programme and a temporary YTD saving across Capital of Culture grants. The higher cost of grants in the Cultural Grants pool is the main driver of the year end position
Capital expenditure	15,041	12,687	(2,354)	-19%	56,008	51,017	Over budget on the Takina project due to it being ahead of programme. This is expected to continue for the remainder of the year

Year to date commentary (con't)

Governance - Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(89)	(132)	(43)	33%	(480)	(528)	Immaterial variance YTD.
Expenditure	4,302	6,909	2,607	38%	28,644	29,714	Favourable YTD, due to lower-than-expected remuneration costs arising from vacancies with consequent lower allocations as well as lower contract and consulting costs
Net operating expenditure	4,213	6,777	2,565	38%	28,163	29,186	Favourable YTD, due to a lower-than-expected remuneration costs arising from vacancies with consequent lower allocations as well as lower contract and consulting costs
Capital expenditure	0	297	297	100%	1,187	1,187	Under budget in the Climate Change Response programme however this is a timing variance with full expenditure expected by year end

Economic Development - on track, forecasting COVID effects to adversely impact future revenue

Economic Development - Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(2,778)	(2,087)	691	33%	(8,792)	(8,326)	Favourable due to the higher-than-expected revenue in Venues in July and August although the recent COVID-19 lockdown is expected to impact future income levels
Expenditure	6,785	8,715	1,929	22%	36,063	35,315	Favourable as grants payments in the Events fund and Destination Wellington have not been incurred to date
Net operating expenditure	4,007	6,628	2,621	40%	27,271	26,989	Favourable due to higher-than-expected revenues in Venues and delays in the payment of grants through the Events fund and Destination Wellington
Capital expenditure	363	3,203	2,840	89%	5,200	13,543	Under budget, on Wellington Venues renewals and the St James Theatre. The budget for the St James project is across two activities and strategies (the other being Urban Development) and while this strategy is forecast to be under budget, the project is expected to be ahead of plan by year end

Social and Recreation -COVID impacting revenue in Q1

Social and Recreation - Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(10,496)	(11,391)	(895)	8%	(43,688)	(45,354)	Reduced revenues, mostly due to COVID-19 related restrictions on the use of public swimming pools during the quarter.
Expenditure	36,105	37,823	1,718	5%	136,552	140,039	Favourable YTD, predominantly due to reduced expenditure across housing operations and maintenance and facilities management fees
Net operating expenditure	25,609	26,432	823	3%	92,864	94,685	Favourable overall budget variance, primarily as a result of reduced expenditure across housing maintenance and facilities management fees. This more than offset the drop seen in public swimming pools revenue due to the COVID-19 related restrictions placed on the use of the facilities
Capital expenditure	3,458	8,913	5,454	61%	42,830	52,290	Under budget due to reduced expenditure across building and infrastructure maintenance for housing upgrades and renewals, public conveniences and pavilions and savings to aquatic facilities contracts

Urban Development - generally on track

Urban development - Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(5,166)	(5,102)	64	-1%	(20,651)	(20,413)	Immaterial variance YTD.
Expenditure	11,131	12,332	1,201	10%	50,800	49,501	Favourable due to timing around earthquake risk building projects, and some of the Build Wellington programme. The forecast variance is due to allocated costs being higher than planned across a number of areas
Net operating expenditure	5,965	7,230	1,265	17%	30,149	29,088	Favourable due to timing around earthquake risk building projects, and some of the Build Wellington programme. The forecast variance is due to allocated costs being higher than planned across a number of areas
Capital expenditure	11,202	14,189	2,987	21%	68,757	70,851	Predominantly under budget due to delays to the Housing Investment Programme and Suburban Centre upgrades. The net position includes some overspends across Earthquake Risk Mitigations mostly from the St James project

Transport – COVID effects materially reducing revenue in Q1

Transport Q1 - Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(8,926)	(12,343)	(3,417)	28%	(45,000)	(52,137)	Unfavourable variance YTD due to a significant reduction in Parking revenues reflecting the impact of COVID-1
Expenditure	21,576	23,989	2,413	10%	90,882	95,131	Favourable YTD due to the ongoing delays on contract costs in LGWM and cycleways planning. Additionally, there has been reduced Parking and Enforcement expenditure with the reduction in enforcement activity
Net operating expenditure	12,650	11,646	(1,004)	-9%	45,882	42,994	Unfavourable variance YTD due to a significant reduction in Parking revenues reflecting the reduction in enforcement activity due to COVID-19 measures. Much of the revenue reduction was, however, offset by savings in expenditure as a result of the ongoing delays on contract costs with LGWM and cycleways planning
Capital expenditure	7,665	23,307	15,642	67%	65,861	106,056	Under budget on a number of projects, the largest being contracts for cycling network renewals. There are other significant contracts savings across footpath upgrades, wall, bridge and tunnel renewals and chipseal renewals. There has also been no spend during the quarter for services against the LGWM Early Delivery activity

Council - revenue pressures and capital programme risks are having a material adverse impact in Q1

Council - Q1 Budget Performance ($000s)

	Actual	Budget	Variance	%	YE Forecast	YE Budget	Comment
Revenue	(109,269)	(113,364)	(4,095)	4%	(447,105)	(457,940)	Unfavourable due to lower than planned NZTA Income with the Capex programme being under spent
Expenditure	5,000	4,671	(329)	-7%	18,358	18,151	Immaterial variance YTD
Net operating expenditure	(104,269)	(108,693)	(4,424)	4%	(428,747)	(439,788)	Unfavourable due to lower than planned NZTA Income with the Capex programme being under spent
Capital expenditure	2,944	10,860	7,916	73%	36,721	46,539	Under budget mainly due to delays in the Civic Precinct programme of works, commercial property renewals and the Quarry. This trend is expected to continue for the remainder of the year



Section 4: LTP Community Outcomes (Wellbeings)

Quarter one headlines:

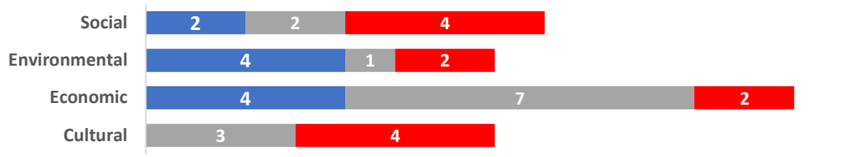
- In the 2021-31 LTP, the suite of outcome indicator measures was simplified and aligned to the four community wellbeings.
- Outcome indicators contribute to a view of how the City is changing over time and where the Council might focus investment programmes
- Outcome indicator trends reflect local, regional and national social, cultural, environmental and economic influences as well as the contribution of the Councils operations.
- The starting position across all indicators 12 not trending in desired. direction, 10 are consistent with desired trend, and 13 with no trend evident.
- Social and Cultural wellbeings have the most indicators not showing the desired trend.
- LTP outcome indicator information is recorded every 12-18 months meaning material changes in LTP outcome indicator trends are generally observed over 3 to 5 years.

LTP Community Outcomes (Wellbeings): Trends in Outcome indicators and indicators

Outcome indicators contribute to a view of how the City is changing over time and where the Council might focus investment programmes

Outcome Indicator Trends by Wellbeing as at 1July 2021

Social and cultural wellbeings have the most indicators not showing the desired trend



	Cultural	Economic	Environmental	Social
Consistent with desired outcome trend	0	4	4	2
Steady / no trend evident	3	7	1	2
Not showing desired trend	4	2	2	4

Legend: Outcome Trend direction and desisted status	
Arrow direction	Shows the indicator trend - Increasing or decreasing over time

Desired status colour	
Indicates status in relation to desired trend	**Following the desired trend (favourable)**
	Not following the desired trend (unfavourable)
	Trend stable or not evident over measurement period

- A trend requires three or more data points
- Data for the new indicators (4) in the LTP will be updated in subsequent reports as it becomes available

Outcome indicator trends as at 1 July 2021 (subsequent reports will contain analysis of particular trends)

Environmental -

Indicator	Desired trend & status	2016/17	2017/18	2018/19	2019/20	2020/21	Actual trend direction
Renewable energy total capacity installed (fuel capacity MW)	**Increasing**	Solar 2.93 Wind 60.93 Biomass 5 Fresh water 0.988	Solar 3.69	Solar 4.69	Solar 5.48	Solar 6.64 Wind 60.93 Biomass 5 Fresh water 0.988	↗
Total city greenhouse emissions	**43% reduction by 2030**	5.7 tonnes (2016*)	NR	NR	5.045 tonnes (2019*)	NR	no trend
Kilograms of waste to landfill per person	**Decreasing to 400kg by 2026**	466	500	452	461	418	↘
Residents' perceptions that "Wellington's air pollution is a problem"	**Decreasing**	new	2014: 15%	2016: 22%	2018: 19%	2020: 26%	↗
Residents' perceptions that "Wellington's water pollution (including pollution in streams, rivers, lakes and in the sea) is a problem"	**Decreasing**	new	2014: 45%	2016: 50%	2018: 53%	2020: 67%	↗
Open space land owned or maintained by the Council – square metres per capita	**Increasing**	194.3	191.5	201.96	202.04	202.57	↗
Access to park or green space	**Increasing**	new	58%	63%	75%	81%	↗

*Result based on emissions reports: 2016 Christchurch Community Carbon footprint and 2019 WCC greenhouse gas inventory summary report

Social

Indicator	Desired trend & status	2016/17	2017/18	2018/19	2019/20	2020/21	Actual trend direction
Youth participation in sport and recreation. 5–17-year-olds (surveyed on activity within last 7 days)	**Increasing**	95.9%	95.6%	95.0%	NR	NR	no trend
Housing Affordability Index	**Increasing** (a lower index indicates improved affordability)	5.9	5.9	5.7	6	7.4	↗
Healthy Housing stock - House is damp ('not damp' increasing)	**Decreasing**	NR	NR	2016: 22%	2018: 28%	2020: 26%	No trend
Percent of residents who have confidence in Council's decision-making	**Increasing**	every 2nd year	2014: 42%	2016: 40%	2018: 46%	2020: 30%	↘
Local government elections voter turnout	**Increasing**	2013: 41.1%	2016: 45.6%	NR	2019: 40.1%	NR	↘
NZ Deprivation Index (Decile 10 areas are the most deprived areas)	**Improving**	2013: avg 4.09	NR	2018: 3.8 average	NR	NR	↘
Perception of overall quality of life	**Improving**	new	2014: 89%,	2016: 87%	2018: 88%	2020: 91%	↗
People's sense of community with others in their neighbourhood	**Increasing**		2014: 53%	2016: 58%	2018: 53%	2020: 45%	↘

Cultural

Indicator	Desired trend & status	2016/17	2017/18	2018/19	2019/20	2020/21	Actual trend direction
Residents' perception that Wellington has a rich and diverse arts scene	**Increasing**	90.0%	93.0%	90.0%	87.9%	85.9%	↘
Acceptance of ethnic diversity	**Increasing**	80.0%	81.0%	82.6%	83.8%	82.2%	**No trend**
Quality of neighbourhood	**Improving**	new	2014: 89%	2016: 89%	2018: 90%	2020: 89%	**No trend**
People's sense of pride in the area	**Improving**	new	2014: 89%	2016: 82%	2018: 88%	2020: 76%	↘
Residents' perceptions that heritage items contribute to the city's unique character	**Improving**	91.0%	92.5%	92.0%	87.0%	80.6%	↘
Residents' perceptions that heritage items contribute to the community's unique character	**Improving**	71.0%	75.4%	75.8%	66.1%	59.1%	↘
People's perception of city	**Improving**		2014: 92%	2016: 89%	2018: 94%	2020: 89%	**No trend**
An indicator on progress on Māori outcomes is to be developed	**To be developed**						**New indicator**

Economic

Indicator	Desired trend & status	2016/17	2017/18	2018/19	2019/20	2020/21	Actual trend direction
Projected net migration	**Increasing**						**New Indicator**
Economic diversity (HHI industry diversity)	**Increasing**	NR	64	65.2	64.8	66.4	**No trend**
Gross Domestic Product (GDP) per capita	**Increasing**	118240	119938	122240	128746	Est. 133k	↗
Unemployment rate	**Decreasing**	4.9%	4.3%	4.1%	3.6%	5.0%	**No trend**
Youth NEET (not in education, employment or training) – as a proportion of 15 to 24-year-olds	**Decreasing**	9.2%	7.3%	6.9%	6.6%	NR	↗
Average annual household income	**Increasing**	120,979	130,448	141,615	146,977	151,483	↗
Number of houses under construction	**Increasing**						**New indicator**
Number of building consents issued	**Increasing**	869	1136	978	1428	1896	↗
Residents' perceptions that the transport system allows easy access to the city	**Improving**			44%	61%	53.10%	**No trend**
Residents' perceptions of public transport services (ease of access)	**Improving**	new	2014: 87%	2016:85%	2018: 85%	2020: 82%	**No trend**
Residents' perceptions of public transport services (affordability)	**Improving**	45%	45%	38.20%	41%	41.70%	**No trend**
Residents' perceptions of public transport services (reliability)	**Improving**			16.40%	34%	32.70%	↘
Means of travel to work (at least weekly use of public transport)	**Increase of 40% by 2030**	New indicator	NR	2018: 50%	NR	2020: 42%	↘
Number and type of road accidents	**Decreasing**	78	70	87	52	71	**No trend**
Change from previous year in the number of road crashes resulting in fatalities and serious injury*	**Decreasing**	-19	-8	17	-35	19	**No trend**
Māori economic growth (TBC contribution to GDP for Wellington City)	**Increasing**						**New indicator**

TE UPOKO O TE IKA A MĀUI COMMITMENT

Kōrero taunaki

Summary of considerations

Purpose

1. This report to Pūroro Tahua - Finance and Performance Committee, seeks approval to commit, on behalf of Wellington City Council, to targeted procurement spend (where appropriate) with local Māori, Pasifika and social enterprises to improve social and economic prosperity and broader community wellbeing within Wellington City and across the wider Wellington region.

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☐ Sustainable, natural eco city ☐ People friendly, compact, safe and accessible capital city ☐ Innovative, inclusive and creative city ☒ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☒ Strong partnerships with mana whenua
Relevant Previous decisions	The Strategy and Policy Committee adopted the WCC Procurement Strategy on 11 February 2021.
Significance	The decision is rated low significance in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

2. Existing budgeted spend will be apportioned through adopting a shared approach to increasing spend with Māori, Pasifika and social enterprises (where appropriate). Spend targets will require development, after which, Commercial Partnerships will lead the implementation, having already embedded the principles in their day-to-day procurement activities, and who are committed to, and best placed to, ensure that robust and appropriate procurement processes are balanced with the need to support this commitment.

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

3. There is a low overall level of risk associated with this initiative. The risks are summarised below and captured later in the paper along with mitigation strategies.

    - Perceived barriers preventing Māori, Pasifika and social enterprises to bid for Council contract opportunities.
    - Perceived risk in the market that targeting spend with Māori and Pasifika businesses may be unfair and/or exclusionary behaviour.
    - Committing to unattainable spend targets along with not engaging correctly with Māori and Pasifika suppliers.

Author	Iestyn Burke, Principal Advisor Commercial Procurement
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga

Officers' Recommendations

That Pūroro Tahua - Finance and Performance Committee:

1) Approve Wellington City Council supporting the Te Upoko o Te Ika a Māui Commitment.
2) Delegate to the Mayor to execute the Commitment on behalf of Wellington City Council.
3) Note that spend targets are yet to be developed and will brought back to the Committee for approval.

Whakarāpopoto

Executive Summary

4. The *Te Upoko o Te Ika a Māui Commitment* is a joint agreement between councils in the Wellington Region to adopt a shared approach to improving supplier diversity through targeted spend on appropriate goods, services and works with Māori, Pasifika and social enterprises.

5. The signing of this commitment is putting into action the commitment we have as Council to improving outcomes for Māori. It supports our Council priorities and Tiriti obligations. By making this commitment, we are working towards increasing the amount of income into mana whenua, Māori and Pasifika homes within our district.

Takenga mai

Background

6. This commitment has been developed to help reduce barriers to accessing Council contracts by Māori and Pasifika businesses and recognises that targeted spend for goods, services and works can deliver additional benefits and value beyond that of the initial purchase. In essence, 'spending the same dollar twice'. Evidence from Australian research1 has demonstrated that each dollar spent with an indigenous supplier was able to deliver on average $4.41 of economic and social value outside of the direct purchase. This can be through reinvesting in their communities, mentoring, providing training to their staff, and by other means; each with the outcome of improved social and economic prosperity within these targeted groups.

7. The Commercial Partnerships team have begun putting this into practice through partnering with Amotai, an organisation who assist in channelling appropriate opportunities through their database of Māori and Pasifika-owned businesses.

Kōrerorero

[1] *The Sleeping Giant – A Social Return on Investment Report on Supply Nation Certified Suppliers* (2014), by Supplier Nation. https://supplynation.org.au/resources/reports/

Discussion

8. As a result of COVID-19, Aotearoa New Zealand is experiencing rising unemployment and decreased GDP, consumer spending and household income. The pandemic has also highlighted inequalities, with Māori and Pasifika communities being disproportionately affected. As such, the role of central and local government and the need for a focus on community wellbeing has become more pertinent. As household and business spending decreases, it will be left to the government to underpin spending and provide confidence for our communities' future. In alignment with the four aspects of community wellbeing, reinstated into the Local Government Act, a community wellbeing focus is a fundamental element in our region's recovery.

Kōwhiringa

Options

9. There is an option to not sign up to the *Te Upoko o Te Ika a Māui Commitment.* This is not the preferred option as Wellington City Council has an opportunity to show leadership across the Wellington region to deliver broader social outcomes through procurement.

Whai whakaaro ki ngā whakataunga

Considerations for decision-making

Alignment with Council's strategies and policies

10. Actively improving access to Council opportunities by Māori and Pasifika-owned businesses has already been explicitly addressed in the Council's 2021 Procurement Strategy. By supporting this commitment:

    a) Council will better deliver on its Procurement Strategy: in particular, the objective of *Tika* - we do what is right. This means delivering tangible, social, economic, cultural, environmental and public wellbeing outcomes through procurement that goes beyond the immediate purchase of goods, services and infrastructure. This commitment also aligns with the objective of "Partnering for greater impact" – *Kotahitanga*, we are stronger when we work together.

    b) Council will further meet its responsibility under section 14 of the Local Government Act 2002, Specifically, the broader community wellbeing impacts contemplated by 14(1),(h),(i):

    "in taking a sustainable development approach, a local authority should take into account —

    (i) the social, economic, and cultural interests of people and communities…"

    c) Council will retain alignment with the priority broader outcomes set by Cabinet and reflected in the Government Procurement Rules to: "*increase New Zealand businesses' access to government procurement: increasing the number of New*

Zealand businesses contracting directly to government, and within the supply chain. This includes Māori businesses and Pasifika businesses."

d) Council will better operate in the spirit of its partnership with mana whenua, the effectiveness for Māori framework (*He Waka Eke Noa*) and Te Tiriti o Waitangi.

e) Council Officers will still be required ensure that fair, transparent, robust and appropriate procurement processes are in place.

Engagement and Consultation

11. The scope of this commitment has been collaboratively reached by Councils across the Wellington region, assisted by Creative HQ.

12. Greater Wellington Regional Council, Upper Hutt City Council and Wellington NZ have signed the commitment, and other Councils in the region are expected to sign in due course.

13. This commitment has been reviewed and is supported by the Chief Māori Officer, who has attended several of the Hapori sessions with representatives of other Councils to understand the regional approach to increasing supplier diversity and ensure that this aligns with the Council's vision and strategies.

Implications for Māori

14. Supporting this initiative is in the spirit of Council's partnerships with mana whenua, the effectiveness for Māori framework (He Waka Eke Noa) and Te Tiriti o Waitangi.

15. This will help reduce the barriers to accessing Council contracts by Māori and Pasifika businesses and will deliver additional benefits and value to the community beyond that of the initial purchase cost.

16. Successfully implementing this initiative will see Council providing more opportunities for spend among Māori, Pasifika and social enterprises. Spending with diverse suppliers will help build local enterprise capability, grow our regional economy, create a more agile and resilient supply chain and provide confidence in the region's economic recovery by actively fostering careers and job security, embracing diversity and an inclusive culture, and striving for better outcomes for Māori and Pasifika.

Financial implications

17. Existing budgeted spend will be apportioned (where appropriate) through establishing targets for spend with Māori, Pasifika and social enterprises. These spend targets will require development, after which, Commercial Partnerships will lead the implementation, having already embedded the principles through the procurement strategy and broader outcomes in their day-to-day procurement activities, and who are committed to, and best placed to, ensure that robust and appropriate procurement processes are balanced with the need to support this commitment.

Legal considerations

18. Although there are no legal considerations, it is necessary to ensure Council's obligations under the commitment do not undermine or circumvent the need for fair,

robust, transparent and appropriate procurement processes to be undertaken; and, that prudent spend of ratepayer funds remains a core responsibility.

Risks and mitigations

19. The key risks associated with this initiative are:

a) Risk of perceived barriers preventing Māori, Pasifika and social enterprises to bid for Council contract opportunities. The key perceived barriers are listed below:

- Structural barriers
- Cost and time required to participate in procurement processes create a potential uneven playing field
- Prime contractors are perceived as favoured
- Locality of providers not weighted appropriately in evaluation

The implementation of the commitment will assist in reducing or removing these perceived barriers and enable a partnering approach to ensure there is a better understanding of Council's procurement methodologies amongst these Māori and Pasifika businesses; enabling them to respond to, and win more, contract opportunities.

b) Perceived risk in the market that targeting spend with Māori and Pasifika businesses may be unfair and/or exclusionary behaviour.

Commercial Partnerships will maintain a rigorous approach to probity within each procurement process undertaken. Two of the core principles of Government Procurement are fairness to all suppliers and transparency. These will still underpin each process if the commitment is approved

c) Committing to unattainable spend targets along with not engaging correctly with Māori and Pasifika suppliers is a potential risk, however appropriate controls will be established, and adequate data will be accessible to enable the Council to optimise spend whilst meeting the spend targets.

Disability and accessibility impact

20. Not applicable.

Climate Change impact and considerations

21. Engaging Maori-focussed suppliers for guidance on areas of climate change impact could be factored into our decision-making processes.

22. Selecting suppliers who positively impact the natural environment and biodiversity, including sourcing from Fair Trade suppliers, ensuring prudent use of natural resources and minimising waste and hazardous substances, and reducing greenhouse gas emissions.

Communications Plan

23. There is a draft communications plan for the implementation of the Procurement Strategy and the Te Upoko o Te Ika a Māui Commitment will be incorporated into this accordingly.

24. This plan will include communications across internal Council business units in order to explain the role of the commitment in achieving Council's Broader Outcomes targets, and more specifically what this means when planning procurement activities.

25. As part of the wider group Hapori, communications will also be made with other external local and central government organisations.

Health and Safety Impact considered

26. Not applicable.

Ngā mahinga e whai ake nei

Next actions

27. If approved, the Commercial Partnerships Team will be responsible for leading this commitment and commence implementation through operational activity, measurement, and reporting.

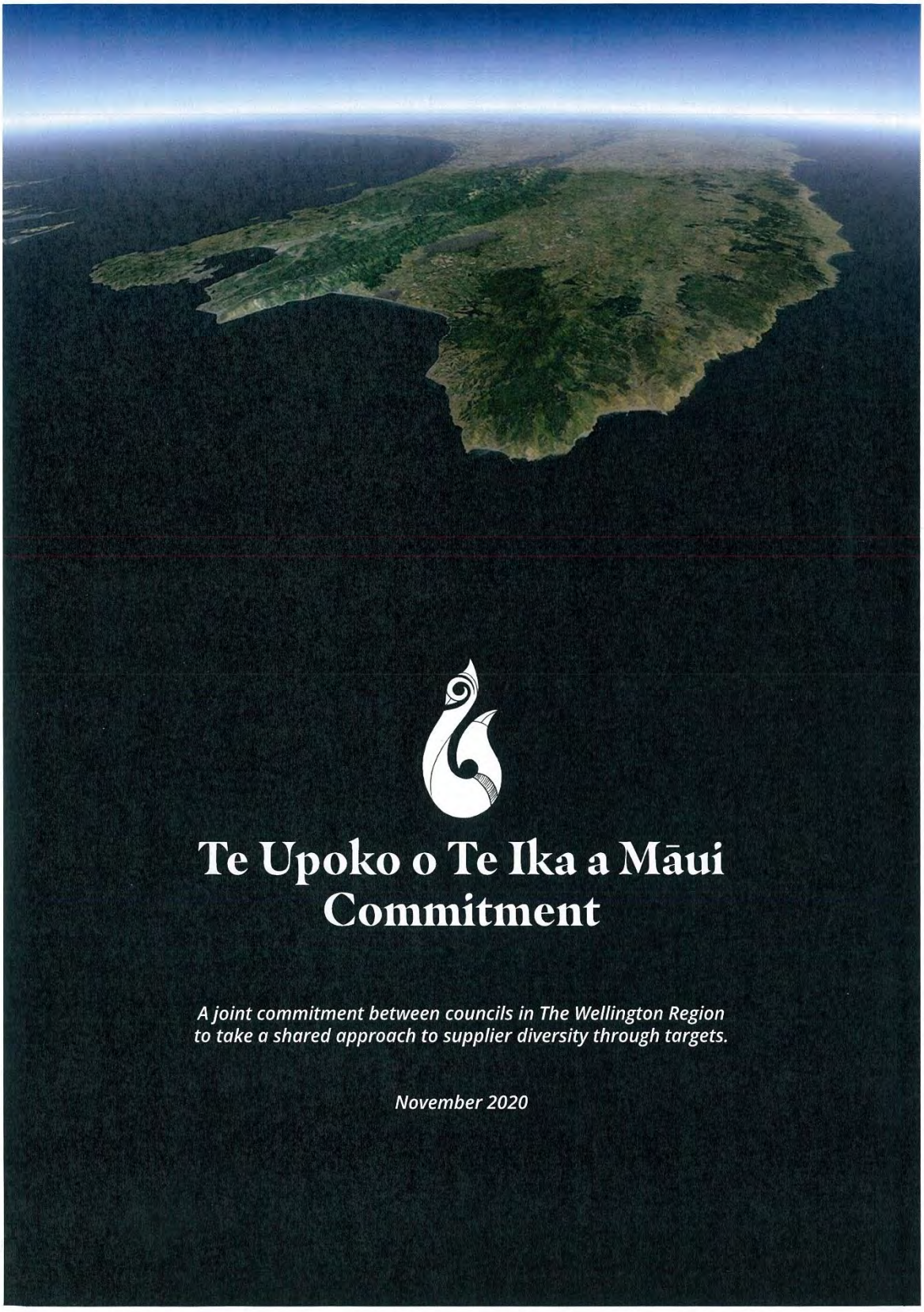
28. The below table outlines the draft approach for the implementation of the commitment.

COMMITMENT	DELIVERABLE
Establish spend targets	• Establish spend targets with Māori, Pasifika and social enterprises. • Embed targets in strategic documents. • Embed targets in key performance indicators for those procuring goods and services. • Measure and report in Annual Reporting. • Work together to establish an appropriate implementation plan and resourcing.
Seek opportunities for Māori, Pasifika and social enterprises	• Partner with organisations such as Amotai to gain access to a database of Māori, Pasifika and social enterprises. • Partner with organisations such as Ākina to gain access to a database of social enterprises. • Attend networking events and workshops for councils to engage with Māori, Pasifika and social enterprises.
Increase spend with Māori, Pasifika and social enterprises	• Embed supplier diversity clauses in council's procurement policy and processes. • Work with key strategic suppliers to increase participation of Māori, Pasifika and social enterprises over the life of the contract.
Share learnings and case	• Share learnings and stories through regional

studies	procurement networks such as The Local Government Strategic Procurement Group.

Attachments

Attachment 1. Te Upoko o Te Ika a Māui Commitment


Te Upoko o Te Ika a Māui
Commitment
A joint commitment between councils in The Wellington Region
to take a shared approach to supplier diversity through targets.
November 2020

CONTRIBUTORS

WellingtonNZ
MAKING THE WELLINGTON REGION Wildly Famous

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

Greater Wellington
Te Pane Matua Taiao

Te Kaunihera o Te Awa Kairangi ki Uta
Upper Hutt City Council

poriruacity

HUTT CITY
TE AWA KAIRANGI

Kāpiti Coast DISTRICT COUNCIL
Me Huri Whakamuri, Ka Titiro Whakamua

CHQ

2020 Te Upoko o Te Ika a Māui Commitment 2

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WHY NOW

IMPACT OF COVID-19 ON COMMUNITY WELLBEING

As a result of COVID-19, Aotearoa New Zealand is experiencing rising unemployment and decreased GDP, consumer spending and household income.[1] The pandemic has impacted the role of central and local government and the need for a focus on community wellbeing has become more pertinent. As household and business spending decreases, it will be left to the government to underpin spending and provide confidence for our communities future. In alignment with the four aspects of community wellbeing, reinstated into the Local Government Act, a community wellbeing focus is fundamental to our region's recovery.[2]

HIGHLIGHTED INEQUALITIES

COVID-19 and the subsequent economic crisis has highlighted inequalities in Aotearoa New Zealand, with Māori and Pasifika communities disproportionately affected.[3] Te Puni Kōkiri explains "the duration, extent, and severity of the impact on Māori will depend on the decisions and policy responses that are developed to support the recovery".[4] It is predicted that the contribution of the Māori economy to GDP in the Wellington Region will drop eight percent ($299 million) from 2020 to 2021.[4] This is detrimental to the wellbeing of the region as a whole.



BARRIERS

Research for this project outlined that Māori, Pasifika and social enterprises struggle to access council contracts due to perceived barriers. Some of the perceived barriers highlighted through research include:

- Structural barriers.
- Bias assumptions regarding enterprise capability.
- The cost and time of procurement processes creating an "uneven playing field".
- Prime contractors are favoured creating a hierarchy within supply chains.
- The locality of enterprises not given enough weight when selecting tenders.

As a part of the Wellington Regional COVID-era Recovery Programme, Te Upoko o Te Ika a Māui Commitment was initiated through the NZ GovTech Accelerator, run by Creative HQ in Wellington. Councils in the region collaboratively defined the scope of this project to utilise procurement as a tool for regional recovery and long-term economic prosperity. The Wellington Region's spending power equates to over $1 billion. Through research, it is evident that increasing council spend with diverse suppliers will create exponential socio-economic value and aid regional recovery.

Evidence from Australia outlines that every dollar spent with an Indigenous supplier can create $4.41 of economic and social value.[6] We must view every dollar spent as a tool for social good.[7] If we focused 1% of regional council spend with diverse suppliers, this could create up to $100 million of social and economic value such as;

- The local multiplier effect - money circulates in the region longer, delivering more socio-economic value beyond the purchase itself.
- More local employment opportunities.
- Local enterprise capability and growth.
- Support the removal of barriers to access council contracts.
- Create a more competitive and resilient supply chain, integral during times of uncertainty.

TE UPOKO O TE IKA A MĀUI COMMITMENT

Te Upoko o Te Ika a Māui Commitment is a region-wide agreement to utilise procurement as a tool for social and economic prosperity through supplier diversity. It is a commitment between councils in the region to take a shared approach to supplier diversity by increasing spend with Māori, Pasifika and social enterprise through targets. By signing this document, Councils in the region commit to embedding these targets into key performance indicators, strategic documents and end of year reporting. Te Upoko o Te Ika a Māui Commitment will create momentum for the development of further social procurement initiatives within councils in the Wellington Region.

The Wellington Region has a long and eventful Māori history, including the region's identification as Te Upoko o Te Ika a Māui or the Head of the Fish of Māui. This name captures the entire region from the south coast to Ōtaki, Mt Bruce and Castlepoint in the north. This commitment is intended for the entire region, drawing on some of the early Māori narratives and aims to better align councils with te ao Māori.



Image No. 01

Te Upoko o Te Ika a Māui Commitment is not intended to be legally binding or create legal obligations between the parties and is an agreement in principle. Should any parties wish to withdraw their support, their commitment will be void.

GUIDING PRINCIPLES OF TE UPOKO O TE IKA A MĀUI COMMITMENT

INCLUSIVITY

We aim to uplift our communities, remove barriers that hinder Māori, Pasifika and social enterprises from accessing and winning council contracts. This market adjustment is integral to achieving economic and social change. This will lead to an inclusive regional economy and thriving communities. We know that when opportunities are accessible to all, the whole region thrives.

LOCAL SUPPLY CHAIN RESILIENCE AND LONG-TERM ECONOMIC PROSPERITY

This commitment is a pivotal tool for the region's COVID-19 economic recovery. With local and central government underpinning spend, supplier diversity is the flip side to welfare. "It builds on the innate skills in our people and brings them into the mainstream economy". [8] By increasing council spend with diverse suppliers, this will help build local enterprise capability, grow our regional economy, create a more agile and resilient supply chain and provide confidence in the region's economic recovery. All of the necessary pieces are already in play, if there were ever a need for committed action to do this, now is the time.

COLLABORATION

To get the full benefit of supplier diversity for our region and communities, it is integral that collaboration is at the heart of Te Upoko o Te Ika a Māui Commitment. We believe councils in the Wellington Region should be advocates for supplier diversity and the benefits it will create for our communities.

He aha te mea nui o te ao? He tāngata! he tāngata! he tāngata!

What is the most important thing in the world? It is people! It is people! It is people!

THE FOLLOWING ORGANISATIONS SUPPORT THIS COMMITMENT

WellingtonNZ — Wildly Famous

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

Greater Wellington
Te Pane Matua Taiao

Te Kaunihera o Te Awa Kairangi ki Uta
Upper Hutt City Council

poriruacity

HUTT CITY
TE AWA KAIRANGI

Kāpiti Coast DISTRICT COUNCIL

SOUTH WAIRARAPA DISTRICT COUNCIL
Kia Reretahi Tātau

THE FOLLOWING ORGANISATIONS SUPPORT THIS COMMITMENT



Greater Wellington
Te Pane Matua Taiao

IMPLEMENTATION APPROACH

COMMITMENT	DELIVERABLE
Establish spend targets	• Establish spend targets with Māori, Pasifika and social enterprises. • Embed targets in strategic documents. • Embed targets in key performance indicators for those procuring goods and services. • Measure and report in Annual Reporting. • Work together to establish an appropriate implementation plan and resourcing.
Seek opportunities for Māori, Pasifika and social enterprises	• Partner with organisations such as Amotai to gain access to a database of Māori, Pasifika and social enterprises. • Partner with organisations such as Ākina to gain access to a database of social enterprises. • Attend networking events and workshops for councils to engage with Māori, Pasifika and social enterprises.
Increase spend with Māori, Pasifika and social enterprises	• Embed supplier diversity clauses in council's procurement policy and processes. • Work with key strategic suppliers to increase participation of Māori, Pasifika and social enterprises over the life of the contract.
Share learnings and case studies	• Share learnings and stories through regional procurement networks such as The Local Government Strategic Procurement Group.

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1. BERL. "Greater Wellington Region COVID-19 Economic Impact." June 2020. http://www.gw.govt.nz/assets/Uploads/GWRC-COVID-19-Impacts-for-LTP-Final-for-GWRC.pdf

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Image No. 01. Chris Williams. https://toolkit.nzstory.govt.nz/assets/76919?tags=Image,Community

RECOMMENDED RESPONSE TO CONSTRUCTION MARKET PRESSURES

Kōrero taunaki

Summary of considerations

Purpose

1. This report to **Pūroro Tahua - Finance and Performance Committee** considers the impact of construction sector price pressures and supply chain constraints on the Council's work programme. This report recommends rescheduling the 2021/22 annual plan to focus on the highest priorities of the Council to ensure successful delivery. This will mean a change in the annual financial forecasts of the LTP, but not the overall investment level.

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☒ Sustainable, natural eco city ☒ People friendly, compact, safe and accessible capital city ☒ Innovative, inclusive and creative city ☒ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☒ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☒ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	
Significance	The decision is rated low significance in accordance with schedule 1 of the Council's Significance and Engagement Policy.

Financial considerations

☐ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☒ Unbudgeted $X

2. The Council has adopted a significant uplift in investment across its assets. Failure to affectively address the risks presented in this paper will place the delivery of the LTP in jeopardy.

Risk

☐ Low	☐ Medium	☒ High	☐ Extreme

3. Risks associated with the issues raised in this report around the state of the construction market centre on the deliverability of the capital plan.

Author	Brad Singh, Transport Assets Manager
Authoriser	Siobhan Procter, Chief Infrastructure Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua - Finance and Performance Committee:

1. Receive the information.
2. Note that the current market conditions are likely to inhibit the delivery of the LTP capital programme plus the "carry forwards" this financial year.
3. Note that officers intend to deploy a series of proactive measures to mitigate some of the impact of market conditions.
4. Agree to the rescheduling of the capital plan as recommended in this report.

Whakarāpopoto

Executive Summary

5. The construction market is currently experiencing a shortage of professional services, physical works delivery labour and extensive delays and cost increases across key supply chains. This, together with constraints on our internal staff resources is impacting on our ability to deliver our capital plan.
6. In response, Officers intend to undertake a proactive series of initiatives around procurement, project planning, talent attraction and retention and contract management to increase our ability to deliver, however, we recommend that the 2021/22 capital plan is rescheduled to focus on the highest priorities of the Council to ensure successful delivery.
7. The original capital plan budget for the current 2021/22 year was $343m. Given the underspend of the previous year's (2020/21) capital plan, $77m was carried forward bringing the revised budget up to $420m. We propose reducing this budget to $341m and rescheduling the remainder over the remaining LTP period.
8. This will allow officers to further develop the mitigation initiatives to better position us for a ramp up in delivery from year 2 of the LTP.
9. This rescheduling exercise consisted of a review of each project in the current budget. While the material change is seen as a reduction in current year programme and consequential increases in the following years, some projects which start after the current year have also been rescheduled if we are already aware of delivery pressures.

Takenga mai

Background

10. The New Zealand Infrastructure Commission has indicated that the national pipeline of work has grown from approximately 176 projects and $6.1 billion in 2019 to more than 2500 projects and $61 billion of total value in 2021[2]. This number has further increased in the last quarter to $64 billion. The increase in investment across the country, in conjunction with closed borders, has resulted in the emergence of the following issues:

[2] https://www.tewaihanga.govt.nz/projects/infrastructure-quarterly/

- An increased demand for construction skill leading to associated cost escalations.
- Longer lead time for material supply leading to associated cost escalations.

Figure 1 – NZ Infrastructure Commission (national pipeline)

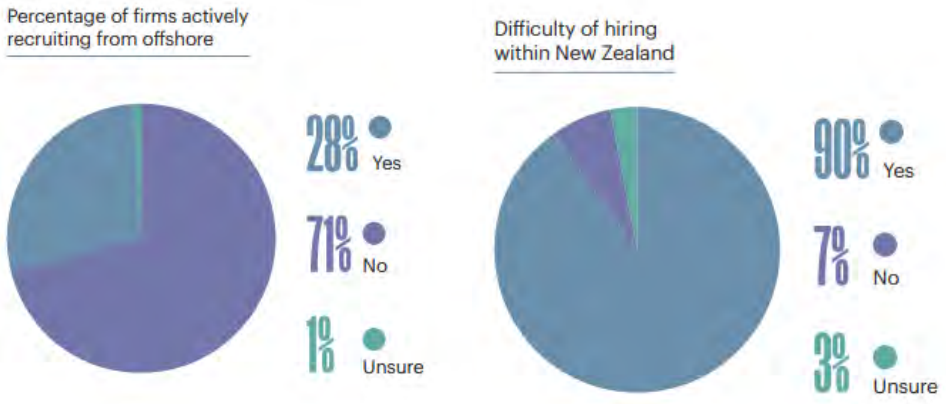


11. Construction Skill. Covid continues to place pressure on skilled migration. Limited managed isolation and quarantine capacity as well as visa processing bottlenecks has made it more challenging to source skilled workers. It is estimated that there are 3,229 current vacancies across 135 firms.[3] 90% of these firms are having difficulty recruiting in New Zealand, with 66% getting no domestic applicants. Construction labour shortages are now at their highest since 1975. Work is underway to train more local workers, but overall growth in construction employment appears to be slowing, while the demand for labour is increasing.

Figure 2 – Civil Contractors NZ Construction Sector Survey

[3] The Skills Shortage, Recruitment & Immigration Challenges in the Construction Sector Report (July 2021)





12. These constraints are driving up prices and pushing out project timeframes. A recent survey[4] indicated that while 50% of construction sector respondents to an industry survey are confident in the outlook of the construction industry, 80% said shortages of people and skills were a key challenge facing industry. Furthermore, 90% of respondents said that they were having difficulty hiring within New Zealand with only 28% actively recruiting from offshore.

13. Demand for engineers, designers and construction firms is strong, and is likely to remain that way for at least a few years and probably longer. There are not enough people to undertake this work, and this is of course exacerbated by border closures and Covid in general.

14. The Government's approach to recovery from the initial Covid shock was economic stimulation through investment in infrastructure projects. While this was widely welcomed, it has placed further pressure on an already tight labour market.

15. Australia is embarking on a massive infrastructure programme of its own, which is likely to be more attractive than New Zealand for many workers when borders are open again. When the trans-Tasman bubble opened in late 2020, we know that an element of the Wellington construction workforce took up opportunities in Australia leaving our existing contractors scrambling to shore up staff numbers.

[4] The 2021 CCNZ (Civil Contractors NZ) Teletrac Navman Construction Industry Survey

16. Supply Chain. Labour shortages are now being compounded by supply chain constraints. 90% of all product sold in New Zealand[5] is either imported or is reliant on imported componentry. Aside from recent issues with Auckland being in lockdown, industry leaders are reporting that:

    - More than half of construction projects are delayed due to delayed receipt of materials.[6]
    - Some global shipping companies are bypassing New Zealand, choosing not to sail beyond Australia.
    - Extended lead times for items coming from overseas (for sludge processing for example).
    - Since January the price of structural steel has increased by 25-30%, and timber products by 28-35%, with further increases expected in September[7].
    - Covid caused factory and port operation disruptions in Asia are delaying shipment of goods and are causing a 5 x increase in container freight costs.

17. In September 2020, Statistics New Zealand estimated delays of 6-7 weeks to commercial projects from the 2020 lockdown. This year is expected to be worse. According to some reports, commercial building projects are being delayed for up to eight months.

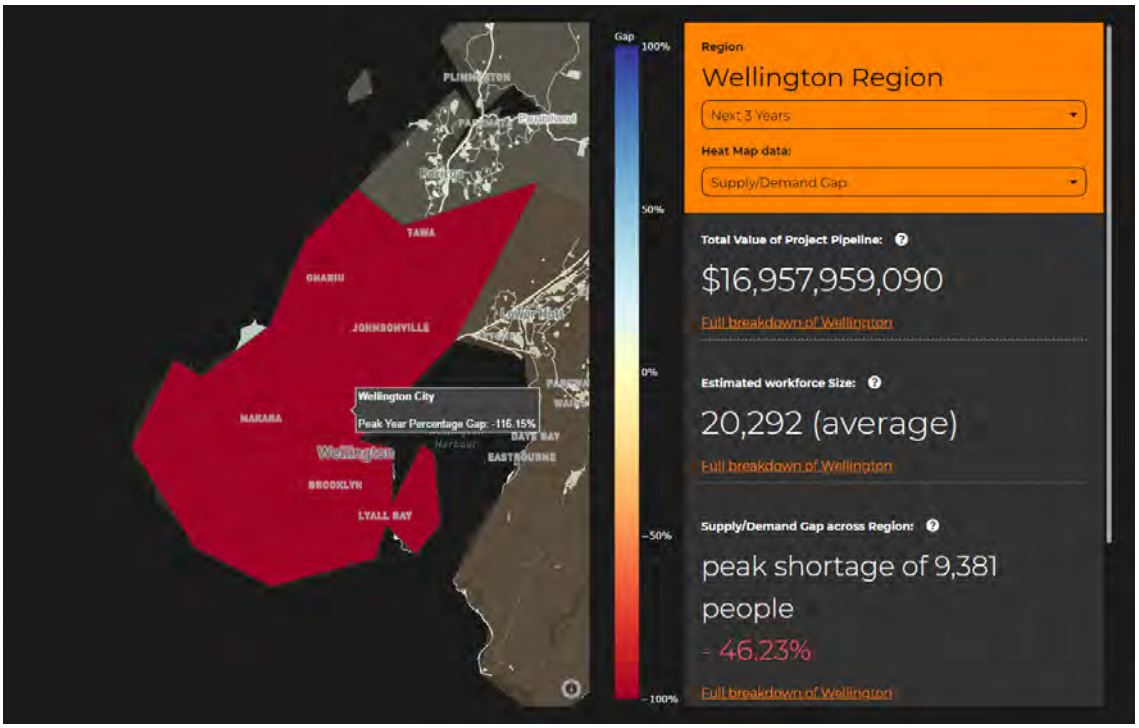
18. Inevitably, shortages in labour and supplies will put upward pressure on prices, which in turn will be passed on to clients. But the challenge is not just with increased prices. Other factors affecting our ability to deliver capital projects include:

    - physical works suppliers and consultants being able to pick and choose the most profitable projects. This could mean that projects that are of significant value to the Council may be overlooked by the construction sector due to other more profitable (or easier) projects coming on stream at the same time[8].
    - a significant second order effect on building consents, where it is increasingly difficult to engage engineers to assist with building consent work, further prolonging delivery timeframes.
    - a lower appetite for Contractors to accept construction and supply chain risk which pushes it onto the client to accept it. For Wellington, this is exacerbated by uncertainty presented by our geotechnical conditions. We have already seen this with projects such as the Town Hall.
    - increasing difficulty in obtaining fixed prices and where we can, the risk is often built in making it difficult to ascertain value for money.
    - lack of participation in traditional competitive procurement processes.

19. The Workforce Information Platform (WIP) is a forecasting tool that displays national, regional gaps, and surpluses within the construction and infrastructure labour market. WIP forecasting and benchmarking shows that Wellington is as affected by these issues as any part of New Zealand[9].

[5] EBOSS supply chain report 2021
[6] 2021 BDO Report - Rethinking Construction
[7] RDT Pacific - Construction Cost Escalation – the return of the old foe?
[8] Note we are competing with LWGM, Riverlink and Te Ara Tupua for horizontal projects.
[9] https://wip.org.nz/

Figure 3 – WIP forecast for Wellington Region



Kōrerorero

Discussion

Council Work Programme20. In this environment, Wellington City is experiencing a period of intensive vertical and horizontal construction driven by:

- Forecast growth and the need to accommodate another 50,000 to 80,000 residents and workers the next 30 years.
- The most ambitious transport investment the City has seen in decades.
- A substantial investment in the ageing three waters network.
- The need to strengthen around 560 earthquake prone buildings.
- Significant vertical construction projects including Tākina, Te Matapihi, St James, the Town Hall and the Sludge Minimisation project.

21. For 2021/22 the Council has a planned capital works programme larger than ever before, at $420m which includes $77m of carry forwards – unspent capital from the previous year. A further $17m was carried forward from 2020/21 to 2022/23 and beyond.

22. Even in normal conditions this is an ambitious programme and given the current market conditions which have been exacerbated by Covid, Officers now consider that the programme is at risk of non-delivery.

23. Most of the Council's significant infrastructure projects are in the planning or delivery phases, and are already affected in some way:

Project	Phase	Impact
Southern Landfill **Value: $36m**	Planning	• Significant escalation since last LTP • Uncertainty associated with preferred option for residual waste disposal
Tākina **Value: $180m**	Delivery	• Key materials procured early and stored • In flight project with key partners secured • Fixed price, with minimal impact at this stage
Streets for People programme (walking, cycling and bus improvements) **Value $226m**	Planning Delivery	• Competing for resource with Waka Kotahi and other high value transport projects in the region in a limited contracting market • Addressing through establishing consultant panels (joint with LGWM for transitional) • Addressing through the transitional programme and working with local suppliers and materials.
St James Theatre **Value:$40m**	Delivery	• In flight with partners secured • Escalations due to unforeseen issues • Significant supply chain challenges
Te Ngakau CAB, MOB, MFC	Planning	• The timing for Te Ngakau delivery is converging with the market constraints • Te Ngakau projects will require careful procurement and synchronisation to avoid the worst of market conditions
Town Hall refurbishment **Value:$125m**	Delivery	• In flight projects with partners secured • Significant escalation since inception, with ongoing risk • Council accepting risk on geotech and other aspects
Te Matapihi – Library **Value $201m**	Planning Delivery	• Soft strip out underway • Procurement expected to be difficult with Council accepting geotech and other risks • High profile nature of project may compromise the ability to partner. • Partnering may protect against capacity but not cost escalation.
Sludge Minimisation **Value: $200m**	Planning	• Early indications are of a 25% increase over the price that was indicated in the LTP. • Overseas supplier with long lead time, suggesting an alternate procurement approach to the usual tendering process.
Earthquake Prone Buildings **Value $500m**	Planning Delivery	• While the costs are generally external to Council, owners are indicating an inability to source engineers and contactors, and steeply escalating prices in scaffolding and trades • This is exacerbated by a steep increase in expiring notices over the next five years
Omāroro Reservoir **Value: $68m**	Delivery	• Partners secured, project in flight • Fixed price, however expecting modest variation claim due to Covid lockdown • Most materials already secured, or manufactured in country
Taranaki St PS and sewer	Planning	• Difficult job in heart of CBD • WWL has supplier panels in place and intends to secure partners through that relationship, the same

Project	Phase	Impact
Value: $40m		partners used for other pump station work
LGWM	Planning Delivery	• LGWM is likely to compete for resources with other transport programmes in the region such as Riverlink and Te Ara Tupua
Transport renewals **Value: $50m**	Delivery	• Tenders for large renewal projects have been attracting fewer applications • We have addressed this by increasing the duration of tenders and early engagement of suppliers which mitigates to a degree
WWL renewals **Value $62m**	Delivery	• Relative to other Councils, Wellington City is modestly affected • WWL is proposing to reschedule some capital over years 2 and 3

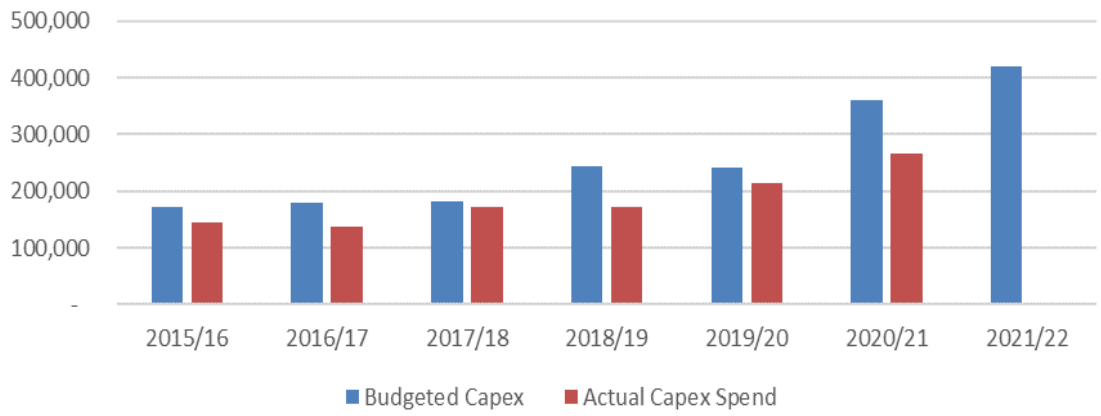
24. WWL has undertaken detail analysis of jobs undertaken in the three waters sector and is reporting consistent cost increases in jobs sampled.

25. In addition to capital projects, contractors have advised that maintenance and service contracts are struggling with recruitment. Fulton Hogan (road maintenance and three waters) and Envirowaste (rubbish and recycling collection) are both reporting a lack of applicants for drivers and other skilled workers.

26. Both are also advising of wait times of up to 8-10 months for trucks and some spare parts. In 2020 Fulton Hogan had sweeper trucks that were not usable for months whilst parts were sourced to undertake repairs. This had an impact on the street cleaning level of service provided.

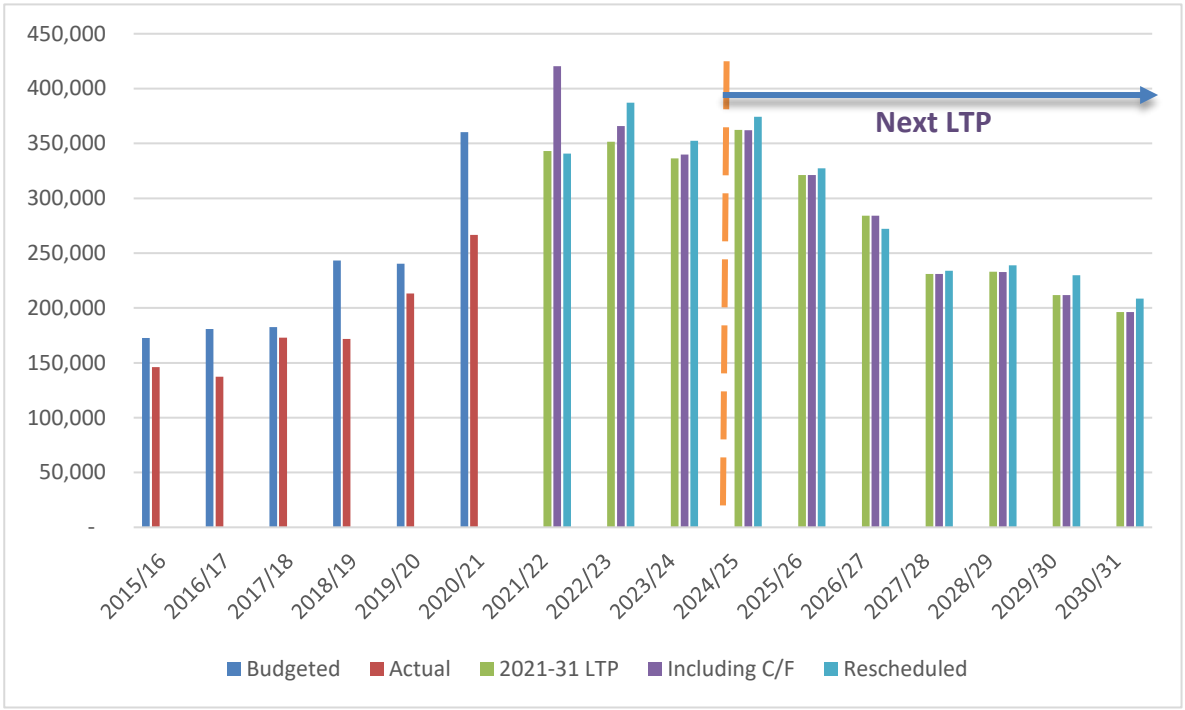
27. Annual Work Programme for 2021/22: The Council has historically under-delivered on the capital plan. Even in 2020/21 when the Council had its most successful delivery year ($266m) it was still $94m underspent.

Figure 7 – Capital Budget & Actuals ($'000)



9. The carry forwards that have been included into this year's Annual Plan have resulted in a capital work programme of $420m which is 58% higher than the Council's most successful delivery year.

Figure 8 – Ten Year Capital Programme ($'000)



28. Current expenditure shows that across the council's Year to Date (YTD) spend for 2021/22 (as at end Q1) is 33% underspent on the original budget but 41% underspent on the revised budget when carry forwards are included.

29. Due to the factors already mentioned in the report regarding supply constraints and the current performance at end of Q1, the risks of under-delivery on this year's annual capital plan is considered to be high.

Response

30. Officers consider that the Council needs to modify how it works which includes a more creative and flexible approach to procurement, and an acceptance to take on more risk in order to compete for the relatively scarce resource. The project management triangle (also called the triple constraint) is a model of the constraints of project management. It indicates that:

- The quality of a project is constrained by the project's budget, deadlines, and scope.
- These constraints can be traded off against each other to ensure quality and delivery.
- Changes in one constraint necessitate changes in others to compensate or quality will suffer.



31. To drive the delivery of our ambitious LTP, we may need to make some sacrifices in scope and cost to ensure delivery.

32. Officers propose undertaking the following activities to increase the chances of successful delivery of the capital plan. Note that many of these activities are also supported by the independent review undertaken by Morrison Law which has been added as an appendix to this report.

a) Move away from traditional procurement/ tendering methods to partnering with suppliers. This would help to better secure resources such as engineers, designers, consultants, and physical works contractors but would come at a cost premium as we would be sacrificing competitive tension.

b) Enter into contracts that allow for greater sharing of risk with contractors.

c) Engage and employ professional services in a different manner, making use of panels and being more open to remote engagement.

d) Early procurement and storage of materials where appropriate (e.g., specialised equipment which needs to be procured internationally), noting that this also comes with potential cost and quality risk if the project scope is not sufficiently detailed.

e) Build internal resource and capability to plan and deliver projects.

f) Develop a prioritisation framework so that individual projects can be prioritised to ensure that Council can at least deliver on the highest priority projects.

g) Develop longer-term and more detailed project pipeline to identify enabling projects and to engage more effectively with the market.

h) Ensure that we do not add any further capital work to the plan without removing something in its stead to ensure that the plan is deliverable.

i) Careful tracking of the impacts of market conditions on project and programme delivery and reporting back to inform recommended changes to future work programmes.

j) Developing a dedicated talent acquisition strategy to direct we attract and retain talent to WCC.

33. Officers are recommending that the Council reschedule $80m of its current 2021/22 capital plan into outer years.

34. This rescheduling will still see the Council commit to delivering the entire LTP within the given ten-year timeframe but rescheduling projects with limited chance of successful delivery in this year into outer years.

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
LTP	343,024	351,588	336,261	362,481	321,120	284,175	230,982	233,176	211,815	196,358	**2,870,980**
Revised	420,355	365,725	339,955	361,940	321,281	284,175	230,982	232,676	211,654	196,358	**2,965,101**
Rescheduled	340,729	387,129	352,426	374,288	327,212	272,159	233,805	238,741	229,701	208,512	**2,964,703**
Change	(79,626)	21,404	12,471	12,348	5,931	(12,016)	2,823	6,065	18,047	12,155	**(398)**
Change %	*-19%*	*6%*	*4%*	*3%*	*2%*	*-4%*	*1%*	*3%*	*9%*	*6%*	***0%***

35. The proposed rescheduling will ensure that the key Council priorities such as investment into three waters, Tākina, Te Matapihi and Civic Square are not impacted.

36. The only high priority items that would be affected in this rescheduling for 2021/22 are the cycling network and housing renewals. Around 33% ($21m) of the suggested rescheduling for this year is in the cycling network and a further 12% ($8m) is in the housing renewals space.

37. Reasoning behind this rescheduling:

a) The Evans Bay cycleway will take longer to deliver as there are more sea walls required than anticipated and timing will be impacted by the availability of professional services for detailed design (reschedule $9m).

b) Consulting on the Bike Network Plan as required by LGA has delayed design work and this will also be impacted by the availability of professional services for detailed design (reschedule $11m).

c) The transitional cycleway programme in terms of planning and design has not been impacted and the public will see the results this financial year.

d) The housing construction market is the most impacted by material and labour supply and so the delivery of the full programme is highly unlikely.

Kōwhiringa

Options

38. Do nothing: This option is not recommended as the likelihood of delivery is very low and leaving the annual budget as is will result in the Council failing to meet its annual budget.

39. Proceed as recommended: This option will result in staff being able to focus on the Council highest priorities and will also allow officers to further develop new approaches to mitigate market conditions allowing the Council to start to ramp up delivery in year two of the LTP.

Whai whakaaro ki ngā whakataunga

Considerations for decision-making

Alignment with Council's strategies and policies

40. The recommendations in this report align with the Councils Finance and Infrastructure Strategy, in particular:
    a) Focusing investment on significant Council assets such as three waters.
    b) Ensuring that the programmes dedicated to delivering the commitments of Te Atakura such as the Bike Network Plan are minimally affected.
    c) Making use of alternate procurement approaches and delivery models to ensure that the ambitious LTP can be delivered.

Engagement and Consultation

41. Since the overall financial commitment of the LTP is not changing and the proposed new budgets still focus on the highest delivery in years one to three, there is no need to reconsult or engage.

Implications for Māori

42. There are no implications for Maori.

Financial implications

43. Due to the recent market constraints, failure to address the current capital budget for 2021/22 now will result in a significant underspend at year end.

Legal considerations

44. There are no legal considerations.

Risks and mitigations

45. Risks associated with the issues raised in this report around the state of the construction market centre on the deliverability of the capital plan.
46. Failure to adequately address these risks will result in a significant under delivery of the 2021/22 annual plan and the deliverability of future years will also be at risk.

Disability and accessibility impact

47. There is no impact to disability or accessibility.

Climate Change impact and considerations

48. Although the projects impacted by this rephasing include transport projects which the Council is relying on to achieve of the city's carbon reduction goals; the impact of the

rescheduling of these projects is one to two years in most cases and can be considered minor.

49. None of the other projects listed for rescheduling have significant climate action impacts.

50. While no delays on climate action are advisable, the reasons for rescheduling are being mitigated by officers as much as possible, which will minimise the impact our climate action progress.

Communications Plan

51. There is no communications plan associated with these recommendations.

Health and Safety Impact considered

52. There are no health and safety considerations.

Ngā mahinga e whai ake nei

Next actions

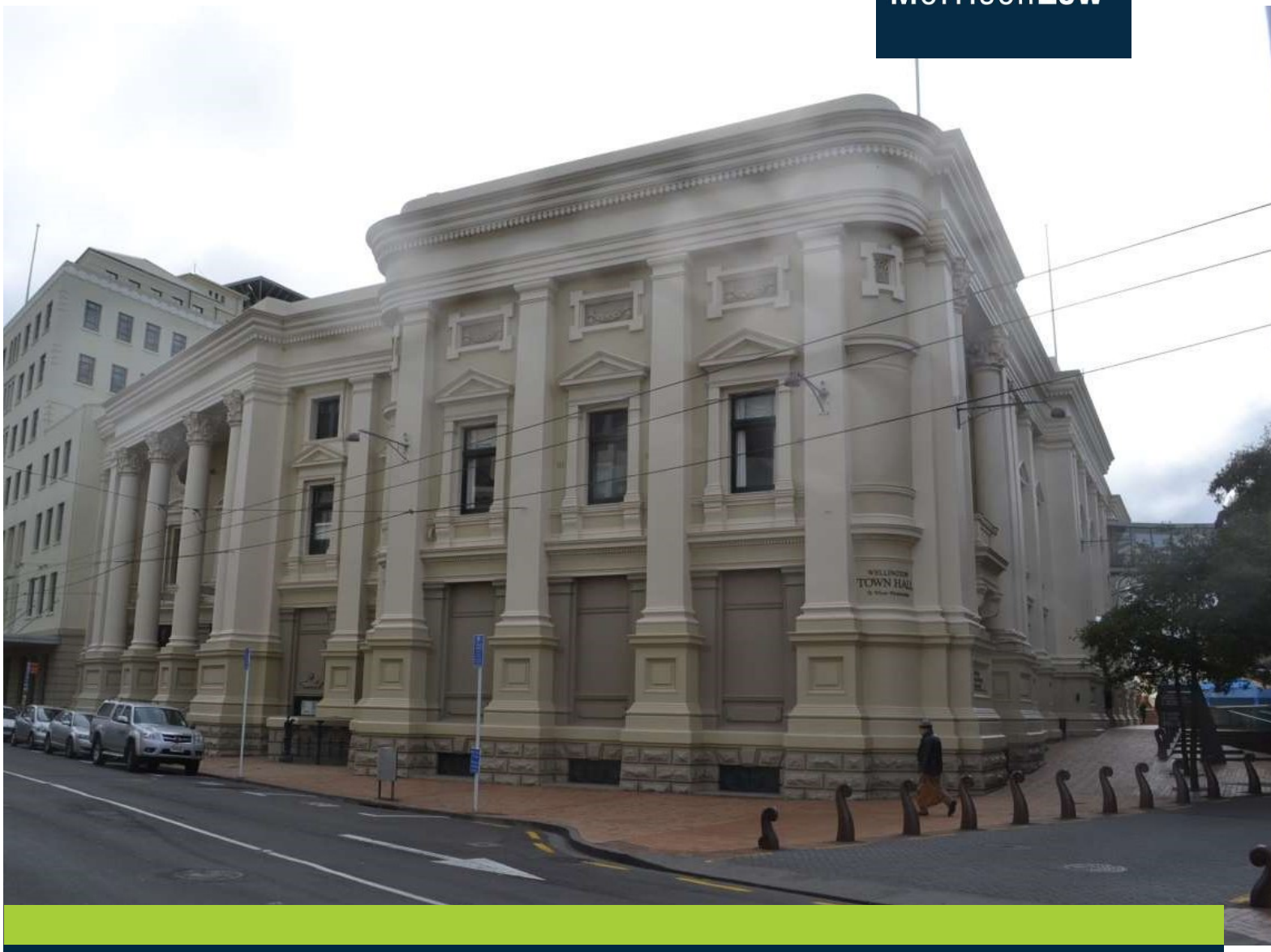
53. If the recommendations are approved, officers intend to:

- Re-phase the capital plan as detailed above and in the attachment.
- Undertake a number of mitigation activities to increase the chances of successful delivery of the capital plan including adapting our procurement approach to meet the market, improving the visibility and communication of our capital project pipeline and developing a talent acquisition and retention strategy.

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Attachments

Attachment 1. WCC Construction sector constraints_v5
Attachment 2. Proposed Rescheduled Captial Programme



Wellington City Council

Construction sector constraints

November 2021

Document status

Job #	Version	Approving Director	Date
2663	1.0	Bruce Walton	October 21
2663	2.0	Bruce Walton	November 21
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2663	4.0	Bruce Walton	November 21

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Executive Summary

In Council adopted its 2021 Long Term Plan, which included an increased capital programme focussed on three waters and transport improvements. Council noted that the volume of demand for physical works within its boundaries had outstripped its immediate capability to respond. With the long-running impact of COVID-19, earthquakes and other pressures on funding and capability, these pressures are only intensifying.

In order to mitigate the economic impacts to New Zealand of the Covid 19 outbreak, after April 2020, Crown Infrastructure Partners facilitated the development of a national programme of infrastructure works. This was over and above the normal investment cycle and was funded directly from the Crown. Currently, there is a total of $2.43B funding towards a total of $4.03B Covid stimulus projects funded across 225 projects. An underlying factor in accepting projects for this funding was that they had to be "shovel ready" as the objective as to accelerate programmes of work to stimulate the economy and get people back to, or into, work.

The NZ Upgrade Programme was announced in January 2020 and comprised a $12B programme of infrastructure works. While this predated Covid, it was also intendeds to boost the economy, with $6.8N alone allocated to transport.

Both of these programmes created a significant, surplus demand on finite resources (and indeed created overseas interest due to the scale) and delivery of the programme was already generating difficulties prior to Covid. Although there are very low unemployment figures now in New Zealand, there is no sign that any of the work in these programmes will now be deferred.

Wellington City Council's ability to deliver infrastructure projects and programmes is subject to forces acting on the construction sector that have a range of origins:

- Locally
- Nationally
- Globally

This occurs at a time of unprecedented infrastructure investment by Wellington City Council. Council is also facing real constraints in terms of:

- Labour market (construction and professional services)
- Materials; and
- The capacity of the construction sector to scale up and meet the demand.

These pressures are also impacting prices for services, materials and labour, which will put further pressure on Council's ability to address its needs in a timely and cost-effective manner. This paper outlines the unprecedented scale of the planned investment at various levels (including at WCC level) and, while it compares well nationally, given that WCC has delivered 79% of its planned capital works over the past four years, strongly suggests that delivering a larger programme in competition with the rest of New Zealand and also Australia, is potentially unlikely.

While some may be short term and caused or exacerbated by COVID-19 (e.g. NZ's closed borders or disrupted supply chains), others are deeper and longer term.

The issue for Wellington, and the issue for Wellington City Council is that the same factors – a constrained construction sector and a significantly increased infrastructure investment programme are occurring across New Zealand. Wellington City is required to compete with the rest of NZ for finite resources.

Wellington City is a relatively small player in the overall New Zealand infrastructure story, and its share of the infrastructure pipeline across New Zealand is relatively static, and potentially in decline as other regions (for example Tauranga and other higher growth urban areas) are pressing ahead with ambitious infrastructure plans.

Examples of the impacts of some of the issues described in this paper are evidenced by the ongoing delays on Transmission Gully, which have been exacerbated by ongoing covid restrictions and resource shortages, and the Waka Kotahi Weigh Right Programme (referred herein) which was impacted by drastic construction cost increases over a very short term, leading to delays and rescheduling.

Figure 1 WCC share of total sector investment



However, while Wellington City Council is a relatively small market compared to the national market, it does have some levers available. This report highlights some of the practices and processes observed around New Zealand to deal with the constraints also identified in the report.

Introduction and Background

Background

It is recognised globally that there are significant constraints and barriers to trade and supply of materials. This is prevalent in global building and construction markets. The current infrastructure development environment in New Zealand is similarly affected.

The New Zealand Government has an ambitious approach to infrastructure development (housing, roading, three waters, etc). Under normal circumstances this would create pressure on the industry's capacity and risk the construction sector overheating, leading to price escalation and the risk of delays.

Due to international conditions, and governments around the world engaged in quantitative easing, the cost

of debt is at almost unprecedented low levels, which has stimulated the construction sector, and encouraged public and private sector investors to bring projects forward.

Thirdly, the Government's response to the Covid pandemic has removed our ability to bring in skilled people and organisations; and building materials and equipment. This has exacerbated the challenges all infrastructure projects face.

This report provides an objective and evidence-led assessment of external factors which are likely to impact the delivery of infrastructure project programmes, and in particular, those of Wellington City Council (WCC). The report will examine the context at:

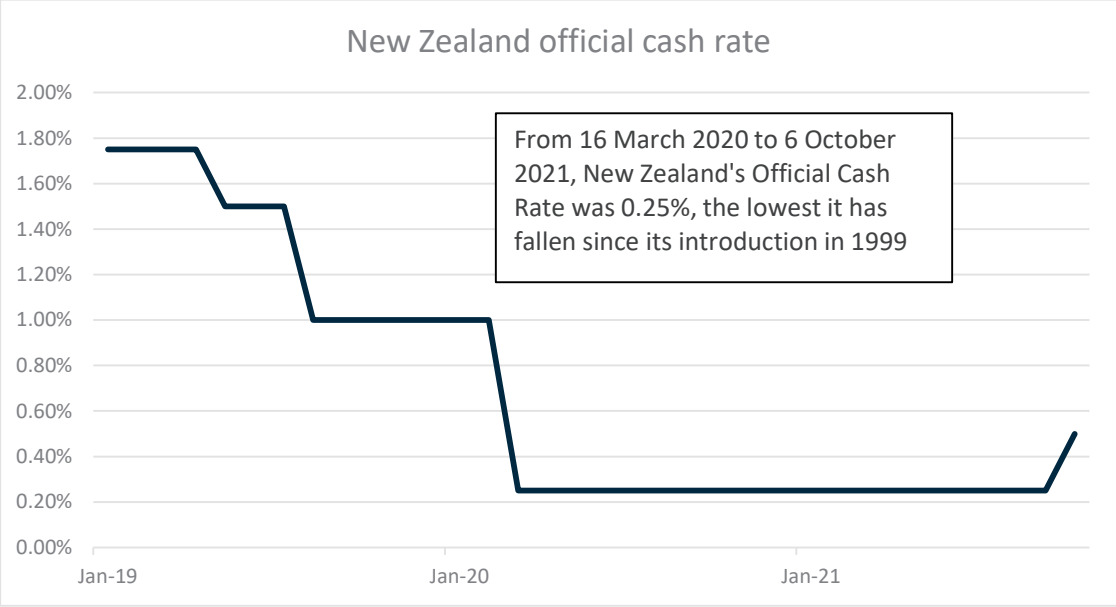
- Global
- Australasian
- National; and
- Local (i.e. Wellington region) scales.

This report will demonstrate the cascade effect that issues at each of the above scales ultimately presents to the delivery of the infrastructure works programme detailed in the WCC 2021 Long Term Plan (LTP). The constraints that they cause are affecting delivery of existing work in New Zealand and making it more challenging to plan timing and cost of upcoming works.

Money has never been so cheap…

New Zealand's official cash rate, which is effectively the wholesale borrowing rate in New Zealand, was recently as low as 0.24% - the lowest it has been since its introduction in 1999.

Figure 2 New Zealand official cash rate

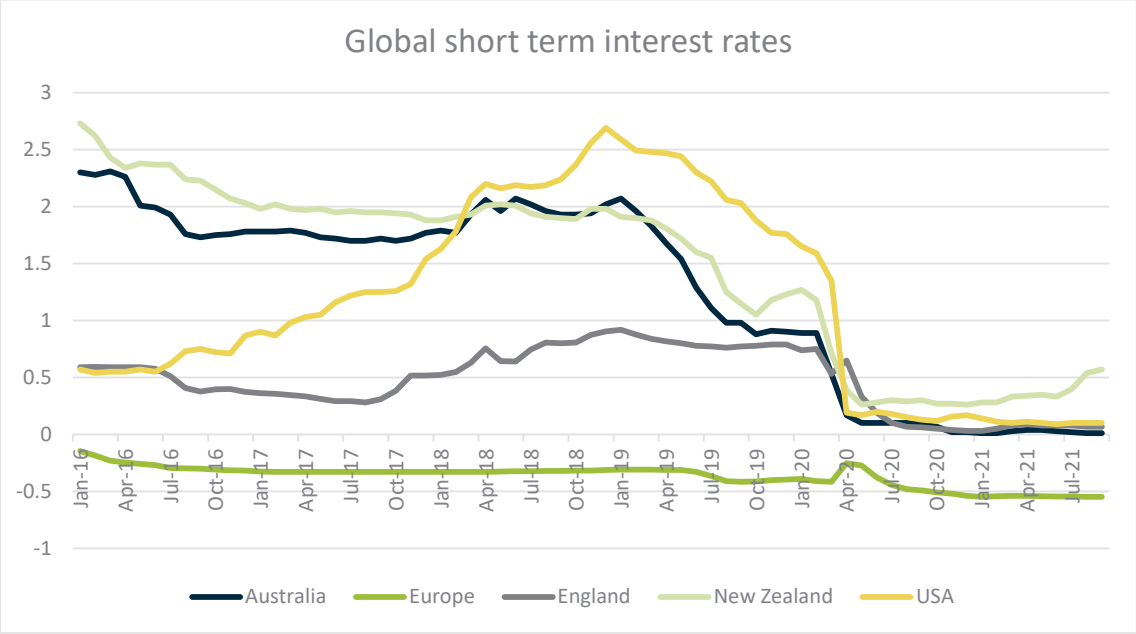


When the official cash rate is low, banks pay less interest on savings, and charge less interest on borrowings.

This encourages spending and investment.

This is a global phenomenon. All countries have experienced quantitative easing, and this has accelerated as most of the countries we compare ourselves against have borrowed to fund COVID mitigation measures. New Zealand is not alone in setting low interest rates. The Bank of England's base rate is currently as low as 0.1% (the lowest it has been since records begin in 1694).

Figure 3 Global short term interest rates



Nor has it been so abundant…

Central banks across the world are typically tasked with controlling inflation within a pre-defined band (typically around 2 – 3% per annum). When economic activity reduces, so too does inflation.

While traditionally, the main tool for banks to control inflation has been the official cash rate or base lending rate, more recently central banks have also used quantitative easing to control inflation. This tool is particularly likely to be used when lending rates are already at, or approaching, zero.

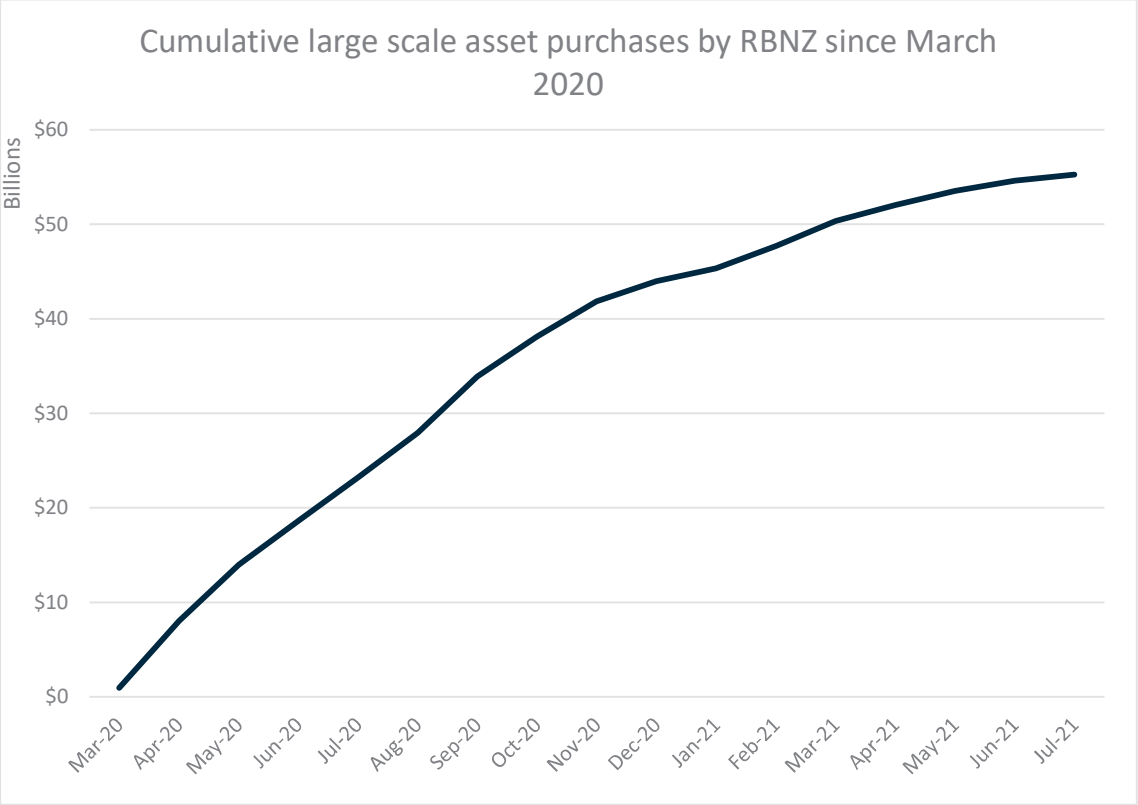
In short, quantitative easing involves central banks buying back government bonds, and sometimes private bonds, from the market. This increases the balance sheets of the central banks. It also:

- Reduces the effective interest rate on government bonds because it drives up price.
- Frees up money from lenders, who now have cash to invest in shares or other securities which offer a higher potential yield.
- Overall increases the supply of money available for spending and investment.

In March 2020, in response to the COVID-19 pandemic, the Reserve Bank embarked on a large-scale asset purchase programme, whereby it bought back a total of $55 billion of central government and local government bonds.

In addition to quantitative easing, governments around the world have sought to borrow to fund COVID relief programmes. New Zealand has provisioned approximately $95 billion for this purpose. The impact of available cash, and historically low interest rates has led to price inflation in key asset classes (in particular property) and a consumption boom.

Figure 4 Cumulative large scale asset purchases



Taken together, these steps have created the appearance of GDP growth (spending borrowed money on goods and services will show up as positive spending when GDP is calculated, as it is a mechanism that sums economic activity in a market). The challenge for governments is how to withdraw from this cycle of quantitative easing without triggering adverse shocks to the economy.

The RBNZ has started to signal a slow move to increase the Official Cash Rate to start to return the economy to a more normal footing.

Similarly, the Bank of England increased its total quantitative easing from £445 billion to £895 billion since March 2020 – effectively injecting £450bn into the global investment market.[1]

In the New Zealand context, this therefore means that the Government has been able to borrow significant

[1] https://www.bankofengland.co.uk/monetary-policy/quantitative-easing

amounts of cheap money to inject funding into large public infrastructure programmes. It also fuels competition in the market by making it easier and more attractive for private developers to borrow money. The increased demand is within the context of resource and delivery constraints and competition also discussed further in this document.

Unprecedented infrastructure investment

Australia

In order to understand the landscape in New Zealand, it is important to understand that trans-Tasman implications. Australia is also facing the same issues as New Zealand which then means that there will be significant influence and competition (for all forms of resource) from across the Tasman. This also validates the perception that the issues facing New Zealand are real and enduring.

An October 2021 report by Infrastructure Australia[2] shows that investment and constraints at scale are also prevalent in Australia.

- Known annual investment will peak at $52billion in 2023.
- Demand for labour, plant and materials expected to be two-thirds higher than compared to the previous five years.
- Demand peak for skills is 48% higher than supply (noting that part of this supply often comes from New Zealand).
- 34 of 50 public infrastructure occupations are potentially in shortage.
- Growth in demand for materials, plant and equipment is expected to range between 120 and 140% over the next three years.
- Covid-related border closures have compounded these challenges.

New Zealand

This section sets out the current landscape in New Zealand with respect to infrastructure delivery. It is not exhaustive but seeks to demonstrate the scale of works currently programmed across New Zealand. This is important to understand as it points to the level of resource (human and materials) that will be required to deliver them.

The level of infrastructure investment is significant and in part is funded by Government stimulus programmes and the availability of cheap borrowing.

National Infrastructure Programme

New Zealand has sought to understand national infrastructure needs, and the scale of the pipeline of projects. This led to the creation of the National Infrastructure Unit under the previous government. That led to the first robust national stocktakes of infrastructure, and more recently to the Creation of The Infrastructure Commission, Te Waihanga. The latest Te Waihanga quarterly report[3] notes the total pipeline currently comprises 2588 projects across 159 organisations and is valued at $64billion. This includes

- Energy: $3.4billion

[2] Infrastructure Australia – Infrastructure Market Capacity, dated October 2021
[3] https://www.tewaihanga.govt.nz/assets/Quarterly-Reports/210102-INFR-Te-Waihanga-2nd-Quarterly.pdf

- Housing: $5.6billion
- Water: $10.4billion
- Community facilities: $4.3billion

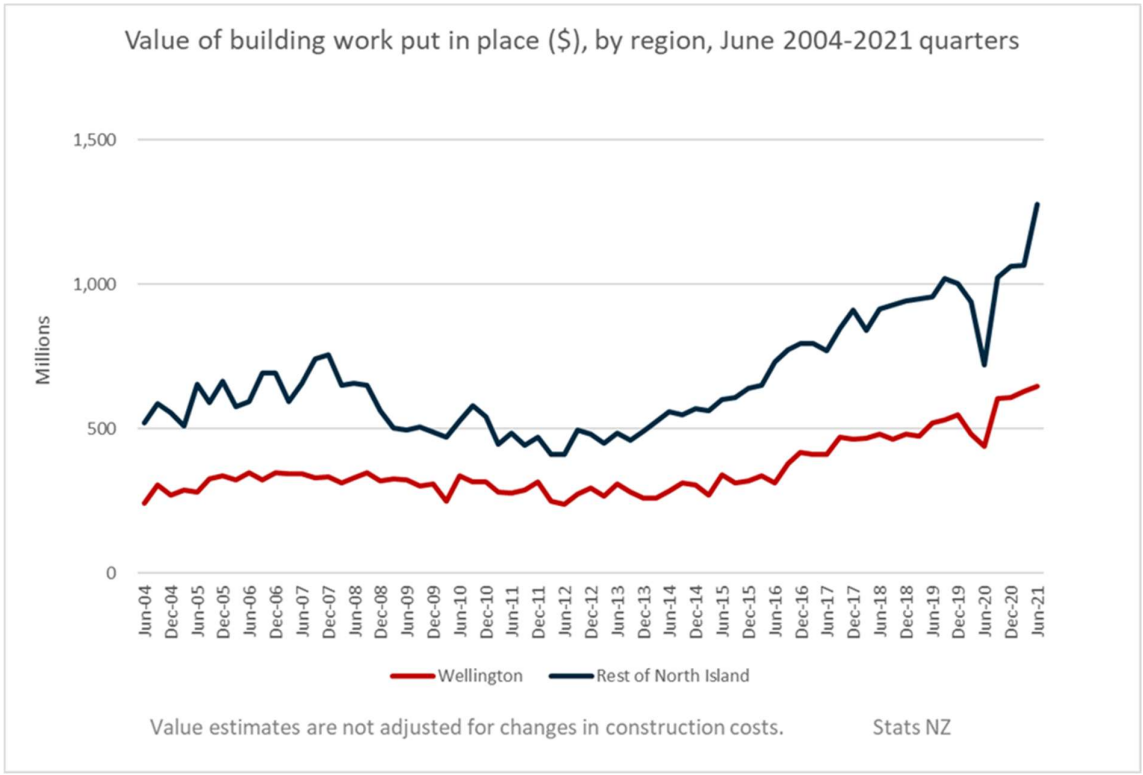
Together with the above, there are $24billion of projects under construction and $29billion of projects in planning stage. Transport and water comprise the bulk of the projects, as they do for the spend in the WCC LTP.

It has not been possible to produce a direct comparison to previous years at the time of preparing this report as the pipeline and data collated by Te Waihanga has not been produced previously (and indeed is part of the reason for the creation of Te Waihanga).

These are numbers from government departments and government agencies and it should be noted they will be augmented by private activity. On top of commercial infrastructure investment (businesses, commercial buildings, rest homes, airports etc), the biggest source of infrastructure activity is private housing.

Figure 5 below shows the drop due to the initial Covid lockdown and the rate of the subsequent increase (graph extends to June 2021) and also shows the difference in scale to the current pipeline. Note other regions are excluded from the graph for clarity.

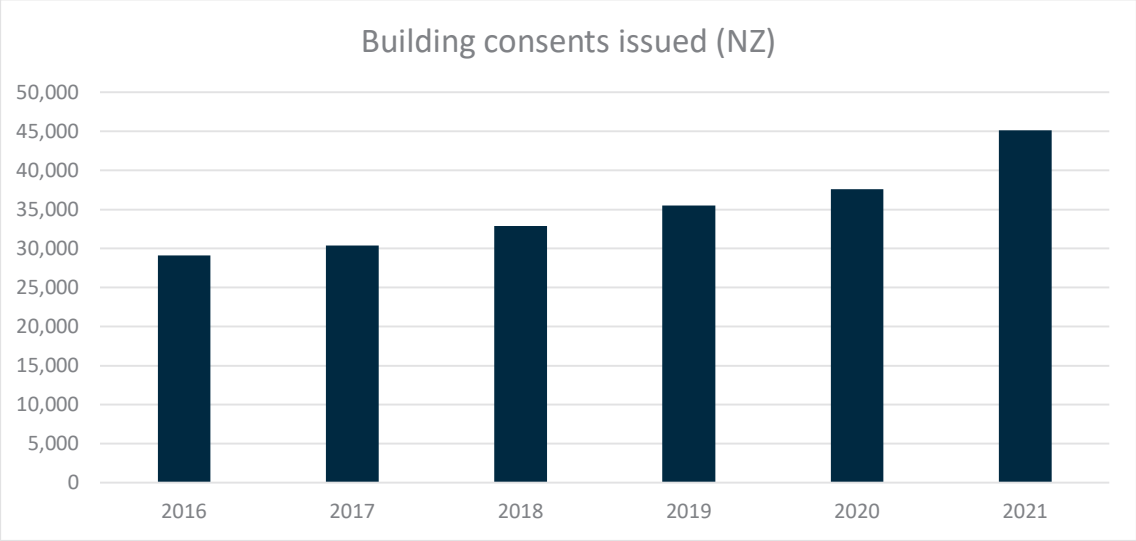
Figure 5 Stats NZ graph of building work to June 2021



The following chart from Stats NZ shows that there has been a 20% increase in building consents issued over the last year. While consents issued is not a direct proxy for houses constructed, and some of these dwellings will be government developments, overall, the increase in private housing activity taken together is

sufficiently material to impact on the supply of skills and materials across the infrastructure sector.

Figure 6 Building consents issued (NZ)



source: Stats NZ

Looking at what this means for the Wellington region

Covid stimulus programme

The June update[4] from the Industry Reference Group stated a total of $2.43B government funding towards a total of $4.03B Covid stimulus "shovel ready" projects funded across 225 projects.

1004 FTE were projected for regional projects but as at October 2021, only about 118 are currently working on the projects. There is a significant shortfall to deliver the 15 funded projects in the Wellington region. Of these only seven have commenced and none have yet been completed, so there is a high latent demand for resources.

NZ Upgrade (Transport)

The NZ Upgrade programme being delivered by Waka Kotahi comprises around $1.87billion of budgeted funding in the Wellington region, across six projects (this supports growth under the Wellington Regional Growth Framework). This work is being done in competition with other packages nationally. Significantly, the Auckland package is valued at $4.3billion so intra-regional competition for resources in the North Island alone will be fierce. The projects being delivered as the Wellington package are:

[4] https://www.crowninfrastructure.govt.nz/wp-content/uploads/CIP-IRG-June-2021-Quarterly-and-Project-List-FINAL.pdf

- Ōtaki to north of Levin (O2NL) – construction due to start 2025.
- Melling / Riverlink - construction due to start 2023 to 2027 and be delivered by an Alliance.
- SH58 Safety Improvements ongoing and being delivered by Downer and Stantec and due for completion 2023.
- Kiwirail funding for rail and station improvements (x3 projects).

Kiwirail track infrastructure upgrades will continue to 2026 as part of the Wellington Metro Upgrade Programme. While this is speciality physical work, it draws on resource generally from the region and Kiwirail are an attractive client to both consultants and contractors as, though being a demanding client, they are seen to have volumes of work.

Waka Kotahi NLTP

Planned capital expenditure by WCC has doubled from 2018 LTP

The overall value of work in the 2021 NLTP for New Zealand is $24.3billion. Of this, $3.1billion has been allocated to the Wellington region, broken down as follows:

- Maintenance and operations: $490million
- Public transport investment: $1.2billion
- Walking and cycling: $261million
- NZ Upgrade: $221million
- Road to Zero: $102million

The above includes contributions to LWGM as well as the Ngā Ūranga to Pito-one shared path and seawall (via the Te Ara Tupua Alliance) and other cycleways in the region. These will be delivered by a mix of Waka Kotahi, WCC and other city council projects. Ngā Ūranga to Pito-one is being delivered through an Alliance comprising Downer, HEB and Tonkin &Taylor with others. This is a significant regional project and will employ several of the large regional planning, design and construction organisations.

Let's Get Wellington Moving

As Council will be aware, this is currently in Business Case phase across a number of packages. These packages will continue for a few years as the business case phases proceed and they involve all of the major engineering consultants in the Wellington region – Jacobs, Beca, Stantec, WSP, Aurecon, Aecom, GHD together with the urban design and architecture companies.

iRex

Kiwirail, Centreport and Port Marlborough are in the process of engaging a design supplier for the landside ports at Picton and Kaiwharawhara. This will be a significant piece of work that will see consultants teaming and which will be a focus of effort for the short to medium term. Following the design, the intention is to procure a contactor and again this is likely to involve teaming as it will involve specialist services as well as being a large-scale major project regionally.

Wellington Infrastructure Programme

The LTP identifies that Council is intending to spend $3.2billion in capex over the next 10 years. This comprises $1.7billion for primarily transport and three waters assets together with major projects included below and a major contribution to LGWM.

- Cycleways - $256M capex over ten years The LTP notes that this needs to be done in the context of "accelerated delivery on the full cycleways programme while mitigating deliverability challenges of a constrained supplier market"
- Wastewater (renewals and upgrades) $331M
- Drinking water (renewals and upgrades) $265M
- Stormwater (renewals and upgrades) $83M
- Te Matapihi Central Library $180M plus $8.5M for extension capex
- Tākina Wellington Convention & Exhibition Centre
- Social housing $446M capex over 10 years. LTP notes Council is seeking access to Income Related Rent Subsidy, possibly establishing a Community Housing Provider
- Te Whaea - $4.3M capex Y1 to Y2.
- Pōneke Promise - $3.7M capex and $4M opex Y1-Y3
- Children & Young People (CYP) Strategy - $1.15m for youth hub covered area where kids can "hang out"
- St James extra funding - $4.3M capex
- Kiwi Point quarry - $9.5M capex Y1 – Y3
- Town centre upgrades - $2.5M capex – Berhampore and Island Bay
- Skatepark - $1.5M capex for facility upgrades
- Sky Stadium seismic strengthening - $2.33M capex
- Garden of Beneficence at Frank Kitts - $6.5M 2024/25

Overall, $21.8million of funding to be invested in resilience of the transport infrastructure over next 10 years and around $679million on three waters.

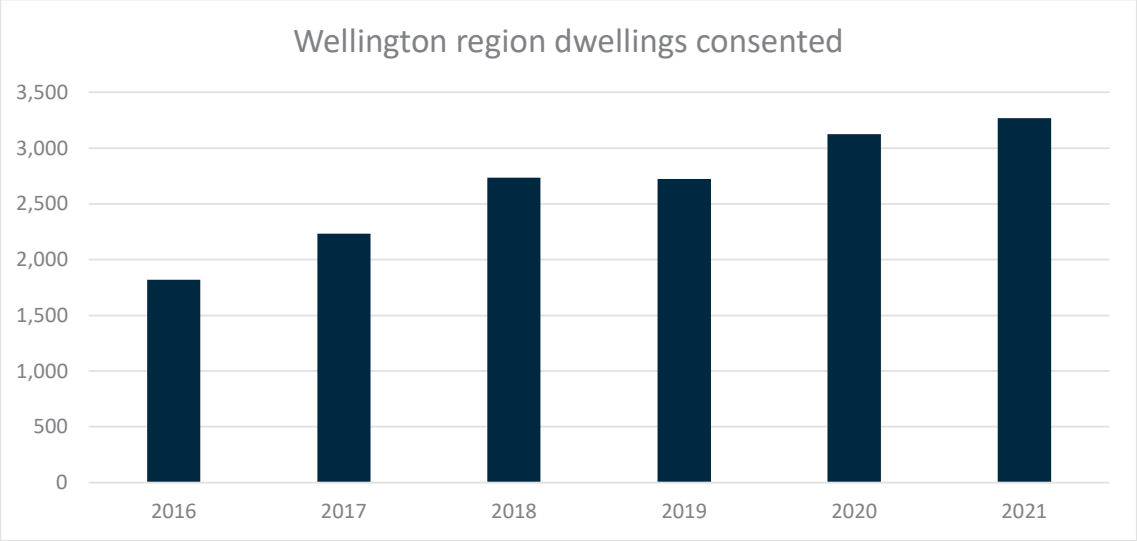
A new sewage sludge plant is required which is estimated at between $147 and $208million. This is planned to be financed through Infrastructure Funding and Financing legislation but there is a still the issue of resource to deliver this. It will be in direct competition with Wellington Water upgrades (or Entity C if reform proceeds).

Non- Council infrastructure projects

Wellington is only one of the players in the regional market. Other large investors are likely to include:

- Commercial building owners and developers - earthquake prone buildings upgrades and new builds and fit-outs.
- Residential developers and property owners. While not many of the individual developers are large, collectively they represent significant activity.

Figure 7 Wellington region dwellings consented



source: Stats NZ

Construction Activity Competition Context

Excerpts from the WCC LTP have been presented in more detail already in this document but what is important in the context of that programme, is competition for resources. Wellington is facing significant and growing competition from the rest of the country for skills and all forms of resources. For example, a brief comparison with Tauranga shows:

- Tauranga has itself committed to a $6.4billion capital programme, allocated to a very similar format of projects to those in WCC's LTP.
- Te Waihanga also reports[5] that there is up to $1.25billion of major projects also in the pipeline for the wider Bay of Plenty (either ongoing or planned). Note WCC projects do not appear in the pipeline.

Wellington City Council's share of total investment is relatively small.[6] Between 2021 and 2025 Wellington City Council plans to invest $1.45 billion, compared to $15.9 billion across all sectors in the region, and $225.3 billion across all sectors in New Zealand[7]. In a competitive market, suppliers are able to pick and choose and if the majority of the projects are outside the Wellington region, then Wellington and Wellington City Council face significant challenges.

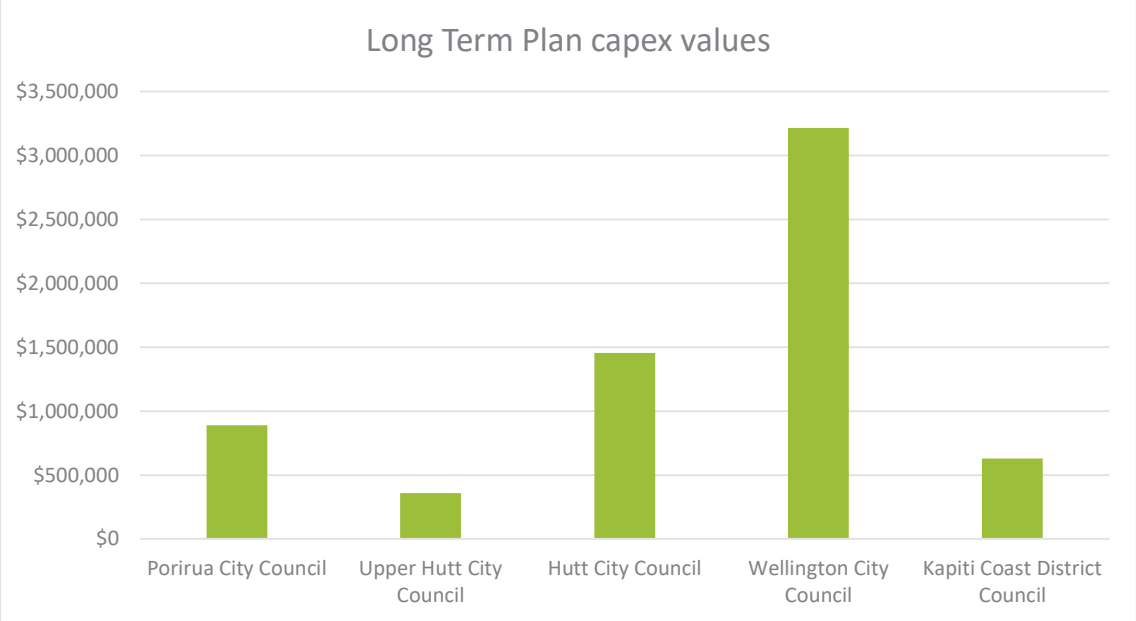
[5] https://www.tewaihanga.govt.nz/projects/pipeline/
[6] https://wip.org.nz/project-pipeline
[7] https://wip.org.nz/project-pipeline

Figure 8 WCC share of total sector investment



While WCC has increased its capital investment in its 2021 LTP, WCC's share of regional investment is dropping. While total investment through the regional LTPs has risen from $3.8B to $6.5B, Wellington City Council's share of that investment is projected to drop from 61% to 49%. This is important as the investment made by WCC is the market seen by suppliers.

Figure 9 Comparison of Wellington regional 10-year capex investments



Indicators of activity

Some indicators of construction activity are presented in the following graphs. As shown in Figure 10 below, Ready Mix concrete production in Wellington is lagging both Auckland and the rest of New Zealand. This is an indicator of construction activity and may suggest civil works has not been as quick to recover in Wellington as other construction classes and so is behind on overall infrastructure growth.

Figure 10 Ready mix concrete volumes, quarterly growth

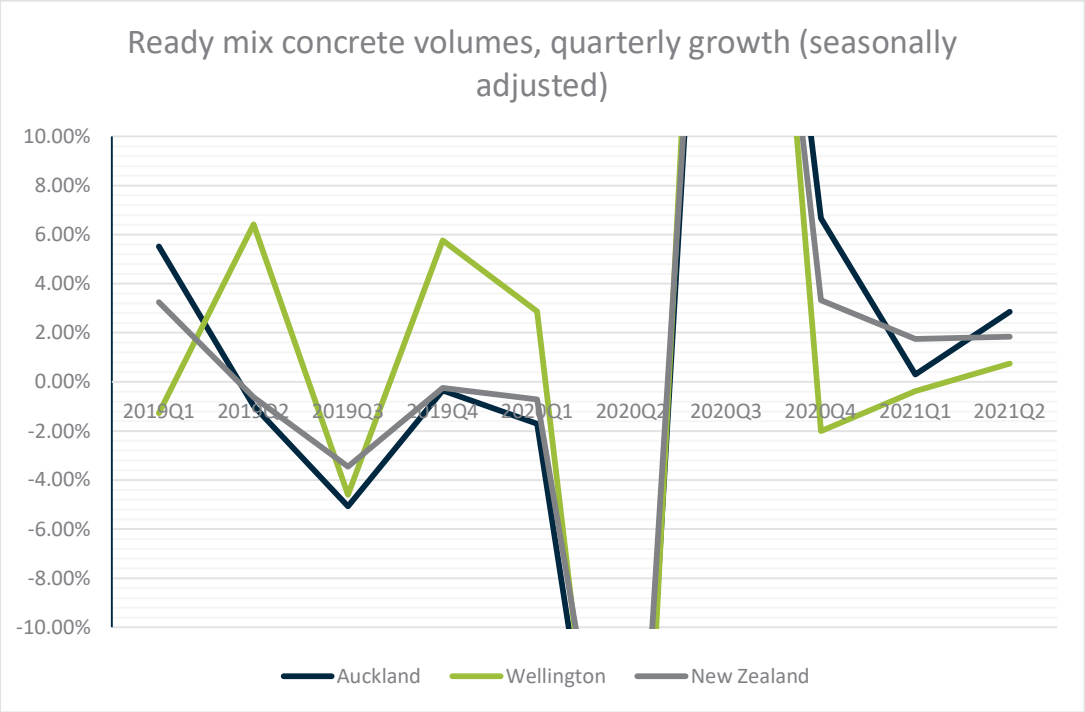
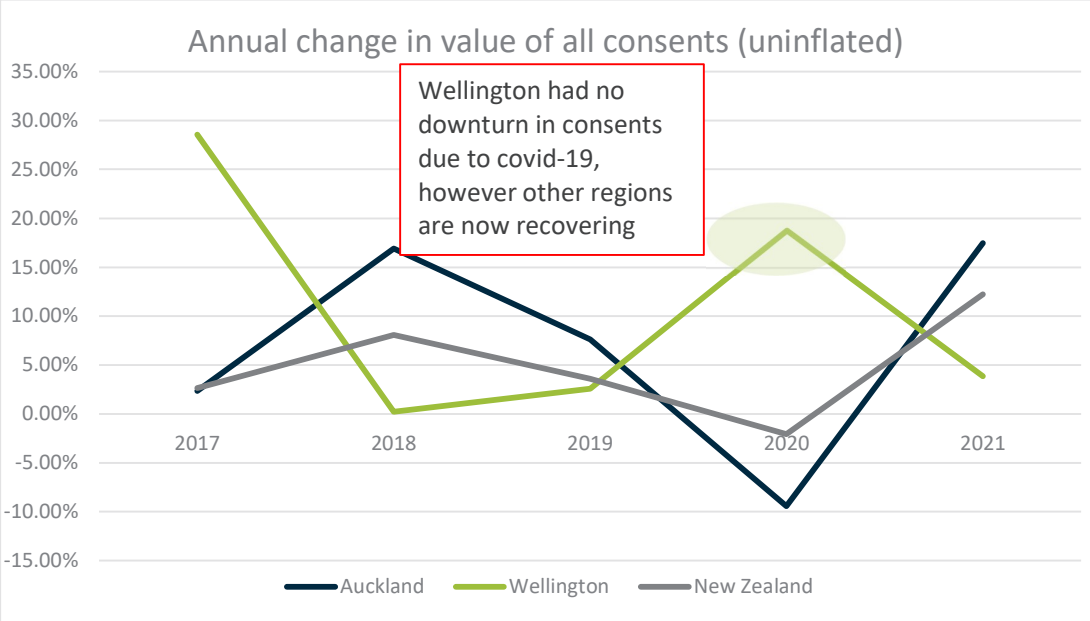


Figure 11 below shows that while other regions are recovering, the value of annual consents in Wellington while not negative, is still declining.

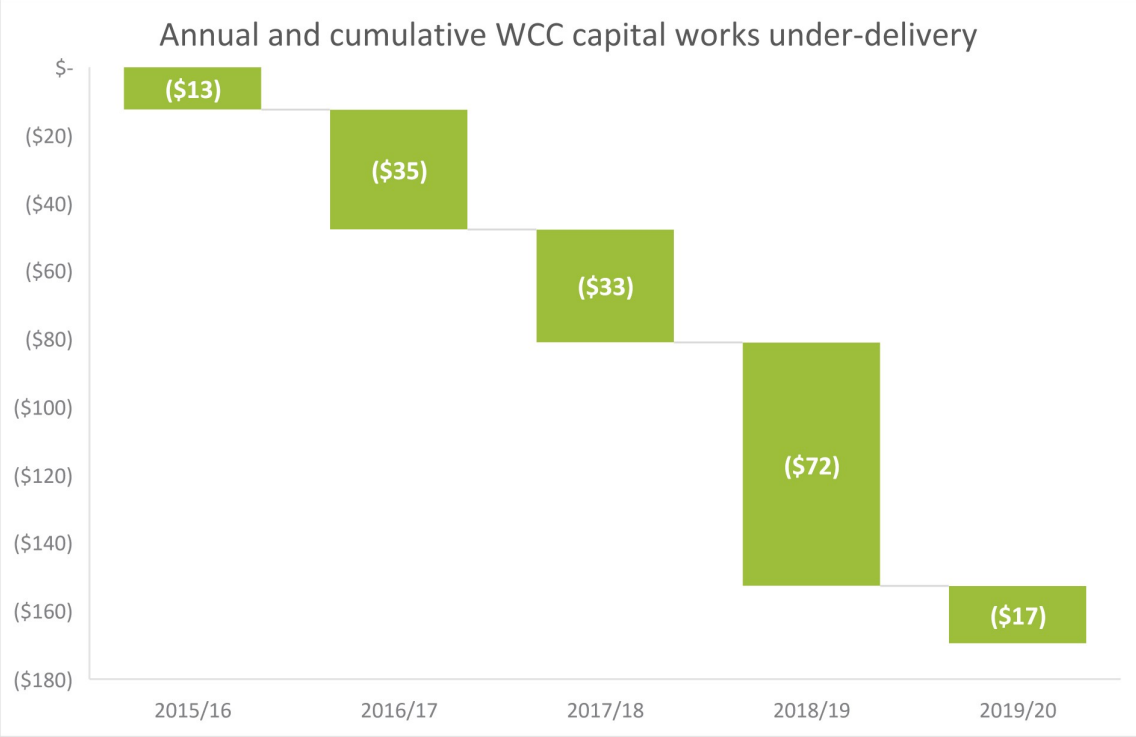
Figure 11 Annual change in value of all consents



Delivery

Over the last four years, Wellington delivered an average of 79%[8] of the planned capital works from its Long Term Plans. Within the local government sector, this is above average. However, the cumulative effect is significant – almost $170 million of undelivered capital works. Given the increase in spend in this LTP together with the constraints covered later in this report, this indicates a high level of risk of non-delivery which requires proactive mitigation and planning.

Figure 12 Annual and cumulative WCC capital works under-delivery



The reasons for under-delivery are outside the scope of this report. However, all works programmes have risks and the combination of level of previous success, significant increases in planned investment in this LTP and the various and enduring constraints discussed below, indicates that there is a high degree of risk of under-delivery.

[8] Figures provided by WCC

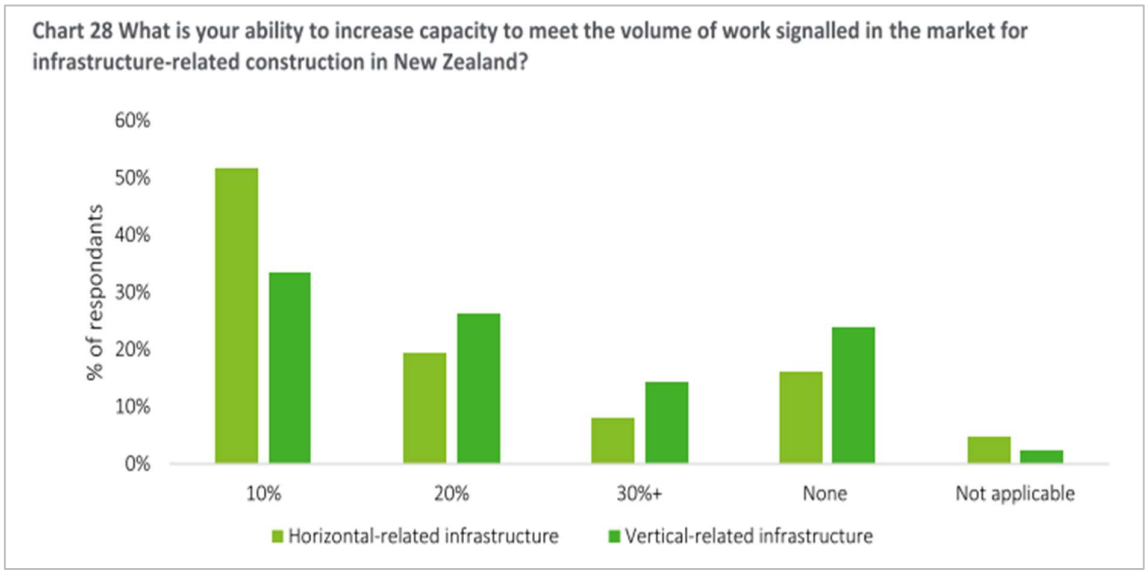
Constraints

The entire infrastructure industry in New Zealand is under pressure resulting from forward works programmes, maintenance backlogs and external constraints. The external constraints are examined below.

Construction capacity

A survey of construction companies[9] in New Zealand for Te Waihanga (The infrastructure Commission) showed that 70% of current suppliers in the horizontal infrastructure market are only able to increase their capacity to deliver by less than 20%. The proportion is even less in the vertical infrastructure market. This points to significant constraints in the market's ability to deliver. Meeting demand will require dedicated and careful pipeline management to enable the sector to sustainably grow and scale operations to ensure delivery.

Figure 13 Ability to increase capacity



Resource Constraints

There has been significant growth in the number of filled jobs within the construction sector in New Zealand, with a 21% increase in filled jobs during the year ended 30 June 2021.

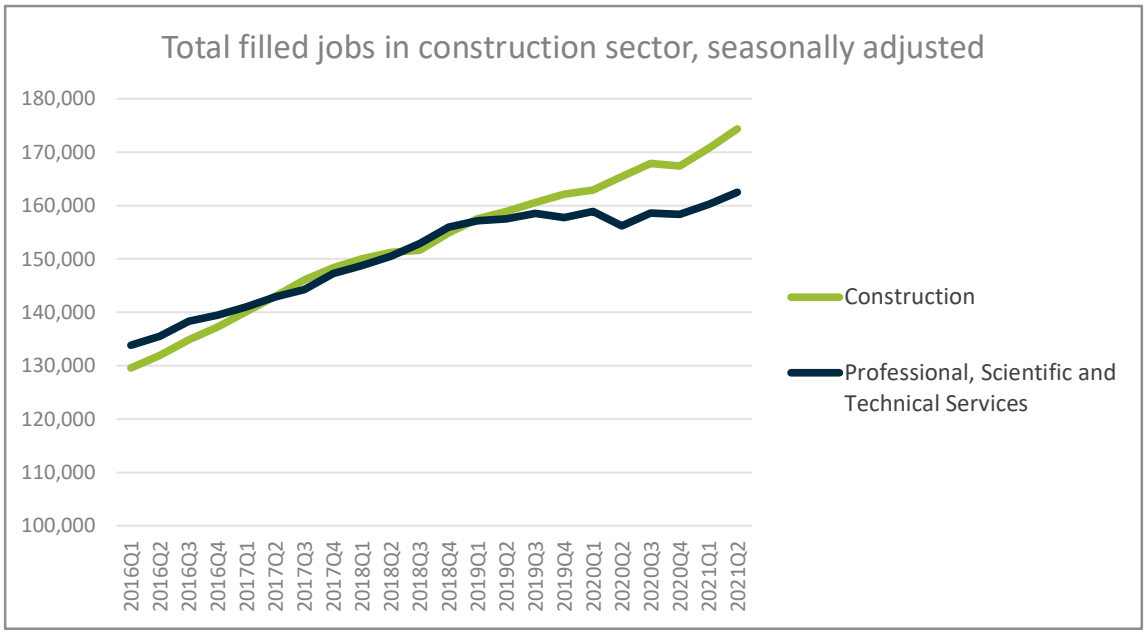
[9] Source: Deloitte: "A better way forward. Building the road to recovery together: Construction sector COVID-19 recovery study" January 2021.

However, while traditionally growth in the number of filled jobs in the "Professional, Scientific, and Technical Services" category has kept pace with those in the construction industry, this has not been the case in the last 24 months.

Shortage of 118,500 construction workers by 2024

Labour has never been harder to find. Construction labour shortages at their highest since 1975 (as reported by NZIER, QSBO)[10] and Te Waihanga reports in their Infrastructure Strategy that the share of construction firms reporting labour shortages is now at its highest ever level which is exacerbated by the competition for talent in other countries (especially Australia where wages are significantly higher than New Zealand). Forecasts are referenced that show New Zealand will have a 118,500 shortfall of construction workers by 2024.

Figure 14 Total filled jobs in construction sector



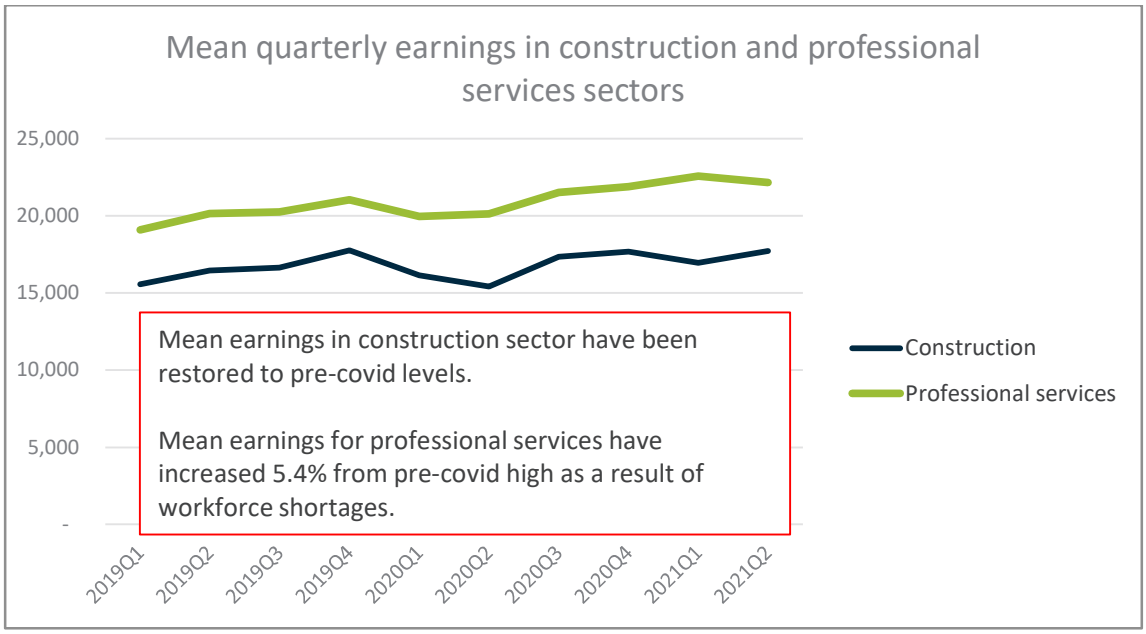
This also has an impact on labour costs. Salaries in the professional services sector continue to rise. The median base engineering salary rose from $90,700 p.a. in 2019 to $100,000 in 2020. This trend is likely to continue due to the labour shortage which will in turn cause rates to rise annually. However, the current lack of availability of international travel is showing signs of improving in 2022 and Australia will return to being an attractive work option for many New Zealanders in both trades and professions, particularly given their borders have commenced opening which opens a path for overseas workers, particularly from New Zealand.

Median base engineering salaries increased by $10k p.a. from 2019 to 2020

[10] https://wip.org.nz/supply-and-demand/

A further consequence of this is the ongoing disparity of salaries between local government and other sectors. Given the reduced numbers of candidates in the market, the threat of WCC losing staff who are attractive to consultancies, or even central government, continues to risk internal delivery capability and so potentially risk the LTP programme.

Figure 15 Mean quarterly earnings



While growth in the construction workforce has been sustained, and constant, this is unlikely to be able to continue within the current environment. Unemployment in New Zealand is now lower than 4% (to quarter ended 30 June 2021). This means New Zealand is nearing "full employment" and further reductions in unemployment rates may give rise to further labour cost inflation[11,12]

[11] Per RBNZ the natural rate of unemployment in New Zealand is between 4 and 5.5%. Reserve Bank of New Zealand Analytical Notes: Estimating the NAIRI and the Natural Rate of Unemployment for New Zealand, March 2018 (https://www.rbnz.govt.nz/-/media/reservebank/files/publications/analytical%20notes/2018/an2018-04.pdf)

[12] The EPMU suggests that unemployment below 4% is not ideal for employers and is likely to lead to labour cost increases. https://www.newsroom.co.nz/too-many-people-have-jobs-say-employers

Figure 16 Unemployment in New Zealand



Impact of Covid-19 Border Restrictions

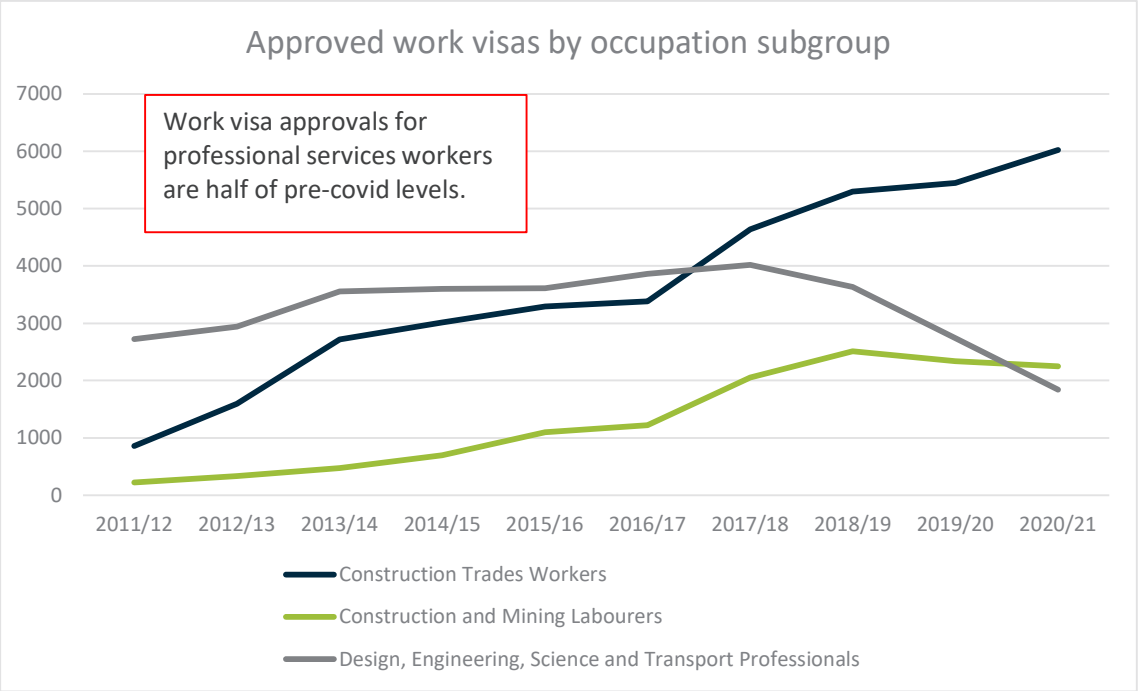
An ACE NZ Report[13] as at August 2021 (including Civil Contractors NZ, NZ Institute of Architects, Registered Master Builders Association) found there were 3229 total advertised vacancies currently in New Zealand. These vacancies are across all types of skilled resource, from engineers, architects, planners, project managers, site managers, plant operators, tradespeople – essentially across the whole project lifecycle. Note these were vacancies current at the time, not a forecast of resource required.

The report also found that 90% of firms were having difficulty recruiting in New Zealand with 66% also getting no domestic applicants. 28% were attempting to recruit from overseas where this figure would normally be 81%. A majority of the firms trying to recruit from overseas found the process too complex and those not trying stated that they weren't because the process was too hard.

While construction trade workers are still seeing an increase in approved work visas, there has been a reduction in approved work visas for "Design, Engineering, Science, and Transport Professionals" since 2017/18.

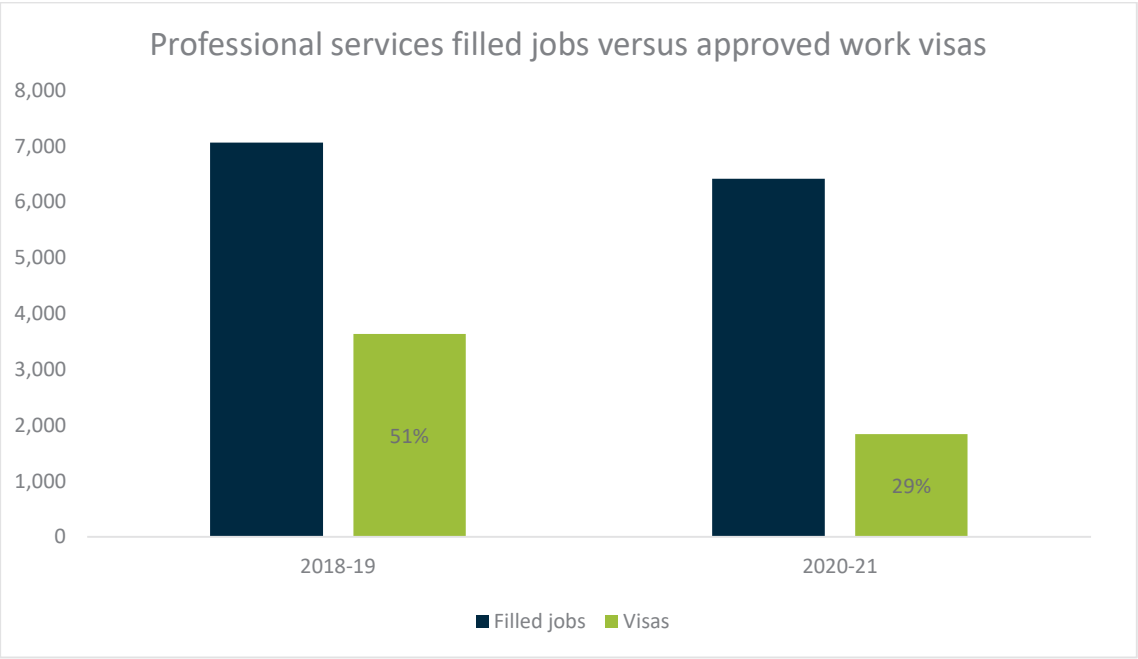
[13] 2021_4_August_Industry_Partners_MIQ_survey_Report_V6_FINAL.pdf

Figure 17 Approved work visas by occupation subgroup



In 2018/19 approved work visas in this category equated to 51% of filled jobs in the "Professional, Scientific, and Technical Services" category. In 2020/21 approved work visas only equalled 29% of filled jobs in the same category.

Figure 18 Professional services filled jobs



Work visa approvals are indicative of the demand for immigrants in New Zealand. However, covid restrictions mean that only a small percentage of those that have been granted a work visa have actually entered the country. That is despite a significant decrease in the number of visas being approved.

Figure 19 Percentage of work visas

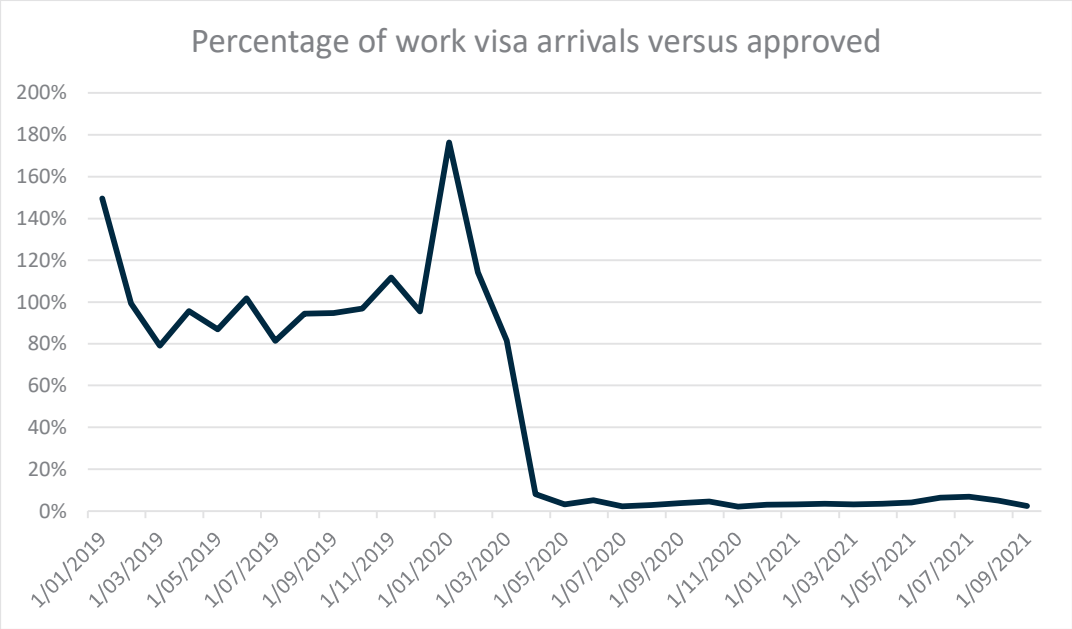
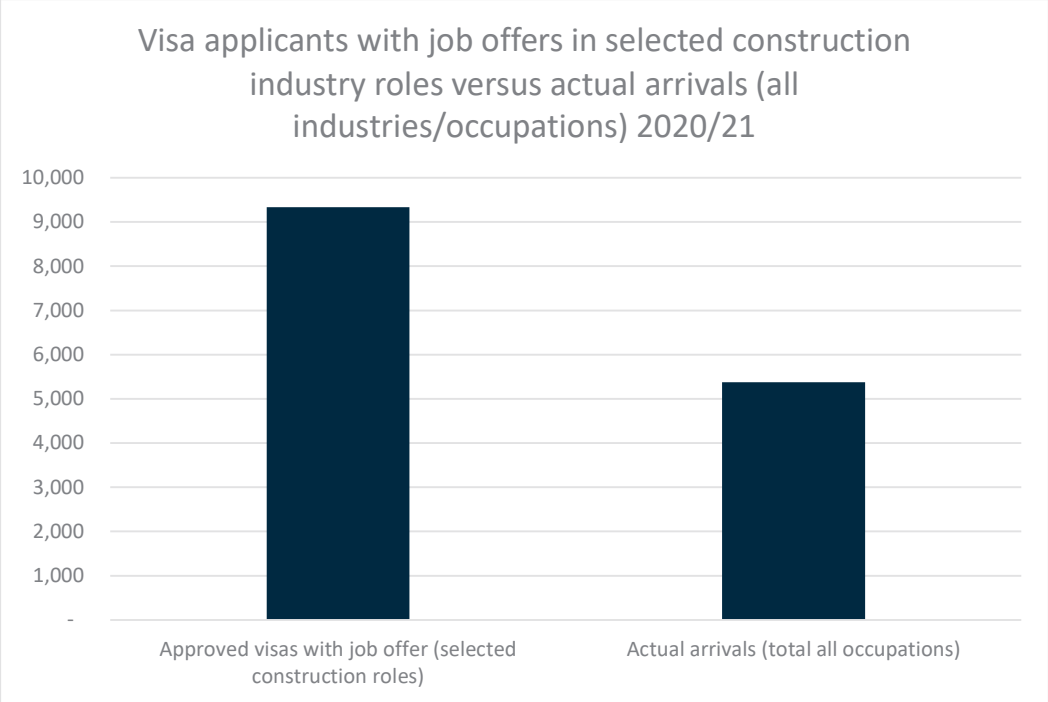


Figure 20 Visa applicants in selected construction roles



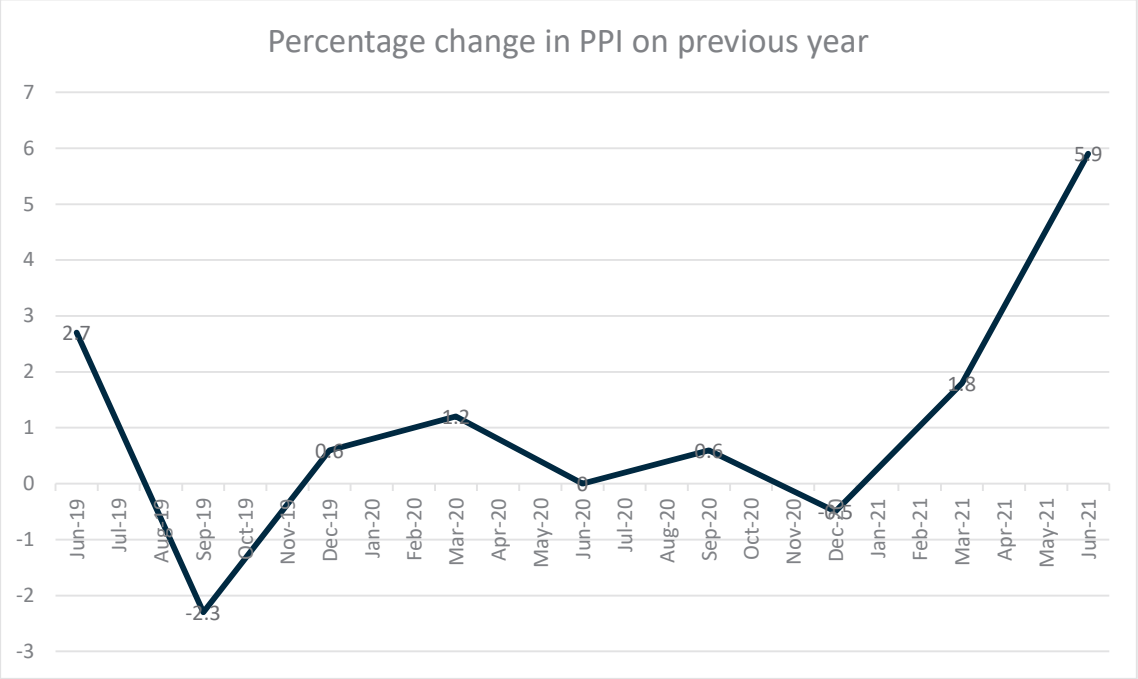
Inflation and the cost of materials

We are hearing that New Zealand is currently facing constraints in the supply of building materials, dressed timber, concrete, fastenings, Gibraltar board, electrical equipment and other materials. Part of this supply squeeze is due to the lockdown of Auckland, and hopefully may alleviate during 2022, but other factors reflect the global slow-down in supply chains, with the cost of shipping a container having increased by up to 400% in some places.

The other consequence of fiscal stimulus as noted above, is that the Consumer Price Index is running at 4.9% for the year to September 2021. This is unheard of in recent times.

The Producer Price Index is perhaps more material to the construction sector and the following chart shows percentage changes in the PPI year on year:

Figure 21 Percentage change in PPI on previous year



source: Stats NZ

A significant portion of the current increase is due to energy price changes, but these will directly affect the construction sector in prices for asphalt, and transport fuels.

Cost increases impacting the construction sector are discussed in more detail below.

Supply Chain

Materials

Raw resource extraction and processing has been hit globally by resource and logistic issues brought about by Covid-19.

There is a global shortage of semi-conductors, which is affecting the vehicle construction sector, leading to increased waitlists for new trucks.

"China is still focussing on a Covid-19 elimination strategy so will shut ports down as soon as any covid appears which then has a knock-on effect to the world."

Fighting over timber – the shortages hitting construction, RNZ The Detail

Materials

60% of house builds in Auckland were hit by material or equipment availability problems as of Dec 2020

All this has a direct impact on new homes particularly because of the materials needed but also on most vertical infrastructure projects.

Logistics

Shipping

Cost of a 40' shipping container from Asia has increased from $750 to $4,000

Transport problems and blockages / shortages are a global issue.

Border restrictions have slowed imports, which are lower than expected levels since early 2020. This has equated to a 1.6 month trade backlog (i.e. it would take 1.6 months of normal volumes to recover).

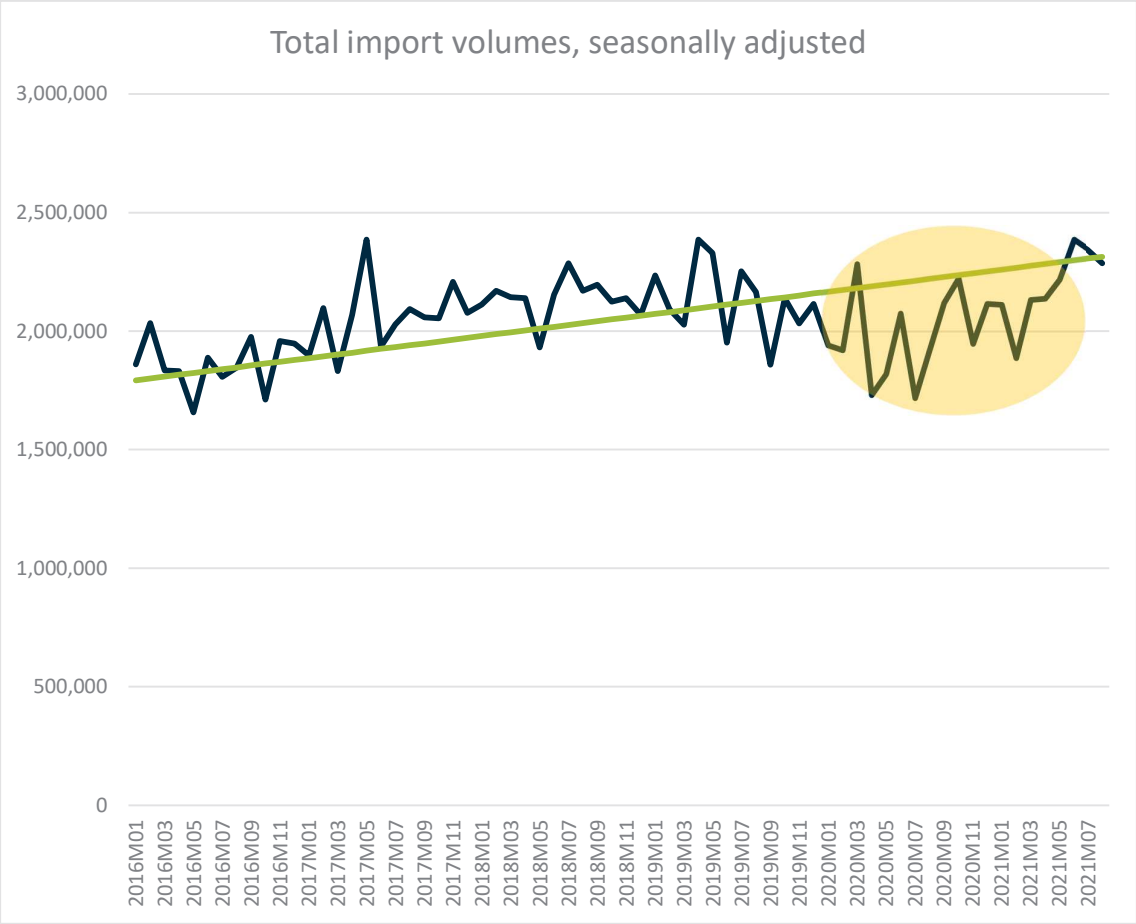
Some global shipping companies are no longer serving New Zealand ports. The impact of all of this on imports can be seen in Figure 22[14] below.

Supply chain issues

- Ordering of 50 trucks with delivery date now not until July 2023
- Materials for a weighbridge not available until Feb 22

[14] www.buildmagazine.org.nz/assets/PDF/Build-184-68-Feature-Supply-Chain-In-Short-Supply.pdf

Figure 22 Total import volumes



Feeling the impacts of the constraints

General

Concerns about the impact of these constraints is not new. They have been present in the market for some time and Council has been aware of the potential impacts and been taking steps to address them. It was specifically referenced in the audit of the LTP.

Uncertainty over the delivery of the capital programme

Page 12 of volume two outlines that the Council is proposing to spend $3.2 billion on capital projects over the next 10 years. Although the Council is taking steps to deliver its planned capital programme, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could impact on levels of service.

Financial impact

The impact of these factors is forecast to be cost increases and higher inflation. These are seen in the projections of NZIER in both the capital goods and non-residential building indices, as well as the increase in general inflation and reserve bank rates.

It is also impacting:

- Valuation of existing assets, driving up depreciation and costs of renewal programmes (particularly in three waters)
- Individual projects and contracts.

Cost escalation issues

- Weigh Right Programme for Waka Kotahi had construction estimated at $49.6M in 2017 for 12 sites. By 2020 prices were coming back from contractors at around $11M per site. Business Case had to be re-evaluated.
- In late September Placemakers wrote to suppliers outlining price increases across a range of materials in October, November and December and highlighting quotes for materials only being held for 7 days due to ongoing increases

NZIER expect non-residential construction cost inflation to be strong over the coming year, reflecting the perfect storm of strong demand and acute supply constraints.

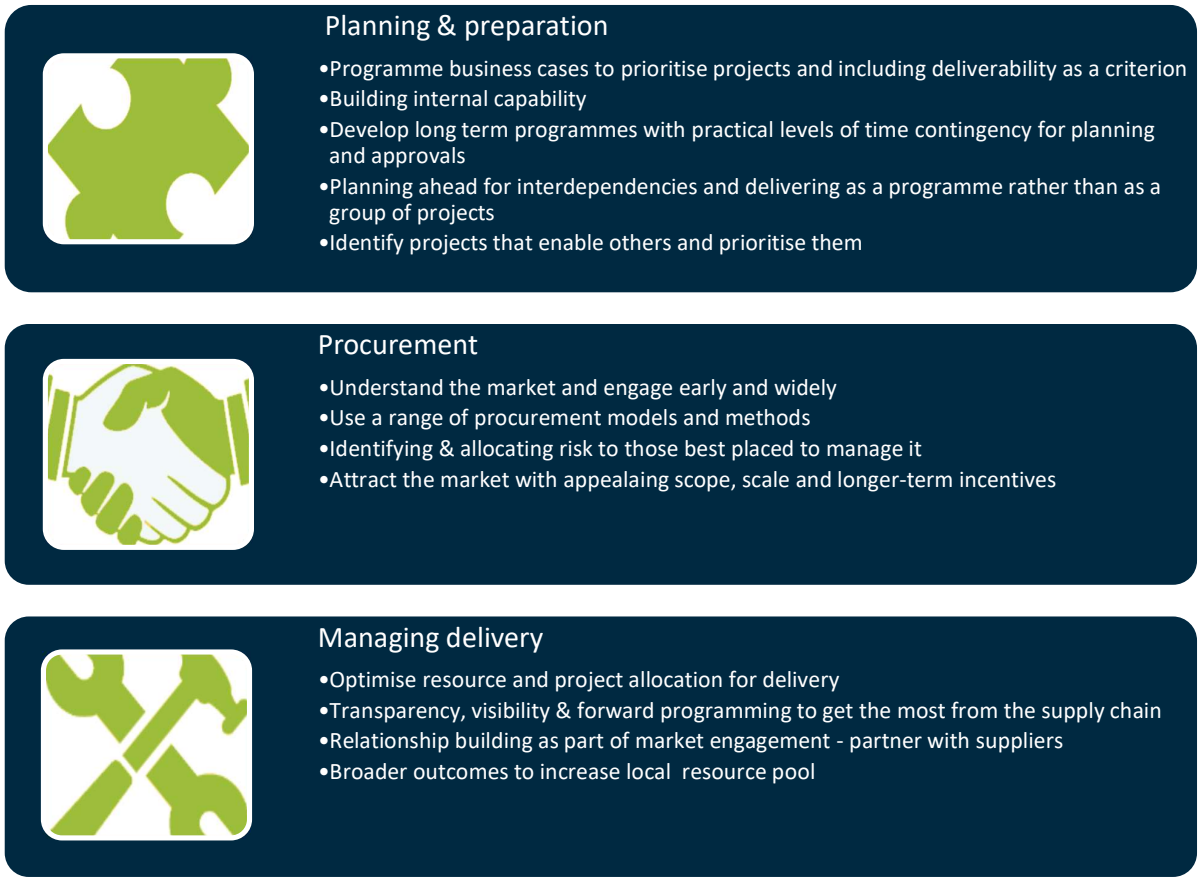
Figure 23 RLB Forecast report 99 (Third Quarter 21), Pg. 17



What can be done?

Our work with public sector clients means we have observed and have been involved in many different approaches to responding to these challenges. Some of these 'real-world' examples are highlighted in the boxes in this section.

Figure 24 Typical responses from public sector



Risk

Risk sharing is becoming a feature of contracts. The more traditional approach of passing risk to contractor is no longer the standard. Suppliers are limiting their risk and passing this back to the principle. This may be because:

- Better understanding of what risks are, where risk lies and as a result, the allocation of that is evolving.
- Suppliers have been 'caught out' on existing contracts, so more careful on future ones.
- Volume of work allows for this.

One example of assessing risk and allocating it is one council that has decided to take on the constructions works insurance

Some characteristics of good responses

- Realistic timeframes for procurement and delivery which allow project commencement and phasing to be accurate.
- Early contractor involvement.
- Alliancing, partnering, or risk sharing contracts where scale and complexity is appropriate.
- Major projects on individual contracts but bundle /segments others into.

There are examples where suppliers are requiring advanced payment for materials on construction contracts, and 'free issue' contracts where the client is responsible for providing the materials

- Sensible packages or panels that provide certainty to contractors and consultants allowing them to resource up and invest.
- Analysis of the specific local market constraints and mechanisms to address those.
- Staggering procurement opportunities to maintain a pipeline of 'shovel ready work' so that lead times on projects are minimised.
- Developing detailed forward works programmes that are shared with the market.
- Separating out the base or standard projects from the 'specials'.
- Evaluate the models to be used:
  - Traditional approach
  - ECI
  - Design/build
  - Cost re-imbursement (modify traditional though)
  - Alliances
- Recognising that building internal capability to plan, procure and project manage is as critical to delivery as the market capacity.
- Clients that take a medium to long term view of relationships (e.g. understand the challenges of contractors/consultants and mobilising workforces).

Some examples of practices to avoid

- Traditional procurement approaches that require a lot of time to tender and respond.
- Complicated special conditions of contract.
- Panel agreements that then require full tender processes for each package or project.
- Complicated approaches to cost fluctuations.

Traditional process of pricing design work is becoming problematic – either difficulties in getting projects priced, or the price becomes set but then changes by time of construction

Case Study - Ministry of Education

Ministry of Education – innovative, multi-year partnering contracts

MoE's $160M national programme to upgrade the learning environments in small or remote schools across the country has taken a completely different approach to their usual manner of delivery. MoE changed from their traditional school by school delivery method where, once a project is agreed, funding is supplied to the school and the school engages individual Project Managers to procure and deliver the works with the burden of time, effort and risk lying with individual schools.

Instead, in this coordinated programme MoE undertook early contractor involvement to design and procure multi-year, linked national & regional contracts that bring together freight & logistics, product supply, project management & installation services into a nationally consistent & coordinated partnership style of delivery. Now underway, this change has allowed MoE to:

- leverage the skills and capability of industry
- provide a multi-year pipeline of work to the contractors
- maintain quality of works & minimise disruption to the schools
- allocate risk between all parties
- provide confidence in the cost of delivery to MoE; and
- incentivise its partners to invest in their businesses and to deliver ahead of schedule.
- avoid a focus on lowest price in the procurement phase and use value narrative which balanced methodology, quality, risk allocation and price.

A key mechanism that reaffirms the collaborative nature of the programme is a monthly Programme Control Group meeting that involves all 8 parties involved in delivery. This occurs after the individual project control group meetings. Using the insights from each party's progress, issues and innovations, the meetings focus almost exclusively on what can be done to speed up the roll out or deliver further benefits.

Capital Expenditure - Changed Activities

Note:
LTP - Is the uninflated approved Long-Term Plan budgets
Revised - Is the LTP plus the approved carry forwards
Rescheduled - Is the proposed new phasing of the Revised

Strategy	Activity Grouping	Activity	Project	Ledger	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	3 Year Total	10 Year Total
					$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2 Environment	2.1 **Gardens, beaches and green open spaces**	2004 **Parks Buildings**	2000042004 **PSR Parks Buildings - FM Renewals**	LTP	568	334	331	368	344	352	358	360	360	350	**1,234**	**3,725**
				Revised	724	334	331	368	344	352	358	360	360	350	**1,389**	**3,881**
				Rescheduled	674	384	331	368	344	352	358	360	360	350	**1,389**	**3,881**
				Change	*(50)*	*50*	-	-	-	-	-	-	-	-	-	-
			2005972004 **Building Renewals Not FM**	LTP	153	153	153	153	149	149	149	153	153	153	**460**	**1,521**
				Revised	258	153	153	153	149	149	149	153	153	153	**565**	**1,626**
				Rescheduled	58	353	153	153	149	149	149	153	153	153	**565**	**1,626**
				Change	*(200)*	*200*	-	-	-	-	-	-	-	-	-	-
		2006 **Botanic Garden**	2000072006 **Botanic Garden Citycare renewals**	LTP	447	445	451	426	411	432	417	409	349	464	**1,342**	**4,251**
				Revised	473	445	451	426	411	432	417	409	349	464	**1,369**	**4,277**
				Rescheduled	348	570	451	426	411	432	417	409	349	464	**1,369**	**4,277**
				Change	*(125)*	*125*	-	-	-	-	-	-	-	-	***0***	***0***
			2006512006 **Botanic Garden Asset Renewals**	LTP	277	315	386	445	490	348	337	338	391	338	**978**	**3,665**
				Revised	318	315	386	445	490	348	337	338	391	338	**1,019**	**3,706**
				Rescheduled	193	440	386	445	490	348	337	338	391	338	**1,019**	**3,706**
				Change	*(125)*	*125*	-	-	-	-	-	-	-	-	-	-
	2.2 **Waste reduction and energy conservation**	2011 **Southern Landfill Improvement**	2000152011 **2011 Southern Landfill Improvement - Stage 4 Landfill Ext**	LTP	1,310	4,710	6,910	1,310	1,310	1,310	1,310	5,310	6,310	1,310	**12,930**	**31,099**
				Revised	1,310	4,710	6,910	1,310	1,310	1,310	1,310	5,310	6,310	1,310	**12,930**	**31,099**
				Rescheduled	500	4,115	7,315	2,310	1,310	1,310	1,310	5,310	6,310	1,310	**11,930**	**31,099**
				Change	*(810)*	*(595)*	*405*	*1,000*	-	-	-	-	-	-	***(1,000)***	-
	2.6 **Conservation attractions**	2034 **Zoo upgrades**	2008522034 **Snow Leopards Habitat**	LTP	1,716	-	-	-	-	-	-	-	-	-	**1,716**	**1,716**
				Revised	3,282	-	-	-	-	-	-	-	-	-	**3,282**	**3,282**
				Rescheduled	2,282	1,000	-	-	-	-	-	-	-	-	**3,282**	**3,282**
				Change	*(1,000)*	*1,000*	-	-	-	-	-	-	-	-	-	-
3 Economic Development	3.1 **City promotions and business support**	2035 **Wellington Venues renewals**	2000712035 **Venues property renewals - General capex**	LTP	1,549	5,839	954	1,160	791	1,111	1,486	1,397	1,515	1,634	**8,342**	**17,437**
				Revised	1,549	5,839	954	1,160	791	1,111	1,486	1,397	1,515	1,634	**8,342**	**17,437**
				Rescheduled	1,849	5,689	804	1,160	791	1,111	1,486	1,397	1,515	1,634	**8,342**	**17,437**
				Change	*300*	*(150)*	*(150)*	-	-	-	-	-	-	-	-	-
		2036 **Venues Upgrades**	2010732036 **Venues Upgrades**	LTP	1,000	2,000	2,000	2,000	15,000	3,000	3,000	3,000	3,000	6,000	**5,000**	**40,000**
				Revised	1,000	2,000	2,000	2,000	15,000	3,000	3,000	3,000	3,000	6,000	**5,000**	**40,000**
				Rescheduled	320	2,000	2,680	2,000	15,000	3,000	3,000	3,000	3,000	6,000	**5,000**	**40,000**
				Change	*(680)*	-	*680*	-	-	-	-	-	-	-	-	***0***
5 Social and Recreation	5.1 **Recreation promotion and support**	2044 **Aquatic Facility renewals**	2000862044 **PSR Aquatic Facility - Renewals (CX)**	LTP	2,066	2,513	1,934	1,925	1,948	1,950	1,930	2,242	2,243	2,243	**6,513**	**20,995**
				Revised	1,896	2,513	1,934	925	1,948	1,950	1,930	2,242	2,243	2,243	**6,343**	**19,824**
				Rescheduled	1,396	3,013	1,934	925	1,948	1,950	1,930	2,242	2,243	2,243	**6,343**	**19,824**
				Change	*(500)*	*500*	-	-	-	-	-	-	-	-	-	-
		2049 **ASB Sports Centre**	2000932049 **PSR ASB Sports Centre - Renewals (CX)**	LTP	442	657	137	664	143	691	142	164	169	174	**1,236**	**3,385**
				Revised	671	657	137	664	143	691	142	164	169	174	**1,465**	**3,614**
				Rescheduled	371	957	137	664	143	691	142	164	169	174	**1,465**	**3,614**
				Change	*(300)*	*300*	-	-	-	-	-	-	-	-	-	-
		2051 **Playgrounds renewals & upgrades**	2000972051 **PSR Playgrounds - Renewals (CX)**	LTP	2,488	2,441	1,692	1,282	1,266	1,336	1,191	1,310	1,314	1,310	**6,621**	**15,628**
				Revised	3,148	2,441	1,692	1,282	1,266	1,336	1,191	1,310	1,314	1,310	**7,281**	**16,288**
				Rescheduled	2,208	2,841	2,232	1,282	1,266	1,336	1,191	1,310	1,314	1,310	**7,281**	**16,288**
				Change	*(940)*	*400*	*540*	-	-	-	-	-	-	-	-	-
		2052 **Evans Bay Marina - Renewals**	2000992052 **PSR Evans Bay Marina - Renewals (CX)**	LTP	531	109	69	120	604	219	224	209	207	619	**708**	**2,910**
				Revised	731	253	214	265	604	219	224	209	207	619	**1,198**	**3,544**
				Rescheduled	381	428	389	265	604	219	224	209	207	619	**1,198**	**3,544**
				Change	*(350)*	*175*	*175*	-	-	-	-	-	-	-	-	***0***
	5.2 **Community support**	2054 **Library Materials Upgrade**	2001012054 **Library Materials Upgrade - Library Collection**	LTP	2,364	2,588	2,717	2,812	2,577	2,364	2,364	2,364	2,364	2,364	**7,669**	**24,878**
				Revised	2,364	2,717	2,845	3,037	2,738	2,364	2,364	2,364	2,364	2,364	**7,926**	**25,523**
				Rescheduled	1,700	2,129	3,233	3,901	2,738	2,364	2,364	2,364	2,364	2,364	**7,062**	**25,523**
				Change	*(664)*	*(588)*	*388*	*864*	*(0)*	-	-	-	-	-	***(864)***	***(0)***
		2058 **Branch Library - Renewals**	2010822058 **Branch Library – Renewals**	LTP	286	379	374	353	355	355	355	346	346	346	**1,039**	**3,495**
				Revised	286	379	374	353	355	355	355	346	346	346	**1,039**	**3,495**
				Rescheduled	186	379	474	353	355	355	355	346	346	346	**1,039**	**3,495**
				Change	*(100)*	-	*100*	-	-	-	-	-	-	-	***(0)***	***(0)***
		2059 **Housing upgrades**	2009212059 **Housing upgrades - Single Capital Works Programme**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Rescheduled	6	-	-	-	-	-	-	-	-	-	**6**	**6**
				Change	*6*	-	-	-	-	-	-	-	-	-	***6***	***6***
			2010232059 **Healthy Homes Standard Programme**	LTP	5,305	5,369	5,369	-	-	-	-	-	-	-	**16,043**	**16,043**
				Revised	5,305	5,369	5,369	-	-	-	-	-	-	-	**16,043**	**16,043**
				Rescheduled	3,183	5,343	5,369	2,148	-	-	-	-	-	-	**13,896**	**16,043**
				Change	*(2,122)*	*(26)*	-	*2,148*	-	-	-	-	-	-	***(2,148)***	-
		2060 **Housing renewals**	2001182060 **Housing renewals - BAU Capex**	LTP	6,574	10,861	7,036	24,115	5,561	8,833	9,692	6,958	23,492	5,807	**24,471**	**108,929**
				Revised	7,512	10,861	7,036	24,115	5,561	8,833	9,692	6,958	23,492	5,807	**25,409**	**109,867**
				Rescheduled	4,507	9,521	8,566	17,284	12,983	7,524	9,348	8,051	16,879	15,203	**22,595**	**109,867**
				Change	*(3,005)*	*(1,340)*	*1,530*	*(6,832)*	*7,422*	*(1,309)*	*(343)*	*1,094*	*(6,614)*	*9,397*	***(2,815)***	-
			2009252060 **Housing renewals - Balconies - GRA**	LTP	63	-	-	-	-	-	-	-	-	-	**63**	**63**
				Revised	2,619	-	-	-	-	-	-	-	-	-	**2,619**	**2,619**
				Rescheduled	-	2,619	-	-	-	-	-	-	-	-	**2,619**	**2,619**
				Change	*(2,619)*	*2,619*	-	-	-	-	-	-	-	-	-	-
			2010242060 **Single Capital Programme**	LTP	2,148	9,416	30,148	30,148	30,148	55,426	55,426	55,426	-	-	**41,711**	**268,285**
				Revised	6,561	9,416	30,148	30,148	30,148	55,426	55,426	55,426	-	-	**46,124**	**272,698**
				Rescheduled	3,936	8,274	21,855	30,148	30,148	45,315	55,426	55,426	22,170	-	**34,065**	**272,698**
				Change	*(2,624)*	*(1,142)*	*(8,293)*	-	-	*(10,111)*	-	-	*22,170*	-	***(12,059)***	***(0)***
		2061 **Community Centres and Halls**	2001322061 **Community Services - Other Renewals**	LTP	1,678	-	-	-	-	-	-	-	-	-	**1,678**	**1,678**
				Revised	1,800	-	-	-	-	-	-	-	-	-	**1,800**	**1,800**
				Rescheduled	400	1,400	-	-	-	-	-	-	-	-	**1,800**	**1,800**
				Change	*(1,400)*	*1,400*	-	-	-	-	-	-	-	-	-	-

Strategy	Activity Grouping		Activity		Project		Ledger	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	3 Year Total	10 Year Total
								$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	5.3	**Public health and safety**	2063	**Public Convenience and pavilions**	2001432063	**PSR Pub & Pav Rnwl NON FM Discret**	LTP	1,107	485	473	483	587	561	571	571	571	571	**2,066**	**5,982**
							Revised	1,352	485	473	483	587	561	571	571	571	571	**2,310**	**6,226**
							Rescheduled	752	1,085	473	483	587	561	571	571	571	571	**2,310**	**6,226**
							Change	*(600)*	*600*	-	-	-	-	-	-	-	-	-	-
					2006342063	**FM Renewals and Discretionary**	LTP	705	333	490	409	745	766	766	767	767	767	**1,527**	**6,514**
							Revised	1,061	333	490	409	745	766	766	767	767	767	**1,883**	**6,870**
							Rescheduled	461	933	490	409	745	766	766	767	767	767	**1,883**	**6,870**
							Change	*(600)*	*600*	-	-	-	-	-	-	-	-	-	-
6	**Urban Development**	6.1	**Urban planning, heritage and public spaces development**	2067	**Wgtn Waterfront Development**	2010472067	**Site 9 Upgrade**	LTP	1,633	744	-	-	-	-	-	-	-	-	**2,377**	**2,377**
								Revised	1,510	744	-	-	-	-	-	-	-	-	**2,254**	**2,254**
								Rescheduled	1,001	1,253	-	-	-	-	-	-	-	-	**2,254**	**2,254**
								Change	*(510)*	*510*	-	-	-	-	-	-	-	-	***0***	***0***
				2068	**Waterfront Renewals**	2010492068	**Sails**	LTP	-	-	500	-	-	-	-	-	-	-	**500**	**500**
								Revised	-	-	500	-	-	-	-	-	-	-	**500**	**500**
								Rescheduled	500	-	-	-	-	-	-	-	-	-	**500**	**500**
								Change	*500*	-	*(500)*	-	-	-	-	-	-	-	-	-
						2010522068	**Shed 5**	LTP	1,500	3,900	-	-	-	-	-	-	-	-	**5,400**	**5,400**
								Revised	1,500	3,900	-	-	-	-	-	-	-	-	**5,400**	**5,400**
								Rescheduled	-	1,500	3,900	-	-	-	-	-	-	-	**5,400**	**5,400**
								Change	*(1,500)*	*(2,400)*	*3,900*	-	-	-	-	-	-	-	-	-
						2010532068	**Shed 1**	LTP	3,500	-	-	-	-	-	-	-	-	-	**3,500**	**3,500**
								Revised	3,500	-	-	-	-	-	-	-	-	-	**3,500**	**3,500**
								Rescheduled	300	3,200	-	-	-	-	-	-	-	-	**3,500**	**3,500**
								Change	*(3,200)*	*3,200*	-	-	-	-	-	-	-	-	-	-
				2070	**Central City Framework**	2001552070	**Laneways**	LTP	-	-	-	150	300	150	300	150	300	150	-	**1,500**
								Revised	3,121	351	-	150	300	150	300	150	300	150	**3,472**	**4,972**
								Rescheduled	3,151	351	-	150	300	150	300	150	300	150	**3,502**	**5,002**
								Change	*30*	-	-	-	-	-	-	-	-	-	***30***	***30***
						2001562070	**Central City Framework - Lombard Lane**	LTP	-	-	-	-	-	-	-	-	-	-	-	-
								Revised	5	-	-	-	-	-	-	-	-	-	**5**	**5**
								Rescheduled	-	-	5	-	-	-	-	-	-	-	**5**	**5**
								Change	*(5)*	-	*5*	-	-	-	-	-	-	-	-	-
						2001572070	**Central City Framework - Cable Car Lane**	LTP	-	-	-	-	-	-	-	-	-	-	-	-
								Revised	(41)	-	-	-	-	-	-	-	-	-	**(41)**	**(41)**
								Rescheduled	14	(0)	(41)	-	-	-	-	-	-	-	**(27)**	**(27)**
								Change	*55*	*(0)*	*(41)*	-	-	-	-	-	-	-	***14***	***14***
						2003332070	**Victoria Street Upgrade**	LTP	-	-	-	-	-	-	-	-	-	-	-	-
								Revised	80	-	-	-	-	-	-	-	-	-	**80**	**80**
								Rescheduled	-	-	80	-	-	-	-	-	-	-	**80**	**80**
								Change	*(80)*	-	*80*	-	-	-	-	-	-	-	-	-
						2003852070	**North Lambton Quay upgrade**	LTP	-	-	-	-	-	-	-	-	-	-	-	-
								Revised	-	200	608	-	-	-	-	-	-	-	**808**	**808**
								Rescheduled	-	-	-	200	608	-	-	-	-	-	-	**808**
								Change	-	*(200)*	*(608)*	*200*	*608*	-	-	-	-	-	***(808)***	-
						2010662070	**Pocket parks - 44 Fedrerick Street**	LTP	-	-	-	760	1,900	1,140	-	-	-	-	-	**3,800**
								Revised	-	-	-	760	1,900	1,140	-	-	-	-	-	**3,800**
								Rescheduled	-	-	-	-	-	760	1,900	1,140	-	-	-	**3,800**
								Change	-	-	-	*(760)*	*(1,900)*	*(380)*	*1,900*	*1,140*	-	-	-	-
						2010852070	**Poneke Promise – Streetscape**	LTP	1,400	700	1,600	-	-	-	-	-	-	-	**3,700**	**3,700**
								Revised	1,400	700	1,600	-	-	-	-	-	-	-	**3,700**	**3,700**
								Rescheduled	750	1,350	1,600	-	-	-	-	-	-	-	**3,700**	**3,700**
								Change	*(650)*	*650*	-	-	-	-	-	-	-	-	-	-
				2073	**Suburban Centres upgrades**	2003152073	**Small Centre Beaufitication**	LTP	2,508	8	8	8	8	8	8	8	8	8	**2,524**	**2,578**
								Revised	2,508	8	8	8	8	8	8	8	8	8	**2,524**	**2,578**
								Rescheduled	653	1,863	8	8	8	8	8	8	8	8	**2,524**	**2,578**
								Change	*(1,855)*	*1,855*	-	-	-	-	-	-	-	-	-	-
				2074	**Minor CBD Enhancements**	2001582074	**Minor CBD Enhancements - Minor CBD Enhancements**	LTP	48	48	48	48	48	48	48	50	50	50	**144**	**485**
								Revised	110	48	48	48	48	48	48	50	50	50	**206**	**547**
								Rescheduled	149	48	48	48	48	48	48	50	50	50	**244**	**585**
								Change	*38*	-	-	-	-	-	-	-	-	-	***38***	***38***
				2136	**Housing Investment Programme**	2009652136	**SHIP – Harrison Street**	LTP	6,763	64	-	-	-	-	-	-	-	-	**6,828**	**6,828**
								Revised	6,763	64	-	-	-	-	-	-	-	-	**6,828**	**6,828**
								Rescheduled	3,865	2,963	-	-	-	-	-	-	-	-	**6,828**	**6,828**
								Change	*(2,898)*	*2,898*	-	-	-	-	-	-	-	-	-	-
						2009662136	**SHIP – Nairn Street**	LTP	63	63	63	63	-	-	-	-	-	-	**190**	**253**
								Revised	1,540	1,587	63	63	-	-	-	-	-	-	**3,190**	**3,253**
								Rescheduled	1,540	1,587	63	63	-	-	-	-	-	-	**3,190**	**3,253**
								Change	*(0)*	-	-	-	-	-	-	-	-	-	***(0)***	***(0)***
						2009852136	**SHIP – Small sites (Land Purchase/Transfer)**	LTP	-	-	-	-	-	-	-	-	-	-	-	-
								Revised	1,154	1,246	-	-	-	-	-	-	-	-	**2,400**	**2,400**
								Rescheduled	1,154	1,246	-	-	-	-	-	-	-	-	**2,400**	**2,400**
								Change	*0*	-	-	-	-	-	-	-	-	-	***0***	***0***
	6.2	**Building and development control**	2076	**Earthquake Risk Mitigation**	2001652076	**EQS - Zoo**	LTP	-	-	-	-	-	-	-	-	-	-	-	-
								Revised	487	-	-	-	-	-	-	-	-	-	**487**	**487**
								Rescheduled	287	200	-	-	-	-	-	-	-	-	**487**	**487**
								Change	*(200)*	*200*	-	-	-	-	-	-	-	-	-	-
						2003202076	**Build Wellington - EQS - Town Hall**	LTP	33,607	29,120	4,247	-	-	-	-	-	-	-	**66,975**	**66,975**
								Revised	33,607	33,758	4,247	-	-	-	-	-	-	-	**71,612**	**71,612**
								Rescheduled	29,151	32,214	10,247	-	-	-	-	-	-	-	**71,612**	**71,612**
								Change	*(4,457)*	*(1,543)*	*6,000*	-	-	-	-	-	-	-	***(0)***	***(0)***
7	**Transport**	7.1	**Transport**	2079	**Chipseal Renewals**	2001782079	**2079 Chipseal Renewals**	LTP	3,648	4,560	5,107	5,618	5,730	5,845	6,429	6,558	6,689	6,823	**13,315**	**57,008**
								Revised	3,648	4,560	5,107	5,618	5,730	5,845	6,429	6,558	6,689	6,823	**13,315**	**57,008**
								Rescheduled	3,000	5,208	5,107	5,618	5,730	5,845	6,429	6,558	6,689	6,823	**13,315**	**57,008**
								Change	*(648)*	*648*	-	-	-	-	-	-	-	-	-	-
				2084	**Service Lane & Road Boundary**	2003422084	**2084 Service Lane & Road Boundary Upgrades**	LTP	1,025	58	58	58	58	58	58	58	58	58	**1,141**	**1,547**
								Revised	1,025	58	58	58	58	58	58	58	58	58	**1,141**	**1,547**
								Rescheduled	30	1,053	58	58	58	58	58	58	58	58	**1,141**	**1,547**
								Change	*(995)*	*995*	-	-	-	-	-	-	-	-	-	-

Strategy	Activity Grouping	Activity	Project	Ledger	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	3 Year Total	10 Year Total
					$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
		2089 **Roading Capacity Upgrades**	2007422089 **2089 Roading Capacity Upgrades**	LTP	25	1,098	550	2,196	2,412	1,837	1,255	1,255	1,255	1,255	**1,673**	**13,137**
				Revised	875	1,098	550	2,196	2,412	1,837	1,255	1,255	1,255	1,255	**2,523**	**13,987**
				Rescheduled	-	1,973	550	2,196	2,412	1,837	1,255	1,255	1,255	1,255	**2,523**	**13,987**
				Change	*(875)*	*875*	-	-	-	-	-	-	-	-	***0***	***0***
		2094 **Cycling Network Renewals**	2006682094 **2094 South Corridor - Berhampore_Newtown**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Rescheduled	7	-	-	-	-	-	-	-	-	-	**7**	**7**
				Change	*7*	-	-	-	-	-	-	-	-	-	***7***	***7***
			2006692094 **2094 East Corridor - Evans Bay**	LTP	10,414	13,049	2,728	-	-	-	-	-	-	-	**26,190**	**26,190**
				Revised	14,094	13,049	2,728	-	-	-	-	-	-	-	**29,870**	**29,870**
				Rescheduled	4,292	6,728	10,000	8,851	-	-	-	-	-	-	**21,019**	**29,870**
				Change	*(9,802)*	*(6,321)*	*7,272*	*8,851*	-	-	-	-	-	-	***(8,851)***	***(0)***
			2006702094 **2094 East Corridor - Cobham Drive**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	1,690	-	-	-	-	-	-	-	-	-	**1,690**	**1,690**
				Rescheduled	1,105	-	-	-	-	-	-	-	-	-	**1,105**	**1,105**
				Change	*(585)*	-	-	-	-	-	-	-	-	-	***(585)***	***(585)***
			2006712094 **2094 East Corridor - Miramar Town Centre**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	1,385	-	-	-	-	-	-	-	-	-	**1,385**	**1,385**
				Rescheduled	1,432	-	-	-	-	-	-	-	-	-	**1,432**	**1,432**
				Change	*47*	-	-	-	-	-	-	-	-	-	***47***	***47***
			2006722094 **2094 East Corridor Miramar Residential**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Rescheduled	(0)	-	-	-	-	-	-	-	-	-	**(0)**	**(0)**
				Change	*(0)*	-	-	-	-	-	-	-	-	-	***(0)***	***(0)***
			2006732094 **2094 East Corridor - Kilbirnie**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	1,168	-	-	-	-	-	-	-	-	-	**1,168**	**1,168**
				Rescheduled	161	1,007	-	-	-	-	-	-	-	-	**1,168**	**1,168**
				Change	*(1,007)*	*1,007*	-	-	-	-	-	-	-	-	**-**	**-**
			2006762094 **2094 Cycleways**	LTP	11,125	18,171	21,955	17,180	17,199	17,216	17,233	13,168	12,510	11,894	**51,251**	**157,652**
				Revised	11,125	18,171	21,955	17,180	17,199	17,216	17,233	13,168	12,510	11,894	**51,251**	**157,652**
				Rescheduled	5,000	15,000	20,000	20,000	17,000	17,000	17,000	17,000	15,000	14,652	**40,000**	**157,652**
				Change	*(6,125)*	*(3,171)*	*(1,955)*	*2,820*	*(199)*	*(216)*	*(233)*	*3,832*	*2,490*	*2,758*	***(11,251)***	***-***
			2008552094 **2094 Island Bay Cycleway 2018 (CC297)**	LTP	5,000	7,000	2,056	-	-	-	-	-	-	-	**14,056**	**14,056**
				Revised	5,500	7,000	2,056	-	-	-	-	-	-	-	**14,557**	**14,557**
				Rescheduled	1,000	1,500	8,000	4,057	-	-	-	-	-	-	**10,500**	**14,557**
				Change	*(4,500)*	*(5,500)*	*5,944*	*4,057*	-	-	-	-	-	-	***(4,057)***	***-***
		2102 **Traffic Signals Renewals**	2002212102 **2102 Traffic Signals Renewals**	LTP	949	950	950	952	952	952	952	952	952	952	**2,849**	**9,510**
				Revised	949	950	950	952	952	952	952	952	952	952	**2,849**	**9,510**
				Rescheduled	850	1,049	950	952	952	952	952	952	952	952	**2,849**	**9,510**
				Change	*(99)*	*99*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
		2103 **Street Lights**	2002282103 **2103 Street Light Renewals**	LTP	643	644	644	724	724	724	724	724	724	724	**1,930**	**6,996**
				Revised	643	644	644	724	724	724	724	724	724	724	**1,930**	**6,996**
				Rescheduled	400	886	644	724	724	724	724	724	724	724	**1,930**	**6,996**
				Change	*(243)*	*243*	-	-	-	-	-	-	-	-	***0***	***0***
			2008262103 **2103 LED Street Light Transition**	LTP	605	605	606	482	482	482	482	482	482	482	**1,815**	**5,192**
				Revised	1,606	1,782	606	482	482	482	482	482	482	482	**3,994**	**7,371**
				Rescheduled	1,000	2,389	606	482	482	482	482	482	482	482	**3,994**	**7,371**
				Change	*(606)*	*606*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
		2104 **Rural Road Upgrades**	2002302104 **2104 Rural Road Upgrades**	LTP	114	114	114	114	114	114	114	114	114	114	**343**	**1,143**
				Revised	388	114	114	114	114	114	114	114	114	114	**617**	**1,417**
				Rescheduled	150	353	114	114	114	114	114	114	114	114	**617**	**1,417**
				Change	*(238)*	*238*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
		2105 **Minor Works Upgrades**	2002312105 **2105 Minor Works Upgrades**	LTP	2,497	3,145	4,661	2,740	2,863	2,863	3,691	3,691	3,691	3,691	**10,303**	**33,535**
				Revised	2,497	3,145	4,661	2,740	2,863	2,863	3,691	3,691	3,691	3,691	**10,303**	**33,535**
				Rescheduled	1,500	4,142	4,661	2,740	2,863	2,863	3,691	3,691	3,691	3,691	**10,303**	**33,535**
				Change	*(997)*	*997*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
		2106 **Fences & Guardrails Renewals**	2002322106 **2106 Fences & Guardrails Renewals**	LTP	738	739	739	733	739	740	740	740	740	740	**2,216**	**7,389**
				Revised	738	739	739	733	739	740	740	740	740	740	**2,216**	**7,389**
				Rescheduled	600	877	739	733	739	740	740	740	740	740	**2,216**	**7,389**
				Change	*(138)*	*138*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
		2141 **LGWM - City Streets**	2010102141 **PT - Bus Priority Early Improvements**	LTP	956	1,808	9,458	42,321	44,129	36,569	-	-	-	-	**12,222**	**135,241**
				Revised	1,975	1,808	9,458	42,321	44,129	36,569	-	-	-	-	**13,241**	**136,260**
				Rescheduled	700	3,083	9,458	42,321	44,129	36,569	-	-	-	-	**13,241**	**136,260**
				Change	*(1,275)*	*1,275*	-	-	-	-	-	-	-	-	**-**	**-**
			2010122141 **Walking - Central Area Walking Early Improvements**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	364	-	-	-	-	-	-	-	-	-	**364**	**364**
				Rescheduled	-	364	-	-	-	-	-	-	-	-	**364**	**364**
				Change	*(364)*	*364*	-	-	-	-	-	-	-	-	**-**	**-**
			2010172141 **Cycling - Central Area Cycling Early Improvements**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	156	-	-	-	-	-	-	-	-	-	**156**	**156**
				Rescheduled	-	156	-	-	-	-	-	-	-	-	**156**	**156**
				Change	*(156)*	*156*	-	-	-	-	-	-	-	-	**-**	**-**
		2142 **LGWM - Early Delivery**	2010142142 **Golden Mile**	LTP	6,141	18,355	22,600	2,110	-	-	-	-	-	-	**47,096**	**49,206**
				Revised	7,916	18,355	22,600	2,110	-	-	-	-	-	-	**48,871**	**50,981**
				Rescheduled	5,100	21,171	22,600	2,110	-	-	-	-	-	-	**48,871**	**50,981**
				Change	*(2,816)*	*2,816*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
			2010152142 **Thorndon Quay and Hutt Road**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	919	-	-	-	-	-	-	-	-	-	**919**	**919**
				Rescheduled	-	919	-	-	-	-	-	-	-	-	**919**	**919**
				Change	*(919)*	*919*	-	-	-	-	-	-	-	-	**-**	**-**
			2010162142 **Central City and SH1 Walking Cycling and Safe Speeds**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
				Revised	2,696	-	-	-	-	-	-	-	-	-	**2,696**	**2,696**
				Rescheduled	-	2,696	-	-	-	-	-	-	-	-	**2,696**	**2,696**
				Change	*(2,696)*	*2,696*	-	-	-	-	-	-	-	-	**-**	**-**

Strategy	Activity Grouping		Activity		Project		Ledger	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	3 Year Total	10 Year Total
								$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	7.2	**Parking**	2108	**Parking Asset renewals**	2002342108	**Parking Meter Renewals**	LTP	1,009	1,080	1,100	500	747	1,347	947	700	900	747	**3,190**	**9,078**
							Revised	2,824	1,080	1,100	500	747	1,347	947	700	900	747	**5,005**	**10,893**
							Rescheduled	1,824	2,080	1,100	500	747	1,347	947	700	900	747	**5,005**	**10,893**
							Change	*(1,000)*	*1,000*	-	-	-	-	-	-	-	-	***0***	***0***
					2008572108	**Parking Sensor and Equipment Renewals**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
							Revised	-	-	-	-	-	-	-	-	-	-	**-**	**-**
							Rescheduled	45	-	-	-	-	-	-	-	-	-	**45**	**45**
							Change	*45*	-	-	-	-	-	-	-	-	-	***45***	***45***
10	**Council**	10.1	**Organisational Projects**	2120	**Commercial Properties renewals**	2002662120	**Commercial property renewals - Te Whaea Roof Works**	LTP	-	-	3,000	-	-	-	-	-	-	-	**3,000**	**3,000**
								Revised	-	-	3,000	-	-	-	-	-	-	-	**3,000**	**3,000**
								Rescheduled	-	3,000	-	-	-	-	-	-	-	-	**3,000**	**3,000**
								Change	-	*3,000*	*(3,000)*	-	-	-	-	-	-	-	-	-
					2002702120	**Commercial property renewals - General capex**	LTP	2,483	1,039	265	550	405	415	424	424	424	424	**3,787**	**6,853**
							Revised	2,483	1,417	265	550	405	415	424	424	424	424	**4,165**	**7,232**
							Rescheduled	983	1,417	265	550	405	415	1,924	424	424	424	**2,665**	**7,232**
							Change	*(1,500)*	-	-	-	-	-	*1,500*	-	-	-	***(1,500)***	***0***
					2007212120	**Commercial Property Renewals – City to Sea Building**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
							Revised	129	-	-	-	-	-	-	-	-	-	**129**	**129**
							Rescheduled	-	129	-	-	-	-	-	-	-	-	**129**	**129**
							Change	*(129)*	*129*	-	-	-	-	-	-	-	-	***0***	***0***
					2010892120	**Te Whaea/Tawhiri Project**	LTP	2,300	2,000	-	-	-	-	-	-	-	-	**4,300**	**4,300**
							Revised	2,300	2,000	-	-	-	-	-	-	-	-	**4,300**	**4,300**
							Rescheduled	1,800	2,500	-	-	-	-	-	-	-	-	**4,300**	**4,300**
							Change	*(500)*	*500*	-	-	-	-	-	-	-	-	-	-
			2121	**Community & Childcare Facility**	2002772121	**Community property renewals - General capex**	LTP	1,267	463	967	202	545	440	450	450	450	450	**2,697**	**5,684**
							Revised	1,592	1,114	967	202	545	440	450	450	450	450	**3,673**	**6,660**
							Rescheduled	792	1,914	967	202	545	440	450	450	450	450	**3,673**	**6,660**
							Change	*(800)*	*800*	-	-	-	-	-	-	-	-	-	-
			2128	**Civic Campus Resilience and Improvem**	2009542128	**Civic Centre – MOB Redevelopment**	LTP	-	-	-	-	-	-	-	-	-	-	**-**	**-**
							Revised	3,043	-	-	-	-	-	-	-	-	-	**3,043**	**3,043**
							Rescheduled	34	3,008	-	-	-	-	-	-	-	-	**3,043**	**3,043**
							Change	*(3,008)*	*3,008*	-	-	-	-	-	-	-	-	-	-
			2133	**Quarry Renewals & Upgrades**	2008462133	**2133 Kiwi Point Quarry Upgrades**	LTP	5,250	5,743	1,243	43	43	43	43	43	43	43	**12,236**	**12,535**
							Revised	5,250	5,743	1,243	43	43	43	43	43	43	43	**12,236**	**12,535**
							Rescheduled	1,000	9,993	1,243	43	43	43	43	43	43	43	**12,236**	**12,535**
							Change	*(4,250)*	*4,250*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
					2008472133	**2133 New Quarry**	LTP	214	214	321	-	-	-	-	-	-	-	**749**	**749**
							Revised	214	214	321	-	-	-	-	-	-	-	**749**	**749**
							Rescheduled	-	428	321	-	-	-	-	-	-	-	**749**	**749**
							Change	*(214)*	*214*	-	-	-	-	-	-	-	-	***(0)***	***(0)***
						TOTAL CHANGE		**(79,626)**	**21,404**	**12,471**	**12,348**	**5,931**	**(12,016)**	**2,823**	**6,065**	**18,047**	**12,155**	**(45,751)**	**(398)**
						% CHANGE		***-19%***	***6%***	***4%***	***3%***	***2%***	***-4%***	***1%***	***3%***	***9%***	***6%***		
						Total Rescheduled Programme		**340,729**	**387,129**	**352,426**	**374,288**	**327,212**	**272,159**	**233,805**	**238,741**	**229,701**	**208,512**	**1,080,284**	**2,964,703**

ACTIONS TRACKING

Kōrero taunaki
Summary of considerations

Purpose

1. This report provides an update on the past actions agreed by the Pūroro Tahua - Finance and Performance Committee at its previous meetings.

Strategic alignment with community wellbeing outcomes and priority areas

Strategic alignment with priority objective areas from Long-term Plan 2021–2031	Aligns with the following strategies and priority areas: ☐ Sustainable, natural eco city ☐ People friendly, compact, safe and accessible capital city ☐ Innovative, inclusive and creative city ☐ Dynamic and sustainable economy ☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	Not applicable.

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga
Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. This report lists the dates of previous committee meetings and the items discussed at those meetings.

3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
   - In progress: Resolutions with this status are currently being implemented.
   - Complete: Clauses which have been completed, either by officers subsequent to the meeting, or by the meeting itself (i.e. by receiving or noting information).

4. All actions will be included in the subsequent monthly updates, but completed actions will only appear once.

Takenga mai
Background

5. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.

6. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The committee could resolve to receive a full update report on an item if it wishes.

Kōrerorero
Discussion

7. Following feedback, the status system has been changed so that resolutions either show as ‘in progress’ or ‘complete’.

8. Of the 30 resolutions of the Pūroro Tahua | Finance and Performance Committee in October 2021:
   - 0 are in progress.
   - 30 are complete.

9. 4 in progress actions were carried forward from the September action tracking report. One is still in progress.

10. Further detail is provided in Attachment One.

Attachments

Attachment 1. Action tracking

Meeting	Item	Clause	Status
Pūroro Tahua | Finance and Performance Committee	4.1: Chaffers Marina Limited Options	**all clauses**	In progress
Pūroro Tahua | Finance and Performance Committee	2.1 Financial Impact of Covid-19 2021/22	3. Agree that officers collate recommendations for Council financial support to Council's commercial leaseholders, license-holders, CCOs and partners to mitigate the impacts of alert level 3 & 4 lockdown on their finances, particularly if they were unable to operate during this.	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 2020/21 Capital Carry-forward Approval	7. Note that a paper is being prepared for Pūroro Waihanga | Infrastructure Committee on the 14th October that will consider the impact of construction sector price pressures and supply chain constraints.	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 2020/21 Capital Carry-forward Approval	8. Request that, following consideration of that information, Officers review the capital programme and report on the timeline for expected delivery, highlighting any anticipated delays, to the Committee with relevant oversight.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	1. Receive the information.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	2. Note that, in accordance with the Finance and Infrastructure Strategy agreed through the LTP, officers have reviewed the Council's portfolio of assets to determine whether they remain fit-for-purpose in light of the Council's strategic priorities and financial objectives.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	3. Note the review has identified the following risks associated with the Council's current portfolio of non-service income generating assets, including: a. The lack of diversification; b. Geographic concentration; c. Exposure to climate change and natural hazards; d. Relatively illiquid nature; and e. Poor alignment in some cases with the Council's strategic objectives.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	4. Note that the Council holds headroom of $272m on the balance sheet to cover uninsured risks and the need for this headroom could be reduced or eliminated through suitably diversified and liquid investments, freeing up funding for other Council priorities.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	10. Note the ground lease portfolio provides a source of long-term, secure, and relatively predictable income and opportunities to influence city-shaping outcomes so is not recommended for divestment at a portfolio level.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	11. Agree to update the approach to ground lease sales to provide greater clarity on the circumstances in which any changes to the ground lease portfolio would be made, in accordance with paragraph 87.	Complete
Pūroro Tahua | Finance and Performance Committee	2.1 Briefing from Wellington International Airport Limited	1. Receive the public briefing from WIAL on: a. An update on current airport expansion plans b. Information regarding transport links c. Seawall renewals d. Sustainability activities and opportunities	Complete

Pūroro Tahua | Finance and Performance Committee	2.1 Briefing from Wellington International Airport Limited	2. Receive the public excluded briefing on WIAL's financial performance over the past year.	Complete
Pūroro Tahua | Finance and Performance Committee	3.1 Report of the Kāwai Māhirahira | Audit and Risk Subcommittee Meeting of 12 October 2021	1. Recommend that the Council confirm the Accounting Policies contained in the draft financial statements (Attachment 2, Public Excluded) for adoption for the financial statements for the year ended 30 June 2021	Complete
Pūroro Tahua | Finance and Performance Committee	3.1 Report of the Kāwai Māhirahira | Audit and Risk Subcommittee Meeting of 12 October 2021	2. Recommend that the Council adopt the draft Financial Statements and Statements of Service Provision for Wellington City Council and Group within the draft Annual Report for the year ended 30 June 2021, subject to the resolution of any matters identified during the meeting and receiving final audit clearance from Audit New Zealand	Complete
Pūroro Tahua | Finance and Performance Committee	3.1 Report of the Kāwai Māhirahira | Audit and Risk Subcommittee Meeting of 12 October 2021	1. Recommend that the Council adopt the Annual Report for Wellington City Council and Group for the year ended 30 June 2021 (Attachment 1 and 2, Public Excluded).	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 Development contributions policy review	1. Receive the information	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 Development contributions policy review	2) Agree to public consultation on the proposed amended Development Contributions Policy using the attached: a. Statement of Proposal (Attachment 1), b. Draft proposed amended Development Contributions Policy (Attachment 2), and c. policy maps (Attachments 3 and 4)	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 Development contributions policy review	3) Note that the policy review is required under the Local Government Act 2002 [section 106(3) refers] and must use consultation processes in the Local Government Act 2002 section 82.	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 Development contributions policy review	4) Agree to delegate to the Chair of the Committee and the Chief Executive to sign off on any amendments discussed and agreed at Committee and identified in further editorial and quality review before documents are published for consultation.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	1. Receive the information.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	2. Note that, in accordance with the Finance and Infrastructure Strategy agreed through the LTP, officers have reviewed the Council's portfolio of assets to determine whether they remain fit-for-purpose in light of the Council's strategic priorities and financial objectives.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	3.Note the review has identified the following risks associated with the Council's current portfolio of non-service income generating assets, including: a. The lack of diversification; b. Geographic concentration; c. Exposure to climate change and natural hazards; d. Relatively illiquid nature; and e. Poor alignment in some cases with the Council's strategic objectives.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	4. Note that the Council holds headroom of $272m on the balance sheet to cover uninsured risks and the need for this headroom could be reduced or eliminated through suitably diversified and liquid investments, freeing up funding for other Council priorities.	Complete

Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	10. Note the ground lease portfolio provides a source of long-term, secure, and relatively predictable income and opportunities to influence city-shaping outcomes so is not recommended for divestment at a portfolio level.	Complete
Pūroro Tahua | Finance and Performance Committee	4.1 Balance Sheet Review - Investments	11. Agree to update the approach to ground lease sales to provide greater clarity on the circumstances in which any changes to the ground lease portfolio would be made, in accordance with paragraph 87.	Complete
Pūroro Tahua | Finance and Performance Committee	2.1 Briefing from Wellington International Airport Limited	1. Receive the public briefing from WIAL on: a. An update on current airport expansion plans b. Information regarding transport links c. Seawall renewals d. Sustainability activities and opportunities	Complete
Pūroro Tahua | Finance and Performance Committee	2.1 Briefing from Wellington International Airport Limited	2. Receive the public excluded briefing on WIAL's financial performance over the past year.	Complete
Pūroro Tahua | Finance and Performance Committee	3.1 Report of the Kāwai Māhirahira | Audit and Risk Subcommittee Meeting of 12 October 2021	1. Recommend that the Council confirm the Accounting Policies contained in the draft financial statements (Attachment 2, Public Excluded) for adoption for the financial statements for the year ended 30 June 2021.	Complete
Pūroro Tahua | Finance and Performance Committee	3.1 Report of the Kāwai Māhirahira | Audit and Risk Subcommittee Meeting of 12 October 2021	2. Recommend that the Council adopt the draft Financial Statements and Statements of Service Provision for Wellington City Council and Group within the draft Annual Report for the year ended 30 June 2021, subject to the resolution of any matters identified during the meeting and receiving final audit clearance from Audit New Zealand.	Complete
Pūroro Tahua | Finance and Performance Committee	3.1 Report of the Kāwai Māhirahira | Audit and Risk Subcommittee Meeting of 12 October 2021	3. Recommend that the Council adopt the Annual Report for Wellington City Council and Group for the year ended 30 June 2021 (Attachment 1 and 2, Public Excluded).	Complete
Pūroro Tahua | Finance and Performance Committee	2.2 Development contributions policy review	1. Receive the information	Complete
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Pūroro Tahua | Finance and Performance Committee	2.2 Development contributions policy review	4. Agree to delegate to the Chair of the Committee and the Chief Executive to sign off on any amendments discussed and agreed at Committee and identified in further editorial and quality review before documents are published for consultation.	Complete

FORWARD PROGRAMME

Kōrero taunaki

Summary of considerations

Purpose

1. This report provides the Forward Programme for the Pūroro Tahua | Finance and Performance Committee for the next two months.

Strategic alignment with community wellbeing outcomes and priority areas

	Aligns with the following strategies and priority areas: ☐ Sustainable, natural eco city ☐ People friendly, compact, safe and accessible capital city ☐ Innovative, inclusive and creative city ☐ Dynamic and sustainable economy
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	☐ Functioning, resilient and reliable three waters infrastructure ☐ Affordable, resilient and safe place to live ☐ Safe, resilient and reliable core transport infrastructure network ☐ Fit-for-purpose community, creative and cultural spaces ☐ Accelerating zero-carbon and waste-free transition ☐ Strong partnerships with mana whenua
Relevant Previous decisions	Not applicable.

Financial considerations

☒ Nil	☐ Budgetary provision in Annual Plan / Long-term Plan	☐ Unbudgeted $X

Risk

☒ Low	☐ Medium	☐ High	☐ Extreme

Author	Hedi Mueller, Senior Democracy Advisor
Authoriser	Sara Hay, Chief Financial Officer

Taunakitanga

Officers' Recommendations

Officers recommend the following motion

That the Pūroro Tahua | Finance and Performance Committee:

1. Receive the information.

Whakarāpopoto

Executive Summary

2. The Forward Programme sets out the reports planned for Pūroro Tahua 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.

Kōrerorero

Discussion

4. Thursday 17 February 2022
    - Procurement Strategy Update (Chief Financial Officer)
    - Development Contributions Policy Approval (Chief Strategy and Governance Officer)
5. Thursday 17 March 2022:
    - Council-controlled Organisations Quarter 2 Report (Chief Strategy and Governance Officer)
    - Quarteryly Performance Report Q2 2021/22 (Chief Strategy and Governance Officer)

Attachments

Nil