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**ORDINARY MEETING**

**OF**

**COUNCIL CONTROLLED ORGANISATIONS SUBCOMMITTEE**

**SUPPLEMENTARY AGENDA**

**Time:** 1.30pm  
**Date:** Wednesday, 30 May 2018  
**Venue:** Committee Room 1  
Ground Floor, Council Offices  
101 Wakefield Street  
Wellington

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## 2. General Business

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### WREDA'S FINAL STATEMENT OF INTENT 2018-21

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#### Attachments

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**WELLINGTON REGIONAL ECONOMIC  
DEVELOPMENT AGENCY**

# **STATEMENT OF INTENT 2018 - 2021**

WREDA STATEMENT OF INTENT 2018-21

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WREDA STATEMENT OF INTENT 2018-21

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## Foreword

This Statement of Intent (SOI) sets out the Wellington Regional Economic Development Agency's strategic framework, activities and performance measures for the next three years.

Through the Letter of Expectation, the Wellington Regional Strategy Committee has articulated an expectation that WREDA will use its resources to support, facilitate and contribute to the growth in Wellington's economic performance that is aspired to by the communities that make up this region. WREDA's specific activities towards this aim are detailed in this SOI.

WREDA's commitment is to advance the prosperity, vibrancy and liveability of the Wellington region through a programme of work that is based on promoting and substantiating the unique character of our city-region, supporting existing and new businesses to thrive, and driving projects which lead to enhanced economic growth. Our vision is for Wellington to be the most prosperous, liveable and vibrant region in Australasia by 2025.

Over the next three years WREDA will work closely with its shareholders, other territorial authorities, agencies of central government and the private sector to build a Wellington which is more famous, has more for people to enjoy, and in which business is enabled to grow on a stronger platform that is injected with innovation and inspiration.

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Peter Biggs  
Chair

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## **1. Purpose of the SOI**

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI) publicly states the activities and intentions of the Wellington Regional Economic Development Agency (WREDA) for the next three years, and the objectives to which those activities will contribute. It is written in response to the Wellington Regional Strategy (WRS) Committee's December 2017 Letter of Expectation (refer to Appendix).

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## 2. About WREDA

### 2.1 Who we are

WREDA is the Wellington region's Economic Development Agency. It is owned by Wellington City Council (WCC) and Greater Wellington Regional Council (GWRC), on behalf of the region. Funding for WREDA activities comes from these two councils, central government, other local and central government agencies and the private sector.

### 2.2 WREDA's purpose and aim

WREDA is the region's marketing and destination story telling engine promoting Wellington as the most liveable and vibrant region in Australasia, and establishing a platform for the regions businesses to prosper.

Our aim is to tell and substantiate the Wellington story in a compelling and distinctive way, providing the unifying narrative for the region and a context for all other activity directed towards our ultimate outcomes of vibrancy, liveability and prosperity. We express this in our purpose of making the Wellington region wildly famous.

We will be New Zealand's best destination marketer, facilitator of a stronger regional economy, accelerator of business start-ups and growth, builder of cross sector support for workforce development, venues manager and curator of a vibrant events programme.

To achieve this aim we will work closely with key partners including councils, government agencies, individual businesses and business organisations, institutions and venue service providers, and ensure that they too understand and support that story.

WREDA works in a collaborative, focussed, innovative, action-oriented, engaging and bold manner. WREDA empowers our people to make good decisions.

### 2.3 What we do

WREDA's work in 2018-19 will focus on delivering upon a strong and consistent Wellington story, and on specific interventions or actions that can make a significant difference to the Wellington regional economy and are appropriate for a Council Controlled Organisation.

Much of WREDA's work revolves around promoting and marketing Wellington as a destination (for tourists, migrants, students, businesses, and investors) and establishing an environment where all businesses have the opportunity to flourish and innovate. WREDA recognises that there are business sectors for which Wellington has, or is becoming, famous. WREDA will prioritise these sectors in driving our economy and the interest that they create in positioning Wellington as a region that is more desirable than any other.



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The environment we create is made vibrant through our delivery of a number of programmes. These include management of key venues in Wellington city and the attraction of significant international and domestic business and consumer events. We are also involved in the delivery of key programmes in areas like international student attraction and facilitating film production. WREDA considers whether programmes of activity it delivers are appropriate for investment by other private and public organisations and businesses. Where such investment is found it leverages the public investment and creates working partnerships which help WREDA determine the best and most appropriate interventions.

In 2018/2019 WREDA will work with its key stakeholders and partners to expedite the progress of key programmes and projects identified by the Wellington Regional Strategy Committee and its Office from the formation of the Wellington Regional Investment Plan. WREDA will take the lead on projects to which it can offer the appropriate resource and skills, especially where these projects are the identification of how the region can leverage major investment projects to get better commercial returns or to further enhance the vibrancy and liveability of the Wellington region.

To take on this role it is proposed that the way WREDA organises its regional economic growth programmes will change:

- WREDA will leverage Creative HQ's proven experience to accelerate the growth and expansion of innovative new businesses, especially in the tech sector
- The business growth resources of WREDA will be focused on delivering specific programmes that contribute in a tangible way to the growth of the regional economy.
- Similarly, to establish working groups with employers and education institutions WREDA will employ a project management approach to establish a results led culture that enables decision making to drive capability in workforce development.

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### 3. Vision for Wellington

Consistent with the Wellington Regional Strategy, WREDA's vision for Wellington is:

**To be the most prosperous, liveable  
and vibrant region in Australasia by 2025**

The vision is deliberately bold. It demands that Wellington exceed expectations, compete in a global context, and become internationally recognised as a leading city-region.

We see Wellington as 'the place of the possible', a destination of choice to visit, study, work, live, invest and succeed.

We will know Wellington has achieved this vision when it:

- Enjoys constant recognition by people in other places as one of the best city-regions in the world to visit, live, learn and do business
- Is growing sustainably;
- Has an outstanding events programme befitting New Zealand's most vibrant city region;
- Is exceptionally connected, both internally and globally;
- Is an acclaimed hub of creativity culture and technology.

In conjunction with the activities of other local and central government agencies, and the private sector, delivering on the activities noted in this Statement of Intent will support progress towards the vision of being the most prosperous, vibrant and liveable region in Australasia.

To achieve this vision not only does Wellington have to demonstrate these characteristics but its reputation needs to be heard far and wide. WREDA plays the critical role in leading the telling of the Wellington story to the world – in making the Wellington region wildly famous.

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## 4. WREDA's Contribution to the Wellington Regional Strategy

WREDA works towards achieving the goals of the Wellington Regional Strategy (WRS). There are a number of other policies, plans and strategies of local government in the Wellington region with which our work is aligned to further keep the Wellington economy growing.

### **Wellington Regional Strategy and Regional Investment Plan**

This Strategy was developed by the nine local authorities in the region, working in tandem with central government and business, education, research and voluntary sector interests. The Strategy, which was created prior to the formation of WREDA, was most recently refreshed in 2012.

WREDA programmes activate across the six focus areas of the Wellington Regional Strategy:

1. Commercialisation of Innovation
2. Investment mechanisms for Growth
3. Building World Class Infrastructure
4. Attracting Business, Investment and Talent to the region
5. Education and Workforce development to service the regional economy
6. Open for Business

The WRS aims to build a resilient, diverse economy - which retains and creates jobs (especially high-value jobs), supports the growth of high-value companies and improves the region's position in relation to New Zealand's Gross Domestic Product (GDP) and employment. Taking the stories of Wellington and telling them to a global audience through marketing, storytelling and media activity is an important part of this.

At the beginning of 2018 the Wellington Regional Strategy office commenced work on the development of a Wellington Regional Investment Plan, Wairarapa Economic Development Strategy and Maori Economic Development Strategy. WREDA is involved with all of these plans and strategies. It is envisaged that the outcomes from this work may result in new areas of focus for WREDA in terms of activating new agreed programmes of work. It is acknowledged that WREDA will need to manage its resources in such a way that it is able to deliver on these new agreed programmes.

### **Policy Alignment with Wellington City Council**

WREDA also aligns its work with a number of specific policies of Wellington City Council these include its Economic Development Strategy, the Events Policy, the Arts and Culture Strategy and Wellington Towards 2040: Smart Capital.

In particular WREDA activates the policies of Wellington City Council in regards to:

1. Driving the Visitor Economy
2. Developing, growing, attracting and retaining events both in Venues Wellington and across the region
3. Managing several Wellington City Council civic venues and running the major events attraction programme.

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## 5. WREDA's Key Goals

In the latter part of 2017 WREDA categorised its activities as the 'Big 6' so that stakeholders with whom WREDA works were better able to understand its activity relative to that of the previous organisations which were amalgamated under the WREDA banner. All these activities inter-relate and some areas of work such as partnering with Māori and growing the tourism economy cut across all the areas of work defined in the *Big 6*.

The *Big 6* also served the internal purpose of focussing WREDA team members by challenging their activation of work in asking the question of any initiative. The initiatives the WREDA team and partnerships now activate will supercharge Wellington's events, pump NZ's creative heart, accelerate the big projects, talk up tech, sell student city, or ramp up business growth.

The traction that WREDA gained late in 2017 through applying this far more focussed action framework will propel WREDA further forward as it pursues its *Key Goals* in the year ahead. To achieve these goals WREDA will continue to assess its placement of resources and as required move them to deliver increased impact on the economic vitality of the Wellington region.

WREDA has identified the following key goals for the period of this Statement of Intent:

- Promote the region's brand and identity and tell Wellington's stories that will:
  - a. Grow the visitor economy
  - b. Attract and retain business, skill and talent in the region
  - c. Attract an increased number of students to the region
- Grow and expand innovative new businesses, especially in the creative and tech sectors
- Be a partner in the Māori Economy
- Work with others to leverage opportunities from new investment in the region
- Build workforce and employer capability
- Deliver an unrivalled business, consumer and major events programme
- Utilise the management of Wellington City venues to make Wellington more vibrant and deliver an outstanding customer experience.

These key goals inform the development of programmes of activity for WREDA to which the board will attach specific success measures (KPIs) to ensure effective measurement and tracking of delivery. The KPIs are selected to be consistent with improved prosperity, liveability and vibrancy and achievement of these KPI's will demonstrate progress towards the vision. Wider regional economic indicators, which are impacted by a range of factors outside of WREDA's direct control, will also be monitored.

The full performance measurement framework is articulated in the remainder of the SOI.

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## 6. Key Activities and Programmes

The Wellington Regional Strategy Focus Area, Wellington City Council Policy and WREDA Goal Matrix

	Commercialisation of Innovation	Investment Mechanisms for Growth	Building World Class Infrastructure	Attracting Business, Investment and Talent to the Region	Education and Workforce Development to Service the Regional Economy	Driving the Visitor Economy	Develop, Growing, Attracting and Retaining Events both in Venues Wellington and across the region	Open for Business
Promote the regions brand and identity				✓		✓	✓	✓
Grow the Visitor Economy			✓	✓		✓	✓	
Attract and retain business, skill and talent in the region				✓	✓	✓		
Attract an increased number of students to the region				✓	✓	✓	✓	
Grow and expand innovative new businesses especially in the creative and tech sectors	✓	✓		✓	✓	✓	✓	✓
Be a partner in the Māori Economy	✓	✓	✓		✓	✓	✓	✓
Work with others to leverage opportunities from new investment in the region	✓	✓	✓	✓		✓	✓	✓
Build workforce and employer capability		✓		✓	✓	✓	✓	
Deliver an unrivalled business, consumer and major events programme	✓		✓	✓	✓	✓	✓	✓

The vision of being the most prosperous, liveable and vibrant region in Australasia by 2025 is a deliberately bold statement. WREDA will in 2018-19 reconsider the alignment of this vision, the key goals we have set out, the Key Performance Indicators by which our contribution to this vision is measured, and the benchmark indicators that reflect the prosperity of the Wellington region economy. In this consideration WREDA will examine the need to change or introduce new KPI's or benchmark indicators such that the journey travelled towards our goal can be better measured.

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## 7. Programme of Activity Description Table

The following section lists and describes WREDA's programmes of activity. It should be noted that a number of the activities described will be carried out through WREDA's subsidiary, Creative HQ. The Creative HQ board reports to the WREDA board, the WREDA CEO and a representative of the WREDA board are on the Creative HQ board. Creative HQ management works on a daily and collaborative basis with WREDA management.

The activities that are delivered through WREDA's subsidiary Creative HQ are clearly defined in section 7.2 of this document and the outcomes delivered by the activities Creative HQ carry will be measured through our organisational key performance indicators.

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**7.1 Promote the region's brand and identity**

Programme	Description
<i>WREDA as the region's marketing and destination story telling engine - Making the Wellington region wildly famous</i>	
Leverage Digital Platform	Maintain and enhance WellingtonNZ.com and the Venues Wellington website experience to grow Wellington's digital audience and continually provide new content that will provoke digital visitors to visit, study, meet, invest and move to Wellington. Provide website platform for utilisation by other organisations / districts etc. to further leverage the investment made in WellingtonNZ.com
Drive Media Programme	Pro-actively generate media coverage highlighting Wellington's economic success stories and data releases to enhance the reputation of Wellington as a place of innovation, a place to visit, do business and to enjoy life. Deliver a multi-sector media programme that utilises third party writers/journalists/bloggers to showcase and promote Wellington in target geographical locations and business sectors. Continue to work in partnership with central government agencies (Tourism NZ, Immigration NZ, NZTE, ENZ etc.) to drive content to media in wider international markets. Position Wellington as a global leader of GovTech and the place where other jurisdictions come to innovate using Lightning Lab GovTech which provides an experimentation environment for new ideas in public sector administration.
Enable Arts Capitalisation	Through our investments in the events fund, management of the major Venues, and engagement with the Arts and creative sectors we will collaborate to enhance business/producer capability and refocus Wellington's creative brand reputation.
<b>Grow the visitor/tourism economy</b>	
Australasian Visitor / Tourism Marketing Campaigns	Deliver targeted seasonal domestic marketing campaigns in partnership with Wellington commercial partners to increase visitation at quieter times of year, for instance by promoting event programmes. Execute Australia market visitor campaign in air-linked Australian cities with city, air sector and regional partners including Tourism New Zealand, Air New Zealand and Singapore Airlines. Provide marketing support to Major events such as World of Wearable Arts and Visa Wellington On a Plate. Represent Wellington in international visitor markets through participation in Tourism New Zealand-led international trade familiarisation and media programmes.
Long Haul Visitor / Tourism trade marketing activity	Work with tourism industry partners to deliver increased international visitor numbers from target markets across the world through travel-trade programmes in coordination with the activities of Tourism New Zealand. Specifically increase activity in China to increase Wellington's market share of Chinese visitors to New Zealand.
Enable Regional Promotion Through Events	Promote events happening in the city, region and in Venues Wellington to highlight the wealth of different experiences to be had by visitors to and residents in the region. Secure event product that reflects Wellington's creative and arts interest and that leverages the visitation of international artists and talent through supporting media and promotional programmes. Work with visitor attractions, for example Te Papa, to promote visitation at otherwise quieter times of the year.

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	Provide promotional support to conferences happening in Wellington to increase delegate numbers particularly in targeted sectors for growth in Wellington such as the tech sector.
i-SITE Visitor Information Centre	Enhance the visitor experience in Wellington through operation of the Wellington i-SITE Visitor Information Centre. Promote and sell Wellington tourism product and support cruise passenger management. Redevelop the interior of the MFC i-SITE location to integrate regional story telling into the visitor experience
<b>Attract and retain business, skill and talent in the region</b>	
Drive Media Programme	Pro-actively generate media coverage highlighting Wellington's Tech sector success stories to enhance the reputation of Wellington as a place to do business and to enjoy life. This work will maximise the exposure of Wellingtons AR/VR and AI sectors as being world leading. Utilise third party writers/journalists/bloggers to showcase and promote Wellington's Tech sector in target geographical locations and audiences.
Talent Attraction	Responding to the Labour Market plan for the region WREDA will deliver marketing and PR campaigns in key domestic and international markets to attract target-sector, skilled migrant talent to the Wellington region, particularly in the tech, screen and creative sectors. WREDA will partner with the Edmund Hillary Fellowship and Immigration New Zealand to attract Global Investment Visa applicants to locate in the Wellington region.
TechWeek	We will be a Partner City to NZ Tech to drive exposure and interest in tech in Wellington and help position the region as a leading tech centre through continued participation in TechWeek.
<b>Attract increased number of students to the region</b>	
International Education agent partnerships	WREDA will work with international student recruitment agencies, promoting the regions education establishments through events and familiarisations of the region in conjunction with Education New Zealand.
Marketing to prospective students	WREDA's marketing team will work with education providers to position Wellington as the most attractive student region in New Zealand through marketing campaigns.



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**7.2 Grow and expand innovative new businesses especially in the creative and tech sectors**

Programme	Description
<i>Creative HQ leading the way in innovation, start-ups, acceleration and scale-ups.</i>	
Business Start-ups, Incubation and Scale-ups.	<p>Through Creative HQ we will deliver incubation services for start-ups and scale-ups in the Wellington region whilst also establishing Creative HQ's incubation platform ('Scale') as the de-facto standard in New Zealand.</p> <p>Through this activity we will increase the number of ventures utilising the platform in order to move those companies to graduate to investable status. Creative HQ's extensive alumni will be continue to be worked with to promote their growth and development.</p>
	<p>Our Community Engagement initiatives through Creative HQ will focus on building on the strong foundation of community based programmes we have established and developed over the last three years. Key initiatives in this area include:</p> <ul style="list-style-type: none"> <li>• Growing the community platform "Start-up Garage" to 3500+ members</li> <li>• Delivering a hackathon in Wellington that will contribute to the city's positioning of being New Zealand's innovative and creative capital</li> </ul> <p>We will deliver a structured innovation programme for Wellington's creative sector that focuses on helping develop business skills, commercial propositions and value creation for the small to medium sized businesses in this sector</p>
	<p>We will deliver a new digital interface – for businesses, innovators and entrepreneurs in the Wellington Region to be able to access the services that are provided by Creative HQ, the Regional Business Partner Programme and business development professionals across the Wellington region. This will target those business that are looking to grow through innovation, scaling and a broadening of IP.</p>
Business Growth Acceleration	<p>Through Creative HQ we will deliver industry-specific acceleration programmes through our Lightning Lab brand.</p> <p>In particular the focus for FY2018-19 will be on GovTech, FinTech, Food/AgriTech and exponential technologies such as artificial intelligence, mixed realities and autonomous transport.</p> <p>GovTech – public sector innovation through structured programmes and the use of 21<sup>st</sup> century methodologies and technologies – provides Wellington with an excellent opportunity to lead this exciting new industry vertical globally. New Zealand has an excellent international reputation and is seen as progressive, neutral, innovative and stable – for the development of new approaches and government services using new technologies and a focus on human centred design.</p> <p>In addition, Creative HQ will also focus on increasing diversity and inclusiveness in our programmes, delivering wider social impact with the continued roll out of programmes such as Kōkiri – the acceleration programme for Māori entrepreneurs and Venture Up – the youth entrepreneurship acceleration programme.</p>
Emerging industries	<p>Through Creative HQ we will work directly with 'ProjectR' and the AR / VR companies they house to accelerate those companies growth and further generation of start-ups in this sector</p>

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**7.3 Be a partner in the Māori Economy**

Programme	Description
Working in partnership with Māori to maximise the potential of the Māori economy in the Wellington region	
Developing a regional Māori Economic Development strategy with Māori	Work with Māori and others to understand the economic development needs of the Māori economy - In partnership with Ara Tahi, GWRC and others work towards the development and implementation of a regional Māori Economic Development strategy. This will include gaining a full understanding of the regional Māori economy, identifying resource and capability needs and developing action plans to support the growth of the Māori economy of the region.
Creating commercial opportunity through the development of Māori tourism opportunity	Work with Tangata Whenua to support their telling of the stories of the Wellington region through both established and nascent tourism ventures. Provide support for Māori tourism businesses from market intelligence and start-up advice.
Maximising the business and cultural opportunity provided through events	WREDA, in partnership with Mana Whenua and Māori business, will leverage Te Matatini 2019 to maximise economic opportunities for Wellington and showcase Wellington's Māori identity. Activity will celebrate and showcase Māori culture and innovation and provide a vehicle to leverage Māori business and investment opportunities.

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**7.4 Work with others to leverage opportunities from new investment in the region**

Programme	Description
<i>WREDA working with key stakeholder groups to enable an improved platform for economic growth in the Wellington region.</i>	
Local / Central Government engagement	WREDA will as appropriate work with the Wellington Regional Strategy Office to identify the ways in which the region can access the new Provincial Growth Fund for projects which will boost the Wellington region economy. WREDA will work with local authorities and the Regional Council as appropriate to identify the projects which meet the necessary criteria.
Incentives for commercial investment	WREDA will deliver a report to examine the role of local government incentive schemes and their place and success or otherwise in growing business investment in other jurisdictions similar to the Wellington region
Policy Advocacy	By forming coalitions of interest and employing compelling arguments, we will influence central government policy formation through working with other regions and representative groups for the betterment of Wellington in areas that directly affect the programmes of activity we work on.
Screen Wellington	Work with the NZ Film Commission and other regional film offices around New Zealand to bring forward the decisions made to shoot films in Wellington, facilitated by film permitting services of Screen Wellington. Be the on-the-ground support for those looking to choose to make films in the Wellington region. We will work with the screen sector to identify their infrastructure needs in the region.
Trails framework	Deliver the implementation programme of the Wellington Regional Trails Framework
Student experience	The tertiary education institutions in Wellington invest significantly in improving the student experience of Wellington. WREDA will work with these organisations to support initiatives of theirs.
<b>WREDA working with the Wellington Regional Investment Plan to leverage other public investment projects</b>	
Partnering the Wellington Regional Investment Plan	<p>WREDA will be a partner to the Wellington Regional Strategy Office and the Councils of the region in the establishment of the Wellington Regional Investment Plan (WRIP). WREDA will work with other participants to identify programmes that it can lead that will derive benefit to both the region as a whole and individual communities within the region. Frequently these programmes are likely to involve investigating and reporting to the effected parties about the opportunities that new major investment in projects identified by the WRIP could lead to, and then securing public/private sector funding to deliver such opportunities as appropriate.</p> <p>WREDA's role as facilitator and advocate means that is unlikely to be the lead in major capital projects but can play an important role in advocacy by telling the story of the opportunities that will assist in accelerating major projects including roading and rail, port redevelopment, airport extension and resultant land use opportunities.</p> <p>The leveraging programmes we work on may be considered to work under the thematic sub-heading "Economic Development" identified by the WRIP – making the most of comparative advantage, new opportunities opened up by improved transport connectivity, and leveraging place-making initiatives for the region.</p> <p>There are a number of regional development initiative programmes of activity that WREDA is already involved in that may be considered for work in this stream. These include:</p> <ul style="list-style-type: none"> <li>· Establishing a region-wide understanding of the audiences that will use sport /</li> </ul>

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	<p>performance / entertainment facilities in the future to support investment making decisions.</p> <ul style="list-style-type: none"> <li>· Utilize the Technology Valley initiative to prompt increased direct correlation between the domiciling of CRI's such as ESR and Callaghan in the Wellington region and the development of the sub-sectors and disciplines they represent such as the commercialization of Artificial Intelligence concepts. Leverage Creative HQ's operation of 1<sup>st</sup> Assembly as a springboard to building networks which support the Tech Valley concept</li> <li>· Establish the relationships and process for delivering on the business case to establish a high performance sports campus and other complementary activities on the former site of CIT</li> <li>· Support the consenting process for the Porirua Adventure Park. Upon consent, work with the investor and Porirua to develop promotional plans. Explore how the Adventure Park can be a catalyst for other initiatives made possible by Porirua's improved connectivity provided by the Wellington Northern Gateway motorway development</li> <li>· Establish what type of inward investment might be attracted through commercial development that leverages accessibility provided by the new Wellington Northern Gateway Motorway.</li> <li>· Detail what type of new business opportunities and investment can be attracted by the delivery of an improved rail link between the Wellington urban region and Wairarapa.</li> <li>· Provide expertise to individual territorial authorities to assist them in designing their own visitor promotion, tourism product and tourism infrastructure needs. This work will inform WREDA's wider regional marketing activities.</li> </ul>
<p>Visitor Infrastructure</p>	<p>Work in partnership with stakeholders and investors in the forwarding of planning for and delivery of a variety of major visitor / venue infrastructure projects:</p> <ul style="list-style-type: none"> <li>· Convention Centre and Movie Museum – develop internal planning of Convention Centre ready for build.</li> <li>· Entertainment Arena – Continue investigation into business case for development with consideration of future demands for entertainment venues across the region</li> <li>· Civic Music Hub and Wellington Town Hall auditorium – continued work with investment partners on the reopening, management and promotion of the Town Hall auditorium for events.</li> <li>· Hotel development in Wellington and sub-regional centres</li> </ul>

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**7.5 Build workforce and employer capability**

Programme	Description
<i>Bringing individual and business learning and working together to create opportunity for residents of the region</i>	
Regional Business Partner Programme	<p>Deliver the third year of the contract with NZTE and Callaghan Innovation to provide business support, innovation vouchers and growth vouchers for over 400 businesses across the region.</p> <p>WREDA will use the delivery of the RBP programme alongside its activity in Creative HQ to maintain a network of entrepreneurs that can be used as:</p> <ul style="list-style-type: none"> <li>• A reference point for business sector health across the region</li> <li>• A bank of case studies for promotion of region and sector beyond Wellington</li> <li>• A channel for engaging in local economy issues in different communities</li> <li>• A reference point for the requirements of workforce development across sectors and parts of the region</li> </ul> <p>The current contract for provision of the RBP programme finishes June 2019. WREDA will negotiate with NZTE and Callaghan Innovation about the future requirements for such schemes in our region.</p>
Co-worker space in sub-regional centres	Establish the business case for, and work with the sub regional business districts and specific industry sectors as appropriate to provide co-worker spaces in such locations and the delivery of activations that will enhance small-medium enterprise business growth.
<b>Employment Pathways</b>	
Regional Young Enterprise Scheme support	WREDA will support and fund the delivery of the Young Enterprise Scheme across the region. WREDA will look to opportunities to support the entrepreneurship of college students who focus their initiatives on solutions that reflect the important sectors in our region's economy. These might include supporting science, technology, engineering, and math (STEM) enterprise projects or creating a mentorship program for high school students to promote enterprise in the creative and visitor economies.
Internship programmes	To provide employment pathways for students we will continue to work with Summer of Tech as a partner and establish a mechanism to grow the number of interns across the region significantly from its current base of c. 200 pa. This will include development of a scholarship programme that looks to provide Māori students from the Wellington region with the opportunity to pursue careers in the Tech sector
Career Resource Centre	Working with employers and the education sector, build – using the WellingtonNZ platform – an online Career Resource solution for Wellington region residents that provides information about: <ul style="list-style-type: none"> <li>• Academic opportunities</li> <li>• Vocational opportunities</li> <li>• Workplace training</li> <li>• Finding mentors</li> <li>• Connecting businesses to interns</li> <li>• Today's work opportunities</li> </ul>
Labour Market Plan	WREDA will partner with the WRS office to deliver a completed Labour Market Plan for the Wellington region. To do this WREDA will need to work with local businesses, tertiary education organisations and industry training organisations to identify the changing workforce requirements of the region. The author of this report will be the WRS office

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<p>Curriculum development to support the Labour Market Plan</p>	<p>WREDA will partner with local businesses, tertiary education organisations and industry training organisations to stimulate the creation of tailored programmes in the curriculum that prepares students for jobs in high-priority industries including technology, creative and construction sectors. Specifically WREDA will work with Education NZ, the creative sector and tertiary institutions to ensure that Wellington’s reputation as a place to learn is especially applied to the creative sector, especially in relation to the screen sector.</p>
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**7.6 Deliver an unrivalled business, consumer and major events programme**

Programme	Description
<i>Investment in support of events to create vibrancy in Wellington and a liveable city for Wellingtonians. Managing the 'Venues Wellington' portfolio of venues to build business and the arts whilst providing memorable experiences for residents of the region and visitors</i>	
Conduct Major Events Programme	Effectively manage the investment in Wellington's major events programme, including leveraging the investment in events to market and promote Wellington and attract visitors to the region.
Manage Venues	Manage portfolio of Wellington City major venues, maximising utilisation rate, sellable days, client satisfaction, audience numbers and spend-per-attendee. Develop event programme that contributes to talent, business and visitor attraction priorities. Support Wellington arts and cultural organisations through prioritising opportunities for major hirers such as NZSO and World of Wearable Art, and the performance of new New Zealand content through preferential pricing for targeted local organisations.
Alternative Venue opportunities	WREDA will work with building and land owners to consider the provision of alternative venues and use of alternative event locations to help offset the necessary closure of venues for strengthening work.
Leverage Major Events	Leverage investment in major events to develop trade, tourism, education, investment and visitor opportunities using major events both in Wellington and overseas.
Performance Events	Work with promoters to secure new performance event product with a particular emphasis on content that appeals to a student and millennial audience.
Business Events Wellington	Deliver marketing and convention bureau support for the region and commercial partners to increase business event bookings in Wellington, sustaining market share for Wellington through high utilisation of public and private sector venues. Use business events to address seasonality in the visitor economy, and to support growth of Wellington's key sectors. Partner with Tourism New Zealand to attract international events to Wellington. Encourage the utilisation of international business events as a platform for organisations in the region to tell their story from an indigenous culture perspective. Increased partnership with tertiary institutions and academic staff to secure conferences, which will benefit the standings of the universities and academics.
Major Events Portfolio Development	WREDA constantly reviews the Major Events portfolio, and works with the industry to identify and secure new events, and lead the ongoing development of the Major Events portfolio to attract visitors to Wellington and making it a more attractive place to live. The events WREDA seeks to bring to and grow in Wellington are ones that activate the city, bring broader regional opportunities and ones that support the creative and supporting sector.
World of Wearable Arts	Utilise the occasion of WOW's 30th anniversary to partner with WOW and Wellington City Council to bolster activity and experience for audiences and residents this year and in the future.

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WREDA STATEMENT OF INTENT 2018-21

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## 8. Internal Management

### 8.1 Insights and Analysis

WREDA will maintain an in-depth knowledge and understanding of the Wellington economy, how it is evolving and what is driving it which will help it determine which areas of its business to allocate resources. It will provide reports to stakeholders, keeping them informed of trends and how WREDA is responding to them.

### 8.2 Revenue Sources

WREDA receives funding from shareholding councils in the form of operating contributions as well as additional payments for contractual services delivered. It also receives funding from commercial and government partners for a range of activities where the benefits lie jointly across them and the economy as a whole.

As well as reducing the demands on scarce council funds, the latter sources provide valuable sector involvement, partnership and scrutiny. This ensures the work we do is relevant to and supported by identified key sectors.

WREDA's approach to business is founded upon carrying out activities in partnership with others.

Our partners include other parts of local and central government institutions and organisations, individual businesses, business collectives, event owners and event promoters. By working in partnership with others we test the appropriateness of our ideas and leverage the investment being made to grow the economy of the Wellington region.

WREDA secures significant partner funding each year from a variety of business and public sector organisations partners. Their investment in our activities is often monetary but can also be in-kind, or aligned investment. WREDA has now examined all its current streams of work to identify gaps in the co-investment portfolio such that new investing partner opportunities can be identified, sought and secured.

In this way WREDA will be always look to grow its external revenue and look to secure private and other non-local government public investment in its initiatives and activities. The partnership of others not only provides funding to leverage the investment by the local rate payer but also confirms that the activities we carry out are consistent with the expectations of the communities we look to serve. These partnerships will enable us to deliver better outcomes without significantly increasing the rate-funding requirement.

To maintain existing partnership investments and to build new ones, it is critical for WREDA to manage its broad portfolio of partners effectively. WREDA will use planned engagement schedules to ensure that investing partners are kept informed of our activities and that their views and aspirations are able to influence our decision-making processes.



WREDA STATEMENT OF INTENT 2018-21

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WREDA considers the activation of and funding for new programmes by considering what partners will co-invest in our activity and how such programmes leverage our shareholders core funding of the organisation.

### 8.3 Finding Efficiencies

In keeping with best management practice, WREDA continually aims to operate efficiently and effectively.

WREDA has now moved beyond its merger activities and has systems, processes that are organisation wide. In 2017-18 the functions of finance, human resources, health and safety, IT, marketing, digital asset management, sales and partnership development have all been centralised. In 2018-19 we are proposing to look at opportunities for greater sharing of operational functions between Creative HQ and WREDA.

Monetary savings that will be found from these efficiencies, as well as new, will be redeployed within WREDA and allocated to existing or new programmes of activity consistent with our goals of growing Wellington's economy.

Where appropriate WREDA will consider entering into shared service relationships with other organisations such as Councils when such relationships deliver improved efficiency to the activities WREDA undertakes.

### 8.4 Health and Safety

WREDA is very aware of the importance of Health and Safety for its employees, partners, those we host, and venue patrons. As such WREDA will ensure it meets its obligations with respect to New Zealand laws and regulations and will undertake an annual review based on established best practice guidelines. WREDA aims to provide a workplace that not only meets requirements but one that is operating by best practise. We aim to enable employees to thrive through excellence in all areas, including health and safety.

Through our venues management agreement with WCC, WREDA will, along with WCC ensure that Health and Safety requirements are fully considered as part of asset management.

WREDA operates a two level approach to management of Health and Safety in its operation. The Venues Wellington business unit considers its provision of a healthy and safe environment for employees and patrons with its own management and employee committee. The Venues Wellington Health and Safety process and activity progress is independently reviewed by an external professional on an annual basis.

This work is then fed into the senior management consideration of Health and Safety in the workplace which reports through to the WREDA Board. WREDA also maintains a number of key organisation relationships with whom regular two-way meetings are held to learn and share best practise.

WREDA is committed to maintaining a safe and discrimination-free environment that encourages respect for the dignity of each individual. We endeavour to maintain an event environment free

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**WREDA STATEMENT OF INTENT 2018-21**

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from harassment based on gender, race, colour, religion, national origin, ancestry, age, marital status, sexual orientation, pregnancy, physical or mental disability, or citizenship. We will train and develop our team and supply partners to identify and manage any situation to keep our staff and customers safe.

WREDA will report on its Health and Safety in the work place activities in its quarterly reporting process to its shareholders.

**8.5 Human Resources**

Our people are our greatest asset – we say it often and with good reason. It is only with the dedication and determination of our people that we can generate long-term value for our stakeholders and make a positive contribution to the communities that we serve.

At the core of our efforts is a focus on cultivating and sustaining a diverse workforce, which is critical to meeting the unique needs of the diverse projects and communities we operate within.

We will aim to ensure that in every step of our employee's time with us, that we will invest in them and ensure their interests remain focused on the goals we set and that they remain aligned to our wider stakeholders. Our goal is to maximise individual potential, increase our effectiveness, develop and reinforce our culture and expand our people's professional opportunities so that they contribute positively.

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## 9. Performance Measures

WREDA's performance measure framework identifies quantifiable measures of our programmes and activities as well as a number of key indicators that indicate overall regional economic performance (for which WREDA is only a partial contributor). These form the basis of our accountability and will be reported on quarterly.

We acknowledge that currently many of these measures are output rather than outcome focused. We will be initiating a project in 2018 to review these to get a more appropriate balance. As part of this work we also be defining how we can better assess progress towards attainment of our overall vision for the region.

Note that the specific programmes of activity that WREDA will deliver in regards to Partnering the Wellington Regional Investment Plan will be determined on completion of that plan in consultation with the Wellington Regional Strategy office and the territorial authorities of the region. Measurement of the delivery of these activities will be determined with the Wellington Regional Strategy office at such time as they embarked upon.

Key Goals		Measure	2017/18 (forecast)	2018/19	2019/20	2020/21
Promote the region's brand and identity and tell Wellington's stories	Media programmes to boost the reputation of the Wellington region	Lifestyle and visitor attraction content in NZ, Australian media <sup>1</sup>	1250	1250	1250	1250
		Work, do business, invest content in local NZ and Australian media <sup>2</sup>	105	105	105	105
		Unique visitors to WellingtonNZ.com and subsidiary sites <sup>3</sup>	2.5m	2.7m	2.9m	3.0m
Grow the visitor economy	Marketing to the Visitor sector locally and internationally	Weekend hotel guest night occupancy <sup>4</sup>	79%	80%	81%	79% <sup>a</sup>
		Value of investment from International marketing partnership partners <sup>5</sup>	\$300k	\$500k	\$500k	\$500k
		International travel trade interactions <sup>6</sup>	3000	3750 <sup>b</sup>	3750	3750
Attract an increased number of students to the region	Marketing to the Student sector locally and internationally	Audience engagements from marketing and storytelling <sup>8</sup>	138,000	150,000	165,000	180,000
		# of agent interactions <sup>9</sup>	396	450	525	600
Grow and expand innovative new businesses, especially in the creative and tech sectors	Creative HQ leading the way in innovation, start-ups, acceleration and scale-ups.	No. of start-up ventures and early stage businesses on the CHQ Platform <sup>10</sup>	55	70	70	70
		No of acceleration programmes (Lightning Lab and Venture Up) <sup>11</sup>	2	3	4	5

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		No. of members in "Start-up Garage" <sup>12</sup>	3,000	3,500	4,000	5,000
		No. of companies becoming investable <sup>13</sup>	5	5	6	7
		Deliver LL GovTech programme with # of teams / agencies participating <sup>14</sup>	N/a	8	10	12
		Generate income from Creative HQ's innovation services <sup>15</sup>	\$2.4m	\$2.4m	\$2.7m	\$3.2m
Be a partner in the Māori Economy	Establishing a working relationship with Mana Whenua and Māori business in the Wellington region	Mana Whenua satisfaction score with engagement <sup>16</sup>	NA	80%	85%	90%
		Deliver specific initiatives and projects in partnership with Māori business <sup>17</sup>	NA	TBD	TBD	TBD
Facilitate the leveraging of the opportunities from new investment in the region	Screen Wellington	Number of permits for film production issued <sup>18</sup>	450	350 <sup>c</sup>	370	400
		Value of facilitated screen production <sup>19</sup>	\$100m	\$65m	\$70m	\$75m
	Visitor Infrastructure	WREDA will have activated plans in place for the delivery of visitor infrastructure projects reflecting their advancement by investing stakeholders <sup>20</sup>	No	Yes	TBD	TBD
		Working reports of the Trails Framework Specialist will show active plan against every action item <sup>21</sup>	20%	50%	75%	100%
Build workforce and employer capability	Regional Business Partner Programme	Number of actively supported businesses <sup>22</sup>	445	445	445 <sup>d</sup>	445
	Development and delivery of a Labour Market plan for the region	Wellington regional Labour Market Plan completed by WRS office with WREDA support <sup>23</sup>	NA	Yes	NA	NA
		Students supported in youth entrepreneurship programmes <sup>24</sup>	580	505	530	555
		Interns placed in priority sectors <sup>25</sup>	270	275	290	300
Deliver an unrivalled business,	Business Events Wellington and Wellington	ROI via out of Wellington spend <sup>26</sup>	22:1	20:1	20:1	20:1
		Total event	739,000	700,000 <sup>e</sup>	750,000	750,000

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consumer and major events programme	Major Events	attendance <sup>27</sup>				
		Number of international business event bids submitted and/or supported in FY <sup>28</sup>	45	35 <sup>f</sup>	35	35
		Proportion of business events submitted that are successful <sup>29</sup>	60%	60% <sup>f</sup>	60%	60%
		Value of business events (international and domestic) secured in FY <sup>30</sup>	\$25m	\$25m <sup>f</sup>	\$25m	\$25m
Utilise the management of Wellington City venues to make Wellington more vibrant and deliver an outstanding customer experience.	Venues Wellington	Value of expenditure by out of town venue attendees <sup>31</sup>	\$66m	\$58m <sup>g</sup>	\$68m	\$84m
		Establish a model to measure Venues Wellington Customer Satisfaction <sup>32</sup>	NA	Establish baseline	Improvement on baseline	Improvement on previous year
		Advance the Cultural well-being of Wellington – Number of Wellingtonians attending performance events at Venues Wellington <sup>33</sup>	290,720	230,720 <sup>g</sup>	265,465	310,800
		Number of Events: Total <sup>34</sup>	615	440 <sup>g</sup>	570	650
		Performance <sup>35</sup>	323	220 <sup>g</sup>	280	340
		Conference <sup>36</sup>	292	220 <sup>g</sup>	290	310
WREDA in action	Partner / Stakeholder Engagement	Partner/Stakeholder satisfaction score with engagement <sup>37</sup>	75%	80%	85%	90%

**Benchmark Indicators**

Key Goals	Measure	2017/18 (forecast)	2018/19	2019/20	2020/21
Grow the visitor economy	Total commercial guest nights <sup>38</sup>	3.1m	3.25m	3.35m	3.4m
	Visitor spend: Total <sup>39</sup>	\$2560m	\$2640m	\$2730m	\$3005m
	International	\$840m	\$890m	\$950m	\$1005m
	(of which from Australia	\$250m	\$250m	\$260m	\$270m
	(of which from China)	\$55m	\$65m	\$80m	\$90m
	Domestic	\$1720m	\$1750m	\$1780m	\$1810m
Attract and retain business, skill and talent in the region	Australian arrivals via Wellington Airport <sup>40</sup>	155.0K	156.9k	157.0k	157.0k
	Net permanent and long-term arrivals <sup>41</sup>	3,600	3,650	3,700	3,800
Attract an increased number of students to the region	International student enrolments <sup>42</sup>	8,500	8,800 (+3.5%)	9,200 (+4.5%)	10,000 (+8.6%)
	Market share of all students enrolled in tertiary education in New Zealand <sup>43</sup>	6.5%	7%	7%	7.5%
Grow and expand innovative new businesses, especially in the creative and tech sectors	Net growth in the number of businesses in Wellington, with sub sectors as appropriate <sup>44</sup>	55,700	56,500	57,500	58,400

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Growth of the Screen Sector	Total value of screen sector in Wellington <sup>45</sup>	\$650m <sup>h</sup>	\$660m	\$680m	\$690
Build workforce and employer capability	Number of people in the Wellington region engaged in remunerated work <sup>46</sup>	277,966	281,500	285,250	288,950
Deliver an unrivalled business, consumer and major events programme that utilises WREDA's management of Venues Wellington to drive desired outcomes	Economic value of major events invested in. <sup>47</sup>	\$98m	\$83m	\$90m	\$90m
	NZ market share multi-day conferences <sup>48</sup>	20%	19% <sup>f</sup>	18%	15%

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## 10. Constraints, Risk and Mitigation

Like all regions, Wellington faces some constraints to growth. Many of these are infrastructural and shared with other city-regions - including the likes of housing supply and affordability, transport and resiliency. Another important constraint to growth that is shared by many regions is shortage of talent and skills. This impacts across all sectors - from the creative and tech industries through to more traditional sectors like agriculture and construction. Changing policy appetites to migration can have a further impact on this.

Wellington also faces some specific issues that constrain growth – especially as we seek to be both vibrant and liveable, as well as prosperous. Connectedness is a key issue. This is important to all the sectors in the region – be it connectedness within the region, to other parts of the country or internationally. From a Wellington city perspective we currently also have constraints in terms of infrastructure which supports the visitor and events economy – specifically around the venues we have available to support these activities, and accommodation.

WREDA monitors the benchmarks set out in section 9 of this document, the broader New Zealand landscape, and activity by destinations and similar organisation in other parts of the world to assess the appropriateness of its activities and the risks that affect those activities.

Risks and the mitigations to those risks identified by WREDA that might impact on its ability to achieve the KPIs set out in this Statement of Intent are set out in the table below.

Area of Risk	Risk Description	Mitigation
Availability of partner funding	Partner funding is provided to a number of WREDA’s programmes of activities. This funding is dependent upon several factors such as affordability, a return made on the investment made, and alignment of activity with partner goals.	<ul style="list-style-type: none"> <li>• Maintain a regular schedule of meeting with and reporting to commercial partners</li> <li>• Engage partners in planning sessions to ensure programmes meet their expectations</li> <li>• Understand what is happening in the business market of individual partnership groups so that their concerns can be anticipated.</li> </ul>
External impacts on Wellington’s reputation	As the key external marketing and messaging agent for the Wellington region around the globe the impact of natural and man-made circumstances can be significant. WREDA needs appropriate plans to mitigate these impacts in all circumstances.	<ul style="list-style-type: none"> <li>• Focus on telling the Wellington story with facts to support and emphasising its strengths and diversity.</li> <li>• Have a tone of voice in communications that highlights the positives of living in a dynamic environment</li> <li>• Use personal stories of Wellingtonians to bring authenticity to storytelling / messaging</li> <li>• As appropriate activities carried out and storytelling about the region should consider the implications of climate change as an important factor in what the future economy of Wellington will be.</li> </ul>
Rise of competing cities	City-Regions around the world compete with Wellington for visitors, students, migrants, investors. Representing a small and for most part distant city WREDA needs to make sure its interventions are targeted	<ul style="list-style-type: none"> <li>• All activity must fit within parameters of Statement of Intent and Business Plan intention.</li> <li>• Each business unit is responsible for regularly working through its activity programme with sector support to determine priority.</li> </ul>

## WREDA STATEMENT OF INTENT 2018-21

Changing international geo-political climate	Wellington is not isolated from global factors that will affect the prosperity of Wellingtonians. WREDA must be ready to adapt its work to changing circumstances.	<ul style="list-style-type: none"> <li>• WREDA will always use messaging on the constant positives of Wellington relative to other places such as safety, environment and economic/political stability.</li> <li>• If economic factors change, such as exchange rate movements WREDA will consider the impact of such changes on the outcomes of its activities and changes programmes when required.</li> <li>• Where political changes happen elsewhere WREDA will look to maximise the opportunity for Wellington by changing programme activity to increase the awareness of Wellington as a good place to live and invest.</li> </ul>
Imbalanced project delivery focus	WREDA is involved in the development of various infrastructure projects across the region. WREDA needs to ensure that its work outcomes are sufficiently broad based not to depend on individual project outcomes	<ul style="list-style-type: none"> <li>• WREDA employees will keep abreast of major initiatives in the region so that different opportunities are understood and leveraging programmes are considered</li> <li>• WREDA corporate communications will focus on a spread of initiatives boosting the region rather than being focused on individual projects.</li> </ul>
Venue Availability	To allow seismic strengthening at the St James Theatre, the theatre will need to close for 14-15 months from March 2018.	<ul style="list-style-type: none"> <li>• WREDA will work with organisations that utilise the St James theatre to facilitate their relocation of activity to the Opera House and Michael Fowler Centre.</li> <li>• WREDA will work with other Venues in Wellington city and across the region to accommodate increased usage during the period of closure and restricted use of the MFC whilst strengthening works are underway at the Wellington Town Hall.</li> </ul>
Maintaining working relationships across the Wellington region	As an organisation that is invested in and works for the whole Wellington region it is critical that WREDA maintains processes which continually meet the needs of the whole region at a local level	<ul style="list-style-type: none"> <li>• WREDA will work with both its shareholders and the other Councils in a structured manner such that both elected officials and employees of these organisations are well informed of WREDA's programme of activities at all times</li> <li>• WREDA will participate in work groups and meetings across the Wellington region to support economic development activity.</li> <li>• Where appropriate WREDA will provide expertise it houses to support project development by individual councils or groups of councils in the region</li> </ul>
Shrinkage of key sectors	Over time different sectors gather more prominence in their growth within the regional economy. WREDA needs to retain a balanced sectoral portfolio to sustain a mixed economy in the region	<ul style="list-style-type: none"> <li>• WREDA works with the private sector to understand the changing dynamics of sector growth in the Wellington region. Where appropriate WREDA will change, or alter its programmes to reflect the changing needs and opportunities of the region.</li> <li>• WREDA will through its annual Statement of Intent and Business Planning process identify to shareholder's changes in programmes as a result of changing sectoral priorities</li> </ul>



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## Appendices

- 1) Appendix 1 – Letter of Expectations
- 2) Appendix 2 – Governance and Accounting
- 3) Appendix 3 – Notes and Sources of information for KPI and Benchmarking Tables (section 9)

WREDA STATEMENT OF INTENT 2018-21

## Appendix 1 – Letter of Expectations

12 December 2017

Peter Biggs  
Chair  
Wellington Regional Economic Development Agency

Email Peter Biggs [pbiggs@astlintergroup.com](mailto:pbiggs@astlintergroup.com)

Dear Peter

This letter sets out the Wellington Regional Strategy (WRS) Committee's expectations for the Wellington Regional Economic Development Agency and its subsidiary, Creative HQ (WREDA), regarding their Statement of Intent for 2018/19.

The Committee notes that WREDA has recently embarked on a process of bringing a sharper focus to its work with the launch of the WREDA Big 6, namely:

1. Supercharge Wellington's Events
2. Pump NZ's Creative Heart
3. Accelerate the Big Projects
4. Talk up Tech
5. Self Student City
6. Ramp up Business Growth

The Committee agreed at its meeting on 21 November that a seventh priority should be added: The Māori economy. The Committee's view was that the importance of the Māori economy is not adequately represented by treating it as an activity that goes across all of the Big 6, but rather that it needs to be given the emphasis that would be achieved by making it a 'seventh priority'. Members of the Committee referred to other parts of the country where in a post-treaty settlement world the Māori economy has become a powerhouse of growth for the region. We see this seventh priority as placing greater emphasis on the opportunities to work more closely with our *hwi* partners and request that WREDA work with the WRS Office and *Ara Tahī* in the development and ongoing support of a Māori Regional Economic Development plan.

The Committee supports a tighter focus and expects that the Statement of Intent will provide insight into the key actions planned to drive the agreed programme, including the expected outcomes with clear targets and measures.

One of the core functions of WREDA is to drive the visitor economy and it is important that this key role is not relegated behind other areas. The Committee would like to understand the key activities planned to market Wellington, to drive growth in visitation and tell Wellington's stories.

The Committee also requests that further consideration be given to the focus of the WREDA work programme to ensure that it is appropriately lined up with regional priorities. The following areas have been identified as requiring a strong focus over the next few years.

- The Committee agreed that there needs to be a joined up growth plan for the region (ten-year investment plan, with a supporting chronological work programme). The development of this will be led by the Committee, through the WRS Office and working along with WREDA and other stakeholders.

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- The Region is benefitting from a significant programme of investment in infrastructure and this is expected to continue, with planned investments in roading, public transport, housing and other major construction projects. The Committee requests that WREDA consider the constraints to economic growth along with the opportunities to leverage growth off the investment programme and the role that WREDA can play in these areas. For example, the commercial accommodation sector has existing capacity issues at peak periods. This inhibits the region's ability to grow and will be compounded through success in delivering a supercharged events programme, accelerating the big projects, growing business and leveraging our creative edge.
- A core role for WREDA should be in understanding the implications and opportunities for the region around changes in the working environment and the skills and other interventions that may be needed to support the changing nature of the market.
- The Committee would like WREDA to assist the region in partnering with the Government as it rolls out its regional economic development investment fund over the next three years. In particular, it expects WREDA to work with the region (including the Wairarapa) to promote projects that will grow the regional and rural economy and improve the wellbeing of those communities.
- The region has a strong position in the areas of technology and innovation and significant potential to continue to grow. The Committee would like WREDA to consider the opportunities to accelerate and leverage off the activities of Creative HQ and identify whether there are benefits from broadening the scope of its activities.
- In the area of events the Committee would like WREDA to review major events to identify those that need to be renewed and those we need to invest in and grow.

The Statement of Intent should reflect a strong focus on efficiency in delivering activities and the cost of delivery. WREDA is expected to take every opportunity to use shared services available in partnership with Councils to reduce its cost base. The core funding provided by the Councils is seed funding and WREDA is expected to use this funding to partner in delivering activities. The SOI should demonstrate an emphasis on partnerships and partner funding to deliver programmes.

With respect to all of these points and the SOI in general, we expect clear actions and expected outcomes with clear and measurable KPIs. Wherever possible there should be a clear line of sight between WREDA's actions and the outcomes being measured.

The Committee expects WREDA to be able to demonstrate its compliance with the relevant Health and Safety legislation and is expected to meet best practice governance standards.

Yours sincerely



Justin Lester  
Chair  
Wellington Regional Strategy Committee

cc Derek Fry [derek.fry@wellingtonnz.com](mailto:derek.fry@wellingtonnz.com)

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## Appendix 2 - Governance and Accounting

WREDA is a not for profit council controlled organisation as defined by the Local Government Act 2002. WREDA is owned 80% by the Wellington City Council and 20% by the Greater Wellington Regional Council.

### Governance Board

The Board is responsible for the strategic direction of WREDA's activities. The Board guides and monitors the business and affairs of WREDA, in accordance with the Companies Act 1993 and the Local Government Act 2002, the Company's constitutions and this Statement of Intent.

All current Board directors are independent and appointed by our shareholders. The Board will meet on a regular basis. The Board will have 2 sub-committees, Risk and Audit; and People & Culture.

### Dividend policy

It is unlikely that WREDA will deliver a financial dividend to its Shareholders, due to it being deemed a not for profit council controlled organisation.

### Wellington Regional Strategy Committee (WRSC)

The WRSC is made up of ten local body elected members.

The role of the WRSC is to:

- Review the performance of WREDA and the Board, and report to the Shareholders on that performance on a periodic basis,
- Make recommendations to Shareholders as to the appointment, removal and replacement of directors;
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.

The Board aims to ensure that the WRSC and the Shareholders are informed of all major developments affecting WREDA's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public. WREDA will adhere to a 'no surprises' approach in its dealings with its Shareholders and WRSC.

### Reporting

By 1 March in each year WREDA will deliver to the Shareholders its draft **Statement of Intent** for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64 (1) of the Local Government Act 2002.

Having considered any comments from the WRSC received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

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By 31 October and 30 April each year, WREDA will provide to the Shareholders a **quarterly report**. The quarterly report will include WREDA's commentary on operations for the relevant quarter and a comparison of WREDA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.

By the end of February each year, WREDA will provide to the Shareholders a **Half Yearly Report** complying with Section 66 of the Local Government Act 2002.

By the end of September each year, WREDA will provide to the Shareholders an **Annual Report** on the organisations operations during the year. This will include audited financial statements in accordance with generally accepted accounting practices and NZ International Financial Reporting Standards. The Annual report shall also contain an Auditor's report on both those financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

### **Acquisition/Divestment Policy**

Any subscription, purchase of acquisition by WREDA of shares in a company or organisation will require Shareholder approval, other than those shares received in return for providing mentoring services.

### **Commercial value of Shareholder's investment**

WREDA will seek to achieve the outcomes as set by the WRSC and its Shareholders from time to time.

WREDA's share capital is represented by \$1,000 fully paid shares.

Shareholder's funds at 30 June 2017 was \$2.4m, this is considered by the Board to be the current commercial value of WREDA.

### **Accounting Policies**

WREDA has adopted accounting policies that are in accordance with the NZ International Financial Reporting Standards and generally accepted accounting practice. The detailed policies are as disclosed in WREDA's 2016/2017 Annual Report.

## WREDA STATEMENT OF INTENT 2018-21

## Financial Forecasts

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>REVENUE</b>			
Revenue from Shareholders	21,096,675	21,440,702	21,685,561
Other Revenue	8,886,092	9,774,701	10,663,310
<b>TOTAL REVENUE</b>	<b>29,982,767</b>	<b>31,215,403</b>	<b>32,348,871</b>
<b>EXPENDITURE</b>			
Cost of Goods Sold in iSITE	1,600,000	1,760,000	1,936,000
Personnel Costs	12,934,815	13,258,186	13,589,640
Investment in Projects and Events	12,957,889	13,951,161	14,796,780
Other Expenditure	2,440,063	2,196,057	1,976,451
<b>TOTAL EXPENDITURE</b>	<b>29,932,767</b>	<b>31,165,404</b>	<b>32,298,871</b>
<b>SURPLUS</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>STATEMENT OF FINANCIAL POSITION</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>SHAREHOLDER FUNDS</b>	<b>2,064,056</b>	<b>2,114,056</b>	<b>2,164,056</b>
<b>ASSETS</b>			
Current Assets	3,714,056	3,939,056	4,164,056
Investments	1,500,000	1,500,000	1,500,000
Fixed Assets	350,000	375,000	400,000
<b>TOTAL ASSETS</b>	<b>5,564,056</b>	<b>5,814,056</b>	<b>6,064,056</b>
<b>CURRENT LIABILITIES</b>	<b>3,500,000</b>	<b>3,700,000</b>	<b>3,900,000</b>
<b>NET ASSETS</b>	<b>2,064,056</b>	<b>2,114,056</b>	<b>2,164,056</b>

WREDA STATEMENT OF INTENT 2018-21

<b>STATEMENT OF CASHFLOWS</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>OPENING CASH</b>	<b>2,100,000</b>	<b>1,991,260</b>	<b>2,160,359</b>
Operating Cash Receipts	29,982,767	31,215,403	32,348,871
Operating Cash Payments	30,205,607	31,165,404	32,298,871
Other Receipts	114,100	119,100	124,100
Other Payments	0	0	0
<b>NET CASHFLOW</b>	<b>- 108,740</b>	<b>169,100</b>	<b>174,100</b>
<b>CLOSING CASH</b>	<b>1,991,260</b>	<b>2,160,359</b>	<b>2,334,459</b>

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## Appendix 3 – Notes and Sources of information for KPI and Benchmarking Tables (section 9)

### Notes

- <sup>a</sup> Commercial accommodation occupancy growth plateau's with loss of convention business
- <sup>b</sup> Number of interactions grows markedly with commencement of new International Marketing Partnership
- <sup>c</sup> Number of filming permits issues declines with Avatar filming taking up much capability capacity
- <sup>d</sup> RBP contract currently completes June 2019; KPI assumes continuance of programme
- <sup>e</sup> Event numbers decline with no repeat of Lions Test/Tour and festival year off
- <sup>f</sup> As other Convention Centres in Auckland and Christchurch open Wellington's ability to grow in this market is reduced significantly
- <sup>g</sup> The closure of the St James Theatre and the Town Hall works impact on the Michael Fowler Centre reduce number of events and associated impacts
- <sup>h</sup> Screen Sector data for New Zealand lags significantly. The most recent data available is to June 2016.

### Sources

#### Key Performance Indicators

- <sup>1</sup> The number of leisure and lifestyle articles published in Australia and New Zealand as a result of WREDA hosting media files in the Wellington region
- <sup>2</sup> The number of business articles published in Australia and New Zealand as a result of WREDA hosting media files in the Wellington region
- <sup>3</sup> The number of unique visitors to WellingtonNZ.com, VenuesWellington.com, KapiticoastNZ.com, and other subsites to WellingtonNZ.com that may be built during the period of the SOI
- <sup>4</sup> WREDA maintains a monitor of daily hotel occupancy in Wellington, WREDA's domestic tourism marketing activities target increasing weekend visitation. This occupancy measure relates to Friday and Saturday nights throughout the year.
- <sup>5</sup> WREDA partners with a number of visitor sector businesses to increase the level of investment and activity it delivers to increase the number of international visitors to Wellington. This measure is the value of investment from those partners.
- <sup>6</sup> Working through various channels the WREDA tourism team interact with international travel sellers from around the world. This measure is the number of interactions in a year.
- <sup>8</sup> In partnership with Education NZ and local institutions WREDA delivers marketing activities to raise the awareness of Wellington as a destination for students. This measures the digital engagement of those activities with target audiences
- <sup>9</sup> An important factor in attracting international students is increasing the awareness and likelihood to convert amongst education agents. This measure is the number of interactions in a year.



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- <sup>10</sup> The number of Start-Ups and businesses in the Creative HQ incubator
- <sup>11</sup> The number of acceleration programmes delivered by Creative HQ
- <sup>12</sup> The number of individual members in creative HQ's *Start-Up Garage*
- <sup>13</sup> The number of companies becoming investible as a result of participation in the Creative HQ incubator.
- <sup>14</sup> The number of teams participating in *Lightening Lab GovTech* programmes delivered by creative HQ
- <sup>15</sup> The income generated from Creative HQ's innovation services, leveraging the baseline investment.
- <sup>16</sup> WREDA will set a baseline to measure Mana Whenua satisfaction with its activities relating to activities identified in the Māori Economic development plan for the Wellington region
- <sup>17</sup> WREDA through its involvement in establishing a Māori Economic Development plan for the Wellington region will establish actions from that plan which it will report upon.
- <sup>18</sup> The Number of permits for film production issued by WREDA
- <sup>19</sup> The value of the permits for film production issued by WREDA
- <sup>20</sup> As significant visitor sector infrastructure projects progress WREDA will take on specific delivery roles in regards to those projects which it will report upon.
- <sup>21</sup> The delivery of the Wellington Regional Trails Framework notes specific activities for WREDA to deliver over a three year period. This measure confirms the delivery of those actions over the three years
- <sup>22</sup> The number of businesses participating in the Regional Business Partner Programme delivered in the region by WREDA.
- <sup>23</sup> WREDA will participate in and support the completion of the a Labour Market Plan for the region by June 2019
- <sup>24</sup> The number of students participating youth entrepreneurship programmes supported by WREDA activity.
- <sup>25</sup> Interns placed in Wellington businesses as a result of participation in programmes supported by WREDA activity.
- <sup>26</sup> The value of new spend in the region resulting from WREDA's support and facilitation of major events.
- <sup>27</sup> The total attendance at major events supported and facilitated by WREDA.
- <sup>28</sup> WREDA works in partnership with Tourism New Zealand and other parties to bid for international business events to choose Wellington as their host city. This measures the number of bids made through this partnership each year
- <sup>29</sup> The bids made (see 29) are always competing against other global host cities. This is a measures of the success of the bids Wellington makes.
- <sup>30</sup> WREDA also works to attract business events from across New Zealand and Australia. This measures estimates the value of these events
- <sup>31</sup> This is a measure of the new spending that occurs as a result of visitors to the Wellington region attending events in the Venues that WREDA manages.

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<sup>32</sup> WREDA will set a baseline to measure customer satisfactions in regards to their experience at WREDA managed venues.

<sup>33</sup> This is a measure of the number of wellington region residents attending performance events at WREDA managed venues.

<sup>34, 35 & 36</sup> This is the number of events that are hosted in the venues managed by WREDA each year. The type of events is split in 35 and 36 into performance events and business events.

<sup>37</sup> The satisfaction level of the broad range of partners that WREDA works with across the whole spectrum of its activity.

**Benchmark indicators**

<sup>38</sup> Statistics NZ – Commercial Accommodation Monitor

<sup>39</sup> MBIE – Monthly Regional Tourism Estimates

<sup>40</sup> Statistics NZ – International Travel & Migration report

<sup>41</sup> Statistics NZ – International Travel & Migration report

<sup>42</sup> Statistics NZ – Interactive Visa report

<sup>43</sup> Statistics NZ – Interactive Visa report

<sup>44</sup> Statistics NZ – Annual Enterprise Survey

<sup>45</sup> Statistics New Zealand – Screen Sector annual report

<sup>46</sup> Statistics NZ – Workforce Participation rates (NZ)

<sup>47</sup> Survey data to particular events

<sup>48</sup> MBIE – Convention Activity Survey