



**greater WELLINGTON**  
**REGIONAL COUNCIL**  
**Te Pane Matua Taiao**

If calling please ask for: Democratic Services

12 June 2019

## **Wellington Regional Strategy Committee**

Order Paper for meeting to be held in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington on:

**Tuesday, 18 June 2019 at 1.00pm**

### **Membership of Committee**

Mayor Lester (Chair)	Wellington City Council
Councillor Blakeley (Deputy Chair)	Greater Wellington Regional Council
Deputy Mayor Day	Wellington City Council
Councillor Calvert	Wellington City Council
Mayor Guppy	Upper Hutt City Council
Mayor Gurunathan	Kapiti Coast District Council
Councillor Marsh	Wellington City Council
Mayor Patterson	Masterton District Council
Mayor Tana	Porirua City Council
Mayor Wallace	Hutt City Council

***Recommendations in reports are not to be construed as Council policy until adopted by Council***

## Wellington Regional Strategy Committee

Order Paper for meeting to be held on Tuesday, 18 June 2019 in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington at 1.00pm

### Public Business

		<b>Page No</b>
1. Apologies		
2. Conflict of interest declarations		
3. Public participation		
4. <a href="#">Confirmation of the public minutes of 9 April 2019</a>	<b>Report 19.147</b>	<b>3</b>
5. <a href="#">WREDA final statement of intent 2019-2022</a>	<b>Report 19.249</b>	<b>6</b>
6. <a href="#">WREDA 3rd Quarter report 2018-19</a>	<b>Report 19.251</b>	<b>36</b>



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**Please note that these minutes remain unconfirmed until the Wellington Regional Strategy Committee meeting on 18 June 2019**

**Report 19.147**

9/04/2019

File: CCAB-15-309

**Public minutes of the Wellington Regional Strategy Committee meeting held on Tuesday, 9 April 2019, in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington at 1pm.**

**Present**

Mayor Lester (Chair)	(Wellington City Council)
Councillor Blakeley	(Greater Wellington Regional Council)
Councillor Calvert	(Wellington City Council)
Deputy Mayor Day	(Wellington City Council)
Mayor Guppy	(Upper Hutt City Council)
Mayor Gurnathan	(Kapiti Coast District Council)
Councillor Marsh	(Wellington City Council)
Mayor Patterson	(Masterton District Council)
Cr Dame Beverley Wakeham	(Porirua City Council)

**Public Business**

1 Apologies

*Moved*

*(Mayor Lester/ Mayor Guppy)*

*That the Committee accepts the apologies for absence from Mayor Tana and Mayor Wallace.*

The motion was **CARRIED**.

2 **Conflict of interest declarations**

There were no declarations of conflict of interest.

3 **Public Participation**

There was no public participation.

4 **Confirmation of the minutes of 27 November 2018**

*Moved*

*(Mayor Lester/ Mayor Guppy)*

*That the Committee confirms the minutes of the meeting of 27 November 2018, Report 18.565, and the public excluded minutes of the meeting of 27 November 2018, Report PE18.566.*

The motion was **CARRIED**.

The Committee accorded priority to item 7 on the agenda *Review of GWRC's role in regional economic development* to proceed item 5 *WREDA Half Year Report 2018/19*.

5 **Review of GWRC's role in regional economic development**

Luke Troy, General Manager, Strategy, spoke to the report.

**Report 19.129**

File: CCAB-15-306

*Moved*

*(Mayor Lester/ Mayor Guppy)*

*That the Committee:*

- 1. Receives the report.*
- 2. Notes the content of the report.*

The motion was **CARRIED**.

**Noted:** The Committee requested that it be briefed on the consultant appointed to undertake the work on the review.

6 **WREDA Half Year Report 2018/19**

Lance Walker, WREDA Chief Executive, and Tracey Bridges, WREDA Chair, spoke to the report.

**Report 19.124**

File: CCAB-15-301

*Moved*

*(Mayor Lester/ Councillor Blakeley)*

*That the Committee:*

- 1. Receives the report.*
- 2. Notes the content of the report.*

The motion was **CARRIED**.

7 **WREDA draft Statement of Intent 2019-22**

**Report 19.124**

File: CCAB-15-301

*Moved*

*(Mayor Lester/ Councillor Blakeley)*

*That the Committee:*

- 1. Receives the report.*
- 2. Notes the content of the report.*

The motion was **CARRIED**.

The meeting closed at 1:55pm.

Mayor Lester  
(Chair)

Date:



**Report** 19.249  
**Date** 10 June 2019  
**File** CCAB-15-312

**Committee** Wellington Regional Strategy Committee  
**Authors** Samantha Seath, WRS Office  
Barry Turfrey, WCC

## WREDA Final Statement of Intent 2019-22

### 1. Purpose

To consider the Wellington Regional Economic Development Agency's (WREDA) Final Statement of Intent (SOI) for 2019-2022.

### 2. Background

Under the Local Government Act 2002, council controlled organisations are required to submit a draft SOI to the shareholders on or by 1 March. As a matter of good practice, the Wellington Regional Strategy Committee (the Committee) precedes this with a Letter of Expectation which outlines any matters to be considered in respect of the draft SOI.

Following the Committee's review of the draft SOI, WREDA must produce their final SOI by 30 June 2019.

### 3. Comment

The Committee considered the draft Statement of Intent at their meeting on 9 April 2019.

### 4. Discussion

Officers have reviewed WREDA's final SOI and consider they have addressed the matters raised by the Committee at their meeting. The final SOI is included as **Attachment 1**.

The major item noted was to include a comment on global megatrends, this has been done.

As noted in their draft SOI, WREDA proposed to change a few of their key performance indicators (KPI) to improve the line of sight between their actions and the outcomes being measured. Some of these measures are still being developed and for those KPIs there are currently no targets in the final SOI. Officers will work with WREDA over the coming months to ensure that the measures and associated targets are appropriate.



## 5. Communication

No communication is required.

## 6. Consideration of climate change

The matters requiring decision in this report are of a procedural nature and do not require consideration of climate change.

## 7. The decision-making process and significance

Officers recognise that the matters referenced in this report may have a high degree of importance to affected or interested parties.

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

### 7.1 Significance of the decision

Part 6 requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance and engagement policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

### 7.2 Engagement

In accordance with the significance and engagement policy, no engagement on the matters for decision is required.

## 8. Recommendations

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*
3. *Notes that WREDA has constructively addressed the requested changes to their final Statement of Intent.*
4. *Receives WREDA's final Statement of Intent*



Report prepared by:

**Barry Turfrey**  
Wellington City Council

Report prepared by:

**Samantha Seath**  
Wellington Regional  
Strategy Office

Report approved by:

**Luke Troy**  
General Manager, Strategy

**Attachment 1:** [WREDA's final Statement of Intent 2019-22](#)



**WELLINGTON REGIONAL ECONOMIC  
DEVELOPMENT AGENCY LIMITED**

**STATEMENT OF INTENT  
2019-2022**

**FINAL V6**



WREDA STATEMENT OF INTENT 2019-2020

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## Mihi

**E tu noa ana ngā maunga whakahi i te rohe whānui o Te Upoko o te Ika a Maui. Mihi atu ana ki ngā iwi, ngā manawhenua o Te Whanganui a Tara, o Te Awakairangi, o Wairarapa, o Kāpiti, o Porirua hoki.**

**Ngā mihi hoki ki ngā iti, ki ngā rahi e noho ana i ngā takiwā nei. Koutou hoki ngā taurahere me te hunga o te Moana Nui a Kiwa.**

**Rātou te hunga mate, kua poto ki tua o te ārai, e moe, okioki e.**

**Te hunga ora e kawē ana ngā ahi kā, me te kaupapa toi, te auaha pai me te whai rawa o Te Upoko o te Ika, tēnā koutou katoa.**

*The many mountains of Te Upoko o te Ika a Maui (from Head of the Fish of Maui) stand proud. We acknowledge the mana whenua people of the region, of Wellington, Hutt Valley, Wairarapa, Kāpiti and Porirua. We acknowledge all peoples and the many communities of the Pacific Islands.*

*To those that have passed - we acknowledge you in your eternal rest.*

*To those who maintain the fires of residence, the pursuit of innovation and creativity here in the wider Wellington region, we acknowledge you too.*

## WREDA STATEMENT OF INTENT 2019-2020

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# Introduction

*In accordance with the Local Government Act 2002, this Statement of Intent (SOI) states the planned activities, intentions and performance measures for the Wellington Regional Economic Development Agency (WREDA) for the next three years. It is written in response to the Wellington Regional Strategy (WRS) Committee's December 2018 Letter of Expectation and covers both WREDA and its subsidiary CreativeHQ.*

This is an exciting time for the Wellington region.

We are home to over half a million people and are experiencing population and economic growth which is forecast to continue. We have New Zealand's second highest regional GDP and the highest proportion of people employed in creative and knowledge intensive industries. In the past year, Wellington city was named the most liveable in the world for the second year running by Deutsche Bank, and New Zealand's best destination by Lonely Planet. And now, through planned investment in infrastructure, housing, civic assets and transport, we are on the verge of new growth opportunities. We are diverse, we are creative, we are generous and openhearted, adventurous and innovative.

At WREDA our purpose is to make the Wellington region wildly famous – and we have plenty of things that we are rightly and proudly famous for. But we are also competing with every other region; not only in this part of the world, but globally. Telling our distinct and compelling story is therefore of ever growing importance. We are competing for the hearts and minds of visitors, event planners, students, businesses, entrepreneurs, migrants and investors. We must therefore craft our story in such a way that it stands out from the crowd.

Importantly, our story is a story of our region. Over the past year we have worked hard to focus on the region as a whole and ensure that we are truly acting as the Wellington **regional** economic development agency – albeit a region that has as its nexus the nation's capital city. Our story is one that encompasses eight territorial areas that collectively offer attractive employment, business and lifestyle opportunities that no other region in New Zealand can match. We are greater than the sum of our parts and we will continue to work together to maximise that opportunity.

Because telling our story is so important we will, from this point forward, be referring to ourselves as WellingtonNZ rather than WREDA. We need to take every chance we can to promote our region and ensure that the Wellington brand remains front and centre in all that we do. Our name itself is a great opportunity to do this.

Over the next three years WREDA – under the WellingtonNZ brand - will continue to work closely with our shareholders, other territorial authorities, agencies of central government and the private sector to continue to build a famous Wellington regional story which provides the platform for sustained economic growth.

Te Upoko o te Ika a Maui – we are Wellington.

Tracey Bridges  
Chair

Lance Walker  
CEO

## WREDA STATEMENT OF INTENT 2019-2020

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# 1. About WREDA

## 1.1 Who we are

WREDA is the Wellington region's economic development agency. Our shareholders are Wellington City Council (WCC – 80%) and Greater Wellington Regional Council (GWRC – 20%).

As a Council Controlled Organisation (CCO) WREDA is governed by an independent Board of Directors who are appointed by the shareholders. WREDA also reports through to the Wellington Regional Strategy Committee (WRS) which consists of mayors from Territorial Authorities across the region, and WCC and GWRC councillors. It is the WRS Committee that recommends the approval of this Statement of Intent to the shareholders.

Funding for WREDA activities comes from the two shareholding councils, central government agencies who contract WREDA to perform specific services, and the private sector.

WREDA is also the owner of a subsidiary company, Creative HQ Ltd. CreativeHQ provides business incubation, acceleration and structured innovation services. CreativeHQ has its own independent Board, including a WREDA Director and the WREDA CEO.

## 1.2 Our purpose

In 2018, WREDA redefined its purpose as being: **to make the Wellington region wildly famous.**

This reflects WREDA's primary role as the region's marketing and destination story telling engine. We want the Wellington region to be wildly famous as the best place to visit as a tourist, host an event or conference, start a business, make a film, study as a student, migrate to or invest in. By making the Wellington region wildly famous as the premier place in New Zealand to live, visit, work and play, we will create a platform for the region to prosper – both economically but also in terms of vibrancy and liveability.

Importantly, we are here to make the Wellington region wildly famous. We believe that the region is greater than the sum of its parts and that by working to develop and tell a compelling and unifying regional story, we amplify the potential of this place.

We also use the word wildly very deliberately. This is a region filled with wildly creative people doing wildly creative and innovative things across all sectors. We are surrounded by wild landscapes. We host wild events. We have a wild energy that ignites all that we do. And in an environment where we are competing on a global scale, we can't afford to be just *a little bit* famous.

How does WREDA make the Wellington region wildly famous?

- By developing and telling a compelling and unifying regional story
- By delivering projects and programmes of work that have tangible impacts on the Wellington regional story
- By partnering and collaborating with other local and central government agencies, and private enterprise to enable opportunities
- By making targeted and timebound interventions in situations where there is a specific ability to create an impact or to kickstart an opportunity.

## WREDA STATEMENT OF INTENT 2019-2020

We see ourselves as a “doing” organisation. We are at our best, and have the greatest impact, when we are engaged in specific programmes and projects with clear objectives and outcomes, rather than general areas of economic development support.

In line with our purpose of making the Wellington region wildly famous, WREDA will be formally adopting “WellingtonNZ – making the Wellington region wildly famous” as its public facing and trading brand from the start of the new SOI period. WellingtonNZ is already being used by WREDA to promote the Wellington region domestically and internationally (given that WREDA has no meaning to audiences in this context) and is already our website domain. While WREDA will therefore remain the legal company name, we will refer to WREDA as WellingtonNZ in all other contexts so that we can leverage the equity in the Wellington brand.



### 1.3 What we do

As an economic development agency that was formed from the amalgamation of several prior CCOs and council functions, we have a broad range of activities within our mandate.

Moving forward we are seeking to be more focused and provide greater connection between these various activities. As a result, have identified 3 priority areas for this next SOI period:

- Shaping and amplifying the regional destination story
- Being an advocate and catalyst for major economic development projects
- Supporting businesses to upskill and grow.

All of the various programmes of work which WREDA undertakes supports one of these 3 key focus area (explained further in section 2).

Shaping and amplifying the regional destination story

*By shaping and delivering a compelling regional destination story we stimulate the visitor economy and provide the platform for attraction and retention activities across all sectors – including visitor, students, business attraction, film and investment.*

Being an advocate and catalyst for major economic development projects

*Big change-making projects provide impetus to economic development. In the next horizon there are significant development projects which have the potential to transform the region. By supporting these and, where appropriate, being involved as a partner, we can create step changes in the economy.*

Supporting businesses to upskill and grow

*Through very specific and targeted programmes we assist businesses to grow in the Wellington region – with a particular emphasis on supporting the start up eco-system, early stage growth businesses, and assisting with workforce talent and skills enhancement. This is also the area of specific focus for CreativeHQ’s activities*

WREDA STATEMENT OF INTENT 2019-2020

These three key focus areas align with the Wellington Regional Strategy (2012) which seeks to build a resilient, diverse economy which retains and creates jobs, supports the growth of high-value companies and improves the regions overall economic position.



Under the funding agreements with WCC, WREDA also has specific requirements in relation to Wellington city including:

- Wellington city tourism and visitor marketing;
- Management of the WCC Major Events Investment Fund (attraction and investment into major events within Wellington city);
- Management of the Wellington City Civic Venues (under the **Venues Wellington** brand) – the TSB Arena, Shed 6, Michael Fowler Centre, St James Theatre, The Opera House. These are operated under a Venues Management Agreement with Wellington City.

These 3 areas also fall within our broader priority focus of “shaping and amplifying the regional destination story”.

We also note:

- the Wellington Regional Investment Plan (WRIP) is still under development, but that specific projects coming out of that may also fall under WREDA’s remit;
- the Wairarapa Economic Development Strategy was launched in November 2018. We are supporting the activation of this strategy.

The WRS Committee has requested that, across all we do, we should identify global mega trends, their impact and how the region may leverage off them. This is something that we will endeavour to do across all of our programmes of work through desk research and leveraging our partnerships with central government agencies, the educational sector and the private sector.

## WREDA STATEMENT OF INTENT 2019-2020

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### 1.4 Creative HQ

The Boards of WREDA and CreativeHQ are working together to grow and scale the CreativeHQ business over the next three years.

Since its formation, CreativeHQ has worked with over 250 start ups and high growth ventures to develop their business concepts and commercialise opportunities. In addition to CreativeHQ's strong track record in start up innovation, incubation and acceleration, the company has also established a leadership position in structured innovation programmes (eg corporate accelerators). Creative HQ has also led the charge on GovTech – defined as breakthrough innovation in Government and the public service - with CreativeHQ pioneering the first acceleration programme for Government in 2014 and establishing Wellington as a global GovTech hub.

Based on this foundation, CreativeHQ is embarking on a growth strategy supported by WREDA, that will see the scale of the company grow in terms of size, scope of activities and the markets it operates in (locally, nationally and internationally). This will also see CreativeHQ's revenue grow during this period, which is reflected in WREDA's revenue projections.

In doing this, Creative HQ will contribute to WREDA's wider purpose of making the Wellington region wildly famous both through its direct activities in the region but also its contribution to growing Wellington's reputation nationally and globally as a source of innovation and entrepreneurship expertise.

The focus for CreativeHQ growth during this next SOI period will be in 3 core areas;

- Innovation management and innovation services;
- Entrepreneurial and innovation training and upskilling;
- Public sector innovation through GovTech services, including the establishment of a GovTech hub in Wellington.

From a market perspective, CreativeHQ is seeking to grow:

- Regionally – by exploring opportunities to expand its current operational footprint across the Wellington region;
- Nationally – by expanding innovation services to both the public and private sector;
- Internationally – through the promotion of GovTech services in association with other partners, including NZTE and the G2G programme.

Importantly, any growth outside of the region will be funded by 3<sup>rd</sup> party and commercial partners, and will be designed to reinforce Wellington's leadership position in innovation, collaboration and GovTech services.

## WREDA STATEMENT OF INTENT 2019-2020

## 2. Programme of Activity

The following section lists and describes WREDA's key programmes of intended activity in the next 12 months (including those of CreativeHQ).

### 2.1 Shaping and amplifying the regional destination story

WREDA will continue to focus strongly on core activities that are related to the promotion of both Wellington City and the wider Wellington region as a destination for visitors, events, students, film makers, businesses, investors, migrants. These include:

- **Wellington City tourism and visitor marketing** campaigns – including (but not limited to) specific summer and winter city attraction campaigns;
- Wellington city and wider regional **Destination Marketing and Travel Trade Marketing** activities (marketing campaigns (off and online), media/PR, content creation, trade and media familiarisation visits) with a particular focus on domestic marketing, Australia and China;
- Operating **WellingtonNZ.com** as our core destination website;
- Operating the **Wellington City iSite** (visitor information centre) and associated **Cruise Ambassador** volunteer programme;
- Management of the **Wellington convention bureau** which attracts conferences, conventions and business events to Wellington (under the **Business Events Wellington** brand);
- Operation of the **Wellington regional film office** which has a dual role of supporting the attraction of screen activity to the region and running regional film permitting services (under the **Screen Wellington** brand);
- Delivery of the **Wellington International Student Growth Programme** (WISGP) in partnership with educational intuitions across the region to attract international students to study in Wellington;
- Attraction, investment in, and marketing of, **Major Events** (WCC Major Events) and **Performance Events** for Wellington city;
- Managing the operation of the **Wellington city venues** under the **Venues Wellington** brand – including sales, facilities management, event operations and customer experience.

In this SOI period key new programmes of work will include:

<b>Regional Destination Plan Development</b>	Development of a Destination Plan for the region that is designed to provide a coordinated framework for promoting the Wellington region as a more attractive destination for visitors, events, students, investors, businesses.
<b>Regional Brand Proposition</b>	Development of a regional destination proposition/brand and associated marketing assets that can be used and leveraged to promote the Wellington region in its entirety, but links with existing activity centred around promotion of Wellington city.
<b>WellingtonNZ.com redevelopment</b>	Kicked off in the 2018/19 year but continuing into 2019/2020, with a focus on ensuring that WellingtonNZ.com is the premier destination website in New Zealand, and has a stronger regional focus.

## WREDA STATEMENT OF INTENT 2019-2020

<b>iSite Redevelopment</b>	The Wellington iSite refurbishment will be complete by June 30. There will however be an ongoing programme of work to ensure that this investment is leveraged for the benefit of the region. We will also be looking at options to provide further commercial opportunities through the iSite
<b>WISGP refocus</b>	International Students remain a key focus for the region. In partnership with the WISGP funding partners we will be refocussing this programme to ensure that it continues to deliver value to those partners, and also provides wider benefits for attraction/retention of domestic students. We are also mindful of the potential impacts of proposed changes to the Polytech (ITP) sector as a result of the recent Government review.
<b>Wellington City Major Events</b>	<p>We will continue to support and invest in a programme of Major Events for Wellington City. As part of this we will work closely with the headline events that Wellington is famous for to grow their impact. We also be launching two new signature events, Second Unit (June/July 2019) and WLG-X (September 2019).</p> <p>We will also continue to work with other partners, including the Wellington Regional Stadium Trust, promoters and national sporting bodies, to attract new event products which both add to the vibrancy of the region and boost the economy through out of town visitation. As part of this, a new Major Events strategic framework will be implemented in 2019 which will ensure that the Major Events portfolio continues to evolve and that new opportunities are identified to further boost Wellington's reputation in this area.</p>

## 2.2 Being an advocate and catalyst for major economic development projects

There are a number of major development projects that WREDA will be involved in during the next SOI period, either directly or indirectly, which have an impact on the regional economy. In addition to adding our specific expertise as appropriate, our role is to be an advocate for these projects and explain how they contribute to the Wellington regional story.

We also acknowledge that more projects may emerge from the Wellington Regional Investment Plan, and as a result of the action planning coming out of the Wairarapa Economic Development Strategy. We also recognise that both Wairarapa and Kapiti have the ability to apply for PGF funding so we will be supporting both Territorial Authorities in this regard.

<b>Wellington Convention and Exhibition Centre Development</b>	While this work has commenced in 2018/19, it will continue to be a major focus in 2019/20 and beyond. WREDA's involvement during this period will be both as a delivery and design partner alongside WCC, as well as taking responsibility for sales and marketing activity as the proposed operator of the Centre.
<b>Wellington Regional Trails Framework</b>	Continuing to be the facilitation and project management lead on execution of the Regional Trails Framework under the <b>Find Your Wild</b> brand
<b>Wellington City Venues Strategy</b>	A review of the future of Wellington City's current Venues and how these are best utilised and developed, especially in the context of a 3-5 year future that sees not only

## WREDA STATEMENT OF INTENT 2019-2020

	the new Convention Centre opening, but also the refurbished Town Hall and St James Theatre.
<b>TSB, MFC and Opera House Developments and Venue Maximisation</b>	Working alongside WCC to ensure that existing venues continue to be fit for purpose and able to meet the needs of our customers during a time of constrained venue capacity .
<b>Screen Sound Stage Developments</b>	Working alongside local councils and developers to assess opportunities for future sound stage developments to create greater capacity for screen production work in the region
<b>Porirua Adventure Park</b>	Working alongside the Porirua City Council and developers on realising the Porirua Adventure Park opportunity.
<b>Indoor Entertainment Arena</b>	Working with WCC to continue to advocate and build the case for a new Indoor Entertainment Arena in Wellington City.

We also recognise that there are some projects and opportunities that arise during the year for which WREDA could provide the impetus or seed funding to activate (or in some other way contribute to) their development. Our ability to do this in the past has been limited by all budget being allocated to programmes at the start of the year. For this new SOI period we will be seeking to create a Development Project Budget which is designed to provide us with the ability, and the agility, to both seek new opportunities and respond to those that are created.

In tandem with this we will be developing a set of criteria to:

- Assess opportunities to ensure that they have a sound business case/rationale, and align with key focus areas for WREDA and the region;
- Have appropriate co-funding/contribution;
- Have a clear development pathway.

### 2.3 Supporting businesses to upskill and grow

Our focus in this area will be on specific projects and programmes that directly impact on businesses in the region.

Most of this work will continue to be focused on businesses with growth potential in the start-up and scale-up phase, with a particular focus on (although not limited to) those in the creative, tech and knowledge intensive sectors, and on providing support in the area of skills development. The objective in doing this is to assist these businesses to grow more quickly than would have been possible without the support of WREDA.

The activities of **CreativeHQ** are particularly important in this regard (their start up incubation and acceleration services and wider enterprise innovation activities), as is the **Regional Business Partnership** (RBP) programme, by which we provide business support, innovation, capability funding, and facilitation of R&D funding for growth businesses across the region, under contract from NZTE and Callaghan Innovation.

## WREDA STATEMENT OF INTENT 2019-2020

CreativeHQ will continue to provide:

- Incubation programmes for start-up businesses, particularly those in the tech/knowledge intensive industries;
- Start Up community support and upskilling programmes, including Start Up Garage;
- Acceleration programmes under the Lightning Lab brand;
- Innovation services.

In this SOI period key new programmes of work will include:

<b>Regional Workforce/Skills Development Plan</b>	A Regional Workforce Plan will be delivered in the 2018/19 year. This will provide guidance on specific skills/workforce development projects and/or programmes of work that are appropriate for WREDA to execute in the new SOI period.
<b>Wider Business Engagement</b>	While WREDA has always had strong involvement in certain sectors, this has tended to be with businesses in start up and early growth stages. We acknowledge a need to engage with larger businesses in the region to ensure that we understand their perspectives and needs
<b>Creative HQ Regional Expansion</b>	We will be working with CreativeHQ to determine ways to scale their incubation and acceleration services across the region – with a particular focus on the potential in Kapiti and Wairarapa and the potential for accessing central government funding to facilitate this
<b>Wairarapa Food and Bev Tech Accelerator</b>	One of the priority projects from the Wairarapa Economic Development strategy was the creation of a Food and Beverage Tech Accelerator for the Wairarapa. We will be working with CreativeHQ to both scope and establish this, subject to funding.
<b>Māori Business Support and Accelerator</b>	The Māori Economy is a priority focus for the region. In addition to bringing on a new Māori Business support resource we will be working with CreativeHQ to establish an accelerator programme for Māori business, subject to funding. We will also continue to work with iwi, the WRS Office and Ara Tahī in their development of a Māori Regional Economic Development Plan.
<b>Gov Tech Expansion</b>	A key focus for CreativeHQ is continued expansion of its GovTech services and the positioning of Wellington as the international hub for GovTech. In addition to a new Lightning Lab GovTech Accelerator, CreativeHQ will be creating a GovTech Hub in Wellington and scaling its services both nationally and internationally (via G2G)

WREDA STATEMENT OF INTENT 2019-2020

### 3. Performance Metrics

Over the past year WREDA has been reviewing its performance framework with the aim of:

- Reducing the number of metrics;
- Ensuring metrics are linked to factors WREDA can control and which measure WREDA’s direct impact;
- Measuring outcomes as well as outputs;
- Providing greater clarity on the region’s return on investment.

This is challenging given the range of activities undertaken by WREDA and the varying levels of influence that WREDA has over ultimate outcomes. It is further complicated by specific measures that our council shareholders require us to track. We are however making good progress and will further evolve our approach in the year ahead.

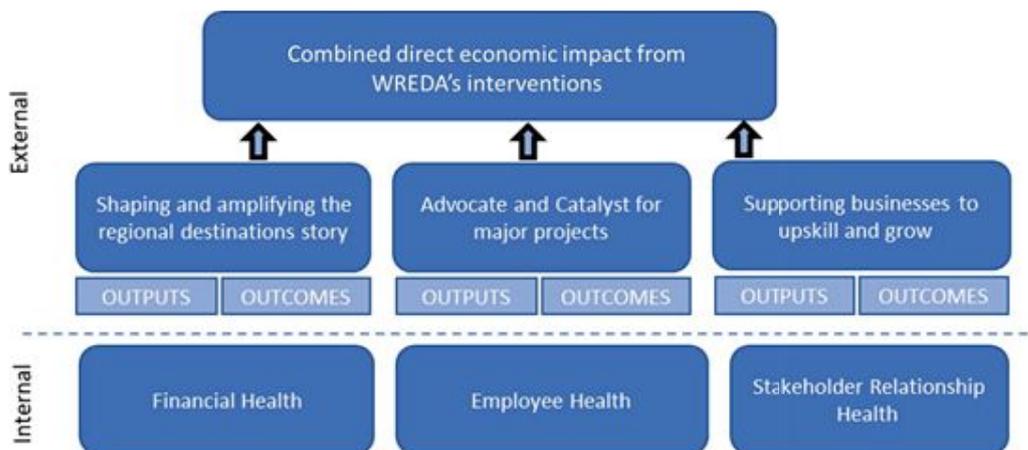
To assist with this we are proposing a new Performance Framework that is summarised in the diagram below. The key features are:

- Development of a headline measure that seeks to put an economic value on WREDA’s total direct contribution (inclusive of CreativeHQ) such that an ROI on our shareholders investment can be assessed. This will be a collective formula based measure, and will be something that we work on to develop in the next SOI period;
- Measures aligned to our three key focus areas, with both outputs and outcomes measured where possible;
- Measures that are more internally focused, to measure the health of the organisation from an internal perspective.

Note that in addition to this framework:

- we will be continuing to measure previous KPI’s at a business unit level to maintain continuity;
- we will have a separate set of measures directly related to our WCC, Major Events and Venues Wellington funding (aligned to the expectations of the Funding Agreements);
- we will continue to monitor regional indicators of economic performance in association with the WRS office (noting that these are indicators of overall regional performance, not necessarily directly WREDA’s performance).

#### Performance Framework



## WREDA STATEMENT OF INTENT 2019-2020

**Key Performance Indicators**

The following table indicates the specific KPIs in line with this framework. It is noted that some of these are new and some are existing (or based on existing) measures. Sources are provided where possible.

		19/20	20/21	21/22
<b>WREDA is delivering direct value/ROI on our shareholders investment</b>	<i>Combined direct economic impact from WREDA's interventions expressed in dollar terms. [NEW] (1)</i>	<b>Create Benchmark</b>	<b>Grow</b>	<b>Grow</b>
<b>WREDA is shaping and amplifying the regional destination/brand story</b>	<b>Outputs</b>			
	<i>Storytelling Content generated (across all sectors) [EXISTING] (2)</i>	<b>1250</b>	<b>1250</b>	<b>1250</b>
	<i>Total subscribed audience across social media and eDMs (reach) [NEW] (3)</i>	<b>475,000</b>	<b>500,000</b>	<b>525,000</b>
	<i>Unique WellingtonNZ.com sessions [EXISTING] (4)</i>	<b>2.9m</b>	<b>3m</b>	<b>3.2m</b>
	<i>Total Number of Events in Venues Wellington [EXISTING] (5)</i>	<b>450</b>	<b>450</b>	<b>500</b>
	<b>Outcomes</b>			
	<i>Equivalent Advertising Value (EAV) from media activity [NEW] (6)</i>	<b>\$50m</b>	<b>\$50m</b>	<b>\$50m</b>
	<i>Visitor nights contributed to from WREDA activity/interventions [NEW] (7)</i>	<b>Benchmark</b>	<b>Grow</b>	<b>Grow</b>
	<i>ROI from Major Events invested in [EXISTING] (8)</i>	<b>20:1</b>	<b>20:1</b>	<b>20:1</b>
	<i>Value of out of region venue and event expenditure [EXISTING] (9)</i>	<b>\$125m</b>	<b>\$115m</b>	<b>\$135m</b>
	<i>Value of business events secured [EXISTING] (10)</i>	<b>\$19m</b>	<b>\$30m</b>	<b>\$40m</b>

## WREDA STATEMENT OF INTENT 2019-2020

<b>WREDA is being an advocate and catalyst for the big projects and developments</b>	<i>Agreed key projects are on track/agreed deliverables met [NEW] (11)</i>	<b>TBD</b>	<b>TBD</b>	<b>TBD</b>
<b>WREDA is supporting businesses to upskill and grow</b>	<b>Outputs</b> <i>Number of businesses impacted by a WREDA intervention or programme [EXISTING/NEW] (12)</i>	<b>Benchmark</b>	<b>Grow</b>	<b>Grow</b>
	<i>Number of Wellington region based businesses incubated or accelerated through CHQ [EXISTING] (13)</i>	<b>55</b>	<b>60</b>	<b>65</b>
	<b>Outcomes</b> <i>Growth rates of businesses who have had been through a WREDA/CHQ programme (vs national average) [NEW] (14)</i>	<b>Benchmark</b>	<b>Grow</b>	<b>Grow</b>
	<i>Investable companies created by CHQ [EXISTING] (15)</i>	<b>9</b>	<b>10</b>	<b>11</b>
<b>INTERNAL</b>				
<b>Financial Health</b>	<i>Budget on target. [EXISTING] (16)</i>	<b>On Target</b>	<b>On Target</b>	<b>On Target</b>
	<i>% of revenue from commercial/non council funding and commercial activity (combined WREDA and CHQ) [EXISTING] (17)</i>	<b>30%</b>	<b>35%</b>	<b>38%</b>
<b>Employee Health</b>	<i>Staff Engagement [EXISTING] (18)</i>	<b>60%</b>	<b>65%</b>	<b>70%</b>
	<i>Lost Time Injuries [EXISTING] (19)</i>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Stakeholder Relationship Health</b>	<i>Stakeholder Satisfaction [EXISTING] (20)</i>	<b>85%</b>	<b>90%</b>	<b>95%</b>

## WREDA STATEMENT OF INTENT 2019-2020

**Indirect Measures of Impact**

We will continue to measure and monitor a range of metrics which indicate how the region is performing in key areas of WREDA interest, but for which WREDA only has a partial or no direct impact. These include measures that are specifically requested as part of the WCC funding agreements:

<b>Measure</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Visitor Numbers International (21)	824,382	832,626	849,278
Visitor Numbers Australia (22)	277,440	281,602	285,826
Visitor Spend (23)	\$2.755m	\$2.874m	\$2.998m
Australian Visitor Arrivals through Wellington Airport (24)	153K	155K	157K
Commercial Guest Nights (25)	3.190m	3.222m	3.254m
Share of multi-day conferences (26)	19%	17%	16%
Net permanent and long-term arrivals (27)	2,605	2,605	2,605
International Student Market Share (28)	7%	7.2%	7.35%

Separate to this we will work with the WRS Office of the GWRC to monitor a range of macro economic measures for how the region is performing economically.

WREDA STATEMENT OF INTENT 2019-2020

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**Notes and Sources**

- 1 This is a new measure that is designed to estimate the dollar value economic impact of WREDA activities and interventions which generate a measurable direct economic output. It will be designed around a formula and methodology that makes assumptions around the impact of activities and the degree to which WREDA's activities/interventions can be attributed to those outcomes. In some cases we have very strong evidence based data to support this (eg value out of town spend from events, value of business events attracted, value of facilitated film production) in other cases there is less direct evidence or attribution. We note that ATEED will also be using a similar measure as their headline KPI so we will be working with them to ensure alignment on the methodology. In this first year we will look to establish a benchmark with supported methodology.
- 2 The number of articles/pieces of content published in New Zealand and internationally on third party media channels covering leisure, events, tourism, lifestyle, business.
- 3 The number of people who choose to actively engage with WellingtonNZ promotional content across all audiences via following us on social media channels and selecting to receive email newsletters, using internal and external digital tracking and analytics tools.
- 4 The number of unique visits to WellingtonNZ.com, VenuesWellington.com, KapitiCoastNZ.com, HuttValleyNZ.com and any other subsites built and hosted during the SOI period, as measured by our digital tracking/analytics software.
- 5 Number of events hosted in Venues Wellington (performance and business). Note that with the St James Theatre being closed for longer than expected, potential developments at TSB Arena and MFC, impacts from Town Hall development and pressure on conference business while the new Convention Centre is built, we have assumed that maintaining current volumes during this period is a prudent target, with the situation addressing itself in the outer years.
- 6 Equivalent Advertising Value (EAV) is an accepted industry estimate of the value of media coverage that results from public relations and media activity. EAV is based on the equivalent cost to purchase the same reach and coverage results.
- 7 WREDA has always measured visitor nights. Moving forward we will be attempting to measure visitors nights that can be attributed to by WREDA marketing activity and other interventions. We note that this measure is also being used by ATEED so we will be working with the to ensure alignment on methodology.
- 8 This is the target set by WCC and is based on the value of new spend in the region from visitors resulting from WREDA's investment in Major Events. It is calculated using agreed methodology that is consistent across New Zealand
- 9 This is a combined value of new spend in the region from visitors attending events in Venues Wellington and attendance at Major Events for which WREDA is an investor. It is calculated using agreed methodology that is consistent across New Zealand. Note that the drop from 19/20 to 20/21 reflects the fact that 19/20 is a New Zealand Festival year and 20/21 is not.
- 10 Measures the estimated value of business events and conferences attracted to Wellington (domestically and internationally) using the agreed MBIE formula used by convention bureau's/EDA's across New Zealand. This is flat going into 19/20 with constrained venue space, but grows as new Convention Centre capacity starts to be booked in advance of opening.
- 11 Agreed key projects are on track. The set of Projects to be measured will be agreed at the start of the new SOI period but will include the Convention Centre, WISGP, Regional Trails Project.
- 12 This will be a combined count of the number of businesses who have received support via the RBP programme, the number of businesses who have been through other WREDA business support activity (eg Pop Up Business Clinics), the number of businesses who have been through a CreativeHQ acceleration, incubation or innovation support programme, and the number impacted by other programmes targeted at business advice and skills development
- 13 The number of start up ventures and early stage businesses on the CHQ start up platform who are based in the Wellington region.
- 14 We will be seeking to compare the growth rates of businesses who have had a WREDA intervention vs the average growth rates of a similar sample cohort. The methodology for this measure is still to be determined and will be worked on to create a benchmark and target using available business growth data.
- 15 The number of businesses exiting a CHQ incubator who are defined as investable (meaning one or more of the following: the company has received an investment offer from an external party; or has validated their value proposition and has gathered evidence that supports a compelling investment case and is ready to pitch to external investors; or has articulated a

## WREDA STATEMENT OF INTENT 2019-2020

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- compelling vision and a clear roadmap for an ambitious commercial endeavour that will create substantial returns for investors, and has demonstrated its ability to execute on the vision)
- 16 Financial profit and loss performance to within budget as monitored and reported on a monthly basis by our finance team
- 17 Measure of the percentage of revenue/income that comes from non-council shareholder funding across WREDA and CHQ
- 18 Measure of engagement from WREDA's annual Culture Amp engagement survey
- 19 Measure of any time lost from work/sick leave taken as a result of an avoidable workplace injury/incident (tracked using our DoneSafe health and safety system)
- 20 Measure of satisfaction by a range of stakeholders and key business partners. Note that the methodology used to date has been an annual survey. We will be reviewing this moving forward to ensure it provides the right level of insight.
- 21, 22 International Visitor Survey
- 23 Monthly Regional Tourism Estimates report
- 24 International Visitor Arrivals Survey
- 25 Commercial Accommodation Monitor
- 26 Business Events Activity Survey - MBIE
- 27 International Visitor Arrivals Survey
- 28 Education NZ

## 4. WREDA Operations

### 4.1 Diversified Revenue Sources

WREDA receives its primary funding from its shareholding councils. It also receives funding from commercial and government partners. Examples of this include:

- NZTE for the RBP programme;
- Educational institutions for the WISGP programme;
- Partnerships with tourist operators and hotels to support destination marketing.

As well as supplementing core funding, commercial funding partnerships connect us more directly with relevant sectors and ensures the work we do is relevant and accountable to those sectors.

In this next SOI period we will continue to look for opportunities to grow funding partnerships outside of our core funding, and to commercialise our own activities as appropriate. This may include (for example) moving to a more commercial model for the iSite and seeking to introduce new fees for services.

### 4.2 Te Reo Māori

In line with the WCC Te Taihū policy – and Wellington’s aim to be a Te Reo Māori City – WREDA will be seeking opportunities to support and raise the presence of Te Reo Māori through our storytelling activities and our own day to day operations. This includes:

- a commitment to facilitating the upskilling of our team in both Te Reo and Tikanga Māori ;
- introducing Te Reo into communications and marketing material where we can;
- incorporating a Māori perspective into our business development work with the appointment of a specific Māori Business Development/Engagement role;
- continuing to work with Ara Tahi through the GWRC.

### 4.3 Sustainability and Climate Change

As an economic development agency, we are very mindful of the need to pursue sustainable growth strategies and consider the impacts of climate change. We are also aware that this commitment needs to start at home. To that end, we are committed to minimising our own environmental impact through sustainable practices, waste reduction, appropriate procurement practices and reducing carbon emissions through our own operations – particularly in our Venues.

## WREDA STATEMENT OF INTENT 2019-2020

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We have established an internal Sustainability Committee to develop an organisation wide policy that will address 3 key areas of Sustainability:

- Our people
- Our environment
- Our business.

In addition:

- As a member of the Tourism Industry Association we are signed up to the New Zealand Tourism Sustainability Commitment;
- We are supporter of the Tourism New Zealand “Tiaki – care for New Zealand initiative”;
- We will participate in the Wellington Region Climate Change Working Group.

### 4.4 Health, Safety and Wellbeing

WREDA has a commitment to the Health, Safety and Wellbeing of our employees and, given that we operate public venues, the Health and Safety of our venue hirers and patrons.

This is reflected in the following policy statement which has been signed by the WREDA Board:

*WREDA will take every reasonably practicable step to ensure the health and safety of all our employees, contractors, visitors and venue hirers and patrons.*

*WREDA recognises that effective health and safety leadership involves an integrated framework of values, operating procedures and behaviours across the whole organisation. The role of the WREDA Board is to ensure that a positive and robust governance culture is in place to provide a strategic and structured health and safety management system that aligns to the organisational goals of WREDA.*

*Through monitoring the performance of WREDA health and safety practices, the WREDA Board will guide the CEO and Senior Leadership Team to ensure WREDA operates both ethically and morally in meeting its compliance obligations with respect to New Zealand laws and regulations. The Board will undertake an annual review of how they are meeting their accountabilities and legal responsibilities based on established best practise guidelines.*

To ensure a safe and healthy work environment management has developed and maintains Health and Safety Management systems to:

- Set health and safety objectives and performance criteria for all work areas;
- Review health and safety objectives and performance annually;
- Actively encourage the accurate and timely reporting and recording of all accidents, incidents and hazards;
- Investigate all reported accidents, incidents and hazards to ensure all contributing factors are identified and, where appropriate, plans are formulated to take corrective action;
- Actively encourage the early reporting of any pain or discomfort;
- Participate in rehabilitation of employees to ensure an early and safe return to work;

## WREDA STATEMENT OF INTENT 2019-2020

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- Identify all existing and new hazards and take all practicable steps to eliminate, isolate or minimise the exposure to any hazards;
- Ensure that all employees are made aware of the hazards in their work area and are adequately trained to enable them to perform their duties in a safe manner;
- Encourage employee consultation and participation in all matters relating to health and safety;
- Promote a system of continuous improvement in Health and Safety practises;
- Meet our obligations under the Health and Safety at Work Act 2015 and its associated regulations, codes of practise and any relevant standards or guidelines

A Health and Safety Report is prepared for each Board meeting, and the Board Audit Committee also undertakes an annual deep dive review of management practices.

In addition to the above, WREDA is reviewing its policies in relation to Workplace Wellbeing and Flexible Working Arrangements.

### 4.5 Harassment

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 environment free from harassment based on gender, race, colour, religion, national origin, ancestry, age, marital status, sexual orientation, pregnancy, physical or mental disability, or citizenship.

We are particularly aware of the risk of harassment of patrons at events that are managed in our venues. To that end we have developed new Standard Operating Procedures which address this issue, including communications to patrons, specific training for staff on how to handle incidents, and incident response procedures.

### 4.6 People and Culture

As an organisation that relies on human capital, and working together internally and with external partners, our people are our greatest asset. We are committed to creating a positive environment that allows our people to thrive personally and professionally, and which enables them to bring their full selves to the workplace.

Key initiatives which have started in 2018/19 and will continue into 2019/20 include:

- New recruitment practices to remove any risk of unconscious bias;
- A focus on diversity;
- New wellbeing policy;
- New flexible working policies;
- New leadership development programme.

## WREDA STATEMENT OF INTENT 2019-2020

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### **4.7 Operational Efficiencies**

In keeping with best management practice, WREDA seeks continuous improvement in its operational management.

A focus in the next SOI period will be the consolidation of the different IT platforms used in our Venues Wellington operation with our core WREDA systems (including core infrastructure, HR/Payroll and Finance). This will enable more seamless management and reporting. We will also look to continue to find ways to share services with CreativeHQ as appropriate.

## WREDA STATEMENT OF INTENT 2019-2020

## 5. Financial Summary

<b>STATEMENT OF FINANCIAL PERFORMANCE</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>REVENUE</b>			
Revenue from Shareholders	21,169,952	21,674,569	21,919,426
Other Revenue	9,506,292	11,744,421	13,767,550
<b>TOTAL REVENUE</b>	<b>30,676,244</b>	<b>33,418,990</b>	<b>35,686,976</b>
<b>EXPENDITURE</b>			
Cost of Goods Sold in iSITE	360,000	396,000	435,600
Personnel Costs	13,492,302	14,094,610	15,183,975
Investment in Projects and Events	13,142,952	15,118,390	16,044,411
Other Expenditure	3,530,990	3,659,990	3,872,990
<b>TOTAL EXPENDITURE</b>	<b>30,526,244</b>	<b>33,268,990</b>	<b>35,536,976</b>
<b>SURPLUS</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>
<b>STATEMENT OF FINANCIAL POSITION</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>SHAREHOLDER FUNDS</b>	<b>2,619,115</b>	<b>2,769,115</b>	<b>2,919,116</b>
<b>ASSETS</b>			
Current Assets	4,783,232	4,946,099	5,072,797
Investments	685,175	685,175	685,175
Other Non Current Assets	1,090,041	1,188,834	1,180,429
<b>TOTAL ASSETS</b>	<b>6,558,448</b>	<b>6,820,108</b>	<b>6,938,401</b>
<b>CURRENT LIABILITIES</b>	<b>4,094,703</b>	<b>4,206,363</b>	<b>4,174,656</b>
<b>NET ASSETS</b>	<b>2,463,745</b>	<b>2,613,745</b>	<b>2,763,745</b>
<b>STATEMENT OF CASHFLOWS</b>			
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>OPENING CASH</b>	<b>2,100,000</b>	<b>2,600,000</b>	<b>2,950,000</b>
Operating Cash Receipts	30,676,244	33,418,990	35,686,976
Operating Cash Payments	30,526,244	33,268,990	35,536,976
Other Receipts/Payments	350,000	200,000	- 100,000
<b>NET CASHFLOW</b>	<b>500,000</b>	<b>350,000</b>	<b>50,000</b>
<b>CLOSING CASH</b>	<b>2,600,000</b>	<b>2,950,000</b>	<b>3,000,001</b>

## WREDA STATEMENT OF INTENT 2019-2020

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### Notes:

- Financial Summary is a consolidated view (Parent and Subsidiary)
- Revenue forecasts from our Shareholders are reflective of CPI Increases only.
- Increase of Other Revenue reflects the intention to actively pursue opportunities to increase revenue from private and public partnerships and commercial activity, and the growth in revenue achieved by CreativeHQ resulting from its growth strategy.
- Personnel costs and programme/project costs increase as overall activity increases. Allowance has also been made within the Projects line for the Project Development Budget
- Investments represents the value of the investments from CreativeHQ in the companies that it incubates and retains a shareholding. The value of that holding has decreased into 2019/20 as a result of divestments made in 2018/19 to fund growth. We have assumed that the value of the remaining holdings will be consistent during the rest of the SOI period.

## WREDA STATEMENT OF INTENT 2019-2020

## 6. Risks to KPI achievement

There are a number of risks which could impact on WREDA's success. Many of these are outside of our direct control, such as the impact of geo-political factors, changes to government policy settings, or macro-economic factors which impact on the economy as a whole.

In terms of being successful in our 3 key areas of focus and achieving our Key Performance Indicators, we note the following specific risks and how these will be mitigated:

Area of Risk	Risk Description	Mitigation
Availability of shareholder and partner funding	Partner funding is provided for a number of WREDA and CHQ programmes of activities – from shareholders, and from other public and private sources. This funding is subject to agreements of various lengths and criteria which may or may not be renewed depending on a range of factors that may or may not be within WREDA's direct control.	<ul style="list-style-type: none"> <li>• Ensure delivery is in line with partner expectations</li> <li>• Maintain a regular schedule of communications with and reporting to partners</li> <li>• Engage major partners in planning sessions to ensure programmes meet their expectations</li> <li>• Review partner funding arrangements on a regular basis</li> <li>• Seek new commercial revenue sources</li> </ul>
Human Resource Allocation	WREDA has limited human resources to allocate to the wide scope of activities that it is involved in or asked to be involved in.	<ul style="list-style-type: none"> <li>• Ensure that resources are appropriately allocated to activities that contribute to building the regional story and/or those which deliver specific projects and programmes of work that have tangible outcomes and impacts on the region</li> <li>• Ensuring that interventions that are made are targeted and timebound and are in situations where there is a specific ability to create an impact or to kickstart an opportunity.</li> </ul>
Health, Safety and Wellbeing	Given that a large part of WREDA's activity is operational – especially within the Venues Wellington operation - there are inherent health and safety risks which could impact on the wellbeing of our people.	<ul style="list-style-type: none"> <li>• WREDA has an appropriate fit for purpose Health and Safety programme in place, which is governed by the WREDA Board.</li> </ul>
Venue Availability and Suitability	During much of this SOI period the St James Theatre will remain closed, and existing venues will be under pressure (including the MFC once work on the Town Hall begins). We will therefore be working with constrained and aging venue inventory.	<ul style="list-style-type: none"> <li>• WREDA will work with WCC to ensure appropriate capex is allocated to renewals within existing venues so that they remain fit for purpose during this period</li> <li>• WREDA will work proactively with core hirers to find solutions that meet their needs, both within existing venues and other venues in the city.</li> <li>• WREDA will communicate proactively with the market on the status of Venues.</li> <li>• WREDA will work with WCC on a Venues Strategy.</li> </ul>
Maintaining strong working	As an organisation that is invested in and works for the whole Wellington region it is critical that WREDA	<ul style="list-style-type: none"> <li>• WREDA will work with both its shareholders and the other Councils within the region in a structured and proactive manner such that both</li> </ul>

WREDA STATEMENT OF INTENT 2019-2020

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relationships across the Wellington region	maintains appropriate stakeholder engagement processes	<p>elected officials and officers of these organisations are well informed of WREDA’s programme of activities at all times</p> <ul style="list-style-type: none"> <li>• WREDA will participate in appropriate work groups across the Wellington region to support economic development activity.</li> </ul>
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In addition to the above, WREDA has developed a strategic and operational risk framework which is governed by the Risk and Audit Committee of the WREDA Board.

## WREDA STATEMENT OF INTENT 2019-2020

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# Appendices:

## Appendix 1 - Governance and Accounting

WREDA is a 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 meets 5 to 6 times a year. The Board has 2 sub-committees, Risk and Audit; and People & Culture.

### Wellington Regional Strategy Committee (WRSC)

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

The role of the WRSC is to:

- Review the performance of 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.

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 prepared in accordance with New Zealand

## WREDA STATEMENT OF INTENT 2019-2020

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Generally Accepted Accounting Practice and that also comply with Public Benefit Entity Standards. The Annual report shall also contain an Auditor's report on both those financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

### **Accounting Policies**

WREDA has adopted accounting policies that are in accordance with New Zealand Generally Accepted Accounting Practices and Public Benefit Entity Standards. The detailed policies are as disclosed in WREDA's 2017/18 Annual Report.



**Report** 19.251  
**Date** 10 June 2019  
**File** CCAB-15-314

**Committee** Wellington Regional Strategy Committee  
**Author** Samantha Seath, Wellington Regional Strategy Office,  
Barry Turfrey, Wellington City Council

## WREDA Third Quarter Report 2017/18

### 1. Purpose

To provide summary comment on the Wellington Regional Economic Development Agency (WREDA) Third Quarter Report.

### 2. Background

WREDA is required to provide quarterly reports and an audited annual report in accordance with the requirements of the Local Government Act 2002. These reports provide an outline of activities, finances and performance against targets in the Statement of Intent 2018-21.

A commentary on activities for the Third Quarter is provided in WREDA's report, which is included as [Attachment 1](#) to this report. The third quarter report has 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. Representatives from WREDA will present their report and answer any questions that the Committee may have.

### 3. Summary of Activity for Third Quarter

#### 3.1 Events and Experience

- Venues hosted 29 events with 54 performances, attended by 75,475 people, including sold out performances from Bryan Ferry, Bryan Adams, Eddie Izzard and the Hollies. The Central Pulse also enjoyed good attendances at their games.
- Wellington hosted Eminem (46,474 attendance, 55% from outside the region) John Prine and the Royal NZ Ballet, all on the same night.
- Homegrown attended by over 20,000 fans, a record.
- CubaDupa was impacted by the events in Christchurch with the majority of the events moved indoors.
- 65 conferences and business events held including the International Lesbian, Gay, Bisexual, Trans and Intersex Association (ILGA) World Conference



(500 attending) and Count Financial International Conference (500 attending).

### **3.2 Marketing and Communications**

A number of visitor campaigns including The Wellington Effect designed to attract visitors to Wellington in winter and the Australia Autumn campaign targeting independent female professionals.

Launch of Virtual Wellington, it has been demonstrated at a number of events including the All of Government Showcase.

Air NZ ran a 5 day Australian sale, the most successful yet, with 1,148 bookings.

Continuation of the marketing for the Terracotta Warriors, by the close of the exhibition in late April 198,000 visitors had visited the exhibition, almost double the budget.

### **3.3 Regional Development, Destination and Attraction**

Hosted Shopify's head of recruitment for 3 weeks, they are on track to create in excess of 110 jobs, they will be located across the region.

Development of the regional workforce framework is underway with the final report and action plan due in June.

The Summer of Biz and Summer of Tech placed 182 people into interns this summer, of these 110 were offered a permanent position in their host company.

Year to date, WREDA supported 541 regional businesses, 304 of these receiving hands on support.

### **3.4 Creative HQ**

The CHQ platform which is designed to accelerate business creation and early stage growth hosted 89 start-up ventures.

Looking at opportunities to set up a Wairarapa Food and Beverage incubator /accelerator, this is subject to Provincial Growth Funding.

NZ GovTech Hub launched and team recruitment is underway.

Ran an event Venture Up, a 4 week youth accelerator programme which is designed to progress a business idea.

#### 4. Summary Financial Information

SUMMARY FINANCIALS							
* Variance (Actual minus Budget). ✓ Favourable variance to budget ✗ Unfavourable variance to budget							
FINANCIAL PERFORMANCE (\$000)	Budget Q3	Actual Q3	Variance Q3	Budget YTD	Actual YTD	Variance YTD	Budget FYE
Total Revenue	7,801	8,080	279 ✓	22,673	24,415	1,742 ✓	28,733
Total Expenses	5,971	6,038	67 ✗	22,616	22,565	51 ✗	28,685
Net Surplus (Loss)	1,830	2,042	212 ✓	57	1,850	1,793 ✓	48
FINANCIAL POSITION							
Total Assets					7,918		5,564
Total Liabilities					3,798		3,500
Equity					4,120		2,064
CASH FLOWS							
Total Net Cash Flows				(100)	1,441	1,541 ✓	109
Opening Cash				2,100	1,911	--	2,100
Closing Cash				2,000	3,352	--	1,991

Year to date revenue is ahead of budget by \$1.7m, due to additional shareholder funding (Decade of Culture, WCC), additional government funding re CHQ, increased partner funding for project work including Team Wellington, Cycle Trails.

Total revenue for the year is forecast to be \$30.7m, well ahead of the budget of \$28.7m.

The large surplus for both Q3 and YTD is due to the receipt of funding from the shareholders at the start of the quarter, with some of the associated expenditure not due until Q4.

#### 5. Summary Performance Results

KPI DASHBOARD <i>(The table contains a selection of KPIs and is not a complete list)</i>					
→ Steady ↗ Improving ↘ Declining					
MEASURE		Q3 2019	Year Budget 2018/19	Trend	Comments
Unique visitors to Wellingtonnz.com	Actual	1,936,722		↗	On track to achieving target
	Target		2,700,000		
Weekend hotel guest occupancy	Actual	80%		↗	On track to achieving target
	Target		80%		



<b>KPI DASHBOARD</b> <i>(The table contains a selection of KPIs and is not a complete list)</i>					
International travel trade interactions	Actual	1,728		↗	On track to achieving target
	Target		3,750		
Number of start-ups on CHQ platform	Actual	89		↗	KPI achieved
	Target		70		
Interns placed in priority sectors	Actual	308		↗	KPI achieved
	Target		275		
Number of companies becoming investable	Actual	10		↗	KPI achieved
	Target		10		
Value of Business Events	Actual	\$15m		↗	On track to achieving target
	Target		\$25m		
Number of International bids submitted	Actual	31		↗	On track to achieving target
	Target		35		
Proportion of successful business events submitted	Actual	63%		↗	On track to achieving target.
	Target		60%		
Number of events	Actual	385		↗	On track to achieving target.
	Target		440		
Value of facilitated screen production	Actual	\$12.3m		↗	There is a major screen production expected to commence in Q4 which will bring actual closer to target.
	Target		\$65m		
Number of permits for film production issued	Actual	411		↗	KPI achieved
	Target		350		
Major Event attendance	Actual	418,575		→	The moving of CupaDupa inside following the Christchurch terror attack reduced attendances; the outstanding success of the Terracotta Warriors will partly offset the current low numbers. Unlikely to meet target.
	Target		700,000		
<b>ISSUES &amp; OUTLOOK</b>					
<b>Issues</b>					
While the events in Christchurch have delayed some projects and visits it is not expected at this stage that this will have a negative impact on visitor numbers in the future.					
<b>Looking forward to Q4;</b>					
TechWeek will take place in late May with over 30 events planned for Wellington.					
Major events such as The NZ Jazz Festival, Second Unit, a live action drama on a chaotic film set occur in Q4.					
Terracotta Warriors season finishes.					



## 6. Communication

No communication is required.

## 7. Consideration of climate change

The matters requiring decision in this report are of a procedural nature and do not require consideration of climate change.

## 8. The decision-making process and significance

Officers recognise that the matters referenced in this report may have a high degree of importance to affected or interested parties.

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002 (the Act). Part 6 sets out the obligations of local authorities in relation to the making of decisions.

### 8.1 Significance of the decision

Part 6 requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' has a statutory definition set out in the Act.

Officers have considered the significance of the matter, taking the Council's significance and engagement policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

### 8.2 Engagement

In accordance with the significance and engagement policy, no engagement on the matters for decision is required.

## 9. Recommendations

*That the Committee:*

1. *Receives the report.*
2. *Notes the content of the report.*

Report prepared by:

**Barry Turfrey**  
Wellington City Council

Report prepared by:

**Samantha Seath**  
Wellington Regional Strategy  
Office

Report approved by:

**Luke Troy**  
General Manager, Strategy

**Attachment 1:** WREDA Third Quarter Report 2018-19



A strong third quarter for the team at WellingtonNZ across all areas of operation on the back of a stunning Wellington summer and one of our biggest ever event months in March.

Notable highlights include:

- Continued strong performance from the Regional Business Partnership programme and engagement with key sectors;
- The Wellington International Students Welcome event;
- Great results from the Summer of Tech intern programme;
- Commencement of the regional Workforce Development Framework project;
- Continued strong engagement with the Wairarapa and Kāpiti Economic Development strategies;
- A heavy programme of Tourism Trade development;
- Continued strong film/screen permitting activity;
- Continued strong results from the Business Events Wellington team in conference attraction;
- Continued work on the Convention Centre project;
- A very busy end of summer period for the iSite – including the peak period for Cruise Ship visits and planning for the iSite refurb which starts at the end of April;
- Launch of the new CreativeHQ GovTech Hub;
- A successful programme of summer destination and digital marketing activity – including the launch of Virtual Wellington, Australian market activity, event promotion and development of the Winter “Wellington Effect” campaign
- A massive programme of events through our Venues and Major Events programme.

Further details on these and other programmes of work are contained in this report.

# Overview

*January – March 2019*

WREDA

WellingtonNZ.com

**WREDA**

# **Regional Development, Destination and Attraction**

**WellingtonNZ.com**

## Business Growth and Sector Development

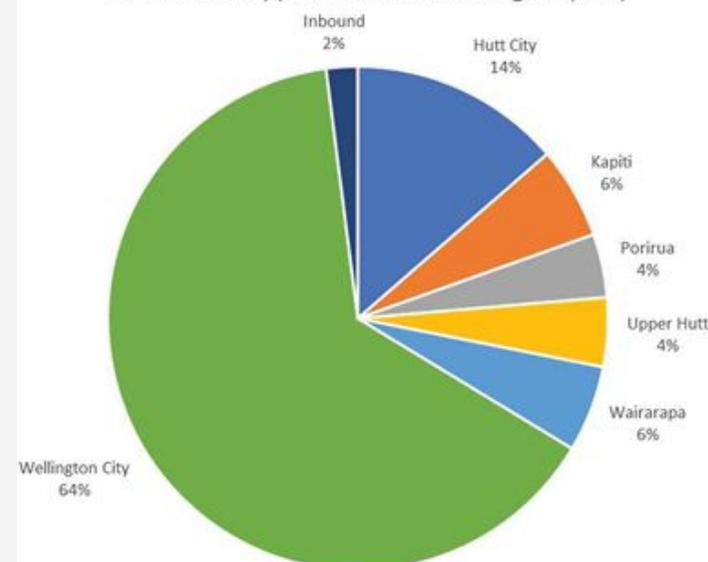
### Regional Business Partner Programme

WREDA has supported **541 regional businesses in the year-to-date** through the RBP programme, including 304 receiving hands-on support in the form of growth capability development, innovation support and mentorship. 64% of these businesses are located in Wellington city, while 34% are based in one of the region's other territorial authorities. We have delivered \$276,000 of Capability Voucher funding and \$7,437,000 of R&D funding to businesses in the region in the year-to-date. This funding helps businesses access growth advice, and invest in new technology development.

### Business and Sector Workshops

- Business clinic in **Kāpiti**, in partnership with the **Chamber of Commerce** which saw 8 Kāpiti businesses connected to our growth and mentoring services.
- Two “one-to-many” **capability development workshops** were delivered to our actively engaged growth-business clients.
- Eight companies attended the half-day ‘KPMG Business School’ aimed at **raising the business acumen of senior leaders** and eleven companies attended a lunchtime ‘Structuring for Growth’ session run by Minter Ellison, helping business owners decide on the **right business structure to enable growth** through capital raising and overseas expansion. Both events received positive feedback and will see further on action put in place by the attendees.
- In collaboration with Callaghan Innovation and Hutt City Council we have organised three **Industry 4.0 workshops** – connecting digital development providers/studios to High Value Manufacturers. Over 100 businesses have been involved.

Businesses Supported Across the Region (YTD)



## Business Growth and Sector Development cont...

### Edmund Hillary Fellows

Hui organised to welcome the new Edmund Hillary Fellows into Wellington. Five people from Wellington's Tech, Innovation and Investment Community spoke to show the advantages of establishing yourself in Wellington.

### Wellington Producer Marketplace

In partnership with the Wellington Culinary Events Trust, we staged the Wellington Producer Marketplace (formerly know as Supplier Showcase) in Shed 6. This event profiles the best of the regional food & beverage offering to the region's hospitality sector particularly focused on menu items for Wellington on a Plate

### Shopify

We hosted Shopify's head of recruitment Sumbo Ashabo for three weeks in Wellington, facilitating over 30 meetings and connections with tech and innovation companies. Shopify was here to better understand our eco-system and NZ culture and set themselves up for planned growth in the Wellington region. Shopify's job creation is tracking well with > 110 jobs being created across the Wellington region

### Investors

We hosted **VC Zino Ventures** in Wellington who brought over GoogolTech from China. **GoogolTech** is the world largest robotics company and are seeking partnerships and investment opportunities in manufacturing and new technologies eg AR/VR. In collaboration with NZTE, we also hosted **YBF Ventures** from Melbourne who are looking to set up new co-working spaces and incubation labs in NZ, and two potential investors from the USA who have a business called **KSB Turbines**.

### TechWeek

TechWeek will take place from **20 – 26 May**. We have over 30 events planned for Wellington so far.



EHF Wellington Event



Shopify global head of recruitment Sumbo Ashabo



Producer Marketplace

## Education & Workforce Development

### Wellington International Student Growth Programme (WISGP)

- The **International Student Welcome** event welcomed over 400 new international students to Wellington, and provided them with information about what the region offers. The event, which has been held annually since 2014, was deemed the most successful ever.
- The "**Bring your mum or your best friend**" promotional student attraction competition is about to launch in India and Vietnam. This will be the most significant campaign of the year and lures interest in by using humour to show what a trip to Wellington might look like travelling with your mum or your best friend.

### Talent & Skills

- **Venture Up**, a four week youth accelerator programme to progress a business idea, wrapped up this quarter. 43 students and student alumni completed the programme. The programme is sponsored by WREDA and delivered by Creative HQ
- Altogether **Summer of Biz and Summer of Tech** (our internship programmes) placed 182 people into an internship over summer. Of these 110 have been successful in being offered a permanent role in the company at which they were hosted. WREDA hosted 13 domestic and international students for an **internship** experience. This is very much practicing what we preach to Wellington employers.
- We are mid way through the **Regional Workforce Framework** project. The framework is designed to identify the needs of employers in the different parts of the Wellington region and provide recommended actions for those engaged in workforce development in the region including an actionable set of projects appropriate for WREDA's intervention.



International Student Welcome Event



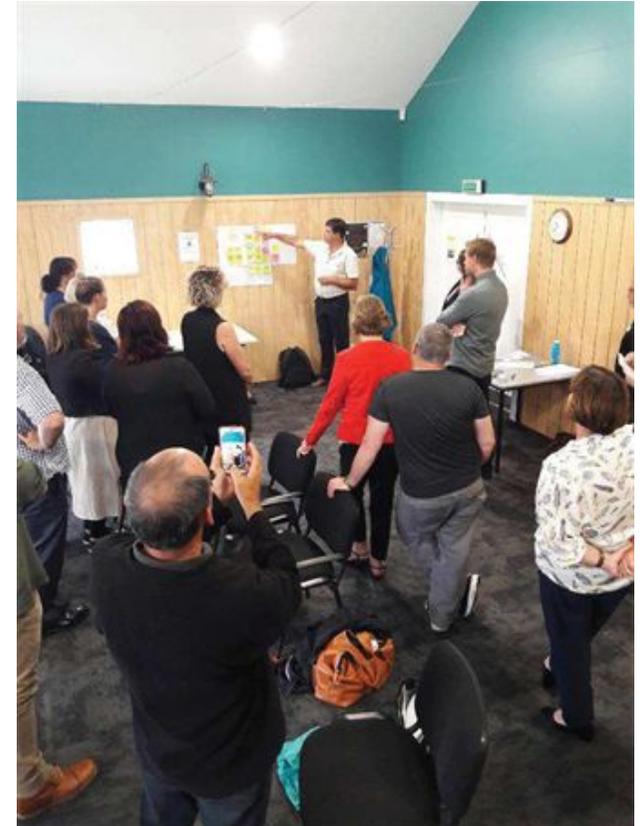
Venture Up



Regional Workforce Framework Workshop 1

## Wairarapa and Kāpiti Economic Development Strategies and PGF

- WREDA has continued to work with the **Wairarapa** on implementation of the **Wairarapa ED Strategy** through its role on the ED Strategy steering group, and employment of a **Programme Manager** (funded by PGF, local councils and GWRC) who is particularly focused on facilitating PGF applications aligned to the strategy and coordinating Action Groups for each of the key strategy areas of focus. This work has also included consideration of how CreativeHQ's offering could be introduced into the Wairarapa.
- WREDA has also continued to work with the **Kāpiti Coast District Council** to support their **economic development strategy** refresh. This has included facilitating and assisting with development of a new Kāpiti brand story, and being part of the **Kāpiti PGF advisory panel** and **District Leaders Group**.



WREDA facilitated Brand Storytelling workshop in Kapiti

# Screen Wellington

## Attraction and Permits

Demand for screen permits in the region is high with 411 permits approved, which means we are on track to set another permitting record this year.

We continue working closely with the NZ Film Commission on attracting more international projects to Wellington.

## Studio Infrastructure

This is ongoing and we are also moving forward with updating an existing feasibility study to evaluate demand and viability.

## Screen Experience Trust NZ (SETNZ)

In March we hosted an event for the annual SETNZ familiarisation trip for key Hollywood executives and decision makers. This trip is an opportunity to showcase the country, film industry infrastructure and the great people who work in it. Guests included key people from Fremantle Media, HBO, Netflix.

## Screen Sector Research

In collaboration with ATEED we have recently completed research on the future of the screen sector which will feed into wider sector engagement on future sector strategies

## UNESCO Creative City of Film

Project manager appointed to prepare an application on behalf of Wellington to be a UNESCO Creative City of Film.



## International Tourism Trade

- WREDA represented the **Wellington & Wairarapa International Marketing Alliance** at Tourism New Zealand's UK/Europe Training Roadshow in March visiting Munich, Dusseldorf, Manchester and London. Travel trade report good conversion from enquiries despite the uncertainty created by Brexit. Time in-market was maximized by joining forces with Weta and KiwiRail and training at several top sellers including Trailfinders, DialAFlight and Infinity/Flight Centre, attending a TNZ-arranged Premium workshop and attending PATA Travel Mart. In total 420 agents or decision makers were updated.
- TNZ's annual workshop was held for New Zealand's regions during February. TNZ Australia shared research and draft plans for 19/20, and 20 one-on-one appointments were held with Product Managers from key wholesale, online and coach tour operators.
- Forty-nine agents and Product Managers were hosted in Wellington during Q3. TNZ cancelled a number famils affecting over 160 participants as a result of the Christchurch terror attack which will impact overall annual famil numbers.
- Wellington and Christchurch were the only regions attending TNZ's 'Capital to Coasts' consumer campaign launch in Singapore in February which focuses on Wellington, Marlborough, Kaikoura and Canterbury. To bring the regions to life, the launch event featured interactive booths which showcased what to do and eat in New Zealand. We then undertook further sales calls with key sellers. Wellington's awareness and product selection has greatly improved since the Singapore Airlines flight introduction and itineraries now include two or even three nights in the region.

Q2   In-market training, Famils & Sales Calls	Total agents trained
TNZ New Zealand UK & Europe Roadshow	420
Singapore Capital to Coasts Campaign Launch	78
Total agents trained	471
Decision maker appointments	63
Total Trade Famil participants	49
Total Trade Famil Itineraries	10



## Team Wellington: China

- Sixty-five tourism, hospitality and retail businesses from across the region attended seminars on the Chinese payment platform **Alipay**. Acceptance of UnionPay, AliPay and WeChatPay is important to demonstrate Wellington's China-readiness and to maximise Chinese visitor spend in the region. Enabled businesses include Weta, Space Place, Wellington Cable Car, KiwiRail and even small operators including Gellissimo. Alipay now also implemented in the **Wellington i-SITE**.
- WellingtonNZ's MOU with Christchurch International Airport will allow Alipay-enabled businesses to feature and sell on **Fliggy.com**, Alibaba's travel platform.
- The delayed **China NZ Year of Tourism** official opening occurred at Te Papa on Saturday 30 March, coinciding with the Terracotta Warrior exhibition. Dignitaries hosted for two nights during the opening included the Vice Director General & Vice Director from the Department of Culture and Tourism and the Executive VP of GZL International Travel Service, one of the top travel sellers in Guangzhou with strong ties to China Southern Airlines.



## Business Events Wellington

The Business Events Team (BEW) hosted three successful client events including the annual Tourism New Zealand (TNZ) and BEW international bidder's lunch with academics from Victoria University. The lunch has produced a record seven international conference bids to date that are eligible for the TNZ Conference Assistance (CAP) fund.

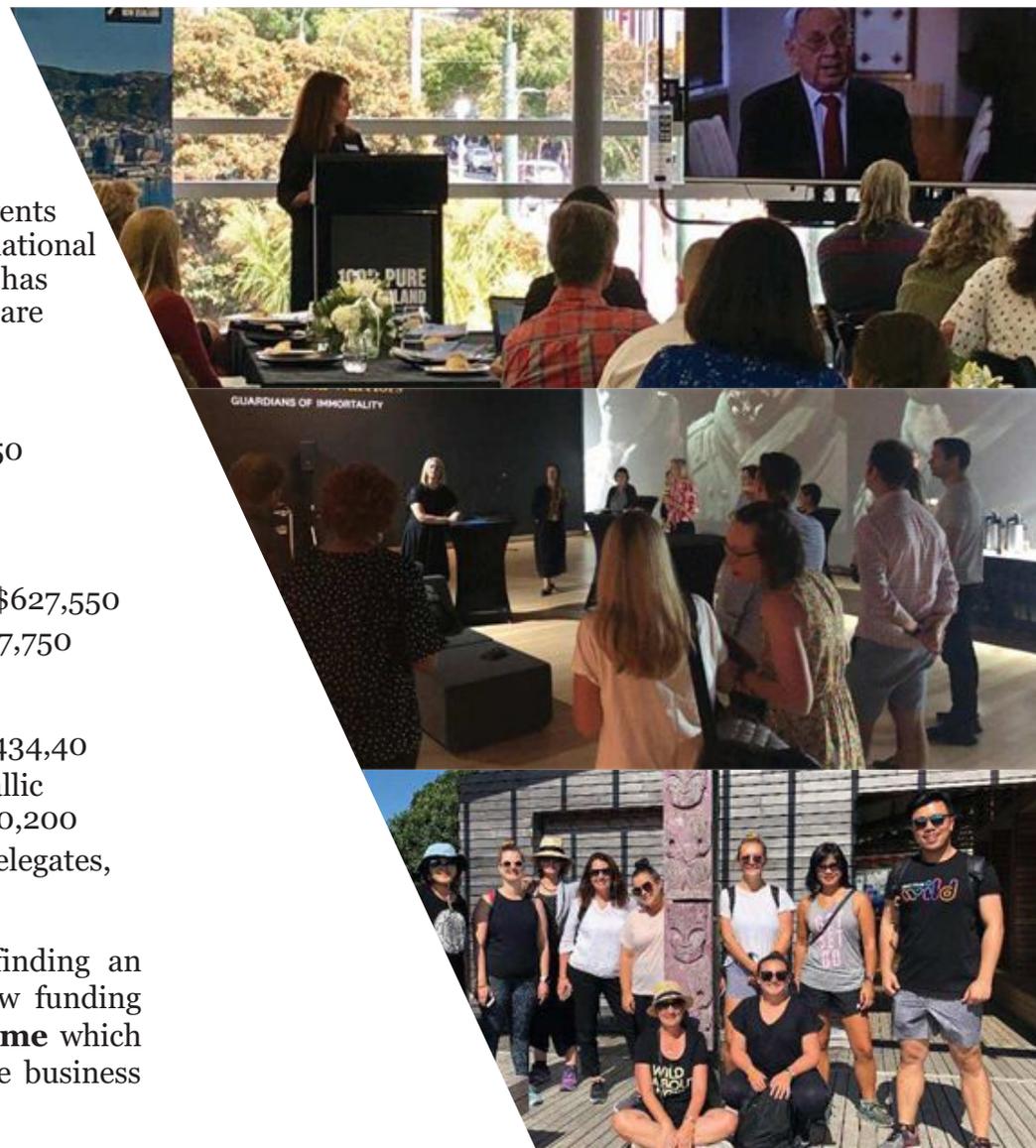
### Some of the bids won:

- Australian Garden History Society, 2019, 250 delegates, \$537,750
- 30th Anniversary of the Public Finance Act Conference, 2019, 200 delegates, \$358,600
- Australian Society for Microbiology and New Zealand Microbiological Society joint conference, 2020, 350 delegates - \$627,550
- International Congress of Zookeepers, 2023, 250 delegates, \$537,750

### Some of the bids produced:

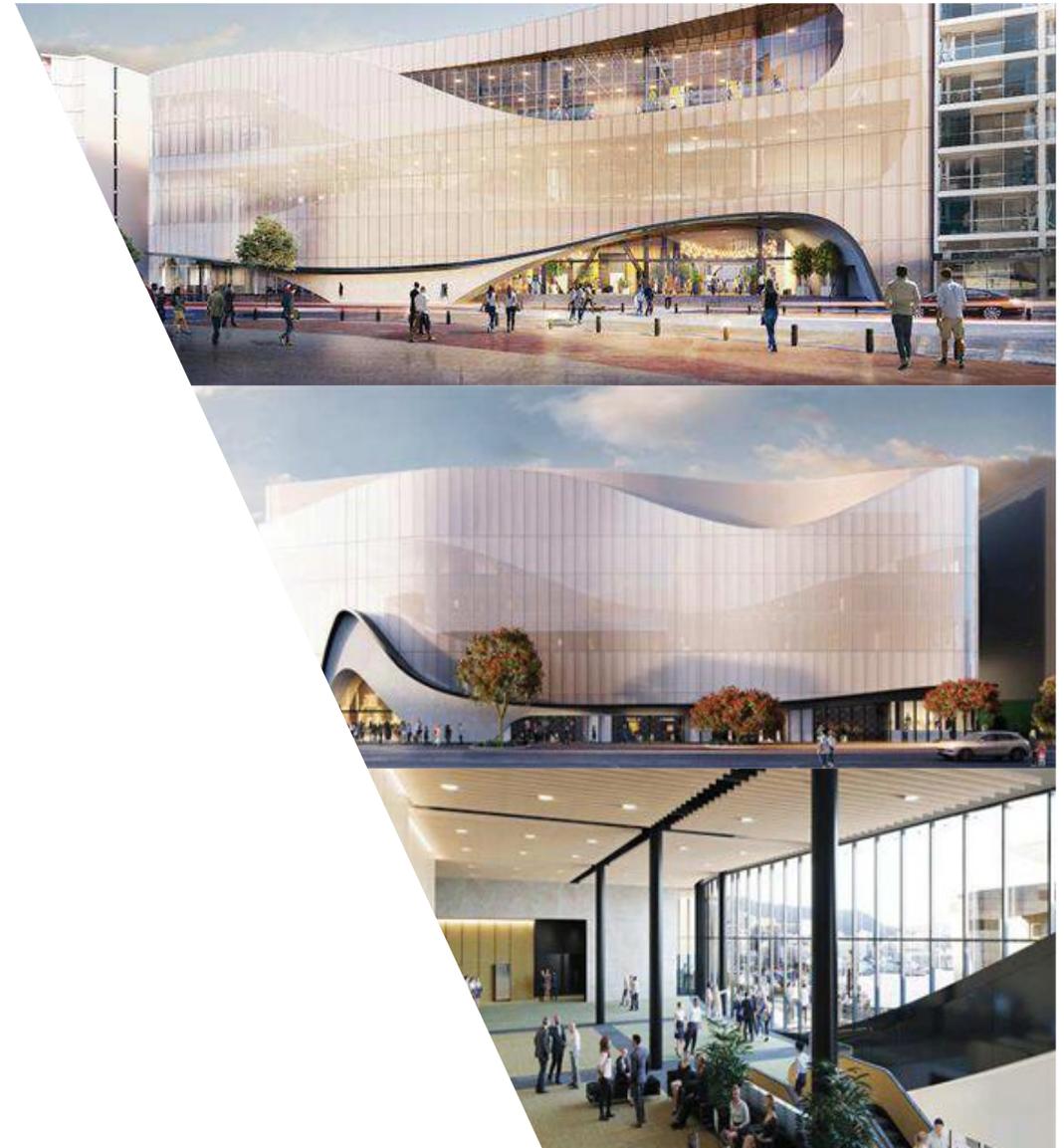
- Australasian Road Safety Conference, 2021, 800 delegates, \$1,434,40
- International Conference on the Coordination and Organometallic Chemistry of Germanium, Tin and Lead, 2022, 200 delegates, \$430,200
- ACM Interactive Surfaces and Spaces Conference, 2022, 400 delegates, \$860,400

WREDA has formed a working group which is tasked with finding an alternative solution after MBIE announced they would withdraw funding support of the national **Business Events Research Programme** which the bureaux co-fund. This programme measures the value of the business events sector to a region



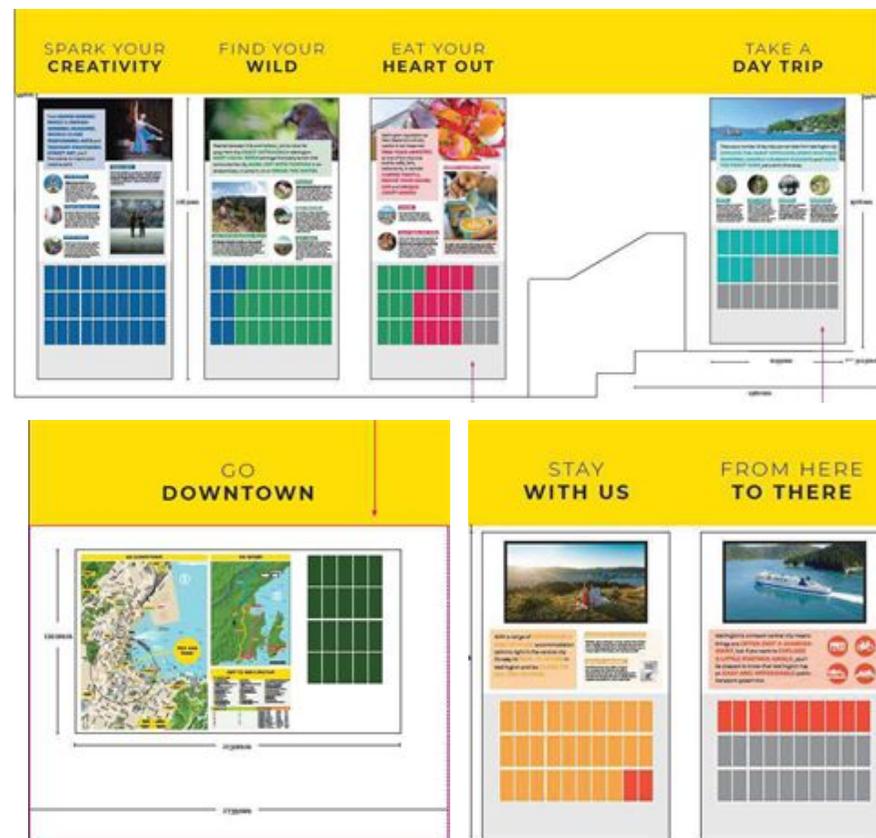
## Wellington Convention & Exhibition Centre

- The core plan **detailed designs** for the Wellington Conference and Exhibition Centre were locked down on 1 March. The team continue to work on the process of working with the design team and sector specialists to further detail the delivery of detailed fit out requirements; this work will continue through the entire design and build phases of the project.
- Marketing collateral is currently being developed in time for the annual NZ Business Events tradeshow in Auckland – **MEETINGS** - on 29 and 30 May. Large business events and especially those from outside of New Zealand tend to book some years in advance so it is important that we are putting the new Wellington proposition to the market now. The event will also provide the team with a key opportunity to answer the questions that future bookers of the Convention Centre will have.



## Wellington i-SITE Visitor Information Centre

- A busy summer **events season** has provided additional foot traffic to the iSite this quarter with the Eminem weekend, Indian cricket test, Crusader v Hurricanes and Bryan Adams and Brian Ferry concerts all impacting. i-SITE staff also report an increase in Chinese foot traffic attributed to Chinese New Year and Terracotta Warriors.
- February was also **peak-cruise season** with 23 ships visiting. The new two-stop shuttle model is now well embedded and retailers are commenting that the visitors are spreading throughout the city. Queues at Cable Car Lane are also diminished, hopefully allowing visitors to explore more of what Wellington has to offer.
- The **extension and redevelopment** of the Wellington i-SITE will commence on 29 April. It will close for a 6-10 week period. During the refit period, a basic tourism information booking service with one staff member will operate from the **Department of Conservation Visitor Centre** at 18-32 Manners Street. Hours of operation will be the same as DOC, Monday to Friday, 0830-1700. Large directional signage on construction hoardings will direct locals and visitors to alternate ticketing & Snapper providers, the DOC Visitor Centre and tour bus stop. The day tour bus stop will remain at Wakefield Street.



Planned new iSite brochure displays

## Regional Trails Framework

- New **MOU** signed with **CamperMate/Roadtrippers** to syndicate our key trail content onto their channels to their customers. We are the only region in NZ that features.
- The new **Trails website** continues to perform well.
- Trails Framework key note address at Australasian **TRC Sustainable Trails Conference**
- Completed 4 out of the 5 **Signature Trail Audit & Gap Analysis** with Trail Managers; next step is to appoint an Independent Trail Auditor.
- **Shared User Guidelines** were approved for our Regional Trails, outlining desired behaviours on shared use trails.
- **Two new major regional trails** proposed:
  1. NZTA have agreed to build and maintain a horse/pedestrian/bike trail near Transmission Gully from Pauatahanui to Paekakariki
  2. Linking existing DOC/GWRC trails from Te Ara O Whareroa in Kāpiti to Harcourt Park in Upper Hutt via the Akatarawa Forest for pedestrian/bike use.



**WREDA**

## **Creative HQ**



## Creative HQ

- 89 start-up ventures and early stage businesses on the CHQ platform
- We are exploring opportunities to set up an incubator and specific Food & Beverage Accelerator programme in the **Wairarapa** (subject to PGF funding), and are working with local iwi on development of a programme for **Maori business**.
- The fit out for the **NZ GovTech Hub** (at Creative HQ's premises in Dixon St) was completed and launched at an event in early April. This will be the home of Lightning Lab GovTech accelerator programme later this year. Recruitment of teams for that programme are now underway.
- **International engagements** continue to be explored, with opportunities identified in Singapore and a Vietnamese delegation spending two weeks at CHQ in April to upskill on innovation practices.
- A Design Sprint was held with **Arts Wellington and the local arts community** to design a business acceleration programme for the sector.
- We have been granted licenses to use the **NZ Fernmark** for our **nano degrees** and our software platform **Scale** which is important for overseas engagements. Trademark applications for all of our innovation services have been lodged and the first trademark has been granted for our “**Discovery Lab**” service.
- The **Kiwi FinTech accelerator** has been delayed by 4 weeks by major sponsors (Kiwibank and Xero) due to events in CHC. This has had a knock on effect on programme delivery which will now start in July 2019



**WREDA**

# Marketing & Communications



WellingtonNZ.com

# Marketing summary

## Q3

- **Australia Autumn** visitor attraction campaign
- Development of “The Wellington Effect” **winter campaign**
- **Virtual Wellington** launch
- **HuttValleyNZ.com** launch
- **Te Matatini** promotion
- **Wairarapa** campaign
- **Singapore Airlines** activation in Melbourne
- **Live in WLG** autumn campaign and ongoing content
- **West Side Story** marketing
- **Kapiti Story** development

## Coming up in Q4

- International **student attraction campaign** – Vietnam and India
- **WOW** audience development research
- **Hutt Valley** campaign
- **Neighbourhood** series "Cuba Street"
- New **content** strategy
- 'Last chance' **Terracotta Warriors** marketing push
- **Tourism in our Backyard** Stuff series
- Business storytelling "**Rebel CEO**" series



Virtual Wellington at the All of Govt showcase

The Wellington Effect!

## Visitor marketing – NZ Winter Campaign

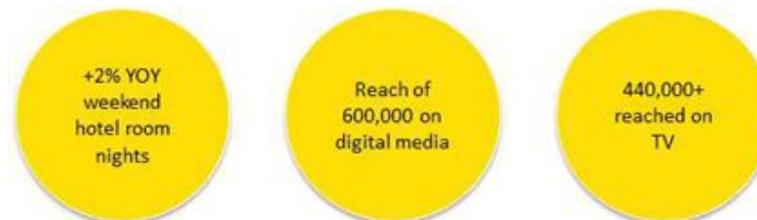
Winter in Wellington is not the first place people think of when they think of a mid-winter break!

With most New Zealand travellers preferring more traditional winter holidays in either the snow or the sun, WellingtonNZ needs to do things differently to make people consider a weekend in Wellington. This is particularly important given that businesses like restaurants, hotels, retail and visitor experiences all suffer a downturn during the cooler months.

This year we've developed a campaign to not only encourage people to come here for a winter weekend, but to build Wellington's brand by telling a compelling story and taking a creative approach to how that story is told to make it memorable. The campaign launched early April across TV, outdoor, native, cinema and digital and run until the end of May. There will also be a conversion layer, specifically promoting hotel partners and getting more bookings across the winter period which will launch in May which we are currently planning in conjunction with our key partners.

Inspire audiences to consider a trip to Wellington via creating a tentpole moment	Inspire	Hero campaign – TV, cinema, outdoor, digital
Trigger people to plan a weekend away by providing multiple reasons to go that peak their interest	Plan	Layered storytelling – PR, Wellington magazine, digital content and event promotion via WellingtonNZ channels
Make it easy to book by putting Wellington in front of interested travellers	Book	Air NZ conversion campaign Or Hotel offers

### Target results:



## Visitor marketing – NZ Winter Campaign

### The Wellington Effect

A regular middle-aged couple arrive in Wellington. As soon as they leave their airport they start to feel energised by the city. They want to do everything, see everything and experience everything with gusto.

Without us really noticing it, they begin to change. Each new Wellington experience – walking through the night markets, seeing a show, having a delicious brunch - is making them feel lively and playful.

Fossicking around Hunters and Collectors they both grab outfits to try on. They dip into the changing room and when they open the curtains, they have transformed to visibly younger 20-year-old versions of themselves. They continue exploring; dancing as a busker performs on Cuba St. As they explore the waterfront they spy the diving platform... should they?

Jumping off the platform they emerge from the water as giggling 10-year-olds. Their adventure finishes back at the airport, wearing clothes that are much too big with giant smiles on their faces.

Wellington has had its effect.

<https://www.youtube.com/watch?v=kLEZG1TKH-c>



## Virtual Wellington

Virtual Wellington was launched at the start of the quarter. To date we have driven 15,000 downloads on the Steam and Oculus VR stores, with the first week of launch seeing people spending an average of 40 minutes in the experience.

The accompanying PR campaign generated 90+ media articles, including coverage in the US, Australia, Japan, Russia, Canada and India.

Virtual Wellington has so far been used at the International Student Welcome, Te Matatini Cultural Hub, EHF Welcome Event, Vietnamese Innovation Delegation and MBIE's All of Government Showcase, seeing queues of people keen to experience the WellTown game and Explore More experiences. Next up are the Meetings trade show, All Blacks vs. South Africa test match and Property Council conference.



# Visitor marketing – Australia

## Autumn Campaign – Discover Wellington for the Creatively Curious

To encourage shoulder season visitation from Australia we ran a media partnership with Bauer Media across digital and print platforms including Gourmet Traveller, Harpers Bazaar, Australian Women's Weekly and Elle. We overlapped the campaign with a tactical layer using AirNZ as a conversion partner to drive bookings throughout the autumn travel period.

The campaign was in market from mid January to late March and was targeted towards female independent professionals, 25-54 years old living in Australian ESB (Syd, Mel, Bris, GC).

### Key Highlights | March 2019

- Strong brand alignment with key titles resulted in editorial content being seamlessly integrated with 7,969,945 total campaign touchpoints across print and digital.
- With 5,000 guaranteed video views, the [Gourmet Traveller native video](#) achieved 21,718 on article views alone, with 333,969 total video views across social, display and native.
- [Now to Love Interactive Itinerary](#) had 431,899 total touchpoints across display, native and social
- Social media drove 1,230 leads for retargeting and social cards exceeded the industry standard viewability (70%) with an average of 82.15%.
- 5 eDM's sent 129,986 receivers with exclusive Wellington content all performed above industry open and CTR.
- **AirNZ** ran a 5 day sale from 4-8 March, which was the most successful Oz sale yet, with 1,148 total AirNZ bookings during campaign period, which represents a **+25% YoY growth**.



# Visitor marketing – Australia

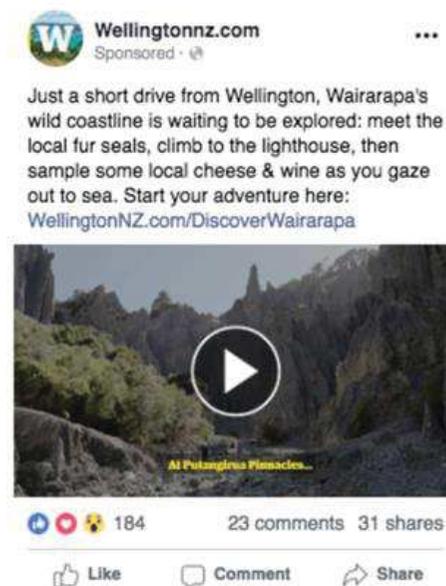
## *Mini Campaign – Discover the Wild Wairarapa South Coast*

This campaign was made in collaboration with our partner Destination Wairarapa and was based around a [hero video](#) showcasing the Wairarapa south coast. It was in market for three weeks from mid Feb – early March and was promoted across WREDA owned channels, native advertising, press and partner channels.

The campaign was primarily targeted towards 55-74 year olds, located on Australian ESB (Syd, Mel, Bris, GC) with the goal of building awareness of Wellington and providing a deeper understanding of some of the activities the wider region has to offer.

### Key Highlights | March 2019

- Native advertising drove 8K clicks through to campaign landing page. Yahoo was the top performer generating a cost effective CPC of .36c, with native achieving overall CPC of .46c out performing our agency benchmark of \$1.00.
- Social reached 940K impressions, with the 60s video performing particularly well, delivering a high volume of impressions and video views resulting in a 9% video rate and CPV of 0.08c.
- The FB carousel exceeded agency benchmarks generating a strong CTR of 1.19% and \$1.20 CPC.
- WellingtonNZ received 5,555 page views and average time on site 05.55.
- Front page press coverage received on Wairarapa Times Age.



# Visitor marketing – Australia

## *Singapore Airlines Campaign - #DrinkWellinMel a virtual reality wine tasting*

This campaign was run by Singapore Airlines with WellingtonNZ providing production and amplification support.

To celebrate a year of SQ flights from Melbourne to Wellington, the event held from Feb 20-24 at The White Hart bar in Melbourne invited consumers to come and experience Wellingtons first ever virtual drinks tasting, accompanied with a flight of Wellingtons best drink producers.

### Key Highlights | March 2019

- Successful branding and route to awareness campaign
- 56 pieces of media content with a potential of 1,285,455 – including 6 pieces of social media coverage from consumers
- 16 media clips including social posts with reach of 704,268
- 29 influencer clips with reach of 497,300
- During activation 143 sales were made, with 105 of them being full flights.



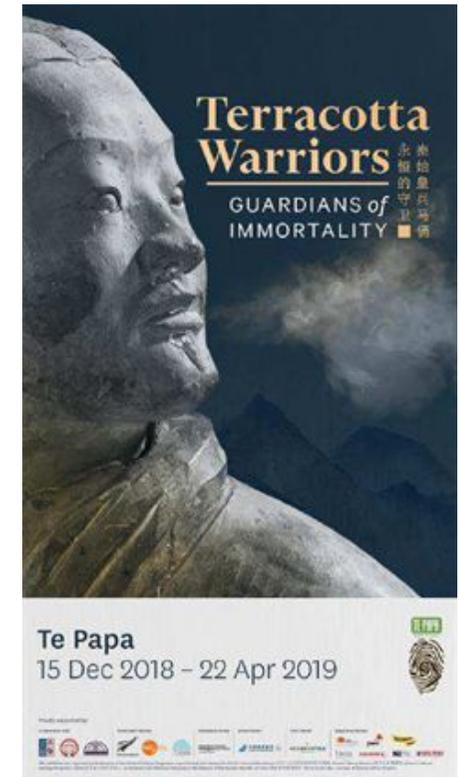
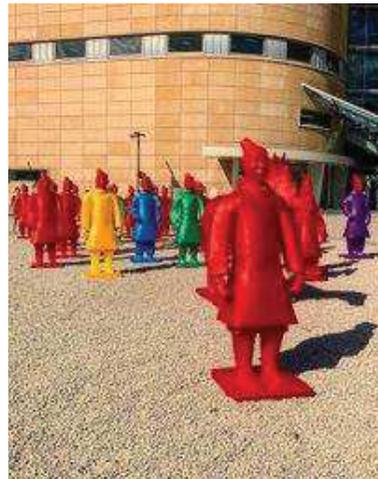
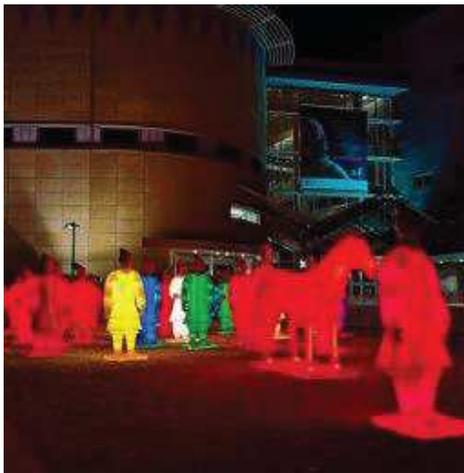
# Event marketing - Terracotta Warriors

**Terracotta Warriors Exhibition - 15 December 2018 – 22 April 2019**

**Hero Video** - [https://youtu.be/Frd2SQov\\_34](https://youtu.be/Frd2SQov_34)

The Terracotta Warriors exhibition at Te Papa is entering its final phase of marketing, and tracking significantly ahead of forecast with numbers reaching close to 200,000.

Phase 3 of the marketing campaign was supported by the free public installation of the **Lanterns of the Terracotta Warriors** which was on display in the Te Papa forecourt over Chinese New Year, lit up every evening. The installation had a very positive response from visitors and locals and helped further support the official exhibition in Te Papa.



## Event Marketing – Live in WLG

### Summer

The summer phase of the campaign ran from early December through mid-January, to promote upcoming performance events in Wellington. The campaign included videos, Adshels, native advertising with Fairfax, social media and a fortnightly eNews.

The campaign continues to perform well. A highlight is that the two 15 second events continue to have improved performance. The summer videos achieved over 124,088 completed views (an improvement of 2% compared to spring):

- <https://www.youtube.com/watch?v=hOaR2ErdWRs>
- <https://www.youtube.com/watch?v=lCChMVz3CWQ>

### Autumn

In early March, the autumn phase of the campaign was launched, but was paused after two weeks due to the Christchurch tragedy. The activity is scheduled to resume in April.



## Event Marketing – Venues Wellington

### Calexico

Venues Wellington acted as sole promoters for the Calexico concert on 30 January. Two phases of marketing were run in November and January and consisted of print, radio, street posters, search, digital, social media, and promotion through WellingtonNZ, Ticketmaster and partner channels.

### West Side Story

Venues Wellington have partnered with GWB Australia to bring a New Zealand exclusive season of West Side Story to Wellington's Opera House from 6-16 June.

A below-the-line marketing burst was run in mid-December to support the announcement of the show and tickets going on sale. A second, paid phase of marketing was launched in March and consisted of print, outdoor (billboards, busbacks), search, digital, social media, and promotion through WellingtonNZ, Ticketmaster and partner channels. A third phase of paid activity is scheduled from May and will focus on the Wellington market.



## Visitor & lifestyle - Media/PR

Our destination and lifestyle communications team hosted 16 journalists, influencers and film crews in Wellington and generated 185 media clips.

**International media** highlights include hosting media from Grazia Germany, Grenzenlos travel show Germany, Calgary Herald Canada, Fox News Philadelphia and two SSEA influencers as part of TNZ's Capital to Coast campaign. Coverage highlights include 'A culinary guide to Wellington' on National Geographic UK, an episode on Sekai Fureai Machiaruki Japan and mentions in a 47-page feature in Sanlian Life Week China.

**Australian media** highlights include hosting Pedestrian.TV and Vacations & Travel magazine and coverage in Gourmet Traveller, Virgin Voyeur, Sunday Herald, Sunday Mail, The Age, The Australian and Wotif.com.

**Domestic media** highlights include destination and event coverage in NZ Herald, Sunday Star Times, Radio NZ, AA Directions, Good Magazine and The Spinoff.

As at 31 March	Q3
<b>Number of media hosted</b>	<b>16</b>
<i>Domestic</i>	4
<i>Australia</i>	3
<i>International</i>	9
<b>Number of clips (NZ &amp; AU)</b>	<b>185</b>
<i>Domestic</i>	28
<i>Australia</i>	157
<b>Total Reach</b>	<b>11,490,618</b>

# Coverage examples (click to view)

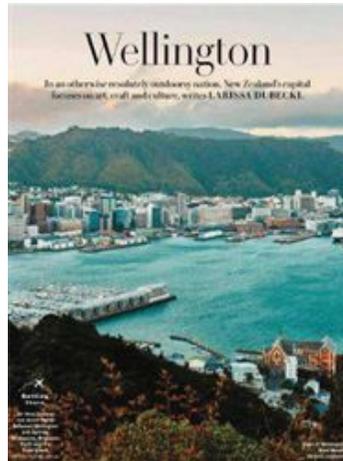
**NATIONAL GEOGRAPHIC**  
**A culinary guide to Wellington, New Zealand**  
 In an otherwise relatively unadorned nation, New Zealand's capital features art, craft and culture, writes LARISSA DUBICKI



**Wellington: In step with China's Terracotta Warriors at Te Papa**



The festival that embraces the spirit of Cuba Street



## Wellington for \$200

**S**ummer is the best time to visit Wellington, New Zealand. The city is a beautiful mix of nature and culture, and it's the perfect place to enjoy the outdoors. With a total cost of just \$200, you can experience the best of Wellington. This includes accommodation, food, and activities. The total cost is \$202.80.

## BOOK IT WELLINGTON, NZ

### WAIRARAPA WINES HARVEST FESTIVAL

It's time to party, with Wellington restaurants matching wines from the producers. Meet the winemakers, check out art exhibitions and dance beneath the trees on the banks of the Ruamahanga River, 75 minutes from Wellington. March 9, see [waiparaharvestfestival.co.nz](http://waiparaharvestfestival.co.nz)

### TE MATATINI NATIONAL KAPA HAKA FESTIVAL

Maori performing arts are on display in this biennial festival, otherwise known as the world cup of kapa haka, drawing 3000 performers from New Zealand and Australia, including Sydney and Perth teams. February 20-24, see [tematini.co.nz](http://tematini.co.nz)

### HOMEGROWN MUSIC FESTIVAL

As the name suggests, this is Kiwi musicians' biggest party, now in its 12th year. Performing at five waterfront stages throughout the city, there's a pre-party warm-up as well as a carnival on the side. March 23, see [homegrown.net.nz](http://homegrown.net.nz)



The best New Zealand regions to visit in 2019

CubaDupa still parties hard despite security changes

Restaurant capital Jackson St has 67 eateries in approximately 800 metres

JACKSON ST 238



# Corporate and Business storytelling

Our **corporate communications** activity generated a range of stories around WREDA's activity to boost Wellington's economy. This included blanket coverage across media channels for flagship events including the Terracotta Lanterns exhibition outside Te Papa and kapa haka festival Te Matatini.

Our **business storytelling programme** continued to generate strong results. Highlights included stories on WREDA and Christchurch Airport's MOU creating access for Wellington businesses to a wider suite of Alipay website/services and local business WeatherHalo, whose app warns workers if they're in danger of lightning strikes.



# Content strategy

<b>VISION:</b>	<b>Make the Wellington region wildly famous</b>									
<b>SEGMENTS:</b>	<b>CONSUMER</b>				<b>BUSINESS</b>					
<b>OBJECTIVES:</b>	Inspire people to visit Wellington / Help them curate and plan their trip / Act as an information and conversion portal.				Support businesses to grow by sharing their story and inspire them to achieve success / Attract talent to Wellington by promoting Wellington as a great place to live and work.					
<b>CONTENT PILLARS:</b>	Active Nature Get out and amongst the outdoors	Creative Heart We're known as the Creative Capital for a reason.	Food Town Wellington's reputation as a culinary hotspot.	See, Do, Stay Positioning Wellington as a great place to visit.	Wild Ideas We are home to some of the best minds.	World's Best Life Why would you want to live/work anywhere else?	Help Desk Giving businesses what they want			
<b>AUDIENCE PERSONAS:</b>	 KNOW (Local) Meet Winona		 DISCOVER (NZ) Meet Sasha		 DISCOVER (AU) Meet Pippa		 BUSINESS Meet Sam		 BUSINESS Meet Michelle	
<b>CONTENT AIM:</b>	Inspire locals to explore their city and be proud to live here.		Increase consideration of Wellington as a destination for their next holiday.		Support, inspire and connect the local business community.		Attract new talent to Wellington.			
<b>CHANNELS:</b>	         				      					

We have developed a new content strategy to ensure our content and storytelling activity is strategic, targeted and compelling, and we're following best practice across digital and social channels. Our objectives are to make Wellington famous by:

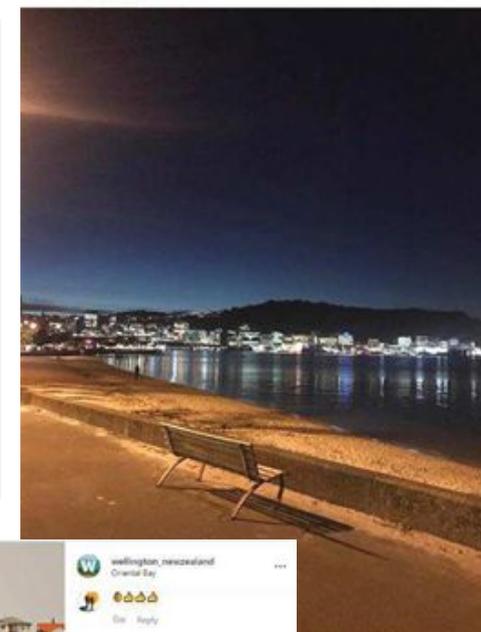
- \* Sharing inspiring stories that reflect Wellington as New Zealand's creative heart.
- \* Creating value for Wellington-based organisations through influencing locals, visitors, talent, businesses, students and investors to have a Wellington experience.

# Digital marketing

WellingtonNZ.com received **568,234 visits** between January and March, with 360,322 unique users. Again, over **1.3 million pages** were viewed, with the top pages shifting to *Sights and Activities* with 42,000 page views, followed by 'The top 10 Wellington must-dos', then the *Discover* landing page. The largest volume of visitors came from NZ | 66.04% (Wellington 49%), Australia | 16.05%, USA | 4.6%, India | 3.76%, and the UK | 2%.

Social channels reached a combined audience of more than 22 million users and growth of followers increased including those of individual channels:

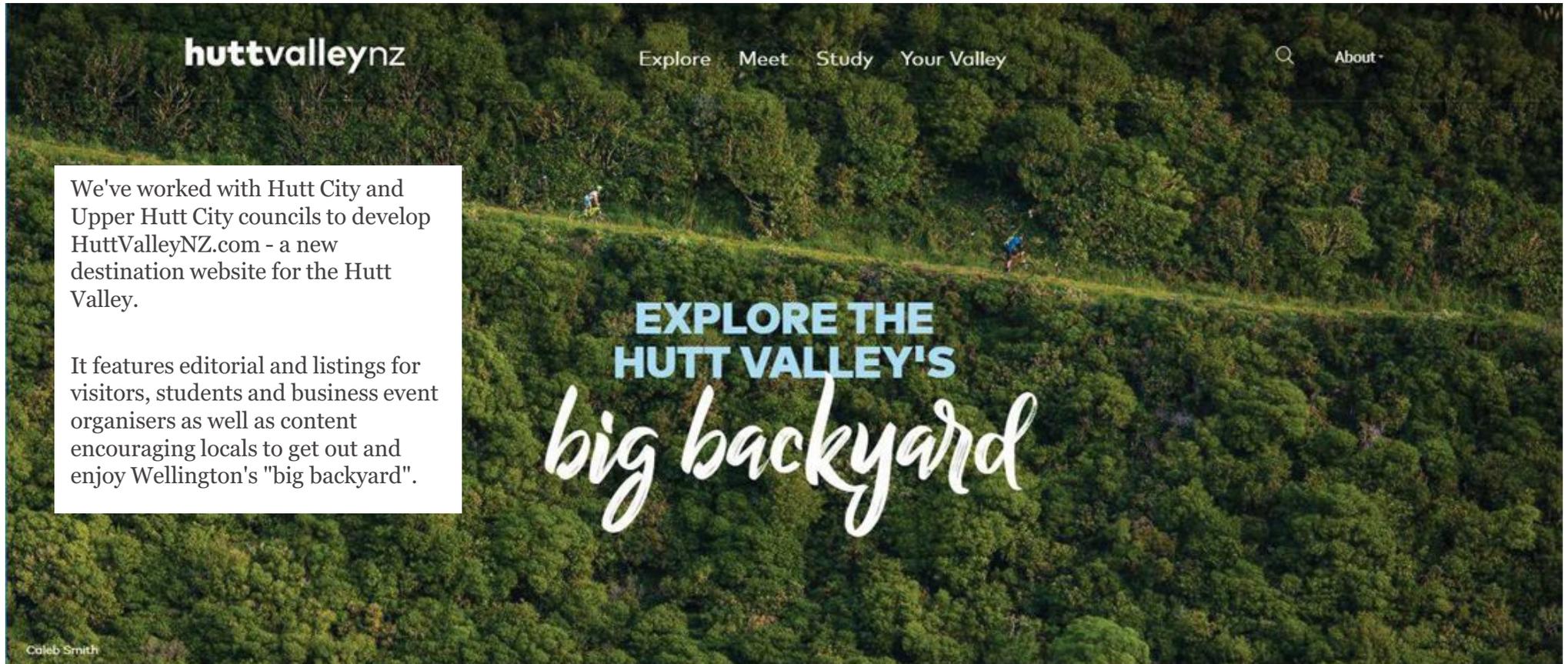
- **0.21%** growth in **Facebook** followers and average interactions per week has decreased by **28.13%**.
- **6.4%** growth in total **Instagram** followers, but interaction per post decreased by **33.3%**
- **5.7%** growth with **LinkedIn** followers which indicates the business community are relating to the content we're sharing
- NB: we took a two-week pause on social media activity after the Christchurch attacks as a mark of respect.



Key performance indicators	Q3
WellingtonNZ.com visits	568,234
Accommodation section page views	70,002
Social media reach (across IG & FB)	5,669,056
<b>Total subscribed digital audience</b>	<b>502,226</b>
• Social media fans	219,154
• eNews subscribers	214,696



## Digital marketing – HuttValleyNZ.com



**WREDA**

# Events & Experience

**WellingtonNZ.com**

## Venues – Performance, Conferences, Exhibitions and Business Events

Delivered **29 events with 54 performances with 75,475 guests** in our venues

Highlights:

- Two sold out performances for the comedian **Sarah Millican** at the Opera House; the TSB Arena hosted the sold out performance of **Bryan Ferry and Bryan Adams**; the **Hollies** sold out the MFC, in what was a busy evening for Wellington with RNZB in the Opera House, John Prine and Shed 6 and Eminem at the Stadium all on the same night.
- The **Central Pulse** netball team playing in front of excellent crowds at the TSB Arena; **Eddie Izzard** delivered a sold out show in the MFC.

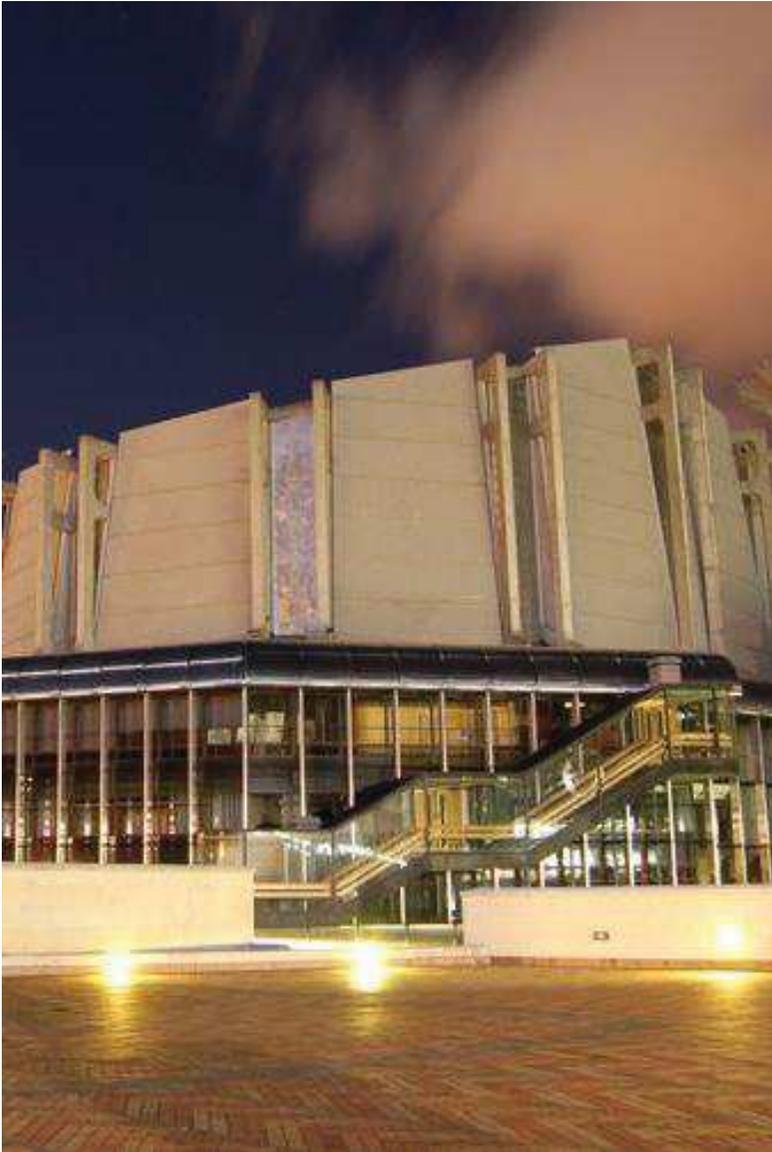


Delivered **65 conferences and business events**

Business events held of note:

- ILGA World Conference - 500pax
- Count Financial International Conference – 500 pax





## Venues – Operations & Facilities

- The **Wi-Fi installation** in the TSB Arena & Shed 6 has been completed, providing a much improved Wi-Fi experience for our patrons, who continue to demand fast internet with increased bandwidth. The improvements will be rolled out to the Opera House and MFC in the coming months.
- Our Facilities team are working closely with WCC to make improvements to the MFC including installation of **additional steel and truss**, along with the renewal of the chain motors in the MFC ceiling space. These improvements will allow for additional loading capability in the MFC, making the venue more flexible for different performance genres
- We are working with our Technical partner, NWG, to **renew the show lights** at the MFC, both in the catwalk and on the acoustic reflector. This will provide for a better lighting solution, and also reduce heat emitted from these lights providing for a better on-stage environment for the NZSO and other hirers.
- We are rolling out **new uniforms** to our Hosts within our Venues. These vibrant uniforms have been designed and manufactured in Wellington and will start being worn early Q4 throughout the Venues.

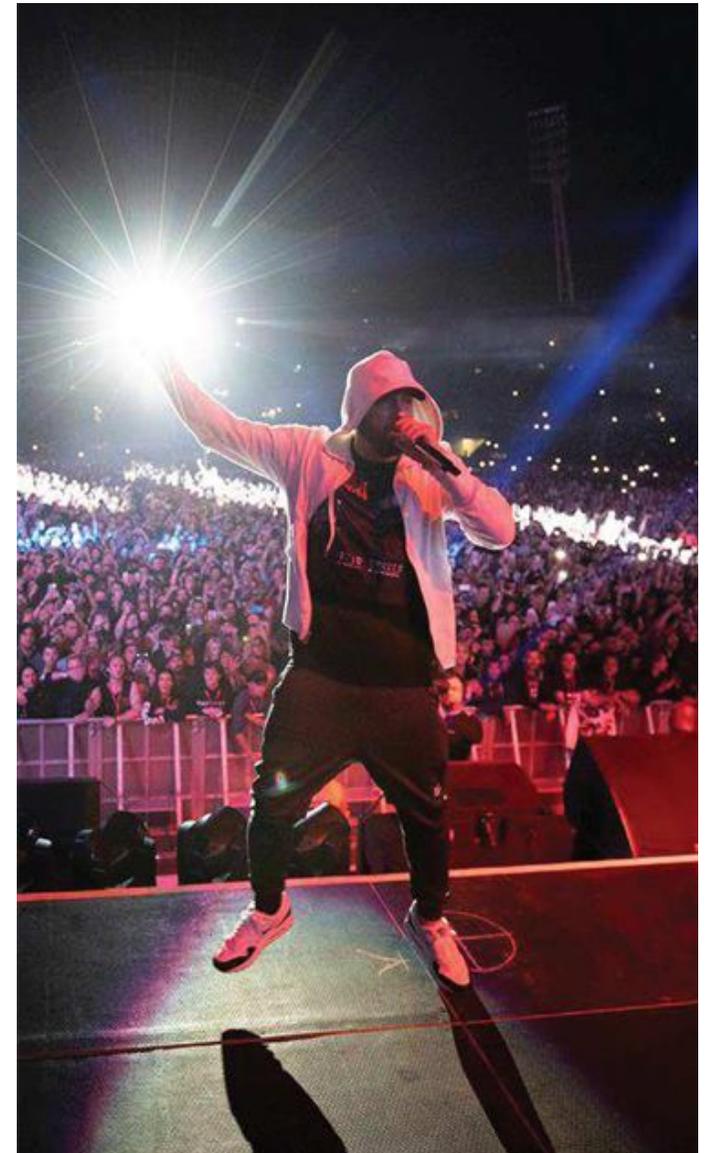
## Major Events

### Highlights

- **Terracotta Warriors** continued to pull in crowds between January and March with a whopping 137,916 people visiting during this period alone.
- The **Eminem Concert** was an outstanding success for Wellington city with 46,474 fans attending the event, 55% of these came from out of the region slotting into an already busy weekend with John Prine, The Hollies, RNZB and Orientation Week.
- In it's 12th year **Jim Beam Homegrown** had a record sell out of over 20,000 6 weeks out from the event. This added to the 2,000 attendees who experienced the inaugural Friday night Pre-Party.
- Due to the events that took place in Christchurch on Friday 15 March, **CubaDupa** decided for safety reasons to adjust their format with the majority moved indoors. Despite the challenging circumstances they still received a strong public following with the Opera House being one of the primary indoor venues.

### Upcoming Events

- Preparations are well underway for the **Jazz Festival** and **Second Unit**, both of which are held in June. The immersive theatre experience offered in Second Unit aims to delight attendees by challenging them into "what they will do in the shadows".



**WREDA**

# **Business Operations**

**WellingtonNZ.com**

## Business Services

### IT

- The final phase of our WREDA **migration to one Sharepoint** document management system has commenced, with preparations to move our Events and Experience team's documents onto our site during Q4. This will bring all of WREDA onto one document management system.
- Our staff **intranet** has been developed inhouse and is due to go live at the end of April.

### HR

- Work streams flowing out of our **Diversity, Inclusion and Wellbeing** work continue to be developed, focused on enhancing our employee experience. Staff working groups are working on enhanced flexibility offerings and engagement with our rainbow community.
- Our **leadership development** work continues, with the development of new tools and programmes of work for leaders of all levels. We anticipate rolling out this to staff from July.

### Sustainability

- WREDA is now on the **Wellington Region Climate Change Working Group**
- A '**Wildly Sustainable**' policy has been developed by the internal Sustainability Team to reflect WellingtonNZ's commitment to being a sustainably responsible business.

## **Business Services (continued)**

### **Health and Safety**

WellingtonNZ continues to evolve its approach to health and safety through a cycle of continuous improvement to its standard procedures and policies, driven by staff, management and our Board.

WellingtonNZ's approach to health and safety, particularly in our Venues operations, starts with the staff working on the ground. We generally have strong representation throughout all levels and areas of the organisation on our Health and Safety Committees who continue to drive improvement.

Within WellingtonNZ the majority of our reported incidents occur within the operation of our Venues and of those the majority relate to personal health incidents of patrons. We have had no significant or notifiable incidents during this period

### **Risk Management Framework**

WellingtonNZ has recently drafted a new risk management framework which was approved by our Board. Further workstreams from the development of this framework are being completed during Q4 along with the framework being embedded into the operating practises of the organization.

### **Patron Harassment Policy and Practice**

WellingtonNZ is committed to maintaining a safe and discrimination-free environment that encourages respect for the dignity of each individual. In particular, for the patrons visiting our Venues. WREDA has developed a harassment statement which is advertised within our website and on patron pre-show emails. We are currently enhancing our procedures relating to harassment and rolling out further training for front line staff.

**WREDA**

# Finance and KPI's

**WellingtonNZ.com**

On Track

Some Risk

## WREDA Key Performance Indicators – Quarter Three, 2018/19

Key Goals		Measure	2018/19 Annual Target	2018/19 YTD Q3	Status
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	1250	386	With the decline of traditional media outlets it's becoming increasingly challenging to attract media to WLG for famils and generate travel and event related content. 1,250 is what we hope to achieve if we can access a big broadcast media opportunity as we did last year with Sunrise TV
		Work, do business, invest content in local NZ and Australian media	105	74	
		Unique visitors to WellingtonNZ.com and subsidiary sites	2.7m	1,963,722 +Hutt TBC	Currently slightly behind on forecast. Potential drops due to the comms silence following the CHCH tragedy - no facebook or KNOW email for 2 weeks, plus no domestic or Australia newsletters in March. Will look at content distribution and paid search optimisation.
Grow the visitor economy	Marketing to the visitor sector locally and internationally	Weekend hotel guest night occupancy	80%	TBC	
		Value of investment from International marketing partnership partners	\$500k	\$910,000	
		International travel trade interactions	3750	1728	CHC terror attacks led to TNZ cancelling 2 training events and several famils in Q3 impacting at least 320 delegates. It is now unlikely the annual trade interaction target will be met.
Attract an increased number of students to the region	Marketing to the student sector locally and internationally	Audience engagements from marketing and storytelling	150,000	204,835	
		# of agent interactions	450	386	
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>1</sup>	70	89	
		No of acceleration programmes (Lightning Lab and Venture Up)	3	2	
		No. of members in "Start-up Garage"	3,500	3,409	
		No. of companies becoming investable	10	10	
		Deliver LL GovTech programme with # of teams/agencies participating	8	Complete	
		Generate income from Creative HQ's innovation services	\$2.4m	\$2.3m	

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	80%	Annual Measure	Engagement with Mana Whenua will commence in 2019/2020
		Deliver specific initiatives and projects in partnership with Māori business	TBD	N/A	
Facilitate the leveraging of the opportunities from new investment in the region	Screen Wellington	Number of permits for film production issued	350	411	
		Value of facilitated screen production	\$65m	\$12.3 m	A mixture of screen productions taking place in the region throughout Q3 and Q4 will see us reach our annual target.
	Visitor Infrastructure	WREDA will have activated plans in place for the delivery of visitor infrastructure projects reflecting their advancement by investing stakeholders	Yes	Annual Measure	The Wellington Convention and Exhibition Centre has progressed to detailed design stage following confirmation of the project by WCC. WREDA is investing in the redevelopment of the Wellington city i-SITE Visitor Centre
	Trails framework	Actions started or completed in the Trails Framework programme of work.	50%	66%	
Build workforce and employer capability	Regional Business Partner Programme	Number of actively supported businesses	445	304	
	Development and delivery of a Labour Market plan for the region	Wellington regional Labour Market Plan completed by WRS office with WREDA support	Yes		Underway
		Students supported in youth entrepreneurship programmes	505	504	
		Interns placed in priority sectors	275	308	
Deliver an unrivalled business, consumer and major events programme	Business Events Wellington and Wellington Major Events	ROI via out of Wellington spend	20:01	Annual Measure	
		Total event attendance	700,000	418,575	Although it was a busy Q3, security risks resulted in reductions in capacity of CubaDupa which has led to overall attendance numbers lower than projected. Expecting to be balanced out with Terracotta Warriors exhibition.
		Number of international business event bids submitted and/or supported in FY	35	31	
		Proportion of business events submitted that are successful	60%	63%	
		Value of business events (international and domestic) secured in FY	\$25m	\$15	While pipeline business is on track, capacity constraints means lower delegate number conferences being confirmed
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	\$58m	\$52.26m	
		Establish a model to measure Venues Wellington customer satisfaction	Establish baseline		
		Advance the Cultural well-being of Wellington – number of Wellingtonians attending performance events at Venues Wellington	230,720	230,091	
		Number of Events:			
		Total	440	385	
		Performance	220	204	
Conference	220	181			
WREDA in action	Partner/ Stakeholder Engagement	Partner/Stakeholder satisfaction score with engagement	80%	Annual Measure	

Sources:

- \* Internal count of activity outputs and outcomes
- \* Student Applications, Visas and Permits report (Stats NZ)
- \* Immigration/Migration Reports (Stats NZ)
- \* Commercial Accommodation Monitor (Stats NZ)
- \* Monthly Regional tourism estimates (MBIE/Stats NZ)
- \* International Visitor Arrivals (Stats NZ)
- \* Convention Activity Survey (MBIE)
- \* delegate number multiplied by Convention Activity Survey (MBIE) spend data
- \* Total number of tickets sold to people from outside the Wellington region multiplied the average visitor spend (Stats NZ) for visitors from the places tickets are sold
- \* Total number of tickets sold to Wellington region addresses

## WREDA Statement of Financial Performance for the 9 months Ended 31 March 2019, Including Creative HQ but excluding the Venues Project

STATEMENT OF COMPREHENSIVE INCOME	YTD Actual 31-Mar-19	YTD Budget 31-Mar-19	Variance YTD	FY Forecast 30-Jun-19	FY Budget 30-Jun-19	Variance 30-Jun-19
<b>Revenue</b>						
Event revenue	0	0	0	0	0	0
Shareholder grants	17,627,364	17,725,242	(97,878)	22,506,465	22,163,251	343,214
Government grants	1,712,330	631,100	1,081,230	1,256,030	1,054,792	201,238
Partner revenue	1,677,859	1,340,750	337,109	1,959,186	1,527,000	432,186
Visitor Centre	282,105	358,674	(76,569)	341,799	451,599	(109,800)
Sub lease and carpark revenue	81,290	36,150	45,140	93,341	48,200	45,141
Interest income	53,536	48,500	5,036	65,036	60,000	5,036
Other income	2,980,268	2,533,081	447,187	4,542,835	3,428,116	1,114,719
<b>Total Revenue</b>	<b>24,414,752</b>	<b>22,673,497</b>	<b>1,741,255</b>	<b>30,764,692</b>	<b>28,732,958</b>	<b>2,031,734</b>
<b>Direct Costs</b>						
Cost of sales	37,335	39,220	1,885	40,689	51,599	10,910
Wages (events etc)	0	0	0	0	0	0
Other direct costs	0	0	0	0	0	0
<b>Total Direct Costs</b>	<b>37,335</b>	<b>39,220</b>	<b>1,885</b>	<b>40,689</b>	<b>51,599</b>	<b>10,910</b>
<b>Operating Expenses (overheads)</b>						
Salaries and wages	9,342,511	9,522,075	179,564	12,813,141	12,848,993	35,852
Other employment costs	533,882	476,439	(57,443)	770,637	613,750	(156,887)
Occupancy costs	529,931	561,874	31,943	716,725	736,536	19,811
Marketing & activity expenses	10,462,507	10,751,306	288,798	13,775,994	12,668,729	(1,107,265)
Utilities	34,739	38,071	3,332	47,496	39,972	(7,524)
IT and communications	324,790	270,136	(54,654)	434,869	380,070	(54,799)
Insurance	18,125	17,000	(1,125)	18,888	18,900	12
Administration costs	409,137	432,574	23,437	609,641	701,728	92,087
Vehicle expenses	40,819	34,272	(6,547)	53,302	45,696	(7,606)
Travel costs	187,292	166,628	(20,664)	240,742	109,098	(131,644)
Professional fees	219,765	88,105	(131,660)	294,599	156,025	(138,574)
Director fees	194,167	120,204	(73,963)	194,653	182,274	(12,379)
Other operating expenses	0	0	0	0	0	0
<b>Total Operating Expenditure</b>	<b>22,297,665</b>	<b>22,478,683</b>	<b>181,018</b>	<b>29,970,687</b>	<b>28,501,771</b>	<b>(1,468,916)</b>
<b>Total Expenditure</b>	<b>22,335,000</b>	<b>22,517,903</b>	<b>182,903</b>	<b>30,011,376</b>	<b>28,553,370</b>	<b>(1,458,006)</b>
<b>Net Surplus/(Deficit) before Depreciation and Tax</b>	<b>2,079,752</b>	<b>155,594</b>	<b>1,924,158</b>	<b>753,316</b>	<b>179,588</b>	<b>573,728</b>
Interest expense	170	0	(170)	0	0	0
Depreciation	166,078	98,613	(67,465)	228,824	131,484	(97,340)
Movement in investment valuation	0	0	0	0	0	0
Taxation expense	62,743	0	(62,743)	198,113	0	(198,113)
<b>Net Surplus/(Deficit)</b>	<b>1,850,761</b>	<b>56,981</b>	<b>1,793,781</b>	<b>326,379</b>	<b>48,104</b>	<b>278,275</b>

\* Additional shareholder income due to additional unbudgeted funding for Decade of Culture Funding

\* Additional government funding via work CHQ is undertaking within this sector

\* Additional partner funding received for project work such as Team Wellington, Cycletrails, Regional Websites and Regional Growth Fund work

\* Other income positive compared to budget due to faster utilisation of commercial funds held for the benefit of Venues via ticketing and profit share, along with increase in CHQ service revenue

\* Salaries have some budgeted positions not yet filled

\* Additional marketing and activity expenditure due to the additional revenue mentioned above.

**WREDA****STATEMENT OF FINANCIAL POSITION – AS AT 31 March 2019****Including Creative HQ and Excluding Venues Project**

STATEMENT OF FINANCIAL POSITION	As at 31-Mar-19
<b>Shareholders Equity</b>	
Paid up capital	
Retained earnings	4,118,968
<b>Total Shareholder/Trust Funds</b>	<u>4,118,968</u>
<b>Current Assets</b>	
Cash and cash equivalents	4,090,698
Other current assets	1,440,248
<b>Total Current Assets</b>	<u>5,530,946</u>
<b>Investments</b>	
<b>Non-current Assets</b>	
Fixed assets	570,708
Other non-current assets	1,816,245
<b>Total Non-current Assets</b>	<u>2,386,953</u>
<b>Total Assets</b>	<u>7,917,899</u>
<b>Current Liabilities</b>	
Accounts payable	391,068
Other current liabilities	3,367,995
<b>Total Current Liabilities</b>	<u>3,759,063</u>
<b>Non-current Liabilities</b>	39,868
<b>Total Liabilities</b>	<u>3,798,931</u>
<b>Net Assets</b>	<u>4,118,968</u>

\* WREDA is in a good financial position and has adequate cash to meet their debts as they fall due. Cash will continue to fall as we run closer to our next major funding date of 1 July

\* Other current assets primarily relate to the holding values of CHQ's holding in incubator and accelerator companies

\* Other current liabilities relates to income held in advance of expenditure

STATEMENT OF CASH FLOWS	YTD 31 MARCH 19	YTD BUDGET 31 MARCH 19
<b>TOTAL NET CASHFLOWS</b>	<b>1,441,212</b>	<b>(100,000)</b>
Opening Cash	1,911,315	2,100,000
Closing Cash	3,352,527	2,000,000

STATEMENT OF CASH FLOWS	YTD 31 MARCH 19	YTD BUDGET 31 MARCH 19
TOTAL NET CASHFLOWS	1,441,212	(100,000)
Opening Cash	1,911,315	2,100,000
Closing Cash	3,352,527	2,000,000