



greater WELLINGTON
REGIONAL COUNCIL
Te Pane Matua Taiao

If calling please ask for: Democratic Services

3 April 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, 9 April 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, 9 April 2019 in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington at 1.00pm

Public Business

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1.	Apologies	
2.	Conflict of interest declarations	
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Please note that these minutes remain unconfirmed until the Wellington Regional Strategy Committee meeting on 9 April 2019

Report 18.565

27/11/2018

File: CCAB-15-296

Public minutes of the Wellington Regional Strategy Committee meeting held on Tuesday, 27 November 2018, in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington at 1:03pm

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 Gurunathan (until 1.52pm)	(Kapiti Coast District Council)
Councillor Marsh	(Wellington City Council)
Mayor Patterson	(Masterton District Council)
Mayor Tana	(Porirua City Council)

Public Business

1 Apologies

Moved

(Mayor Lester/ Cr Blakeley)

That the Committee accepts the apology for absence from 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 28 August 2018**

Moved

(Mayor Lester/ Cr Blakeley)

That the Committee confirms the minutes of the meeting of 28 August 2018, Report 18.370.

The motion was **CARRIED**.

5 **Action items from previous meetings**

Report 18.426

File: CCAB-15-265

Moved

(Mayor Lester/ Mayor Patterson)

That the Committee:

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

The motion was **CARRIED**.

6 **WREDA Annual Report 2017/18 and First Quarter Report 2018/19**

Lance Walker, Chief Executive, Wellington Regional Economic Development Agency (WREDA), spoke to the report, noting positive feedback in relation to the new digital format of the Annual Report.

Lance Walker demonstrated the new [Wellington Regional Trails](#) website. The Committee discussed the importance of consistent and bilingual signage, in parallel with the new website and any future mobile app.

Lance Walker noted that management of venues is providing good throughput of events and that WREDA is working on a solution for the upcoming seismic strengthening works at the St James Theatre.

The Committee were advised of lower visitation numbers from China and Australia, affecting the visitor economy and the key performance indicators.

The Committee acknowledged the positive comments on WREDA's performance received, especially from their work in the Kāpiti area.

The Committee discussed whether WREDA was able to report on performance across different parts of the Region, to assist in understanding the value-add provided by WREDA.

Report 18.552

File: CCAB-15-288

Moved

(Mayor Lester/ Cr Blakeley)

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*
- 3. Receives, on behalf of the shareholding councils, the WREDA Annual Report for 2017/18.*

The motion was **CARRIED**.

7 Letter of Expectation - WREDA

Report 18.549

File: CCAB-15-287

Moved

(Mayor Lester/ Cr Blakeley)

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*
- 3. Approves the Letter of Expectation, subject to any changes agreed by the Shareholding Councils.*
- 4. Authorises the Chair of the Committee to approve and sign the Letter of Expectation on behalf of the Committee.*

The motion was **CARRIED**.

Noted: The Committee requested that the letter note the Committee's preference for: a greater reflection of Te Reo Māori in WREDA communications; consideration of global mega-trends; and the development of a clear statement about safety and management of harassment in venues.

8 Multi-user Ferry Terminal

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

Report 18.557

File: CCAB-15-289

Moved

(Mayor Lester/ Cr Blakeley)

That the Committee:

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

The motion was **CARRIED**.

Mayor Gurunathan left the meeting during discussion of item 8, at 1:52pm.

9 **Wairarapa Strategy**

Oral report

Mayor Lyn Patterson, Masterton District Council, provided the Committee with a copy of the Wairarapa Economic Development Strategy, which was launched on Monday, 12 November 2018, with the Hon. Shane Jones and Hon. Ron Mark.

Mayor Patterson thanked GWRC, the Wellington Regional Strategy Office, WREDA, Hon. Steve Maharey, and other Councils and their Chief Executives, for the work that went into the development of the Strategy. Mayor Patterson advised the Committee that the programme targets three sectors: value-added food and beverage, knowledge-intensive industries, and visitor & tourism.

10 **Exclusion of the public**

Report 18.556

Moved

(Mayor Lester/ Mayor Guppy)

That the Committee:

Excludes the public from the following part of the proceedings of this meeting namely, Wellington Regional Economic Development Agency (WREDA) director appointments

The general subject of each matter to be considered while the public is excluded, the reasons for passing this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 (the Act) for the passing of this resolution are as follows:

<i>General subject of each matter to be considered:</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground under section 48(1) for the passing of this resolution</i>
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<i>Wellington Regional Economic Development Agency (WREDA) Board review and director appointments</i>	<i>The information contained in this report relates to the proposed appointment of directors to WREDA. Release of this information would prejudice the proposed appointees' privacy by disclosing the fact that they are being considered as a Director of WREDA. Greater Wellington Regional Council (GWRC) has not been able to identify a public interest favouring disclosure of this particular information in public</i>	<i>That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under sections 7(2)(a) of the Act (i.e to protect the privacy of natural persons).</i>
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*proceedings of the meeting that
would override the privacy of
the individuals concerned.*

This resolution is made in reliance on section 48(1) of the Act and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified above.

The motion was **CARRIED**.

The public part of the meeting closed at 2:02pm.

Mayor Lester
(Chair)

Date:



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Please note that these minutes remain unconfirmed until the Wellington Regional Strategy Committee meeting on 9 April 2019.

The matters referred to in these minutes were considered by the Committee on 27 November 2018 in public excluded business. These minutes do not require confidentiality and may be considered in the public part of the meeting.

Report 18.566

27/11/2018

File: CCAB-15-297

Public excluded minutes of the Wellington Regional Strategy Committee meeting held on Tuesday, 27 November 2018, in the Council Chamber, Greater Wellington Regional Council, Level 2, 15 Walter Street, Te Aro, Wellington at 2:02pm

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)
Councillor Marsh	(Wellington City Council)
Mayor Patterson	(Masterton District Council)
Mayor Tana	(Porirua City Council)

Public Business

- 1 **Wellington Regional Economic Development Agency (WREDA) Board review and director appointments**

Report 18.550

File: CCAB-15-286

Moved

(Mayor Lester/ Cr Blakeley)

That the Committee:

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

3. *Recommends to the shareholding councils that the following persons be reappointed as directors of WREDA with staggered terms of appointment:*
 - a. *Thomas Pippos, for a term of two years*
 - b. *Grant Guilford, for a term of two years*
 - c. *Dave Gibson, for a term of three years*
 - d. *Steve Maharey, for a term of three years.*
4. *Recommends to the shareholding councils that Tracey Bridges be appointed as Chair of the WREDA board.*

Voting on the motion was taken in parts. Items 1 and 2 were to put to the vote and were **CARRIED**. Item 3(a) was put to the vote and was **CARRIED**. Item 3(b) was put to the vote and was **CARRIED**. Item 3(c) was put to the vote and was **CARRIED**. Item 3(d) was put to the vote and was **CARRIED**. Item 4 was put to the vote and was **CARRIED**.

Noted: Councillor Calvert requested that her vote against item 3(d) be recorded.

The public excluded part of the meeting closed at 2:18pm.

Mayor Lester
(Chair)

Date:



Report	19.126
Date	1 April 2019
File	CCAB-15-304
Committee	Wellington Regional Strategy Committee
Author	Samantha Seath, WRS Office Barry Turefrey, WCC

WREDA Half Year Report 2018/19

1. Purpose

To provide summary comment on the Wellington Regional Economic Development Agency (WREDA) Half Year Report 2018.

2. Background

WREDA is required to provide a half yearly monthly and an audited annual report. These provide an outline of activities, finances and performance against targets in the Statement of Intent 2018-21.

A commentary on activities for the six-month period is provided in WREDA's report, which is included as [Attachment 1](#) to this report. Representatives from WREDA will make a presentation on their report and answer any questions the Committee may have.

3. Summary

Events and Experience

- Delivered 65 conferences and business events including the NZ Principals, Kiwicon IT and the united Fire Brigade conferences.
- The Michael Fowler Centre hosted 14,500 graduating students over the period.
- There were 58 events with 80 performances attended by 150,209 people.
- Highlights included 12 shows for WOW, sold out performances for Bill Bailey, David Byrne Shihad, the Royal NZ Ballet, Catherine Tate and the Silver Ferns versus Australia.
- WREDA won 8 international and national bids to host business events in the region over the next few years, estimated economic value to the region is in the order of \$2.8m.
- For the year ending December 2018 Wellington had a 22% market share of the convention and events business in NZ, up 2% on the previous year.

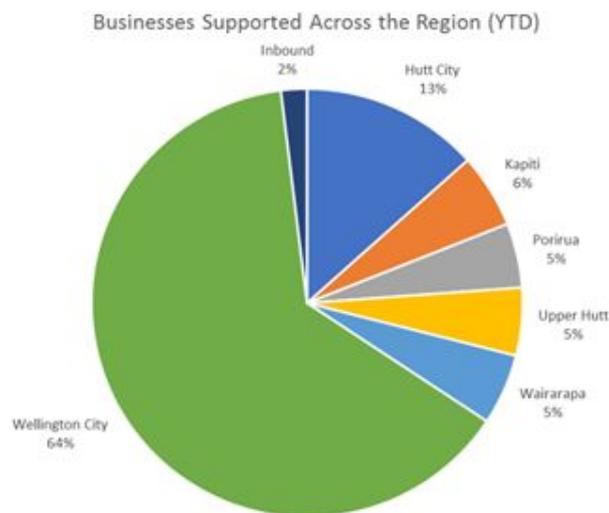
- Worked closely with WCC in developing a robust Convention Centre business case and assisting in the detailed design.

Marketing and Communications

- JV campaign with Te Papa for the Terracotta Warriors with opening of the exhibition in December
- Partnered with Air NZ to promote travel to Wellington this summer, resulting in a 7% increase in bookings over the campaign period
- Journalists were hosted from amongst others Forbes, USA Today, National Geographic, Readers Digest, resultant coverage included Lonely Planet, Tatler, Australian Women's Weekly, Brisbane News and Forbes
- WREDA's media coverage reached in excess of 15m people
- WellingtonNZ.com received 539,886 visits, of these 368,000 were unique users
- Over 92,000 vouchers were downloaded from the annual Advent calendar, a 7% increase on last year, with direct spend of \$173k from voucher redemption
- Launch of Your Alternative Summer marketing campaign centered on Wellington as a getaway destination with world class dining, stylish shopping and deluxe hotels.
- Find Your Wild regional trails campaign launched including an interactive website (www.wellingtonregionaltrails.com)

Regional Development, Destination and Attraction

- Supporting the implementation of the Wairarapa Economic Development strategy. The Provincial Growth Fund along with the Wairarapa councils, GWRC and WREDA are funding a programme manager to help implement the strategy
- Working with the Kāpiti Coast District Council on review of their ED strategy and development of Kapiti story
- Supported the Porirua pop up business school and the Hutt City business clinic
- A number of promotional campaigns were held regarding the Wellington International Student Growth Programme including meeting with 26 education agents and an awareness campaign in China.
- 171 students (last year 147) have been placed with 62 organisations for summer internships, 11% of these placements were international students.
- 295 screen permits processed for a variety of projects including a NZ feature film, advertising/promotional material, student films
- 411 businesses supported via the Regional Business Partner Programme, including 231 receiving direct support. NZTE and Callaghan have reappointed WREDA to deliver the programme for another 2 years
- The businesses supported by the programme are spread across the region as follows



Creative HQ

- 61 start ups from the region are currently on the CHQ platform
- Delivery of the GovTech Accelerator, The Ease of Doing Business plus programs with Beca (acceleration) and Transpower (innovation).
- Inaugural running of Experience Week, which involved 23 events including a series of design workshops, Design Sprints and networking events. The success of this week was measured by the number of registrations, enquiries, attendees and follow up projects is ensures it will become an annual event
- CHQ has matched WREDA's core funding by an 8:1 ratio for the year to date, the target for the year is a 4:1 ratio

4. Summary Financial Information

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

FINANCIAL PERFORMANCE (\$000)	Budget	Actual	Variance	Budget	Actual	Variance	Budget
	Q2	Q2	Q2	YTD	YTD	YTD	FYE
Total Revenue	6,688	8,135	1,447 ✓	14,871	16,335	1,464 ✓	28,733
Total Expenses	8,758	9,210	452 ✗	16,645	16,527	118 ✓	28,685
Net Surplus (Loss)	(2,070)	(1,075)	995 ✓	(1,774)	(192)	1,582 ✓	48
FINANCIAL POSITION							
Total Assets		5,235			5,235		5,564
Total Liabilities		3,222			3,222		3,500
Equity		2,013			2,013		2,064
CASH FLOWS							
Total Net Cash Flows	(1,600)	(1,590)	10 ✓	(100)	11		109
Opening Cash	3,600	3,512	(88) ✗	2,100	1,911		2,100
Closing Cash	2,000	1,922	(78) ✗	2,000	1,922		1,991

Revenue was up due to additional shareholding revenue (Decade of Culture), increased partner income from CHQ clients, Team Wellington, Cycletrails. Operating expenditure for 6 months is in line with budget resulting in a lower than expected loss.

For the year WREDA is forecasting to make a higher surplus than budget.

5. Summary Performance Results

→ Steady ↗ Improving ↘ Declining

MEASURE		Q2	Budget	Trend	Comments
		2018	2018/19		
Unique visitors to Wellingtonnz.com	Actual	1,404,606		↗	On track to achieving target
	Target		2,700,000		
Weekend hotel guest occupancy	Actual	80%		↗	On track to achieving target
	Target		80%		
International travel trade interactions	Actual	1,468		↗	On track to achieving target
	Target		3,750		
Number of start-ups on CHQ platform	Actual	61		↗	On track to achieving target
	Target		70		
Interns placed in priority sectors	Actual	261		↗	On track to achieving target
	Target		275		
Number of companies becoming investable	Actual	6		↗	On track to achieving target
	Target		5		
Value of Business Events	Actual	\$11m		↗	On track to achieving target
	Target		\$25m		
Number of International bids submitted	Actual	14		↗	On track to achieving target
	Target		35		
Proportion of successful business events submitted	Actual	87%		↗	On track to achieving target
	Target		60%		
Number of events	Actual	344		↗	On track to achieving target
	Target		440		
Value of facilitated screen production	Actual	\$6.2m		↗	A mixture of screen productions taking place in the region throughout Q3 and Q4 will see the annual target met, this includes another season of Wellington Paranormal and a NZ feature film.
	Target		\$65m		
Major Event attendance	Actual	194,886		→	Events planned for Q3 and Q4 are expected to bring attendances in line with the target, these include the Eminence concert, Homegrown, CupaDupa
	Target		700,000		

A number of WREDA's KPIs are measured on an annual basis, at this stage, based on the Q2 trends it is expected that the majority of the KPIs will be achieved including those relating to Screen Production and Major Events attendances.

6. The decision-making process and significance

No decision is being sought in this report.

6.1 Engagement

Engagement on this matter is unnecessary.

7. Recommendations

That the Committee:

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

Report prepared by:

Report prepared by:

Report approved by

Barry Turfrey
Wellington City Council

Samantha Seath
WRS Office

Luke Troy
General Manager, Strategy

Attachment 1: WREDA Half Year Report 2018-19



Attachment 1 to Report 19.126

WREDA

Quarterly Report

Q2: October – December 2018

At the half way point in the 2018/2019 financial year, WREDA is on track to deliver positive outcomes for the Wellington region across all of its Statement of Intent key areas of focus.

Notable highlights in this last quarter include:

- Engagement in the Wairarapa and Kāpiti Economic Development strategies;
- Strong performance from the Regional Business Partnership programme (recognised through NZTE reappointing WREDA for a further 2 years);
- The International Students Excellence Awards;
- Young Enterprise and Summer of Tech programme delivery;
- Continued strong film/screen permitting activity;
- A successful programme of spring and summer destination marketing activity, international tourism trade engagements and digital marketing projects;
- The launch of the regional trails website;
- The work completed on the Wellington Convention and Exhibition Centre business case;
- A successful quarter for business, consumer and major events – highlighted by WOW;
- Signing a new partnership with Immigration NZ;
- The GovTech accelerator delivered by CreativeHQ.

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

Overview

October – December 2018

WREDA

WellingtonNZ.com

WREDA

Regional Development, Destination and Attraction

Wellington Regional Economic Development Agency

WellingtonNZ.com

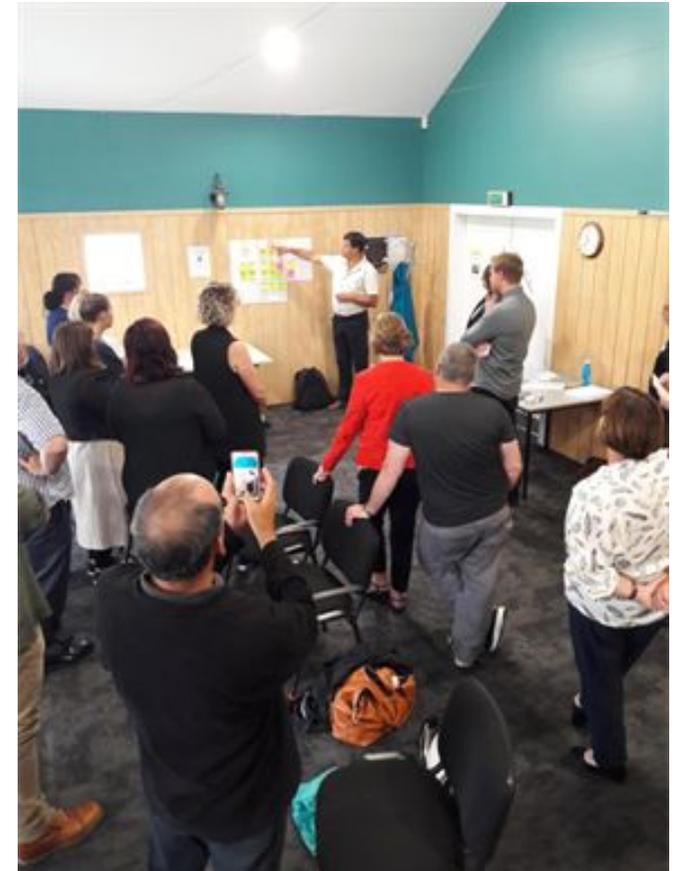
Wairarapa and Kāpiti Economic Development Strategies

On November 12th, the **Wairarapa Economic Development Strategy** was launched at an event which was attended by Minister for Regional Economic Development, Shane Jones, local MP's, councils and the business community.

- Minister Jones announced that the Provincial Growth Fund (PGF) would support a **programme manager** role to implement the strategy, which is to be co-funded by the PGF, the 3 Wairarapa councils and GWRC. This role will be employed by WREDA to ensure the role is able to utilise the greater WREDA resource to support Wairarapa outcomes.
- The WREDA CEO has been appointed as the chair of the **Wairarapa ED Steering Group** which is charged with overseeing the implementation of the strategy, including advising MBIE on the local perspectives of PGF applications.

WREDA has also been working closely with the **Kāpiti Coast District Council** to:

- Support the **economic development strategy** workshops which have been facilitated by Allen & Clarke
- Support MBIE and helping facilitate **PGF** community workshops
- Facilitate a **Brand Storytelling** workshop
- Sit on the **Kāpiti PGF advisory panel**
- Provide **Major Event** advice and recommendations
- Support **tourism product** development



WREDA facilitated Brand Storytelling workshop in Kapiti

RBP and Business Growth

Regional Business Partner Programme

WREDA has supported **411 regional businesses in the year-to-date**, including 231 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 36% are based in one of the region's other territorial authorities. We have delivered \$208,000 of Capability Voucher funding and \$3,333,000 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.

It has also been confirmed that Callaghan and NZTE have **extended WREDA's contract** for regional delivery of the RBP programme for another 2 years from June 2019.

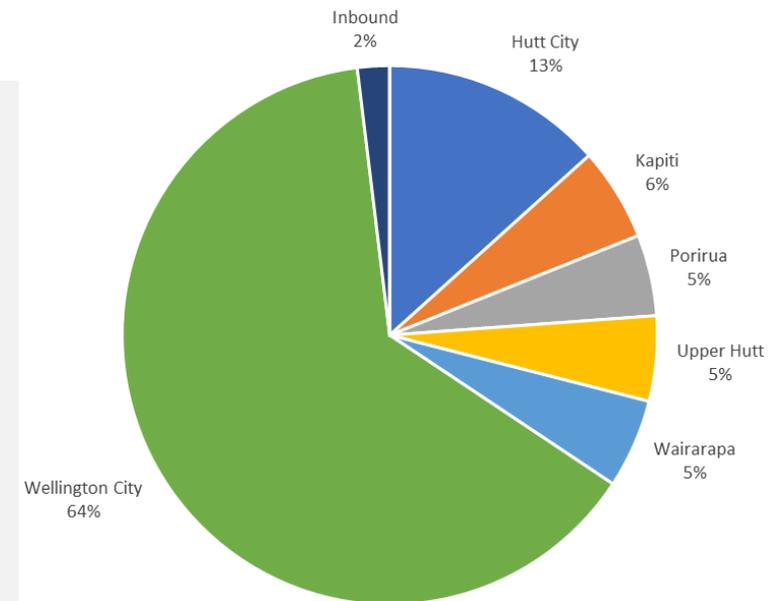
Business Growth

We supported the **Porirua PopUp Business School** in partnership with Porirua City Council and the Ministry for Social Development, which saw 45 participants turn their business idea into an actual business. The programme ran over two weeks and included workshops by business leaders from the community, a tradeshow, and training in areas of business such as online marketing. The attendees will continue to be supported through an alumni programme and the Business Mentors programme.

The Business Growth Team ran a business clinic in **Hutt City**, in partnership with the **Chamber of Commerce** which saw 3 new businesses attend. All had growth potential and will receive support to accelerate their growth.

WREDA and Callaghan Innovation facilitated a **business workshop** targeted at **ICT** companies, introducing automated test concepts and tools to build better software, faster. This very technical workshop had over 12 software people learning new concepts and bringing the capability back to their business.

Businesses Supported Across the Region (YTD)



Education & Workforce

Wellington International Student Growth Programme (WISGP)

- The **International Student Excellence Awards** were held at Parliament in November. New categories were introduced to reward the contribution of employers and Wellingtonians in improving the international student experience.
- We met with **26 education agents** during the quarter, hosting 6 of those for a week-long famil throughout the region.
- **China awareness campaign** ran in September 2018, generating 81,605 total video views (target 50,000), 150 student signups to edm nurture trail. In addition the key opinion leader posts created a combined reach of 690,000
- **Upcoming:** The '*Star in your own Wellington movie*' student promotional campaign, which will be our biggest for the FY. This competition will be used as a vehicle to create awareness of Wellington as a study destination to those interested in international study. It will target tertiary students (16-25 year olds) in Vietnam, India and USA with a 'Win a chance to star in your own film in Wellington!'

Talent & Skills

- **Summer of Tech & Summer of Biz** - 171 students have been placed with 62 Wellington organisations for 10 week long summer internships. This is up from 147 last year with the increase all in tech roles. 11% of placements were international students.
- **Callaghan Innovation R&D Experience internship grants** – With WREDA's support, Wellington organisations were approved 62 grants for students this year.
- **Young Enterprise** - As the lead regional sponsor, WREDA judged and presented the awards at this year's Regional Final of **Young Enterprise**, a youth entrepreneurial programme. St Mary's College, Wellington, won the National Social Enterprise award for their enterprise 'The Last Straw' at the national finals.



International Student Excellence Awards at Parliament



China Campaign



Young Enterprise regional finals

Screen Wellington

Attraction and Permits

Demand for screen permits in the region is high with 295 permits approved, which means we are on track to set another permitting record this year. We expect to process around 600 for FY 18/19.

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

Studio Infrastructure

Screen Wellington has been working with multiple different developers around the region to assess options to address Wellington's lack of Sound Stage capacity. This is ongoing and a group visit to Stone Street Studios took place in Dec 2018 to better understand the buildings and the business.

Mortal Engines

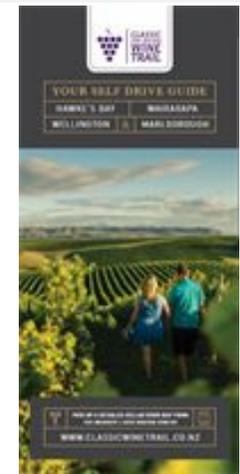
Mortal Engines, a movie 100% made in Wellington and produced by Sir Peter Jackson and directed by Christian Rivers, was released in Dec 2018. Screen Wellington closely collaborated with the NZ Film Commission and Weta to deliver in-market events and key Wellington messaging around the film.



International Tourism Trade

- WREDA represented the **Wellington & Wairarapa International Marketing Alliance** at Tourism New Zealand’s Training Roadshow in October 2018. The US market is Wellington’s second largest international market, experiencing strong growth for the last three years. The event visited Jersey, Pittsburgh, Cincinnati and Minneapolis, aligned to the key feeder cities for Air New Zealand’s new Chicago air service. Additional sales and training calls were undertaken with 83 agents and Product Managers in Los Angeles, Toronto, Chicago and San Antonio.
- Air New Zealand launched a new **Brisbane to Wellington** service in December. WREDA and Weta were invited to attend the Brisbane trade launch and created a memorable evening for Air New Zealand with a ‘Scars & Scrapes’ session.
- Fifty-eight agents and Product Managers were hosted during Q2 including German top selling agency DERTour and UK Flight Centre.
- Pre-season product updates and frontline training was delivered to 58 i-SITE staff in key locations throughout New Zealand.
- A new **Classic NZ Wine Trail** guide was delivered in Q2. This regional partnership has long been at the forefront of tackling regional spread, encouraging self-drive visitors to slow down and enjoy Hawke’s Bay, Wairarapa, Wellington & Marlborough along the sign-posted Wine Trail touring route.

Q2 In-market training, Famils & Sales Calls	Total agents trained
TNZ New Zealand Journeys training roadshow	206
Air New Zealand Brisbane trade launch	68
Total agents trained	369
Decision maker appointments	16
Total Trade Famil participants	58
Total Trade Famil Itineraries	10



Team Wellington: China

- The **XiYangYang** consumer travel show was held in Auckland in October, attracting 17,000 Auckland-resident Chinese to the event. Influencing this resident market is important for attracting the visiting friends and family sector. Partnering with KiwiRail on the Wellington stand, WREDA leveraged interest in the Terracotta Warriors exhibition at Te Papa using a 'live Warrior' roaming the show.
- **Wellington Airport and 'Air New Zealand loves Wellington'** joint campaign to promote a free internal add-on flight to Wellington was supported by WREDA by collating a number of local operator incentives for travelers to use whilst in Wellington.
- Three **China famils** were hosted in Q2 including a TNZ West China Product Manager group.
- Sales calls to **28 FIT inbound** operators were undertaken with KiwiRail and Weta in Auckland and Christchurch, resulting in 65 staff trained.
- A **simplified-Chinese Wellington Map** was delivered in December for distribution in the Wellington i-SITE and through key partners.
- Chinese FIT inbound operator **Travelmore** has added Wellington to its destinations.
- WREDA is a member of the central government agency working group for the **China NZ Year of Tourism (CNZYoT)** which will host the opening ceremony at Te Papa alongside the Terracotta Warriors exhibition. WREDA has developed an exclusive Welcome Gift for high value Chinese visitors to Wellington in 2019 which includes a Welcome Letter from the Mayor of Wellington, tourism offers and an official CNZYoT badge



Business Events Wellington

Business Events Wellington (BEW) team were successful in winning 8 International, Australasian and National bids to be hosted in the Wellington region in the coming years. These events will inject a projected economic value of \$2,769,040 into the Wellington economy.

Amongst the bids won by the BEW team were:

- International Zoo Educators Association Conference, 2022, 150 delegates - \$344,160
- New Zealand Game Developers Association Conference, 2019, 700 delegates - \$1,004,500
- New Zealand Hand Therapy Conference, 2019, 200 delegates - \$287,000
- Energy Management Association of New Zealand, 2019, 150 delegates - \$215,250

In Q2 BEW has produced the following bids:

For 2020

- Jeunesses Australasian Conference, 700 delegates - \$1,255,075

For 2021

- The Advancing cooperative & work-integrated education World Conference (WACE), 550 delegates - \$1,183,050
- Pinot NZ Conference, 750 delegates - \$1,344,750
- New Zealand Dental Hygienist Association Conference, 500 delegates - \$717,500

For 2025

- Associated Country Women of the World Conference, 800 delegates - \$1,720,800



Wellington i-SITE Visitor Information Centre

- The plan to **extend and redevelop** the Wellington i-SITE has been approved by the WREDA Board. A larger and more appealing space will provide a much enhanced story to Wellington visitors. Sales and foot traffic figures have been impacted by the post-quake move into the smaller footprint of the MFC ticket office. It's therefore worth noting the i-SITE team achieving two post-quake **record sales days** of over \$22,000 and \$25,000 during December 2018. The i-SITE is scheduled to close for six weeks in Q4 (after Easter and the last cruise ship of the season) to allow the redevelopment to take place. Preparations for the refurbishment are well underway and a temporary co-sharing location being explored.
- **Cruise Season** commenced on 2 October. Changes to the Metlink bus service and consultation with key city stakeholders has resulted in changes to cruise shuttle stops. On most cruise days, shuttles now drop passengers in Lower Lambton Quay and the Wellington i-SITE in Wakefield Street. This destination management approach was designed to relieve traffic and pedestrian bottlenecks and spread visitors through the city. The two-stop model is now well embedded and appears to be achieving its objectives.
- Wellington City Ambassadors have a smart **new and warmer uniform**, identifying them as Volunteers and incorporating Te Reo.
- The i-SITE team have conducted '**ex Port**' training, up-skilling on tourism products available at the next port of call. This has resulted in strong sales of activities out of region and in some cases, revenue in other New Zealand ports has doubled compared to last year.
- WREDA's Senior Leadership Team teamed up with a Wellington City Ambassador in December for '**A Day in the Life**' experience assisting our visitors around the city.



Regional Trails Framework

- The Regional Trails Framework brand '**Find your Wild**' and interactive trails website www.wellingtonregionaltrails.com launched on 27 November at an event which was well attended by the framework partners and stakeholders.
- The website launch campaign achieved 70.9K reach, 215 shares and 312 comments. As of 11 January, there were 73K website pageviews, 20K unique visitors since launch.
- The **design guidelines** for a Regional Trail, Signature Trail audit template and the 'Find Your Wild' Brand Guidelines were completed this quarter.
- In early December the **Mystic Portal** trail video featuring Bryn Dickenson, a professional mountain bike downhill athlete was released, and directed viewers to the trails website which achieved 69.8k reach.
- Written and verbal submissions of support were given on the **Porirua Adventure Park** to DOC and Porirua City Council; the result is expected late February.



Wellington Convention & Exhibition Centre

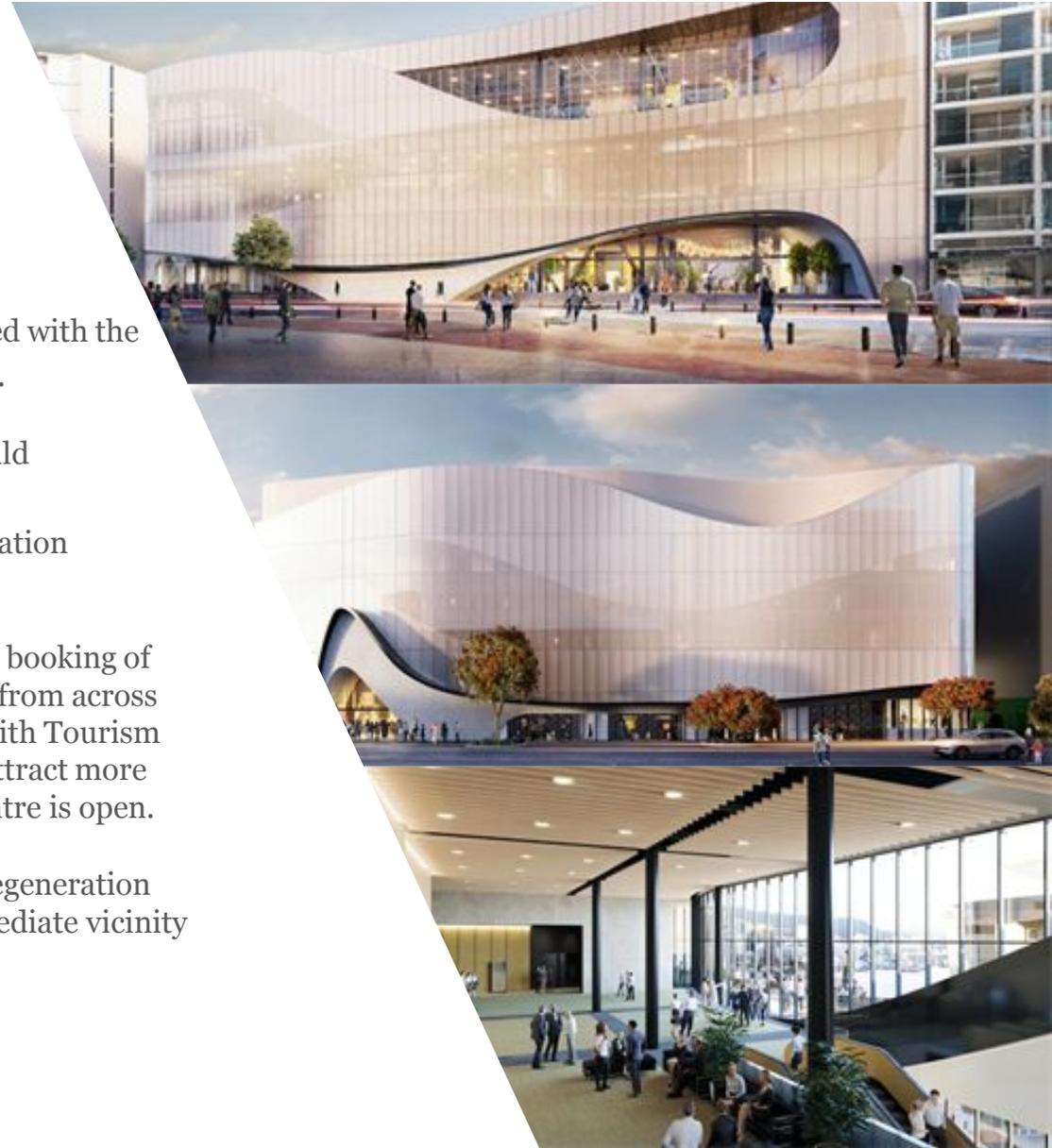
Wellington Convention & Exhibition Centre

In December, Wellington City Council voted unanimously to proceed with the development of a Convention and Exhibition Centre for Wellington.

The WREDA team worked closely with the WCC project team to build a robust business case and continue to be highly involved with the development as detailed design is completed and plans for the operation finalised.

WREDA will also now be able to respond to enquiries regarding the booking of the facility and promoting the facility for use to appropriate groups from across New Zealand, Australia and the world beyond. WREDA will work with Tourism New Zealand to promote Wellington and the new development to attract more and larger international business events to Wellington once the Centre is open.

We expect that this development will be an important catalyst for regeneration and further development in Wellington city particularly in the immediate vicinity of the site and around Courtenay Place.



Partnerships

- An **International Relations** Terms of Engagement Guide between WREDA and WCC was finalised and implemented
- A regional partnership agreement was signed with **Immigration NZ** to share our knowledge, skills and resources to attract the right skills, encourage investment in our regional businesses and boost international students and visitors.
- WREDA's Senior Leadership Team has completed a series of engagements with council **CEO's and Mayors** in the **Wellington region**. This has been a good opportunity to reset the expectations of the WREDA support that is available and levels of engagement with the various councils.



Signing of Immigration NZ Partnership agreement with Steve McGill (INZ) and Lance Walker (WREDA)

WREDA

Creative HQ

Wellington Regional Economic Development Agency

WellingtonNZ.com

Creative HQ

- **61 start ups** from the Wellington region are currently on the CreativeHQ platform
- Creative HQ delivered several high profile acceleration and innovation programmes in Q2 – including the **GovTech Accelerator**, the **Ease of Doing Business** programme in the Philippines, the **Beca corporate acceleration** programme and the Transpower innovation programme. All programmes and initiatives have been completed successfully and have created a positive impact on Wellington’s innovation vibrancy.
- Version 2 of the CreativeHQ online platform **SCALE** was launched in October 2018 at various events with our regional innovation partners and at the national Angel Summit in Nelson. Demand from other regions for our incubation programme and SCALE continues to grow with requests for presentations and meetings from Northland and Waikato.
- A significant highlight in the events calendar was the inaugural delivery of “**Experience Week**” in Wellington with 23 events including Design Sprints, City Hackathons, human centered design and co-design workshops as well as a range of networking events. The initiative was successful and will become an annual feature in the event calendar in Wellington.
- Towards the end of the year we focused on the planned refurb of our main space (in Dixon St) and preparations for our **Youth Accelerator** “Venture Up 2019” which will kick off in January 2019. We are also currently working with WREDA on plans for accelerator and incubation programmes in other parts of the Wellington region (notably Wairarapa) and a **Maori business accelerator** programme.



WREDA

Marketing & Communications

Wellington Regional Economic Development Agency

WellingtonNZ.com

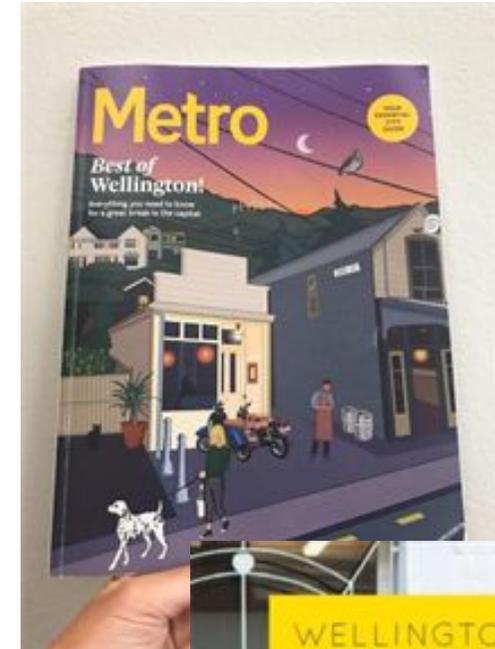
Marketing summary

Q2

- Launch of our "**Your Alternative summer**" marketing campaign
- **Air NZ** "Warm your soul in Wellington" competition
- JV campaign with **Te Papa** for **Terracotta Warriors**
- Launch of our annual digital **Advent** campaign to support the retail and hospo sectors
- Launch of the new **Find Your Wild** regional trails brand, website and marketing campaign
- **Mortal Engines** and Wellington screen sector leverage, including the launch of the Wellington **Screen sector economic impact report**
- **Live in WLG** (event promotion) summer campaign
- Storytelling to support local businesses, generating **28 editorial media articles**
- Visitor attraction and event media activity, generating **91 media articles**
- **Kāpiti storytelling workshop**

Q3 will see a number of campaigns and digital projects launched:

- **Virtual Wellington**
- Launch of **HuttValleyNZ.com**
- **Te Matatini** promotion
- New **international student attraction** campaign
- **Australia Autumn** visitor attraction campaign
- New Zealand **winter visitor** attraction / brand positioning campaign
- **Live in WLG** autumn campaign and ongoing content



Virtual Wellington

[Virtual Wellington](#) is a world first gamified VR city experience that allows people to immerse themselves in Wellington without getting on a plane. Available for free download on the Steam and Oculus VR stores, think of it as a modern day destination brochure to help lure visitors, students and tech talent to Wellington... in actual reality.

As well as including an interactive VR game called **WellTown** – where you can play, have fun and be rewarded whilst learning what Wellington is all about, Virtual Wellington also gives users 360 video tours of Te Papa, Weta Studio Tours, He Tohu (National Library of New Zealand), Xero, All Blacks v South Africa at Westpac Stadium, Victoria University of Wellington and Te Auaha Institute of Creativity– to help convert people to a Wellington experience .

Virtual Wellington is being launched on the 31st January via a PR campaign targeting the US and Australia with Tourism NZ, Education NZ and Immigration NZ also helping promote. It will also be used at offshore events, trade shows, job fairs and to help train travel and education agents.

This is a WREDA led project with funding support from WCC and the partners involved.



Visitor marketing – NZ

Summer Campaign

October 2018 – January 2019

Awareness campaign

NZ wide marketing campaign is currently in market (until the end of January).

It has received great interim campaign results, with excellent completion rates on the videos.

Full results will be in next quarters report.

The campaign included two hero video's; a late 20's couple and parents with a 10 year old son experiencing the capital.

Couple: <https://youtu.be/3l8gf9AfUz4>

Family: https://youtu.be/ukZT5_9tjyw

There have been over 10k click throughs to Wellingtonnz.com/summer so far with great engagement with the summer content on the site.



Summer in Wellington isn't just about the weather. Rather than hot days and BBQs, you'll
enjoy a refreshing lake, multi-use trails, vibrant dining and live events. There
are 400+ activities across the city in Wellington.



Visitor marketing – NZ

Summer campaign conversion

November 2018

Partnership with Air New Zealand

We partnered with Air New Zealand to promote travel to Wellington this summer via their channels and database, in the shape of one of their regularly successful destination quizzes, based on what Wellington has to offer this summer. The campaign was promoted via display banners and their database to drive visitation to Wellington this summer and have a competition element to encourage engagement.

RESULTS:

Air New Zealand were extremely pleased with the results for the domestic campaign with the capital:

- Total Entries into Wellington Competition: **74,119**
- Overall media delivered **10,576,950 million** impressions
- Campaign drove **35,380 clicks** through to airnz.co.nz
- 7% increase in bookings over the campaign period
- Uplift of 15% in passenger bookings during November sale compared with the same sale period last year.

Hotel Display

As part of the summer campaign we also invested in a mini display campaign for our hotel partners. Offering free display advertising (Banners and FB Carousels) which targeted those who engaged with our summer ads and content, to help promote individual properties, which has received good traffic to the participating properties sites so far.



Terracotta Warriors

Terracotta Warriors Exhibition - 15 December 2018 – 22 April 2019

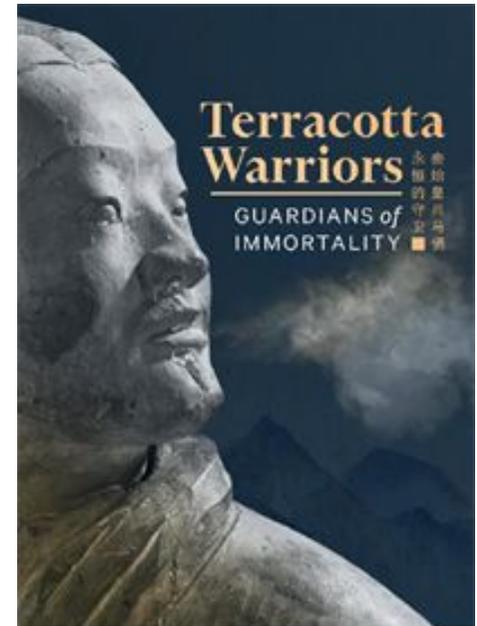
Hero Video - https://youtu.be/Frd2SQov_34

The Terracotta Warriors exhibition at Te Papa kicked off on the 15th of December to great fan fare. The first two weeks of the exhibition saw over **22,000** attendees – ahead of expectations.

We worked with Te Papa to create a 4 phase marketing campaign to support the four distinct periods of forecasted admissions, with phases 1 -3 receiving great engagement so far resonating strongly with the audience.

- **Phase 1.** Tickets on sale - build awareness and generate strong ticket sales for launch
- **Phase 2.** Open Now – generate strong opening numbers and create FOMO
- **Phase 3.** Maintain interest and visitation
- **Phase 4.** ‘last chance to see’ / Easter

Further visitation results will be available later in January from the ticket agent.



Terracotta Warriors - activations

Lanterns of the Terracotta Warriors: 5-24 February, Te Papa Forecourt

WellingtonNZ Marketing and Major events have been working with WCC and Te Papa to confirm the exciting activation of 'The **Lanterns of the Terracotta Warriors**'. Commissioned for the Beijing Olympics Games in 2008, the acclaimed exhibition created by artist Xia Nan (who will be in residence in Wellington for the duration of the exhibition) has appeared in iconic locations across the globe including Sydney Harbour, Zagreb, Prague, Edinburgh and Manchester.

The exhibition is made up of 38 warrior figures and 2 horses and will be on display at the Te Papa forecourt, free to the public over the Chinese New Year period.

Living Warriors

To help promote the Terracotta Warriors exhibition we arranged to have a 'Living warrior' activation in hot spots around Auckland and Wellington with ambassadors sharing details on the exhibition. It received excellent feedback and engaged the interest of the public keen to find out more about the exhibition and when they could see the real warriors in New Zealand.



Visitor marketing – Australia

Spring Campaign “Creativity around every corner”

The final results came through for our 600k joint Spring Australia campaign with TNZ and Destination Marlborough ran in August, targeting a late October / November travel period to Wellington.

The campaign targeted independent professionals on Australia's eastern seaboard (Sydney/Melbourne/Brisbane/Gold Coast), and followed TNZ's conversion funnel. During the booking phase, Flight Centre deals were used as a call to action (focusing on accommodation and activities) and exclusive operator deals were featured. There was also an Air New Zealand sale which was promoted via banners and link posts, and a substantial Qantas Holidays trade component.

Key Highlights | December 2018

- Strong media buy resulted in visits, AVS and referrals all over delivering on targets and the campaigns performance increased significantly YoY
- Newzealand.com landing page saw significant visits, active visits, referrals and strong conversion rates – all over delivering on targets
- Wellington international visitor spend up 5.6% in Oct 18 compared to Oct 17
- 'Experience' deals were the most popular NZ operator deals with over 550+ referrals and 100+ overall bookings for Interislander, Weta Workshop and Te Papa
- Most successful AirNZ sale yet, resulting in 1K+ referrals to AirNZ site



	Visits	Active Visits	Referrals	AVR	RR	CPR
Target	140,000	42,000	9,800	30%	7%	
FY18 actual	109,300	35,518	6,937	32%	6%	\$42.85
FY19 actual	163,486	54,548	11,028	33%	7%	\$27.37

Events Marketing

Live in WLG campaign

From 1-28 October, we launched the spring phase of our Live in WLG events marketing campaign, to promote performance events in Wellington during the spring period. The campaign included videos, Adshels, native advertising with Fairfax, social media and a fortnightly eNews. Highlights include:

- Two 15 second summer events videos performed much better than previous phases with over 104,000 completed views. YouTube placements far surpassed the benchmark of 35% for a 15 second video as we achieved 44%.
 - www.youtube.com/watch?v=I4yhXnRllxo
 - www.youtube.com/watch?v=c3nOeEbo12I
- Adshels replaced street posters, providing a much more striking creative around the city.
- Three features placed in Your Weekend magazine to a readership of 161,000 per edition.

In early December, the summer phase of the campaign was launched and will continue to run until mid-January. At the half-way point, the campaign was continuing to perform strongly.

Calexico

Venues Wellington are acting as sole promoters for the upcoming Calexico concert on 30 January. A two-phased campaign was launched in November to promote the show and consists of print, radio, street posters, search, digital, social media, and promotion through WREDA, Ticketmaster and partner channels. A second burst of activity will take place in January.



Visitor & lifestyle - Media/PR

Our destination and lifestyle communications team hosted 16 journalists, influencers and film crews in Wellington and generated 96 media clips.

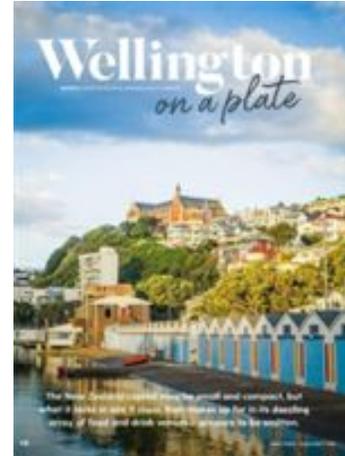
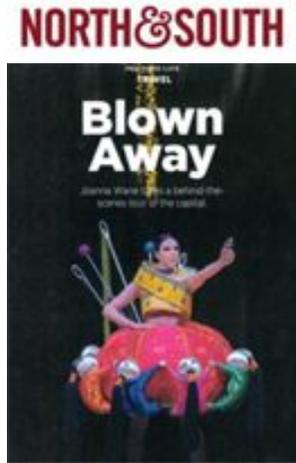
International media highlights include hosting journalists from Forbes.com, USA Today, National Geographic (UK), Reader's Digest (Canada), Sanlian Life Week (China), Tabippo, Elle Gourmet and Fureai Matchi Aruki (Japan). Coverage highlights include Forbes.com, Lonely Planet, Tatler, L'Officiel, Coveteur (US) and Tastes Like Home (Ireland).

Australian media highlights include hosting Robb Report and GQ. Coverage highlights include Wellington features published in Gourmet Traveller, Australian Women's Weekly Food, Jetstar Magazine and Brisbane News.

Domestic media highlights include destination and event coverage in North & South, Herald on Sunday, NZ Herald Travel, Avenues Magazine Christchurch, Hawke's Bay Today, Fashion Quarterly and The Spinoff.

As at 31 December	Q2
Number of media hosted	16 Total
<i>Domestic</i>	3
<i>Australia</i>	3
<i>International</i>	10
Number of clips (NZ and AU)	96 Total
<i>Domestic</i>	24
<i>Australia</i>	72
Total Reach	15,040,698

Coverage examples (click to view)



Wellington
From New York-style delis to craft breweries, New Zealand's cool capital is full of surprises, writes LARISSA DI BECKI

Capital culture
With top-notch museums, galleries and gardens, there's much to love about windy Wellington

WHERE TO GO IN MARTINBOROUGH, NEW ZEALAND'S PICTURE PERFECT WINE TOWN
A never-ending waterfall of generosity, New Zealand's finest wine region begs to be explored.



The Tattler guide to New Zealand

Opinion: Wellington's still the 'coolest harbour metropolis'



Wellington: Changing places



L'OFFICIEL
L'Editorial: The Winners of World of Wearable Art 2018
Take in the sublime extravagance of imaginative couture



THE WORLD'S MOST OVER-THE-TOP RUNWAY HAPPENS TO BE IN NEW ZEALAND
Inside the World of WearableArt show



TASTES LIKE HOME
WELLINGTON

Wairarapa: Tasting in tandem



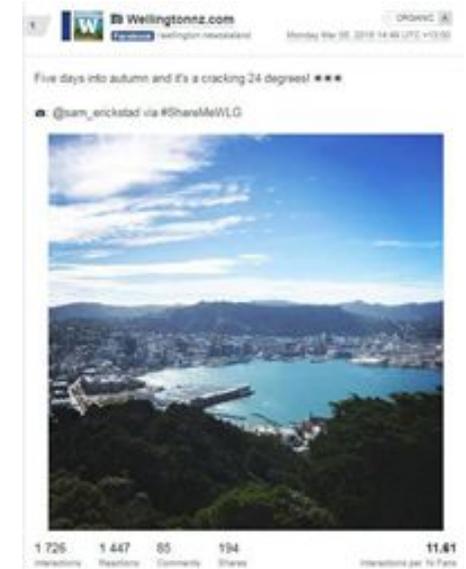
Is this New Zealand's most exciting chef?

Digital marketing

WellingtonNZ.com received **539,886 visits** between October and December, with 368,457 unique users. Over **1.3 million pages** were viewed, with the top content still focusing on the LookSee information (predominantly again from India), followed by the top 10 sights and activities to do in Wellington and the ‘Discover’ landing page. The largest volume of visitors came from NZ | 67.8% (49% Wellington), Australia | 10.8%, India | 6.7%, USA | 4.5%, 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, despite significant recent changes to Facebook’s algorithm:

- **0.54%** growth in **Facebook** followers and average interactions per post has decreased by **34.03%**
- **7.07%** growth in total **Instagram** followers, but interaction per post decreased by **32.82%**
- Another **5.5%** growth with **LinkedIn** followers which indicates the business community are relating to the content we’re sharing



Key performance indicators	Q2
WellingtonNZ.com visits	539,886
Accommodation section page views	59,287
Social media reach (across IG & FB)	6,463,000*
Total subscribed digital audience	502,226
• Social media fans	287,530
• eNews subscribers	214,696



*metrics reviewed since previous report

Digital marketing – WellingtonNZ.com development



Website Upgrade

The digital team have completed the required upgrade for the WellingtonNZ.com platform, Silverstripe. The next phases of the project will be looking at the information architecture of the site to ensure that the navigation of the site allows our multiple audiences to quickly and easily find the information that they require. This will also include a level of content taxonomy paired with an AI/machine powered content personalisation of information across the site using a recommendation engine type approach.

The redesign of the front end of the website will begin in March, to align with latest website trends and user requirements. It will be incorporating new colours, movement of video and imagery, and greater cross promotion of content to showcase the wider opportunities and activities in Wellington.

Website builds

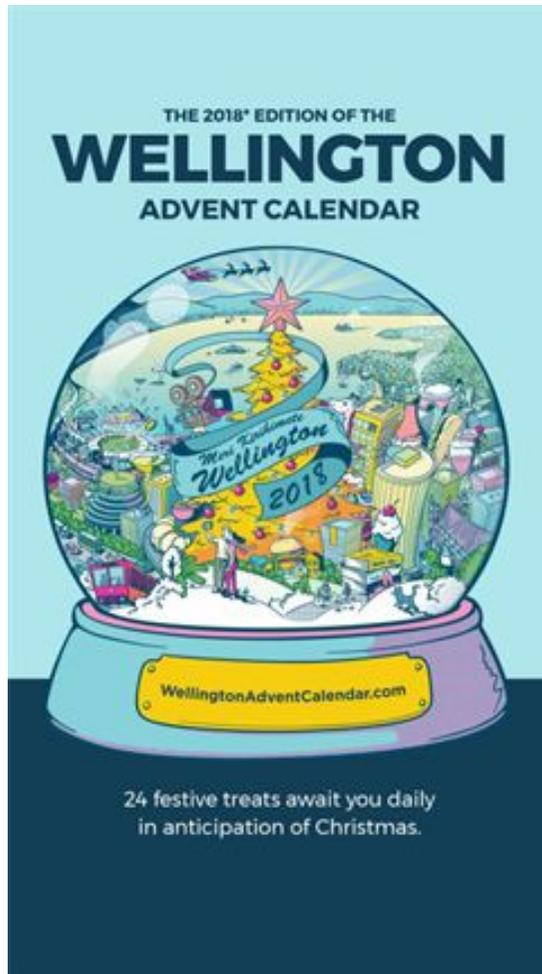
- **WellingtonRegionalTrails.com**

The Wellington Trails site was launched 27 November. A key deliverable from the regional framework document. It has interactive map functionality to showcase the variety of trails available across the region alongside inspirational and visitor destination content. There were 27,467 sessions from launch to the end of December.

- **HuttValleyNZ.com**

Working with the Upper and Lower Hutt City Councils to create a destination Hutt Valley site, using a similar model to that of KāpitiCoastNZ.com.

Digital marketing – Wellington Advent Calendar



The [Wellington Advent Calendar](#) reveals a new offer behind each door daily (1-24 Dec), which consumers can redeem from release until end of February 2019 (this is new for this edition, previous years redemption has closed off in January).

In 2016 and 2017 we took slightly different approaches to the concept – departing from the traditional single illustration scene to 360-degree photography one year and a street art scene the other. While some users enjoyed the new creative approaches, some found them difficult to navigate and slow to load on some devices, so for 2018 we decided to return to the traditional concept of one illustrated scene of the city.

We were able to re-skin the site which was built by DNA for the 2017 advent campaign, rather than having to build the site from scratch, significantly reducing development costs. The artwork was created by illustrator [Chris Davidson](#).

At the end of December there had been over **92,000 vouchers** downloaded from the calendar, which is an increase on 2017's campaign.

As the vouchers are able to be redeemed until the end of February, we don't yet have the voucher redemption figures.

The Advent Calendar also **won Silverstripe's platform of the month.**

Corporate and Business storytelling

Our **corporate communications** activity generated a range of stories around WREDA's activity to boost Wellington's economy. This included announcing Wellington's summer events bonanza worth \$50 million to the economy, and work set to begin on Wellington's Conference and Exhibition Centre.

Our **business storytelling programme** generated 28 stories across the quarter. Highlights including breaking the news on a Wellington business, The Cargo Cult, which won an Emmy Award for services to the television industry, welcoming Raygun's return to Wellington and investment, and sharing a report on the screen sector's worth to coincide with the launch of *Mortal Engines*.

Work to begin on Wellington's new \$180 million convention centre next year



The new building, near Te Papa, will be able to host 1000 people and bring exhibitors to boost tourism. Source: 1 NEWS

Wellington company you probably never heard of picks up an Emmy Award



Wellington-based company The Cargo Cult, set up in 2016, pioneered a set of tools called 'Conformancer', which means that when visuals are being edited, sound can easily be made to match up with them.

Wellington's 'entrepreneurial spirit' sees tech boom as companies flock to the capital



The city has experienced a boom in tech companies as they flock to the capital.

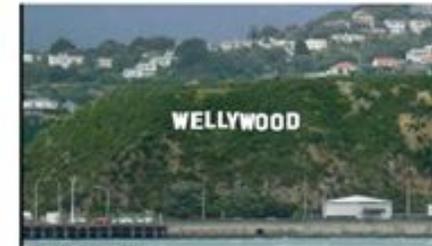
GET SUPER FAST FIBRE BROADBAND \$49 PER MONTH*

A \$50 million summer for Wellington with high-profile event line up



An extension of terracotta woman-shaped lanterns will be on display on Te Papa's forecourt in February.

Inside Wellington's filmmaking scene



Wellywood is proving to be prime competition for Hollywood.

The screen industry has pumped nearly \$4 billion into the economy in the last four years, making the city one of the top three places in the world for visual effects.

And that's driven by big names like Peter Jackson - whose blockbuster movie *Mortal Engines* has just been released, becoming the first movie 100 percent made in Wellington.

David Wright from Weta Digital spoke to The AM Show.

And the winner is... Wellington, of course

Creativity
Tom Hanks
tomhanks@fox.com

Wellington's stack of film and television awards just got higher with a Miramax company nabbing an Emmy award.

The Cargo Cult, set up in 2016, pioneered a set of tools called "Conformancer", which means that when visuals are being edited, sound can easily be made to match up with them.

It has just been announced that the Miramax-based company will receive an award for excellence in engineering creativity at the 70th Annual Technology and Engineering Emmy Awards in Las Vegas on April 1, 2018.

The technology has been used on TV shows *Stranger Things* and *Game Of Thrones*, as well as the movie *Inside Out 2018*.

Just in Webster, chief executive of The Cargo Cult, said the company was thrilled to win such a prestigious award.

"I come from a background of sound post-production, and tools like Conformancer are created in response to problems I faced myself while working on film projects," he said.

"It's become a critical tool to sound post-production globally because it allows teams to track



Game Of Thrones was one of the big hits to use Wellington's "Conformancer" technology.

changes made in picture editing and automatically update sound elements to match."

David Parks, of Wellington Regional Economic Development Agency, praised the Miramax firm for "taking Wellington's screen and tech expertise to the world".

"Jamie's products solve issues for people working in post-production, and we couldn't be prouder of his success."

Webster's Emmy adds to a growing list of awards, at least partly, attributed to the Miramax film hub.

According to movie database IMDb, Sir Peter Jackson has 117 award wins, including three Oscars; Richard Taylor has 18 wins, including five Oscars; Fran Walsh has 41 awards, including three Oscars; and Jamie Selkirk has six awards, including one Oscar.

WREDA

Events & Experience

Wellington Regional Economic Development Agency

WellingtonNZ.com

Venues – Conferences and Business Events

Delivered 65 conferences and business events

Business events of note:

- NZ Principals Conference, 700 pax over 3 days
- Kiwicon IT Conference, 2,000 pax over 3 days
- Health Informatics NZ Conference (HiNZ) for 1,800 pax over 3 days
- United Fire Brigade Conference for 700 pax over 3 days

Alongside conferences, the education sector featured strongly with the Michael Fowler Centre **hosting 14,500 graduating students.**

Venues Wellington partnered with Tourism NZ at the **Professional Conference Organisation** annual conference in Melbourne in early December further strengthening the Australian relationships



Venues - Performance & Exhibition

Delivered **58 events with 80 performances with 150,209 guests** in our venues

Highlights:

- 12 shows of the **World of WearableArt** in Q2 (4 shows in Q1)
- Two sold out performances for the comedian **Bill Bailey** at the MFC.
- The TSB Arena hosted the sold out performance of **David Byrne** and the **Silver Ferns vs Australia** netball international;
- The **RNZB** performed six sold out performances of the **Nutcracker** in the Opera House;
- New Zealand's favourite rockers **Shihad** thrilled a sold out Shed 6;
- **Catherine Tate** delivered two hilarious sold out shows in the Opera House, again demonstrating our audiences appetite for quality comedy product.



Venues – Operations & Facilities

- The Venues Operations team continue to support a diverse range of events across all of our venues, managing **145 performances and events** this quarter.
- Our Facilities team have worked with the WCC property team to collaboratively run the **renewal programme** in-house this year. The majority of the agreed renewal programme was scheduled for the holiday period shutdown which started in the third week of December. Included in the programme of work is the rejuvenation of the marble floor in the Opera House foyer.
- Updated **Service loading documents** are now in place for the TSB Arena and the MFC which have been well received by the industry. These are updated guidelines on the capabilities of these venues in terms of load capacities for rigging and production.
- We recently signed an agreement with 2Degrees to update the **wifi capability** for the patrons in our performance venues to a modern solution. This upgrade will allow a much improved Wi-Fi experience for our patrons, who continue to demand fast internet with increased bandwidth.
- We are working with WCC and the NZ Festival on potential enhancements to existing venues to mitigate the impact of the close St James



Major Events

The **World of WearableArt** season continued into Q2, in total the 16 performances were attended by a record audience of 60,589 to celebrate WOW's 30th anniversary.

The **Tall Blacks** played Syria in front of a crowd of 2,852 at TSB Arena on the 2nd of December.

New Zealand played Sri Lanka at the **Basin Reserve** with a cumulative attendance of 9,630 over four days. The highlight of this match was Tom Latham scoring 264 in an epic innings.

The **Terracotta Warriors exhibition** opened on the 15th December and has had 22,000 visitors throughout the holiday period with sales tracking ahead of forecast.

Upcoming Events

Planning is underway for the upcoming ODI and T20 matches at Westpac Stadium. The highlight of which will be the Waitangi Day double header where the **Black Caps and White Ferns** both take on India. This will be supported by local band DRAX Project providing entertainment between matches.

The **Eminem** concert sold out, the March 2 event will set a record audience for the Stadium with over 45,000 fans descending on the city.

Jim Beam Homegrown is continuing to progress towards a sell out crowd for Saturday 23 March and have expanded their offering to include a new event on the Friday evening.



WREDA

Business Services

Wellington Regional Economic Development Agency

WellingtonNZ.com

Business Services

IT

- **New CRM system** (Microsoft Dynamics) went live across our non Venues team during the quarter. This brings together multiple different historical CRM's into one and gives us better opportunities for collaboration across the organisation. Our Venues team will continue to utilise the Event Booking Management System (EBMS) for their CRM.
- 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 Q3. This will bring all of WREDA onto one document management system.

HR

- During the quarter, we have undertaken our first **Diversity, Inclusion and Wellbeing Survey** throughout the organisation. The results will enable us to focus on specific areas to work toward improving our employee' experience during their time with us.
- We recently reviewed our **recruitment practices**, which we predominantly undertake in-house and have made some changes, particularly in trying to remove any potential unconscious bias from the process. This will ensure we continue to recruit a diverse workforce that is reflective of the communities we serve. Some of the changes we have made include moving to "blind recruitment" whereby hiring managers receiving a long list of CVs that have had information redacted that could identify the candidate's gender, age, nationality etc. Interview panels have also been made more diverse. We will be undertaking unconscious bias training with leaders within the organisation to further enhance our work.
- We are moving toward the next phase of our **leadership development** work. Recently we finalised new leadership competencies for the organization and we will begin to roll these out throughout our practices and introduce them to all staff. The competencies are defined for all levels of leadership and will help shape recruitment practices, desired behaviours and leadership development.

Business Services (continued)

Health and Safety

WREDA 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.

WREDA'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 WREDA 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.

Patron Harassment Policy and Practice

WREDA 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. During Q3 we are reviewing and enhancing our procedures relating to harassment and rolling out further training for front line staff.

WREDA

Finance and KPI's

Wellington Regional Economic Development Agency

WellingtonNZ.com

WREDA Key Performance Indicators – Quarter Two, 2018/19

On Track

Some Risk

Key Goals		Measure	2018/19 Annual Target	2018/19 YTD Q2	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	253	With the decline of traditional media outlets it's becoming increasingly challenging to attract media to Wellington 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
		Work, do business, invest content in local NZ and Australian media	105	68	
		Unique visitors to WellingtonNZ.com and subsidiary sites	2.7m	1,404,606	So far, the financial year has seen upward growth YOY and MOM of visitation. We expect to be on track with the new initiatives that are being put in place across all sites to enhance the customer experience and increase traffic numbers.
Grow the visitor economy	Marketing to the visitor sector locally and internationally	Weekend hotel guest night occupancy	80%	80%	
		Value of investment from International marketing partnership partners	\$500k	\$910,000	
		International travel trade interactions	3750	1468	
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	133,434	
		# 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 ¹	70	61	
		No. of acceleration programmes (Lightning Lab and Venture Up)	3	2	
		No. of members in "Start-up Garage"	3,500	3,281	
		No. of companies becoming investable	10	6	
		Deliver LL GovTech programme with # of teams/agencies participating	8	Complete	
		Generate income from Creative HQ's innovation services	\$2.4m	\$1.62m	

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	
		Deliver specific initiatives and projects in partnership with Māori business	TBD	N/A	
Facilitate the leveraging of the opportunities from new investment in the	Screen Wellington	Number of permits for film production issued	350	295	
		Value of facilitated screen production	\$65m	\$6.2 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 Wellington City Council. 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%	42%	
Build workforce and employer capability	Regional Business Partner Programme	Number of actively supported businesses	445	231	
	Development and delivery of a Labour Market plan for the region	Wellington regional Labour Market Plan completed by WRS office with WREDA support	Yes	Yes	Underway
		Students supported in youth entrepreneurship programmes	505	471	Young Enterprise student numbers slightly down for the year (majority of activity occurs in Q1) vs anticipated growth. Annual target at risk.
		Interns placed in priority sectors	275	261	
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	194,886	Q2 was quiet in the ME area, in particular with the postponement of WLG-X. Events in Q3 & 4 will likely see annual targets achieved
		Number of international business event bids submitted and/or supported in FY	35	14	
		Proportion of business events submitted that are successful	60%	87%	
		Value of business events (international and domestic) secured in FY	\$25m	\$11m	
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	\$21.23m	
		Establish a model to measure Venues Wellington customer satisfaction	Establish baseline	Annual Measure	
		Advance the Cultural well-being of Wellington – number of Wellingtonians attending performance events at Venues Wellington	230,720	197,324	
		Number of Events: Total	440	297	
		Performance	220	150	
		Conference	220	147	
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 6 months Ended 30 Dec 2018, Including Creative HQ but excluding the Venues Project

Wellington Regional Economic Development Agency Ltd (WREDA)						
STATEMENT OF COMPREHENSIVE INCOME	YTD Actual 31-Dec-18	YTD Budget 31-Dec-18	Variance YTD	FY Forecast 30-Jun-19	FY Budget 30-Jun-19	Variance 30-Jun-19
Revenue						
Event revenue	0	0	0	0	0	0
Shareholder grants	12,169,045	11,422,443	746,602	22,485,787	22,163,251	322,536
Government grants	1,355,401	277,396	1,078,005	554,792	554,792	0
Partner revenue	1,132,389	1,079,499	52,890	1,801,438	1,527,000	274,438
Visitor Centre	180,882	196,624	(15,742)	423,713	451,599	(27,886)
Sub lease and carpark revenue	60,190	24,100	36,090	48,200	48,200	0
Interest income	32,326	29,300	3,026	57,804	60,000	(2,196)
Other income	1,405,487	1,842,058	(436,571)	4,102,827	3,928,116	174,711
Total Revenue	16,335,720	14,871,420	1,464,300	29,474,561	28,732,958	741,603
Direct Costs						
Cost of sales	22,454	24,560	2,106	44,487	51,599	7,112
Wages (events etc)	0	0	0	0	0	0
Other direct costs	0	0	0	0	0	0
Total Direct Costs	22,454	24,560	2,106	44,487	51,599	7,112
Operating Expenses (overheads)						
Salaries and wages	6,482,536	6,624,891	142,355	12,592,279	12,848,993	256,714
Other employment costs	338,369	348,983	10,614	606,581	613,750	7,169
Occupancy costs	368,048	368,358	310	735,821	736,536	715
Marketing & activity expenses	8,239,402	8,375,770	136,368	13,213,201	12,668,729	(544,472)
Utilities	27,466	21,336	(6,130)	46,102	39,972	(6,130)
IT and communications	222,959	188,490	(34,469)	404,537	380,070	(24,467)
Insurance	1,172	0	(1,172)	18,888	18,900	12
Administration costs	347,526	366,217	18,691	627,483	701,728	74,245
Vehicle expenses	28,282	22,848	(5,434)	51,012	45,696	(5,316)
Travel costs	51,795	54,549	2,754	103,843	109,098	5,255
Professional fees	120,725	92,186	(28,539)	233,960	156,025	(77,935)
Director fees	143,220	91,137	(52,083)	207,274	182,274	(25,000)
Other operating expenses	0	0	0	0	0	0
Total Operating Expenditure	16,371,500	16,554,765	183,265	28,840,981	28,501,771	(339,210)
Total Expenditure	16,393,954	16,579,325	185,371	28,885,468	28,553,370	(332,098)
Net Surplus/(Deficit) before Depreciation and Tax	(58,234)	(1,707,905)	1,649,671	589,093	179,588	409,505
Interest expense	0	0	0	0	0	0
Depreciation	102,894	65,742	(37,152)	211,345	131,484	(79,861)
Movement in investment valuation	0	0	0	0	0	0
Taxation expense	31,371	0	(31,371)	94,133	0	(94,133)
Net Surplus/(Deficit)	(192,499)	(1,773,647)	1,581,148	283,615	48,104	235,511

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

* 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

* 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 30 Dec 2018****Including Creative HQ and Excluding Venues Project**

STATEMENT OF FINANCIAL POSITION		As at 31-Dec-18
Shareholders Equity		
Paid up capital		
Retained earnings		2,013,103
Total Shareholder/Trust Funds		2,013,103
Current Assets		
Cash and cash equivalents		1,921,874
Other current assets		933,643
Total Current Assets		2,855,517
Investments		
Non-current Assets		
Fixed assets		563,039
Other non-current assets		1,816,244
Total Non-current Assets		2,379,283
Total Assets		5,234,800
Current Liabilities		
Accounts payable		1,414,304
Other current liabilities		1,767,526
Total Current Liabilities		3,181,830
Non-current Liabilities		
		39,867
Total Liabilities		3,221,697
Net Assets		2,013,103

* WREDA is in a good financial position and has adequate cash to meet their debts as they fall due

* Half year and Quarterly funding from Shareholders was received during January.

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

STATEMENT OF CASH FLOWS	Q2 Actual 31-Dec-18	Q2 Budget 31-Dec-18
Total Net Cashflows	(1,590)	(1,600)
Opening Cash	3,512	3,600
Closing Cash	1,922	2,000



Report	19.124
Date	1 April 2019
File	CCAB-15-301
Committee	Wellington Regional Strategy Committee
Authors	Samantha Seath, WRS Office Barry Turfrey, WCC

WREDA Draft Statement of Intent 2019-22

1. Purpose

To consider the Wellington Regional Economic Development Agency's (WREDA) draft 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 their shareholders on or by 1 March for the 3 years commencing on 1 July following.

WREDA's draft SOI was received in March, the draft SOI is included as [Attachment 1](#).

A Letter of Expectation for WREDA, which outlined the stakeholders' expectations in respect of its SOI, was agreed by this Committee at its meeting on 27 November 2018 (Report 18.549). The Letter of Expectation was then sent to WREDA.

A copy of the Letter of Expectation is included as [Attachment 2](#). WREDA will present their draft SOI at this meeting.

3. Comment

Generally, WREDA has addressed the matters raised in the LoE; there are a couple of items that may need further consideration, these are noted later in this report.

In their draft SOI WREDA have refined their vision/purpose from:

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

to:

"To make the Wellington region wildly famous"

In their view, this better reflects their primary role as the region's marketing and destination story telling engine to ensure that the Wellington region stands out from the crowd.

They will achieve this by developing and telling a regional story, delivering projects that have impact on the Wellington regional story, collaborating with 3rd parties and targeting interventions where there is an opportunity to kick-start a project.

The programmes of work that WREDA undertake through this SOI period will support 1 of 3 focus areas:

1. *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.
2. *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.
3. *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

The regional destination story will include the usual activities of destination marketing, major events and Venues management. In addition, as requested in the LoE the new programmes of work will also include the development of a regional destination plan to provide a coordinated approach for promoting the region.

To assist in this WREDA's public face and trading brand will be changed to WellingtonNZ, it will be used to promote the region nationally and internationally. WREDA will be retained as the legal company name.

WREDA is proposing a major events strategy review in 2019 to ensure that the portfolio of major events continues to be attractive to visitors.

With the completion of the new Convention and Exhibition Centre and the reopening of the St James and Town Hall in the next 3 years WREDA will work with WCC to develop a Venues strategy to drive utilisation of these new and existing venues.

Central government's proposals for the Polytech sector are planned to be in place from the beginning of 2020, whether this ambitious timetable can be met

and what changes are finally agreed on may have some impact on international student attraction programmes going forward. At this stage while the attraction programme will remain unchanged these proposals may impact on international student numbers.

The major economic development projects that are proposed in 2019/20 include the Wellington Convention and Exhibition Centre, the Indoor Arena and potential projects arising from the Wellington Regional Investment Plan.

The focus for Creative HQ in this SOI will be in 3 core areas;

- Innovation management and services
- Entrepreneurial and innovation training and upskilling
- Public sector innovation, for example GovTech

Creative HQ is seeking to grow regionally, nationally and internationally, these activities will be largely funded by 3rd parties. Care will be taken to ensure that the Wellington region continues to benefit from this expansion.

Current work is underway to develop a workforce development plan for the region and this is likely to have some impact on WREDA's workplan going forward, however completion of this work is not likely until May. Similarly a regional Māori economic development plan is underway which also may impact work over the SOI period.

The LoE did request consideration of global megatrends, their impact and how they may be leveraged for the region, there should be some development of this area in the final SOI.

4. Financials

WREDA Summary Financials

Income statement \$'000'	Budget 2018/19	Forecast 2018/19	SOI 2019/20	SOI 2020/21	SOI 2021/22
Shareholder grants	22,163	22,486	21,331	21,675	21,919
Other revenue	6,570	6,989	9,281	11,744	13,768
Total revenue	28,733	29,475	30,612	33,419	35,687
Cost of sales	52	44	360	396	435
Personnel costs	13,464	13,199	13,855	14,466	15,265
Investment in Projects & Events	12,669	13,213	12,834	14,859	16,076
Other expenses	2,500	2,735	3,418	3,548	3,761
Total expenses	28,685	29,191	30,467	33,269	35,537
Net surplus (deficit)	48	284	145	150	150

Balance Sheet \$'000'	Budget 2018/19		SOI 2019/20	SOI 2020/21	SOI 2021/22
Current assets	3,714		5,053	5,216	5,343
Investments/Non-current assets	1,850		1,775	1,874	1,866
Total assets	5,564		6,828	7,090	7,209
Current Liabilities	3,500		4,095	4,206	4,175
Net Assets	2,064		2,733	2,884	3,034
Shareholder's Funds	2,064		2,733	2,884	3,034

Cash Flows \$'000'	Budget 2018/19		SOI 2019/20	SOI 2020/21	SOI 2021/22
Opening cash	2,100		2,100	2,655	3,005
Operating cash receipts	29,983		30,612	33,419	35,687
Operating cash payments	30,206		30,467	33,269	35,537
Other receipts	114		410	200	(100)
Net cash flow	(109)		555	350	50
Closing cash	1,991		2,655	3,005	3,055

The rise in other revenue is due to Creative HQ's intention to increase revenues from 3rd parties including commercial activities. As a result, personnel and programme costs are expected to also increase, but only if the expected growth in revenue is realised.

Shareholder grants are expected to rise in line with increases in the CPI. The fall between 2018/19 and 2019/20 is due to Decade of Culture funds received in 2018/19 but not budgeted in subsequent years. Investment in Projects/Events has also decreased in the same period due in part to the Decade of Culture funding noted above and some unbudgeted vacancies.

As requested in the LoE, WREDA plans to create a Development Project Budget to enable them to take advantage of new opportunities, they will be judged against a series of criteria;

- Sound business case and align with the key focus areas for WREDA
- Have appropriate co-funding
- A clear development pathway

Financially, WREDA is forecast to be in a sound position with adequate resources to meet their obligations as they fall due.

5. Performance Measures

Summary of performance measures

Activity	Measure	Budget 2018/19	Forecast 2018/19	SOI 2019/20	SOI 2020/21	SOI 2021/22
Visitor economy	Social media audience		455,000	475,000	500,000	525,000
	Visitor nights from WREDA activities	New measure	New measure	Benchmark to be created	Grow	Grow
Major events	ROI out of Wellington spend	20:1	20:1	20:1	20:1	20:1
	Value of out of region (1)		\$115m	\$125m	\$115m	\$135m
Venue Management	Number of events at Wellington Venues	New measure	450	450	450	500
	Value of business events secured	\$25m	\$19m	\$19m	\$30m (2)	\$40m (2)
Supporting business to grow & upskill	Growth rates of businesses who have been through a WREDA/CHQ programme (vs national ave)	New measure	New measure	Benchmark to be created	Grow	Grow
Creative HQ	Investable companies created by CHQ	10	*	9	10	11
	Number of start-up/accelerator businesses on the CHQ platform.	70	40	55	60	65
ROI on shareholder investment	Combined economic impact/GDP contribution from WREDA interventions	New measure	New measure	Benchmark to be created	Grow	Grow
	Visitor nights arising from WREDA interventions	New measure	New measure	Benchmark to be created	Grow	Grow
Media Programme	Equivalent Advertising Value	New measure	New measure	\$50m	\$50m	\$50m
	Stories generated in the media	1,250	1,250	1,250	1,250	1,250
	Unique visitors to WellingtonNZ	2.7m	2.7m	2.9m	3.0m	3.2m

(1) Changes across years due to the timing of the NZ Festival

(2) Increases due to new Convention and Exhibition Centre

As requested in the LoE, WREDA have modified some 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 being developed in conjunction with other economic development agencies, in particular ATEED. However, for a number of these the benchmark will need to be established and some existing measures may need to be included in the SOI.

The disadvantage of bringing in new measures is that there is no history or trend analysis to compare one year to the next. To overcome this and to provide some meaningful trend analysis in the short term some of the existing measures will need to be maintained as noted below.

Summary of Indirect Measures

Measure	Budget 2018/19	Forecast 2018/19	SOI 2019/20	SOI 2020/21	SOI 2021/22
Visitor Spend	\$2.64m	*	\$2.755m	\$2.874m	\$2.998m
Australian Visitor Arrivals through Wellington Airport	155,000	*	153,000	155,000	157,000
Commercial Guest Nights	3.100m	*	3.190m	3.222m	3.254m
Share of multi-day conferences	19%	*	19%	17%	16%
Net permanent and long-term arrivals (reduced forecast due to changes in Govt policy)	3,650	*	2,605	2,605	2,605
International Student Market Share	6.5%	*	7%	7.2%	7.35%

* The forecasts will be updated for the final SOI

6. Communication

Following the meeting, the points above and any other matters determined by the Committee will form the contents of a letter to the WREDA Board.

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. *Agrees to provide feedback to the WREDA Board on the draft SOI based on the issues outlined in this report and the deliberations of the Committee.*

Report prepared by:

Report prepared by:

Report approved by:

Samantha Seath
Greater Wellington
Regional Council

Barry Turfrey
Wellington City Council

Luke Troy
GM Strategy
Greater Wellington Regional Council

Attachment 1: WREDA Draft Statement of Intent 2019-22

Attachment 2: WREDA Letter of Expectation



**WELLINGTON REGIONAL ECONOMIC
DEVELOPMENT AGENCY LIMITED**

**STATEMENT OF INTENT
2019-2022**

DRAFT V5



WREDA STATEMENT OF INTENT 2019-2020

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

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 500,000 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

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 one that is focused around the 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 need to 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 ensure the Wellington brand remains front and centre in all that we do – including in our organisations brand name. It is a brand that has equity that we need to leverage at every occasion.

Over the next three years WREDA 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

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.

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 CCO’s 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

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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.

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

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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 3rd party and commercial partners, and will be designed to reinforce Wellington's leadership position in innovation, collaboration and GovTech services.

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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.

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

Regional Destination Plan Development	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.
Regional Brand Proposition	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.
WellingtonNZ.com redevelopment	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.

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iSite Redevelopment	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
WISGP refocus	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.
Wellington City Major Events	<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. We also acknowledge that more of these 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 TA's in this regard.

Wellington Convention and Exhibition Centre Development	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.
Wellington Regional Trails Framework	Continuing to be the facilitation and project management lead on execution of the Regional Trails Framework under the Find Your Wild brand
Wellington City Venues Strategy	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 the new Convention Centre opening, but also the refurbished Town Hall and St James Theatre.

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TSB, MFC and Opera House Developments and Venue Maximisation	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 .
Screen Sound Stage Developments	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
Porirua Adventure Park	Working alongside the Porirua City Council and developers on realising the Porirua Adventure Park opportunity.
Indoor Entertainment Arena	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.

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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:

Regional Workforce/Skills Development Plan	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.
Wider Business Engagement	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
Creative HQ Regional Expansion	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
Wairarapa Food and Bev Tech Accelerator	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.
Maori Business Support and Accelerator	The Maori Economy is a priority focus for the region. In addition to bringing on a new Maori Business support resource we will be working with CreativeHQ to establish an accelerator programme for Maori business, subject to funding. We will also continue to work with iwi, the WRS Office and Ara Tahi in their development of a Maori Regional Economic Development Plan.
Gov Tech Expansion	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)

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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 measures 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.

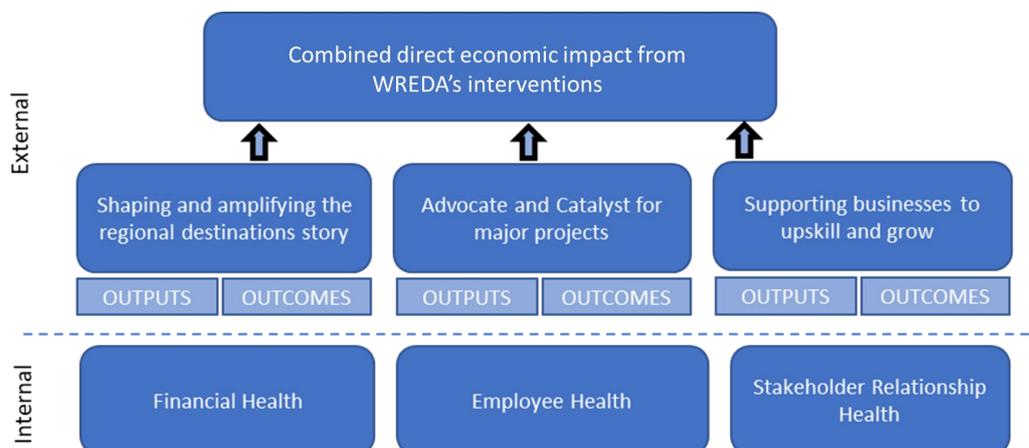
Moving forward we are proposing a new Performance Framework that is summarised in the diagram below. The key features are:

- 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



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Key Performance Indicators

The following table indicates the specific KPI's 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.

		18/19 Forecast	19/20	20/21	21/22
WREDA is delivering direct value/ROI on our shareholders investment	<i>Combined direct economic impact from WREDA's interventions expressed in dollar terms. [NEW] (1)</i>	N/A	Create Benchmark	Grow	Grow
WREDA is shaping and amplifying the regional destination/brand story	Outputs				
	<i>Storytelling Content generated (across all sectors) [EXISTING] (2)</i>	1250	1250	1250	1250
	<i>Total subscribed audience across social media and eDMs (reach) [NEW] (3)</i>	455,000	475,000	500,000	525,000
	<i>Unique WellingtonNZ.com sessions [EXISTING] (4)</i>	2.7m	2.9m	3m	3.2m
	<i>Total Number of Events in Venues Wellington [EXISTING] (5)</i>	450	450	450	500
	Outcomes				
	<i>Equivalent Advertising Value (EAV) from media activity [NEW] (6)</i>	NA	\$50m	\$50m	\$50m
	<i>Visitor nights contributed to from WREDA activity/interventions [NEW] (7)</i>	NA	Benchmark	Grow	Grow
	<i>ROI from Major Events invested in [EXISTING] (8)</i>	20:1	20:1	20:1	20:1
	<i>Value of out of region venue and event expenditure [EXISTING] (9)</i>	\$115m	\$125m	\$115m	\$135m
<i>Value of business events secured [EXISTING] (10)</i>	\$19m	\$19m	\$30m	\$40m	

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WREDA is being an advocate and catalyst for the big projects and developments	<i>Agreed key projects are on track/agreed deliverables met [NEW] (11)</i>	NA	TBD	TBD	TBD
WREDA is supporting businesses to upskill and grow	Outputs				
	<i>Number of businesses impacted by a WREDA intervention or programme [EXISTING/NEW] (12)</i>	NA	Benchmark	Grow	Grow
	<i>Number of Wellington region based businesses incubated or accelerated through CHQ [EXISTING] (13)</i>	40	55	60	65
	Outcomes				
	<i>Growth rates of businesses who have had been through a WREDA/CHQ programme (vs national average) [NEW] (14)</i>	NA	Benchmark	Grow	Grow
	<i>Investable companies created by CHQ [EXISTING] (15)</i>	TBC	9	10	11
INTERNAL					
Financial Health	<i>Budget on target. [EXISTING] (16)</i>	On Target	On Target	On Target	On Target
	<i>% of revenue from commercial/non council funding and commercial activity (combined WREDA and CHQ) [EXISTING] (17)</i>	TBC%	30%	35%	38%
Employee Health	<i>Staff Engagement [EXISTING] (18)</i>	53%	60%	65%	70%
	<i>Lost Time Injuries [EXISTING] (19)</i>	0	0	0	0
Stakeholder Relationship Health	<i>Stakeholder Satisfaction [EXISTING] (20)</i>	80%	85%	90%	95%

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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:

Measure	2019/20	2020/21	2021/22
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.

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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

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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

In line with the WCC Te Taihū policy – and Wellington’s aim to be a Te Reo Maori City – WREDA will be seeking opportunities to support and raise the presence of Te Reo Maori 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 Maori so that we can lead the way;
- introducing Te Reo into communications and marketing material as appropriate;
- incorporating a Maori perspective into our business development work with the appointment of a specific Maori 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.

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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;

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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 addresses this issue, including communications to patrons, specific training for staff on how to handle incidents, and incident response procedures.

4.6 People and Culture

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.

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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.

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5. Financial Summary

STATEMENT OF FINANCIAL PERFORMANCE			
	2019/20	2020/21	2021/22
REVENUE			
Revenue from Shareholders	21,330,626	21,674,569	21,919,426
Other Revenue	9,281,292	11,744,421	13,767,550
TOTAL REVENUE	30,611,918	33,418,990	35,686,976
EXPENDITURE			
Cost of Goods Sold in iSITE	360,000	396,000	435,600
Personnel Costs	13,854,801	14,466,171	15,264,825
Investment in Projects and Events	12,833,979	14,859,311	16,076,043
Other Expenditure	3,418,508	3,547,508	3,760,508
TOTAL EXPENDITURE	30,467,288	33,268,990	35,536,976
SURPLUS	144,630	150,000	150,000
STATEMENT OF FINANCIAL POSITION			
	2019/20	2020/21	2021/22
SHAREHOLDER FUNDS	2,733,745	2,883,745	3,033,745
ASSETS			
Current Assets	5,053,232	5,216,099	5,342,797
Investments	685,175	685,175	685,175
Other Non Current Assets	1,090,041	1,188,834	1,180,429
TOTAL ASSETS	6,828,448	7,090,108	7,208,401
CURRENT LIABILITIES	4,094,703	4,206,363	4,174,656
NET ASSETS	2,733,745	2,883,745	3,033,745
STATEMENT OF CASHFLOWS			
	2019/20	2020/21	2021/22
OPENING CASH	2,100,000	2,654,630	3,004,630
Operating Cash Receipts	30,611,918	33,418,990	35,686,976
Operating Cash Payments	30,467,288	33,268,990	35,536,976
Other Receipts/Payments	410,000	200,000	- 100,000
NET CASHFLOW	554,630	350,000	50,000
CLOSING CASH	2,654,630	3,004,630	3,054,630

WREDA STATEMENT OF INTENT 2019-2020

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"> • Ensure delivery is in line with partner expectations • Maintain a regular schedule of communications with and reporting to partners • Engage major partners in planning sessions to ensure programmes meet their expectations • Review partner funding arrangements on a regular basis • Seek new commercial revenue sources
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"> • 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 • 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.
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"> • WREDA has an appropriate fit for purpose Health and Safety programme in place, which is governed by the WREDA Board.
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"> • 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 • WREDA will work proactively with core hirers to find solutions that meet their needs, both within existing venues and other venues in the city. • WREDA will communicate proactively with the market on the status of Venues. • WREDA will work with WCC on a Venues Strategy.
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"> • WREDA will work with both its shareholders and the other Councils within the region in a structured and proactive manner such that both

WREDA STATEMENT OF INTENT 2019-2020

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"> • WREDA will participate in appropriate work groups across the Wellington region to support economic development activity.
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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

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

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.

19 December 2018

Tracey Bridges
Incoming Chair
Wellington Regional Economic Development Agency

Email: Tracey Bridges tracey@portchester.co.nz

Dear Tracey

This letter sets out the Wellington Regional Strategy (WRS) Committee's expectations for the Wellington Regional Economic Development Agency and its subsidiary, Creative HQ (WREDA), regarding their Statement of Intent (SOI) for 2019-21.

The following areas have been identified as requiring a particular focus in the SOI:

- Delivery of specific projects in the draft Wellington Regional Investment Plan including:
 - **Skills and workforce development** – lead a focus on skill enhancement for the regional workforce to support future growth, particularly but not exclusively in the knowledge economy.
 - **Business Acceleration** – A greater focus on acceleration of companies and for this to be regional in nature (leveraging Creative HQ in particular).
 - **Māori economy** - to work closely with our iwi partners, the WRS Office and Ara Tahi in their development of a Māori Regional Economic Development Plan with a focus on the eventual delivery of actions.
 - **Destination** – the development of a region-wide destination plan to make the region a more attractive proposition for visitors, students, talent and business.
- Supporting the Wairarapa councils in the delivery of the Wairarapa Economic Development Strategy and both the Wairarapa councils and the Kapiti Coast District Council in their applications to the Provincial Growth Fund and, where relevant to WREDA's core business, to provide delivery of projects.
- Noting the key activities planned to market the Wellington region to a range of audiences and to drive growth in visitation, international student attraction and events.
- Minimising the impact of the extended closure of the St James by utilising the existing facilities and innovative use of other venues.
- Continuing support for the development of an Indoor Arena and the Convention and Exhibition Centre.

The Committee has also requested that WREDA develop a clear statement about safety and management of harassment, especially in the venues they manage; ensure a greater reflection of te reo Māori in WREDA communications and develop “future thinking” by considering global mega-trends, their impact and how they could be leveraged for the region.

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

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

The Committee expects WREDA to be able to demonstrate compliance with the relevant Health and Safety legislation and have objectives relating to the measurement and reduction of greenhouse gas emissions.

Sincerely



Justin Lester
Chair
Wellington Regional Strategy Committee

cc: Lance Walker lance.walker@wellingtonnz.com



Report 19.129
Date 1 April 2019
File CCAB-15-306

Committee Wellington Regional Strategy Committee
Author Samantha Seath, WRS Office

Review of GWRC's role in regional economic development

1. Purpose

To provide an update on the review Greater Wellington Regional Council (GWRC) is currently undertaking on how it invests in regional economic development.

2. Background

During the 2018 long term plan process GWRC agreed to undertake a review of its role in regional economic development and how it invests to achieve the best outcomes for the Wellington Region.

3. Summary

The key elements of the review are to:

- Examine the effectiveness of the current arrangements in delivering on the agreed WRS outcomes and the emerging WRIP priorities, including:
 - delivery structures
 - governance structures
 - funding arrangements
 - roles and responsibilities
- compare against best practice examples from across NZ and other comparable jurisdictions
- consider in the context of identified GWRC priorities and other GWRC programmes that impact on regional economic development outcomes
- recommend any potential changes to optimise effectiveness in achieving economic development outcomes and value for money.

This is not a review of the structure and operation of WREDA. However, given the majority of the targeted regional economic development rate is used to fund WREDA (alongside investment from WCC and other funding sources) there will need to be some consideration of their role and how they are organised to deliver on regional economic development outcomes.

Consideration does need to be given to the governance arrangements for this function and whether this is effective and efficient. This has to be considered in the context of the existing Multilateral Agreement between GWRC and the region's territorial authorities and the Shareholders Agreement between GWRC and WCC.

The split of roles and responsibilities between WREDA, the WRS Office and GWRC is to be reviewed. This would include consideration of: regional economic development strategy; tactical operational strategy; research and data analysis; project funding and support; delivery of economic development programmes, and monitoring and reporting.

The review will require consultation with WREDA, the WREDA Board, all of the region's territorial authorities, GWRC, WCC, as well as selected key stakeholders.

The review is to be completed by end June 2019.

We are currently seeking quotes from 3-4 suppliers to undertake the review.

4. The decision-making process and significance

No decision is being sought in this report.

4.1 Engagement

Engagement on this matter is unnecessary.

5. Recommendations

That the Committee:

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

Report prepared by:

Report approved by

Samantha Seath
WRS Office

Luke Troy
General Manager, Strategy