

WELLINGTON REGIONAL ECONOMIC
DEVELOPMENT AGENCY LIMITED

STATEMENT OF INTENT 2022-2025

WellingtonNZ
MAKING THE WELLINGTON REGION **Wildly Famous**

CONTENTS

1. Mihi
 2. Statement from Chair and Chief Executive
 3. How WellingtonNZ will respond to the Letter of Expectation
 4. Our Strategy 2022-23
 5. Programme of Activities
 6. Key Performance Metrics
 7. Financial Summary
 8. Risks to KPI Achievement
- Appendix 1: Governance and Accounting

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 Shareholders December 2021 Statement of Expectations and covers both WREDA Ltd (WellingtonNZ) and its subsidiary CreativeHQ Ltd.

1. 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.

2. STATEMENT FROM THE CHAIR AND CHIEF EXECUTIVE

Our region has significant strengths, in our history, our topography, our diverse communities, and our status as the Capital city of Aotearoa New Zealand — being the home of many national institutions. Our business community is innovative and future focused. We are the place where politicians, policy makers, scientists, entrepreneurs, activists, academics and artists rub shoulders every day. A place of ideas, curiosity, diversity and debate.

But we are living in challenging times, and there are issues to address. Not everyone in our region has been able to benefit in the opportunities created by our growing economy and there is work to do to ensure wider participation. Our infrastructure and housing challenges have been well publicised and, importantly, the war for talent is heating up both within New Zealand and internationally. To address the challenges of Covid, climate and housing, we need much closer collaboration between the cities of our region, the business sector, our education providers and our research and science institutions.

The Wellington region and its communities have demonstrated their resilience in responding to these challenges. There is a real basis for optimism as we look to the future. We have all the ingredients for a thriving low carbon, connected community. We now need the confidence to deliver it. Together we will need to be aligned, courageous and willing to embrace change to take advantage of the opportunities ahead. Importantly our future will embrace Te Tiriti and the aspirations of our Māori and Pasifika communities to grow businesses, create jobs and tell their stories. We will be deepening our capability and confidence in te ao Māori to enable us to support them in achieving this.

This SOI reflects the challenges and opportunities of this moment in time. We are confident but realistic – recognising the progress that has been made already across the region, including the reinvigoration of Wellington City with Tākina, the St James Theatre, the Town Hall all coming on stream in the 3-year period covered by this SOI, as well as regional initiatives such as the Lane Street Studio development in Upper Hutt and the significant construction activity in Porirua, the Hutt Valley and the Wairarapa.

WellingtonNZ is a small group of passionate and committed Wellingtonians. Our objective is to help create a thriving regional community and economy from which more people benefit, and a vibrant connected region in which talented people choose to live, work, and visit. Much of the money we get from our shareholders and partners is tagged to specific projects or required to pay our operating costs. It is not possible to do everything.

This SOI therefore reflects the priorities of our shareholders as expressed in the Letter of Expectation, aligned to the strategic direction we have been charting.

These might be challenging times but, together with our partners, we are up for the challenge.

Tracey Bridges
Chair of the Board

John Allen
Chief Executive

3. HOW WELLINGTONNZ WILL RESPOND TO THE LETTER OF EXPECTATION

WHO WE ARE

WellingtonNZ is the Wellington region's economic development and promotions agency. We are a Council Controlled Organisation (CCO) with our shareholders being Wellington City Council (WCC – 80%) and Greater Wellington Regional Council (GWRC – 20%). We are governed by an independent Board of Directors who are appointed by the shareholders. WellingtonNZ is responsible to its two shareholders. We also report regularly to the Regional Leadership Committee which oversees the implementation of the Regional Economic Development Plan.

Funding for WellingtonNZ activities comes from the two shareholding councils, from central government agencies who contract WellingtonNZ to perform specific services, and from a range of private sector partners.

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

OUR PURPOSE

Our vision is that **the Wellington regional economy is thriving, with more people participating in the benefits**. This means more opportunities for people – to study, work and enjoy and participate in all that the region has to offer.

To contribute to this vision, our primary purpose is **to make the Wellington region wildly famous as a place to live, work, visit, study, and invest**. This purpose reflects our central role in placemaking and storytelling, and in attracting people to our region, as the best place in New Zealand to experience, host an event, start and sustain a business, make a film, study, migrate to or invest in. By working to make our region wildly famous for its opportunities and experiences we create a platform for the region to prosper – both economically but also in terms of vibrancy, livability and inclusiveness. We attract people and investment by telling the stories of this place, and actively promoting it, to domestic and international audiences. We invest in events which bring visitors to our region. In addition, with a wide range of partners (our shareholders, central government, local businesses, universities and education providers, and our subsidiary CreativeHQ) we invest in and support initiatives to create jobs and retain and develop the enormous talent in our region.

We believe that the region – which includes Kāpiti, Porirua, the Hutt Valley, Wairarapa and Wellington city - is greater than the sum of its parts and that by working to develop and tell a compelling and unifying regional story, we amplify the potential of this place.

We have identified three focus areas, to support this kaupapa and to reflect the expectations of our shareholders:

- **Jobs for the future** - Support businesses to grow, innovate and meet future workforce needs
- **Placemaking** - Enhance Wellington's reputation as New Zealand's creative heart
- **Collaboration and Engagement** - Working in partnership to support investment in the region

These focus areas create the strategic framework within which we meet the objectives of our shareholders, and make the most of the investment available to us, on behalf of our communities.

HOW WE CONTRIBUTE TO THE GOALS OF OUR SHAREHOLDERS

In their **Letter of Expectations**, our shareholders set out several priorities and goals. In this section we note how our work contributes to those.

Our success depends on making this region wildly famous as a place to live, work, visit, study and invest. This requires us to support our shareholders in their initiatives to ensure functioning infrastructure, affordable housing, fit for purpose creative and cultural spaces and efficient and effective public transport. We provide this support by leading and participating in strategy development, and through our advocacy for the importance of this investment to both funders and the people of our region.

The **Letter of Expectations** also notes the importance of the creative sector to our city and region, and we note the role we play in supporting this sector who do so much to generate the vibe of our Capital city. Our venues provide the spaces for artists to showcase their talents to our diverse population, and we continue to work to ensure that they are fit for purpose and support a wide variety of cultural community, business and sporting events.

We recognise the need to improve the economic outcomes for Māori and Pasifika. Much of our work is focused on this, including supporting opportunities for rangatahi to explore careers in film or entrepreneurship and working with mana whenua to enable them to deliver the goals they have set for themselves and their communities.

We are also working to deliver a low carbon economy across the region by supporting businesses developing new technologies to help people change their behaviour and implementing changes in our own business to improve our sustainability performance.

The Wellington region is diverse. This diversity gives us strength. WellingtonNZ recognizes, respects, and celebrates members of our rainbow community. We support them and we recognise the very significant contribution they make to our region. We are also working through our Diversity & Inclusion Committee to make our working environment welcoming and supportive of all our people, including our LGBTI+ employees.

The relationship with our shareholders is critical to our success. We have an open and high trust relationship which works on a "no surprises" basis and actively discuss risks to the achievement of our plan and how we might mitigate these.

How we will meet the specific requirements outlined in the Letter of Expectation .

1. Placemaking — marketing the city as a destination for visitors, migrants, investors and students

This is a core responsibility of WellingtonNZ. We have a range of programmes in development which build on our existing successful platforms: Wild Weekends, Imagine This, and event specific marketing initiatives. Wellington remains an attractive destination for many. The Destination Management Plans provide guidance to us and Councils around the region to develop new tourism product and experiences that will enable storytelling about this remarkable place and the many attractions it offers to those who want to visit, study, work or live. Our ambition over the term of this SOI is to extend the visitor nights spent in the region which will make a significant difference for tourism, hospitality and retail businesses across our region.

2. Attracting Australian Visitors

The reopening of the Australian market is a particular area of focus for our Marketing Team in relation to both tourists, business event delegates and talent. We are planning campaigns (including our Welcome Matt campaign) as the border opens to Australian visitors and tourists, we will continue an active digital campaign to targeted segments of the Australian market to maintain awareness of the Wellington Region's attractions in the minds of Australians. We are partnering with TourismNZ, Wellington Airport and a range of tourism, accommodation, and hospitality businesses in this work.

3. Working on Covid Recovery

Covid recovery is a major focus for WellingtonNZ, and our marketing and business support teams are both engaged daily in supporting local business – particularly in the hard-hit tourism, hospitality, accommodation and (in some places) retail sectors. As well as the marketing campaigns described above, our work has involved funding support to enable businesses to secure important professional advice to help them respond to the Covid challenge, advocacy and storytelling to attract talent and domestic visitors and importantly securing and supporting major events to bring people to the region. This work continues, and we are working with central government partners to adapt this funding so it can be more responsive to business needs.

4. Supporting our ambitious climate goals

Climate change and sustainability are the focus of much of our work across the region. It features strongly in the REDP whether in potential projects dealing with water storage and land use change, in work to drive “weightless” exports through our technology sector, or in efforts to reduce carbon in manufacturing and construction through advanced manufacturing the application of new technologies. We are also continuing to support and grow companies like Mevo, CoGo and others which are helping people change their behavior to reduce their personal carbon footprint.

5. Commitment to Te Matarau a Maui

WellingtonNZ is working closely with Te Matarau a Maui to identify initiatives that will enable Māori Business growth and ensure they are included in the Regional Economic Development Plan. We expect to resource and lead the implementation of at least one of these major projects in the 2022/23 financial year. They include the exciting Porirua Adventure Park development with Ngāti Toa and a range of initiatives to grow the entrepreneurial capabilities of young Māori and Pasifika across our region.

6. Supporting our dynamic business community

This is a critical component of our strategy – which specifically recognises the need for a focus on jobs and skills as we look to the future. Our work will include:

- A range of initiatives focused on making Wellington an International Centre of Excellence for Green Technology and positioning us in the top 50 in the Global Innovative Cities Index.
- Telling the stories of Wellington business to attract and retain talent. This builds on the successful *Imagine This* Podcast
- Reimagining our local marketing activity – the Love Local campaign was hugely successful in supporting businesses through the initial period of the Covid pandemic. This approach will be reimagined for the current (and anticipated future) environment.
- CreativeHQ; through our subsidiary, CreativeHQ we are working to significantly increase the number of start-ups based in Wellington region. This will see a strengthened incubation and acceleration

service as well as investment in collaborative working spaces (specifically recognised as important in our reality completed screen sector) and advocated by many in the tech community.

7. Supporting the success of Tākina

WellingtonNZ recognises the significant opportunity our new Convention and Exhibition Centre represents for the region. We are actively supporting the success of this critical initiative through the secondment of our Business Events team to lead the sales process and the provision of marketing support. We are working closely with the City Council, Te Papa and Tākina Events to maximise the opportunity that Business events and large-scale exhibitions represent for our region. We understand that there are a complex set of relationships and responsibilities that need to work smoothly if Tākina is to deliver the results expected. We are committed to making this happen but recognise that it is likely to take time for them to settle into an effective working model, and we are committed to supporting that process actively.

8. Operating Venues which work for Wellington

We recognise the importance of our Venues in delivering entertainment, cultural, sporting, business and community events for local residents and visitors – generating economic, social and cultural benefits to Wellington. We have started on a number of capital programmes to enable our venues to support a wider range of programming – particularly music – and to make them accessible to a greater proportion of our citizens. This work, which is occurring alongside major projects such as the St James Theatre and Town Hall strengthening, will enhance our venues and make them fit for purpose to meet the ambitions of the city's Aho Tini and economic wellbeing strategies.

9. An Economic Development action plan for our region

This is a significant project which is progressing well. We expect it to be completed around the end of the 2021/22 financial year, with a focus on the identification of 20-40 projects which can augment strategies already being advanced by the Territorial Authorities across our region. The objective of the plan is to align activity across the region and, importantly, secure central Government support and funding for these larger scale projects which can drive our economic progress. We are leading this work in partnership with GWRC.

10. Developing integrated Visitor Experiences

We recognise the importance of the Cable Car as an integral visitor attraction (and important public transport option for residents). We will work with the Cable Car, other CCOs and businesses to further explore options for an integrated tourism product offering at its Kelburn terminus with links to encourage tourists to visit more of the diverse range of attractions across the city.

11. Economic Wellbeing Strategy

WellingtonNZ will work with Wellington City Council to refine and implement actions in the city's Economic Wellbeing Strategy, ensuring alignment with the Regional Economic Development Plan.

4. OUR STRATEGY FOR 2022-23

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

Our Board, at its meeting of 16 February 2022, reconfirmed our strategic framework mission, vision, and areas of focus, in the context of the shareholders' Letter of Expectations. Our success in all areas relies on our central Placemaking pou.

In addition to the particular activities outlined in the section above, we note the following aspects of our strategy and approach for the coming year:

Placemaking

Placemaking involves exciting people about the opportunities and experiences which are available across this region and attracting them to visit, study, work, invest and live here. We do this by telling the stories of this place in innovative ways and by delivering campaigns which reflect the personality of Wellington and achieve impact in highly competitive markets.

This includes stories of our businesses — particularly our tech sector (which incorporates screen, gaming, software as a service and advanced manufacturing), which has high growth potential, high paying jobs, weightless export orientation and attractiveness to our young people from across all demographics.

We will continue to champion our resident artists and arts organisations who contribute so much to the vibe, energy and livability of our region. Major Events continue play a key role in placemaking efforts, attracting people to our region. We have an exciting line-up of events and exhibitions in store and, subject to border realities, are confident we will be able to fill the stadium and our venues across the city including Tākina when it opens in 2023 with sports and music fans and lovers of the Arts and exhibitions.

Jobs for the future

Our regional growth framework anticipates growth of 100,000 jobs over the next 30 years. Contributing to the delivery of these is a key component of our strategy. We believe the broad technology sector, supported by our Universities and CRIs will deliver a lot of these. The Government, Professional Service sector, and Construction continue to be critical to the regional economy (and indeed underpin its resilience in the face of Covid) with WellingtonNZ and its shareholders having less influence over their growth than we do with tech.

We will be using our subsidiary CreativeHQ to lead many of our business growth initiatives, with our involvement with the Regional Business Partner Scheme and our marketing capability also leveraged to develop attract and retain the talent. Under the RBP scheme (which is currently being re-tendered) we work with hundreds of businesses across our Region and are looking to add even more value to these important relationships.

In addition, we will continue to support the implementation of Major Projects identified in the Destination Management Plans, the Regional Economic Development Plan and the Regional Screen Strategy. These projects will be important contributors to economic growth across our region.

Collaboration and engagement

To deliver the impact the region needs we need to work in partnership with others; Mana Whenua, Territorial Authorities, Central Government, Businesses and Arts institutions are all important. The strengthening of these relationships will be a key feature of our work during this SOI period.

We recognise the critical importance of the region's commitment to Te Tiriti and to the task of improving economic outcomes for Māori and Pasifika. A key component of this is supporting Mana Whenua to determine and deliver outcomes that deliver to their current and future ambitions. We will be strengthening our capacity and capability to support these ambitions, which we share.

We will also be continuing our work to support the sustainability objectives of shareholders whether by reducing the waste that goes to landfill from our venues, supporting businesses developing new technologies to help deliver a zero carbon future, or working with our tourist businesses to help them become more sustainable while highlighting the extraordinary attractions including Zealandia and East by West Ferries, that were conceived and built here and speak to our regional commitment to these outcomes.

The following section spells out in detail our work in these areas during the period of this Statement of Intent.

5. PROGRAMME OF ACTIVITY

PLACEMAKING

Objective: Enhance Wellington as New Zealand's creative heart — driving more locals and visitors to participate in events and experiences, and drive visitation into local businesses and attractions.

Programme	Overview
Major Events	<p>WellingtonNZ continues to support and invest in Major Events for Wellington City, taking a portfolio approach to generate economic, brand and social benefits. Over the coming period, we will utilise this investment in Major Events to attract events to Wellington in support of City's economic wellbeing outcomes. A successful calendar of Major Events will be key to the economic and cultural bounce back of the city post Covid, engaging locals and visitors alike.</p> <p>In this SOI period our WellingtonNZ Major Events team will also administer and monitor the Wellington Regional Events Fund. The fund will focus on securing events for the Wellington region that will drive domestic visitation to the region, increasing domestic tourism.</p>
Australian Visitation	<p>Covid-19 has reduced our activity in Australia. With the latest border announcement, this has changed. With friends and whānau expected to return first (without need of prompting), our next immediate focus will be on the east coast audience through a range of channels and marketing tactics. Continuing to work closely with partners including TNZ, Air NZ and Wellington Airport in this, ongoing marketing will be tailored around the tourism space's settling into the new normal, considering government policy, the evolving traveller mindsets and behaviours, flight routes, and competition across markets.</p>
Domestic Visitation	<p>WellingtonNZ's marketing efforts will continue to support and promote the region's strengths in world-class experiences, creativity, innovation, nature and culture — driving ticket sales, hotel bookings, spend in the city, and a wider, positive national conversation around what a visit in the region can be. We know from recent data that short visits are driven by family, major events, food & culture and access to nature. People expect something different from Wellington, which is one of our major draws, so our marketing and communications activity should reflect this spirit for zigging when others zag. As with all of our work in this space, people and storytelling will remain a central tenet of our placemaking activities.</p>

Talent Attraction and Retention	<p>There are many challenges facing Wellington in attracting and retaining the talent we need to grow and be sustained as a city and region. With strong domestic and international workforce competition, coupled with inflation, the effects of COVID-19 and a global shift in travel and work behaviour, we need to think and act differently in our marketing activity and the how businesses approach their workforce needs. We aim to use real successes to showcase the opportunities and tactics in the region, to better reach people across locations, experience levels, and industries. This is not limited to marketing but through our business growth team and more direct capability building. All placemaking, we consider our visitation marketing activity to be work that supports this talent drive, and vice versa.</p>
Investment attraction	<p>Attracting and facilitating investment that will support business attraction, retention and growth, to drive job opportunities and economic growth across the region.</p>
Venues Wellington	<p>WellingtonNZ will continue to manage the operation of the Wellington city entertainment venues under the Venues Wellington brand – including sales, event operations, customer experience and facilities management.</p> <p>Providing an opportunity to set clear strategic objectives for the Venues Wellington business, Tākina’s opening in 2023 will follow the reopening of the St James in 2022. Shifting the mix of content to a greater emphasis on performance and entertainment events, we will continue to plan and implement models to drive the desired content, providing a high-quality entertainment offering that makes Wellington and its venues an attractive proposition for current and potential residents.</p> <p>Over this SOI period we will continue to work with WCC to drive investment in our civic venues, including the redevelopment of venues, to ensure they are fit for purpose and meet changing audience trends and expectations.</p>
UNESCO City of Film	<p>In 2019 Wellington was named a UNESCO City of Film. WellingtonNZ is the lead agency in coordinating leveraging this accolade through storytelling and working with the screen industry, and local and central government. The programme aims to contribute to a more vibrant, sustainable and inclusive screen sector and city by uplifting and giving voice and pathways to new, diverse talent.</p>
Wellington Regional Trails Framework	<p>WellingtonNZ will continue to lead the support and growth of Regional Trails Framework, promoting the world-class Trails across the region under the Find Your Wild brand and through wider WellingtonNZ content and media channels. This work is a key element of our collaboration with regional partners and local businesses located close to trails.</p>

JOBS FOR THE FUTURE

Objective: Support businesses to grow, innovate and meet future workforce needs, to ensure more businesses are succeeding and employing more people.

Programme	Overview
Maori Economic Development and Business Support	<p>Our work in 2022 and beyond will have a greater focus on supporting the growth of Māori businesses and entrepreneurs. We currently have a dedicated resource supporting Māori businesses through the Regional Business Partnership Program. We are engaging with Te Matarau A Māui and local Iwi to capture the initiatives they have designed to promote Māori business enablement and include these in the Regional Economic Development Plan. Our goal is for WellingtonNZ to resource and lead the implementation of at least one of these major projects commencing in the 2022/23 financial year. Additionally, we are actively supporting Māori Tourism projects such as Te Aro Pā revitalisation and the Porirua Adventure Park.</p>
Wellington Regional Economic Development Plan	<p>The development of the Regional Economic Development plan, led by WellingtonNZ, is governed by the Regional Leadership committee which is made up of mayors from each of the local authorities and Horowhenua District Council, mana whenua partners, central government ministers and representatives of WellingtonNZ.</p> <p>The objective of this definitive plan is to guide the long-term economic direction of the Wellington Region in line with the Regional Growth Framework; to support the creation of 100,000 jobs, promote equity, and improve quality of life for our people. The document is due to be delivered in mid 2022 and will contain an action list of up to 40 recommended initiatives that have been assessed using the PRISM framework.</p>
Intern Programmes and Pathways to Employment	<p>Reflecting our involvement with the Regional Skills Leadership Group, we will continue to support programmes that are targeted at providing intern opportunities for students and create pathways to full employment. Currently supporting the Summer of Tech and Young Enterprise programmes we will be considering ways that we can continue to grow the scale of our impact in this space to make a direct impact on workforce needs in the region.</p>
Creative HQ – Incubation Services and Innovation Ecosystem Support	<p>CreativeHQ is a vital asset that enables WellingtonNZ to support and grow the region’s start-up and entrepreneurial activity. To sustain and grow their capability and the industries they engage with, we are supporting business incubation and corporate (and Government) innovation. We want to see a dramatic rise in the number of business start-ups in the region and the range of support available to founders as they scale their businesses.</p>

Tech Sector

We are actively engaging with a wide range of stakeholders to develop a more robust technology and innovation strategy for Wellington. This work will feed into the Regional Economic Development Plan and will result in a number of key initiatives to make Wellington a truly future focused region.

Our initial goal is for Wellington to be ranked as a top 50 city for innovation in the Global Innovation Cities Index (currently ranked at 120). The key metrics our initiatives will seek to influence include:

- Increase quantity of start-up companies
- Increase venture capital invested in the region
- Increase number of per capita jobs in the science and technology sector
- Decrease carbon emissions of Wellington businesses

It's important to note that our tech sector strategy is still to be costed and confirmed. It is likely that our work will include:

- A capability building program for senior leaders in our fastest growing companies
 - A campaign designed to attract top executive level talent to the region
 - A focus on growing the sustainable technology sector
 - An innovation hub to improve collaboration between businesses and to increase the visibility of the tech sector in Wellington
 - Ongoing support for CreativeHQ and other programs that promote entrepreneurship and careers in technology
-

Wellington Convention Bureau – currently on secondment to Wellington City Council

With Tākina – the new Wellington Convention and Exhibition Centre - coming on-stream in mid-2023, Business Events will play an increasingly important role in the Wellington economy, bringing high value visitors to the city. With a near term focus on attracting conferences and business events locally, nationally and trans-Tasman, we are also creating a strong international pipeline for when international travel starts again. WellingtonNZ has seconded its Business Events team to WCC to ensure that they can prepare for a successful opening of Tākina, WellingtonNZ will continue to support this work through marketing and communications — recognising that Tākina's success will be the region's, bringing significant economic benefits to the City.

Wellington Regional Destination Plan

A key placemaking piece, the recently released 'Destination Poneke' destination management plan was developed after consultation with communities and with stakeholders across the tourism industry. Setting a clear vision for Wellington to be a zero-carbon capital famous for transformational experiences, our goal is to enrich visitors' time here, create sustainable Wellington businesses, and to keep Wellington front of mind as somewhere people want to live, work and visit. These aspirations are also captured in the broader Regional Destination Plan and the Regional Economic Development Plan and clearly articulate tourism priorities for the future. With the plan delivered, the focus now switches to activating key projects.

Supporting Wellington businesses to reactivate

We will continue to lead a programme of promotions and activations to help businesses get back on their feet and rebuild consumer confidence in a welcoming, safe and creatively Wellington way; including people-first business storytelling, enhanced support and collaboration, and domestic visitation campaigns.

COLLABORATION AND ENGAGEMENT

Objective: Work in partnership to support investment in the region to unlock the best outcomes and opportunities for all.

Programme	Overview
Mana Whenua Partnerships	We will continue to deepen relationships with mana whenua to ensure our work supports their goals and we're working in partnership to deliver for the people of this region.
Regional Infrastructure and Economic Development Projects	We will continue to work with and support local TA (Territorial Authority) Economic Development teams on the execution of their Economic Development strategies, within the context of our wider regional mandate. We are actively working with TAs to ensure we are reflecting their priorities and requirements in our work programmes, identifying specific projects in individual TAs that we can support. We are also exploring different resourcing models to make our support across the region more visible and effective.
Regional Workforce and Skills Development	A considerable emphasis is being placed by the Government on regional development, supported by significant funding for critical infrastructure projects and a focus on skills development. WellingtonNZ is actively involved in the Regional Skills Leadership Group and will help develop specific proposals as priorities are determined. A particular area of focus will be supporting Mana Whenua and Pasifika communities with skills development programmes for their rangatahi.
The Creative Sector	<p>Our team at Screen Wellington continue to promote film and gaming projects as an integral part of wider creative sector growth. We are in the final stages of developing a 2030 Screen Strategy which identifies the size of the economic opportunity in these areas, and the initiatives that will best support the sector. Again, our objective is to align this work with the Regional Economic Development Plan to determine one or two major initiatives that will best serve the creative sector more broadly (including arts, literature, theatre). These initiatives will form the focus of our work from mid 2022.</p> <p>In addition, our team continue to run film permitting for the region and lead UNESCO City of Film initiatives. Wellington UNESCO City of Film contributes to a more vibrant, sustainable and inclusive screen sector and city and elevates and promote Māori stories and storytellers particularly mana whenua and stories of the Wellington region.</p>

6. PERFORMANCE METRICS

In recent years, WellingtonNZ has reviewed its performance framework with the aim of:

- Reducing the number of metrics;
- Ensuring metrics are linked to factors which WellingtonNZ can control and which measures WellingtonNZ’s direct impact;
- Measuring outcomes not just outputs;
- Providing greater clarity on the region’s return on investment.

This remains challenging given the range of activities undertaken by WellingtonNZ and the varying levels of influence that WellingtonNZ has over ultimate outcomes. The impact of COVID-19 further complicated the situation, which has made both existing benchmarks less relevant and forecasting targets in an uncertain future very challenging.

For this reason, we continue to adjust to our performance measures to ensure we have a set of performance measures that best represents WellingtonNZ’s activities and programmes but also make sure we are keeping consistency and keeping the metrics to a small set.

Note that in addition to these headline measures we will continue to measure a range of operational metrics including those that relate directly to our WCC, Major Events and Venues Wellington funding (aligned to the expectations of the Funding Agreements).

Key Headline Performance Indicators

KPI	Explanation	2021/22 Forecast	2022/23 Target
JOBS FOR THE FUTURE			
KPI 1: Direct economic impact of WellingtonNZ’s activities and interventions	This is a measure we introduced in 2019/20. It is designed to provide a dollar value indication of the impact of WellingtonNZ activities by collating the value of those activities that we directly influence and impact (where we have data to support that).	\$ 75 million	\$130 million
KPI 2: Number of businesses engaged by a WellingtonNZ intervention or programme	This is a measure we introduced in 2019/20. It is designed to provide an indication of the number of businesses that we have directly impacted on by either being part of a WellingtonNZ programme or a direct WellingtonNZ activity or intervention	2,200	2,200

KPI	Explanation	2021/22 Forecast	2022/23 Target
JOBS FOR THE FUTURE			
KPI 3: Equivalent Advertising Value (EAV) from media activity	<p>This is a measure we introduced in 2019/20. A key activity for WellingtonNZ is creating external stories and media content.</p> <p>Equivalent Advertising Value (EAV) is an accepted industry estimate of the value of media coverage that results from public relations and media activity. EAV is based on the equivalent cost to purchase the same reach and coverage results. This is a combination of TNZ (International media EAV) and Domestic Media</p>	\$12.5 million	\$20 million
KPI 4: Value of expenditure generated from events (including business, performance, and major events)	<p>Currently we measure out of region spend events at both Wellington city venues (covering both performance and business events) and Major Events. It is calculated using agreed methodology that is consistent across New Zealand. In light of Covid-19 and an increased domestic focus, we will measure the local audience at events to reflect the full impact.</p>	\$30 million	\$75M (depending on Covid alert levels and viability of events)
The number of Wellington Region residents that attend events	<p>The number of Wellington Region residents that attend events</p>	150,000	500,000 (depending on Covid alert levels and viability of events)
COLLABORATION & ENGAGEMENT			
KPI 5: Stakeholder engagement	<p>This is a measure of the engagement we have with our wide and varied stakeholders, and the quality of those relationships.</p>	80%	90%

In addition to the above we have 3 key internal facing KPIs:

KPI	Explanation	2021/22 Forecast	2022/23 Target
KPI 1: Financial Management	Budget on track – income, expenditure and surplus.	To Target	To Target
KPI 2: Funding Diversification	% of revenue from commercial/non council funding and commercial activity (combined WELLINGTONNZ and CHQ)	30%	32%
KPI3: Employee Engagement	As measured by our CultureAmp employee surveys	68%	70%

Indirect Measures of Impact

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

Measure	2021/22 Forecast		2022/23 Target	
International Arrivals through Wellington International Airport	International	17,500	International	100,000
	Australian	17,000	Australia	120,000
Visitor spend (Domestic & Other)	Domestic	\$800m	Domestic	\$900m
	Other	\$100m	Other	\$180m*
Total Visitors' nights to our Wellington Region	1,500,000		2,400,000	
Share of multi-day conferences reported in the Wellington Region	21%		22%	

**Border settings are constantly changing at the time of SOI target settings, current target has been based on border decisions as of 1 March 2022. Target will be impacted if further border decisions are made.*

We will also continue to collect and share data on the performance of the Wellington region including, but not limited to:

Population Growth due to migration to Wellington Region	1,330	2,500
Wellington Region GDP	3%	2.5%
Number of Filled Jobs in our Region	260,000	270,000
Number on Jobseeker Support benefit – Work Ready	12,000	11,500
Mean Annual Earnings of people in employment in the Wellington region	Workforce \$73,736	Workforce \$76,169

**WellingtonNZ will ensure that comparative (historical) figures are included in the company's reporting on its performance framework.*

Notes and Sources

Direct Measures

1. This is calculated from assessing the contribution of the value of business events attracted, the screen permits, value of redemptions for retail and hospitality promotions, the value of capability vouchers distributed, the value of R&D grants distributed, out of region expenditure at events, the value of spend from WellingtonNZ hosted programme activity, the value of sales generated through i-SITE pay and display, the value of sales made in the i-SITE for Wellington businesses, the contribution of non local government funding to the activity of WellingtonNZ, the equivalent advertising value for marketing and promotions activity, CreativeHQ, the spend of visitors generated as a result of WellingtonNZ promotional and marketing activity.
2. This number is calculated by aggregating the number of businesses who have received support from WellingtonNZ's programme and activities including, businesses who participated in Visa Wellington on a Plate (Producers, Breweries and Restaurants), WellingtonNZ partners who have formal partnerships with WellingtonNZ on programmes of work during the year (tourism, marketing, events and business partners), start-up businesses who WellingtonNZ provide professional capability building advice to, businesses who have benefited from featuring in WellingtonNZ promotional and marketing activities such as Wellington Unlocked, and Advent Calendar, businesses who have received support through WellingtonNZ's workforce and business support programme (such as Summer of Tech/Summer of Biz, Regional Business Partner programme and Pop up Business School).

3. 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 coverage results. This is a combination of TNZ (International media EAV) and Domestic Media
4. The combined value of new spend in the region from visitors attending events in Venues Wellington and attendance at Major Events for which WellingtonNZ is an investor. It is calculated using agreed methodology that is consistent across New Zealand.

The total number of tickets recorded for major events and events in Venues Wellington that have been sold to residents in Wellington Region.

5. Measure of satisfaction by a range of stakeholders and key business partners. The methodology is an annual survey which captures stakeholders level of satisfaction with the quality of engagement with WellingtonNZ.
6. Financial profit and loss performance to within budget as monitored and reported on a monthly basis by our finance team
7. Measure of the percentage of revenue/income that comes from non-council shareholder funding across WELLINGTONNZ and CHQ
8. Measure of engagement from WELLINGTONNZ's annual Culture Amp engagement survey

Indirect Measures

1. International Visitors Arrival – StatsNZ
2. Tourism Electronic Card Transactions (TECTs) – Ministry of Business Innovation and Employment
3. Accommodation Data Programme – Ministry of Business Innovation and Employment and Fresh Info.
4. Business Events Research Programme – Industry Partnership
5. Population Growth Data on Net Migration to Wellington Region – Infometrics
6. Wellington Regional GDP value – Infometrics
7. Monthly Employment Indicators – StatsNZ
8. Number on Jobseeker Support Benefits – Workready – Ministry of Social Development
9. Earnings for people in paid employment by region, sex, age groups and ethnic groups table – StatsNZ

7. FINANCIAL SUMMARY

STATEMENT OF FINANCIAL PERFORMANCE			
	2022/23	2023/24	2024/25
REVENUE			
Revenue from Shareholders	18,729,637	19,666,119	20,649,425
Other Revenue	12,922,387	13,568,506	14,246,932
TOTAL REVENUE	31,652,024	33,234,625	34,896,357
EXPENDITURE			
Personnel Costs	13,468,000	13,939,380	14,724,865
Investment in Projects and Events	15,634,108	16,616,330	17,279,576
Other Expenditure	2,449,916	2,578,916	2,791,916
TOTAL EXPENDITURE	31,552,024	33,134,625	34,796,357
SURPLUS	100,000	100,000	100,000

STATEMENT OF FINANCIAL POSITION

	2022/23	2023/24	2024/25
SHAREHOLDER FUNDS	3,749,361	3,849,361	3,949,361
ASSETS			
Current Assets	5,607,040	5,919,907	5,996,605
Investments	1,437,024	1,437,024	1,437,024
Other Non Current Assets	800,000	898,793	890,388
TOTAL ASSETS	7,844,064	8,255,724	8,324,017
CURRENT LIABILITIES	4,094,703	4,406,363	4,374,656
NET ASSETS	3,749,361	3,849,361	3,949,361

STATEMENT OF CASHFLOWS

	2022/23	2023/24	2024/25
OPENING CASH	4,500,000	4,600,000	4,700,000
Operating Cash Receipts	31,652,024	33,234,625	34,896,357
Operating Cash Payments	31,552,024	33,134,625	34,796,357
NET CASHFLOW	100,000	100,000	100,000
CLOSING CASH	4,600,000	4,700,000	4,800,000

Notes:

- Financial Summary is a consolidated view (Parent and Subsidiary - CreativeHQ)
- Revenue forecasts from our Shareholders are reflective of funding agreements in place.
- Other Revenue reflects revenue from third parties and commercial activity, and the revenue achieved by CreativeHQ resulting from its commercial activities.
- Investments represents the value of the investments from CreativeHQ in the companies that it incubates and retains a shareholding.

8. RISKS TO KPI ACHIEVEMENT – TO REVIEW AFTER KPI DEVELOPMENT

There are several risks which could impact on the success of WellingtonNZ. Many of these are outside of our direct control, such as the impact of geo-political factors, changes to government policy settings, or macro- economic factors which impact on the economy as a whole (including pandemics and natural disasters).

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

Area of Risk	Risk Description	Mitigation
Availability of shareholder and partner funding	Our funding is insufficient to deliver the events, promotions, product development and business support required to ensure we achieve the economic wellbeing benefits we are being tasked to achieve. This risk is increased by current and anticipated cost inflation.	<ul style="list-style-type: none"> • Ensure delivery is in line with partner expectations. • Ensure CPI increases are received for core funding • 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.
Venue Availability and Suitability	That the model we are using to operate our Events business, and the suitability of our Venues is not appropriate to attract the diversity of events required to maintain the vibe of the city and attract visitors/talent to the region	<ul style="list-style-type: none"> • WellingtonNZ will work with WCC to ensure appropriate capex is allocated to renewals within existing venues so that they remain fit for purpose during this period. • WellingtonNZ will work proactively with core hirers to find solutions that meet their needs, both within existing venues and other venues in the city. • WellingtonNZ will communicate proactively with the market on the status of Venues.

Maintaining strong working relationships across the Wellington region	As an organisation that is invested in and works for the whole Wellington region it is critical that WellingtonNZ maintains appropriate stakeholder engagement processes	<ul style="list-style-type: none"> WellingtonNZ will work with both its shareholders and the other Councils within the region in a structured and proactive manner such that both elected officials and officers of these organisations are well informed of WellingtonNZ's programme of activities at all times. WellingtonNZ will participate in appropriate work groups across the Wellington region to support economic development activity.
Access to Government funding	We are unable to access Government funding to support Covid recovery, our arts and innovation sectors and essential infrastructure investment	<ul style="list-style-type: none"> We are working with GWRC and the TAs to develop a regional economic plan and to build the relationships necessary to both align the region around specific priorities and to secure necessary funding. The implementation of projects which this plan identifies (which will be located throughout the region) will be a major focus through the term of this SOI.
Technology sector growth	That we fail to seize the opportunities presented by our screen, VR, gaming and technology sector to grow export oriented businesses of scale	<ul style="list-style-type: none"> We will work across the sector to tell its stories and promote investment and collaboration. We will also work with CreativeHQ, the universities and CRI; and entrepreneurs and provide them with the skills and support necessary to build businesses of scale

In addition to the above, WellingtonNZ has a strategic and operational risk framework which is governed by the Risk and Audit Committee of the WellingtonNZ Board.

APPENDICES:

Appendix 1 - Governance and Accounting

WellingtonNZ is a Council Controlled Organisation as defined by the Local Government Act 2002. WellingtonNZ is owned 80% by the Wellington City Council and 20% by the Greater Wellington Regional Council.

GOVERNANCE BOARD

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

All current Board directors are independent and appointed by our shareholders. The Board meets 5 to 6 times a year. The Board has 2 sub-committees, Risk and Audit; and People & Culture which meet separately.

SHAREHOLDER GOVERNANCE

REPORTING

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

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

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

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

By the end of September each year, WellingtonNZ will provide to the Shareholders an **Annual Report** on the organisations operations during the year. This will include audited financial statements prepared in accordance with New Zealand Generally Accepted Accounting Practice and that also comply with Public Benefit Entity Standards. The Annual report shall also contain an Auditor's report on both those financial statements and the performance targets and other measures by which performance was judged in relation to that organisation's objectives.

ACCOUNTING POLICIES

WellingtonNZ has adopted accounting policies that are in accordance with New Zealand Generally Accepted Accounting Practices and Public Benefit Entity Standards. The detailed policies are as disclosed in WellingtonNZ's 2021/22 Annual Report.