



STATEMENT OF INTENT 2021-2024

WellingtonNZ
MAKING THE WELLINGTON REGION **Wildly Famous**

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Mihi

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

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

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

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

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

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

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

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 2019 Letter of Expectation and covers both WREDA Ltd (WellingtonNZ) and its subsidiary CreativeHQ Ltd.

Tēna koutou e ngā rangatira

The Wellington region has demonstrated its resilience in the face of the Covid pandemic and is well placed for the future.

There are two key reasons for this. Firstly, we have a diversified economy built around Government, professional services specialised manufacturing, the screen industry and technology. Secondly, we are a place where talented, creative people choose to live. This reflects the topography of the place, the accessibility of coast and hills and the energy which comes from Wellington being a centre of government, a place of learning and ideas and, as the poet Lauris Edmond put it, "*a city of action - the world headquarters of the verb*". Creativity and innovation are central to making the region a magnet for talent as are the dynamic hospitality and events scenes. However, we cannot be complacent and to thrive, action is required.

As is outlined in the Wellington Regional Strategy Committee's letter of expectation to WellingtonNZ, although Covid19 presents many challenges for the region's economy it also provides an opportunity to reflect, reset and reimagine. This SOI responds to this challenge identifying the important role WellingtonNZ can play in helping build a thriving regional economy with increasing numbers of people participating in the benefits it delivers.

For WellingtonNZ to achieve our ambition of making the Wellington region wildly famous, we need to support our innovators to commercialise ideas and grow businesses that can boost exports, create jobs and help address challenges - such as the transition to a low carbon economy - that are essential for sustainable growth. We need to get behind our artists, performers, film makers and other creatives to help tell the stories of this place in new and unique ways. We need to recognise the strength being the nation's capital brings - the debate, policy, innovation, thinking and government institutions, and leverage these to benefit everyone. Lastly, we must celebrate the people of this place - mana whenua, Pasifika and the diverse communities whose talent, passion and ambition will help shape our future and create opportunity for us all.

WellingtonNZ exists to facilitate and help bring this future to life, through storytelling, events and experiences, in supporting talent and jobs for the future, and in attracting investment in region.

This is a place that has always been filled with creative people doing wildly creative and innovative things across all sectors. We are surrounded by dramatic landscapes. We host electrifying events. We are the seat of government, and the centre for much academic, entrepreneurial and scientific endeavour. Despite the global, national, and local challenges of 2020, we are wildly ambitious for the Wellington region, and proud of our role in furthering its success. platform for sustained economic growth.

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



Tracey Bridges

Chair of the Board

1. / ABOUT WELLINGTONNZ

1.1 / WHO WE ARE

WellingtonNZ is the Wellington region's economic development and promotions agency.

WellingtonNZ is 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 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 has provided the Letter of Expectation that has shaped this Statement of Intent, and that reviews and recommends the approval of this Statement of Intent to the shareholders.

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

1.2 / OUR PURPOSE

Our purpose is **to make the Wellington region wildly famous**. 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 visit, host an event, start and sustain a business, make a film, study, migrate to or invest in. By making our region wildly famous, we create a platform for the region to prosper - both economically but also in terms of vibrancy and liveability.

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.

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.

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

1.3 / OUR ROLE IN REACTIVATING THE WELLINGTON REGION

This is a three-year SOI. We expect that the impact of Covid-19 will be felt throughout this period with border restrictions, international uncertainty and market volatility impacting our country and region. Aotearoa is well positioned to ride out these challenges, and Wellington particularly so.

We have already stepped up our activity following the impact of Covid19 on our economy. In the 2019/2020 financial year we supported thousands of businesses and facilitated:

- **\$115m** in direct economic impact from WellingtonNZ activities
- **\$1.4m** in professional service vouchers to support business
- **\$2.3m** in research and development grants to drive innovation
- **\$91m** in out of region spend from major events, and events in our venues
- **\$30m** in equivalent advertising value from positive media coverage about Wellington
- **\$2.2m** in investment into CreativeHQ incubated businesses

There is much work still to do and WellingtonNZ must play a leading role in re-establishing and sustaining confidence within the region. To be successful, this mahi must be done in partnership with local and central government, mana whenua, the private sector and wider community to create a collective vision – and action plan for the region.

The Government has announced significant new funding to support the Covid recovery process and promote regional development. We will be actively working with stakeholders to define our regional economic strategy and secure funding support for priority projects in our region.

1.4 / CREATIVEHQ

CreativeHQ Ltd is a wholly owned subsidiary of WREDA Ltd. It has its own Board of Directors, including three independent Directors (one of whom is Chair), a Director from the WellingtonNZ Board and the Chief Executive of WellingtonNZ.

CreativeHQ is New Zealand's leading provider of incubation, acceleration and innovation programmes. Since its formation in 2003, CreativeHQ has worked with over 300 start-ups and high growth ventures to develop their business concepts and commercialise opportunities.

In addition to CreativeHQ's strong track record in start-up innovation, incubation and acceleration, the company has also established a leadership position in structured innovation programmes (including corporate accelerators and design sprints) CreativeHQ 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.

CreativeHQ has played a critical role in supporting companies to respond to the many challenges of Covid-19. The opportunity now exists to ramp up this activity to support more start-ups, more entrepreneurs, more innovation, and in doing so to support the creation of jobs in our community.

The focus for CreativeHQ growth during this next SOI period will continue to be in four core areas:

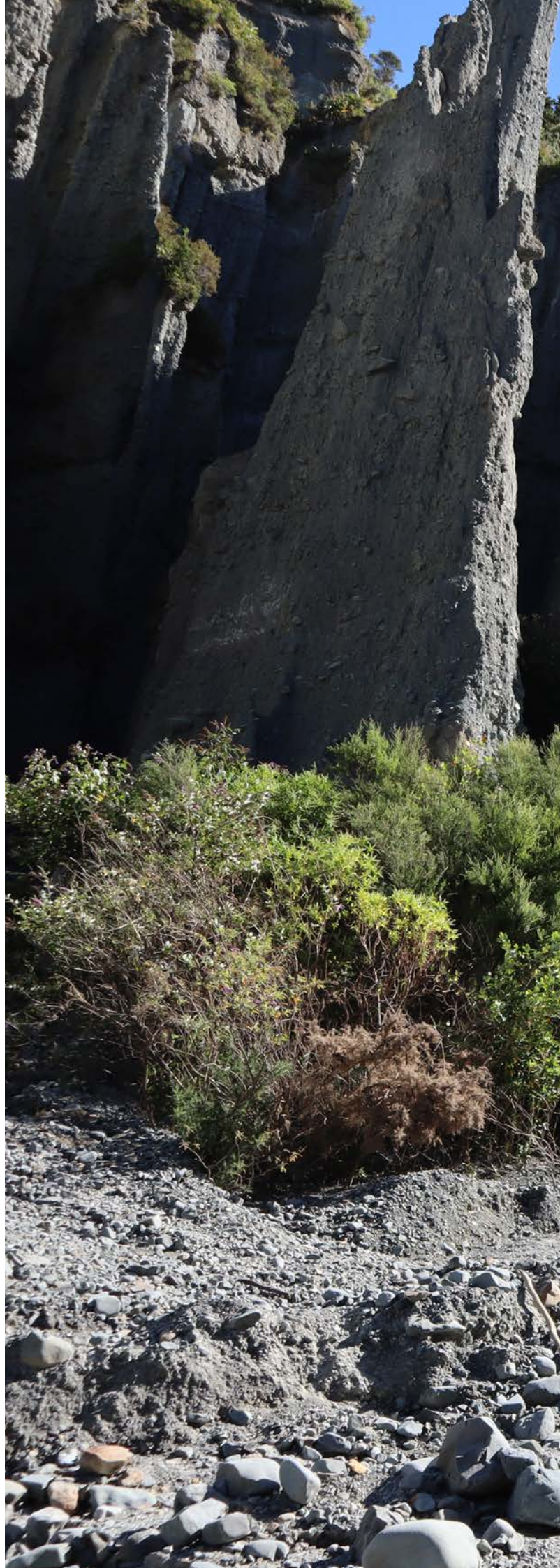
- Incubation services and associated ecosystem services for start-up ventures
- Acceleration programmes
- Structured innovation training and associated enterprise capability services (targeting customers from start-ups to corporates)
- Public sector innovation through leveraging GovTech expertise

The core funding provided by WellingtonNZ to CreativeHQ is used to support these services in the Wellington region. In addition, CreativeHQ is building its market reach by providing services nationally and internationally. Activities outside of the Wellington region are funded by third party and commercial partners/contracts.



2. / PROGRAMME OF ACTIVITY

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





2.1 / KEY PROGRAMMES OF WORK

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.

Māori Economic Development and Business Support	We are actively building our relationships with Mana Whenua to better understand their ambitions and priorities across the region and to position ourselves to help support them in achieving these. This will see a focus on supporting Māori business, working with mana whenua to help tell the stories of this place and a focus on developing and supporting Māori entrepreneurial activity and skills. As part of this we will be looking at how to grow our specific support for Māori Businesses via our Kaiwhakatupu Pakihi Māori (Māori Business Growth Advisor).
Screen Wellington	In our role operating the Wellington regional film office, we will leverage New Zealand's status as a safe, attraction film destination to attract and support screen activity in the region. We will work directly with the local industry to build capability, investment, digital export and infrastructure growth.
Regional Business Partnership Programme - Enhancement	The RBP and Business Growth teams proved their value in supporting businesses through the initial response phase to Covid-19. The opportunity is now to build on the strengthened relationships to deliver greater value to business. This will be a focus as we renegotiate the current RBP contract in 2021.
Intern Programmes and Pathways to Employment	In line with our involvement in 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 we support the Summer of Tech and Young Enterprise programmes and will be considering ways that we can continue to grow the scale and impact of these.
CreativeHQ - Incubation Services and Innovation Ecosystem Support	CreativeHQ is an asset, enabling WellingtonNZ to support and grow the region's start up and entrepreneurial activity. We will be looking to expand its activities in both business incubation and corporate (and Government) innovation. We want to see growth in the number of business start-ups in the region and the range of support available to founders as they scale their businesses.
Wellington Regional Growth Framework	Work is underway on a Regional Growth Framework - a joint local government, central government and iwi project to develop a region wide spatial plan for the next 30 years which will include a programme of projects to resolve growth issues and other challenges. We will work alongside the other stakeholders in supporting the development of this framework and the projects that evolve as part of it.

**Wellington
Convention Bureau**

Business Events will continue to play an important role in the Wellington economy, with a near term focus on attracting conferences and business events locally, nationally and trans-Tasman, while also creating a strong international pipeline for when international travel starts again. This is particularly important with Tākina - the new Wellington Convention and Exhibition Centre - coming on-stream in 2023.

**Supporting Wellington
businesses to
reactivate**

Leveraging the Love Local campaign, which we developed during the initial Covid response phase to "get the tills ringing", 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.

PLACEMAKING

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

Major Events	WellingtonNZ will continue to support and invest in a programme of Major Events for Wellington City, taking a portfolio approach to ensure the best value to residents and business, generating economic, cultural and social benefit. In this SOI period our WellingtonNZ Major Events team will also administer and monitor the Wellington Regional Events Fund, provided as part of the New Zealand Government's Tourism Recovery Package. The fund will focus on securing events for the Wellington region that will drive domestic visitation to the region, increasing tourism spend.
Destination marketing	WellingtonNZ plays a leading role in marketing Wellington and telling the story of the Wellington region via marketing campaigns, travel trade outreach, editorial media outreach, digital platforms and activations. As the storytelling engine for the region, we will be increasing our activity in this space, ensuring that we are telling a coordinated, compelling and future focused story to all key audiences - including residents, so they understand the opportunities, benefits and future potential of our region, and be vocal advocates for it.
Investment attraction	Attracting and facilitating investment that will support business attraction, retention and growth, to drive job opportunities and economic growth across the region.
Wellington City i-Site	Operating the Wellington City i-Site (visitor information centre) and associated Wellington City Ambassador volunteer programme.
Venues Wellington	WellingtonNZ manages the operation of the Wellington city venues under the Venues Wellington brand - including sales, facilities management, event operations and customer experience. This SOI period will see us working with WCC to drive investment in our civic venues to ensure they are fit for purpose and meet changing audience trends and expectations.
UNESCO City of Film	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.
Wellington Regional Trails Framework	Continuing to be the facilitation and project management lead on execution of the Regional Trails Framework and the promotion of Trails in the region under the Find Your Wild brand.

COLLABORATION AND ENGAGEMENT

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

Wellington Regional Economic Plan	This plan will recognise capabilities across the region and align and leverage them to maximise long-term benefits for all. We will work closely with GWRC, Territorial Authorities, Mana Whenua and other stakeholders to deliver a plan that is action focused and which identifies and prioritises the work required to ensure a sustainable future for the 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. We will identify 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 is likely to be supporting Mana Whenua and Pasifika communities with skills development programmes for their rangatahi.
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.
The Creative Sector	The arts and creative sectors play a critical role in defining, energising and shaping our city and region. We are actively working with WCC on the development of the city's arts, economic and young peoples' strategies. We are also working to support our creative practitioners, engaging them directly to help tell our stories, develop events and sustain the vibrancy of the city. This includes advocating for investment in arts infrastructure that can be utilised to showcase our artists and bring vibrancy to our region.

2.2 / SUPPORTING SUSTAINABILITY AND A LOW CARBON ECONOMY

The Government and Councils within the Wellington region have announced a climate change emergency and have (or are) developing low carbon-based strategies, plans and policies. One example is Wellington City, which has adopted Te Atakura - First to Zero, a plan that aims to ensure Wellington is a net zero emission city by 2050, with a commitment to making the most significant cuts in the first 10 years.

As the economic development agency for the region, we recognise that we have a role to play in supporting these policies, and that they will be an important focus in the post Covid recovery period. There are significant opportunities to establish and grow new companies focusing on the low carbon economy (CoGo, Mevo, and Hot Lime Labs are just a few examples) We will tell stories of world leading research from our universities, CRIs and major energy companies, the development our trails, the work of Zealandia and our predator free programme.

In addition, over the SOI period we will be taking the following actions:

Regional Business Partnership (RBP) Programme

- Our team engage with Wellington businesses every day through the RBP programme. This provides the opportunity to emphasise the importance of sustainability in business planning, identifying sustainability as an important component of a business's development and provide guidance on how to transition to a low-carbon business model. Over the course of this SOI period we will examine ways that we can make this a more overt part of our programme delivery.

Tourism Sustainability

- While Tourism will be impacted and reimagined by the Covid 19 situation, people will continue and issues the environmental impact will remain. WellingtonNZ will continue to participate in initiatives that address this at a national level. This includes supporting the Tourism Industry Aotearoa Sustainability Commitment and being a participant in MBIE's Sustainable Tourism Framework development.
- The development of work from our Destination Plan will include focus on developing sustainable/low- carbon tourism business that reduce the environmental impact of visitors.

- In addition to the above, we will continue to focus on our own internal activities:

In 2019 we developed our Sustainability Policy. We:

- Reducing waste in all forms across our business wherever.
- Monitoring and reducing our carbon footprint to lessen our impact on the world around us.
- Seeking out partners with sound sustainable and environmental practices.
- Sourcing local when possible and having a focus on sustainable procurement.

In 2021/22 we will focus on:

- Continuing to reduce waste across all our operations and ensuring good recycling practices, with a particular focus on working with WCC to improve the performance of the Venues we manage on their behalf. In doing this we will note the guidance from the Wellington Region Waste Management and Minimisation Plan.
- Work with our Venues delivery partners

(e.g. catering partners) to minimise waste and ensure good recycling practices across their operations within the Venues.

- Continuing to work with WCC across our Venues operations to improve the performance in relation to energy consumption.
- Reducing our Carbon Footprint and off-setting where reduction is not possible to be Carbon Zero.
- WellingtonNZ will also participate in the Wellington Region Climate Change Working Group (WRCCWG).

3. / PERFORMANCE METRICS

In 2019/20, WellingtonNZ reviewed its performance framework with the aim of:

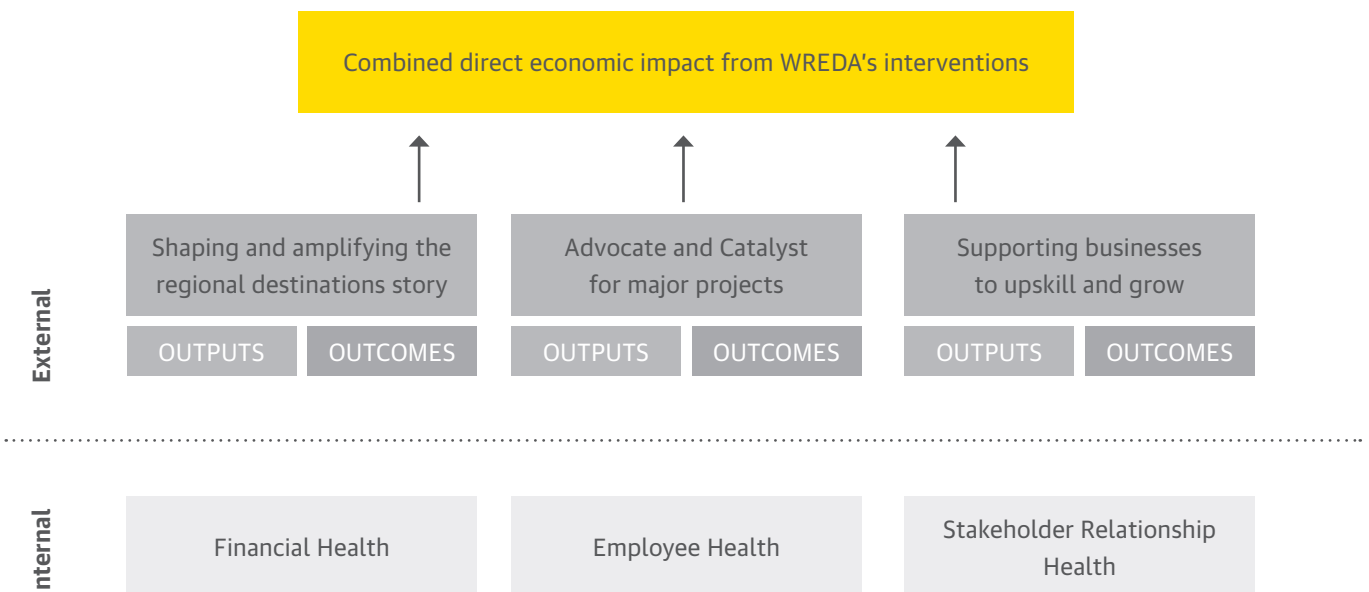
- Reducing the number of metrics;
- Ensuring metrics are linked to factors which WellingtonNZ can control and which measure WellingtonNZ's direct impact;
- Measuring outcomes not just outputs;
- Providing greater clarity on the region's return on investment.

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 made further adjustments and reductions to our performance metrics in 2020/21 to provide a small number of headline measures. We have refined the measures for 2021/22. However, at the time of writing this SOI, we still do not have clarity about the operating environment in 2021/22 and therefore, we will continue to refine the measures as we gain more clarity.

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), and a range of historical metrics.

PERFORMANCE FRAMEWORK





KEY HEADLINE PERFORMANCE INDICATORS

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

KPI	Explanation	2020/21 Forecast	2021/22 Target
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).	\$ 115 million	\$150 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	3,200 (note that this is larger than expected due to the impact of Covid-19 Response activities)	2,000
PLACEMAKING			
KPI 3: Equivalent Advertising Value (EAV) from media activity	This is a measure we introduced in 2019/20. A key activity for WellingtonNZ is creating external stories and media content. 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	\$25 million	\$25 million
KPI 4: Value of expenditure generated from events (including business, performance, and major events)	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.	\$45M (note that this is out of region only)	\$75 million
The number of Wellington Region residents that attend events		480,000	500,000

COLLABORATION & ENGAGEMENT

KPI 5: Stakeholder engagement	This is a measure of the engagement we have with our wide and varied stakeholders, and the quality of those relationships.	80%	Increase
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In addition to the above we have 3 key internal facing KPIs:

Internal KPI	Explanation	2020/21 Forecast	2021/22 Target
KPI 1: Financial Management	Budget on track - income, expenditure and surplus.	On Track	To Budget
KPI 2: Funding Diversification	% of revenue from commercial/non council funding and commercial activity (combined WELLINGTONNZ and CHQ)	25%	30%
KPI 3: Employee Engagement	As measured by our CultureAmp employee surveys	65%	68%

These KPIs are dependent on Covid alert levels and viability of events)



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	(19/20) Actual	2020/21 Forecast	2021/22 Projected
International Arrivals through Wellington International Airport	International 160,162 Australian 114,336	International 4 Australian 2	International 50,000 Australia 30,000
Visitor spend (Domestic & Other)	Domestic \$758m Other \$238m	Domestic \$900m Other \$100m	Domestic \$927m Other \$140m
Total Visitor nights to our Wellington Region	Dataset Change	2,236,000	2,375,000
Share of multi-day conferences reported in the Wellington Region	Dataset Change	22%	22%

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

Measure	(19/20) Actual	2020/21 Forecast	2021/22 Projected
Population Growth due to migration to Wellington Region	7,138	8,000	11,000
Wellington Region GDP	2.6% (Sep 2019 figures from Infometrics)	2%	1.5%
Number of Filled Jobs in our Region	246,296 as of June 2020	251,000	255,000
Number on Jobseeker Support benefit - Work Ready	13,677 as of June 2020	14,500	12,500
Mean Annual Earnings of people in employment in the Wellington region	Workforce \$69,222 Maori Workforce \$64,587	Workforce \$70,814 Treasury forecasts are only for entire NZ workforce	Workforce \$72,372 Treasury forecasts are only for entire NZ workforce

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

4. / WELLINGTONNZ OPERATIONS

4.1 / LIVING WAGE

In September 2019 WellingtonNZ implemented the living wage for all employees. WellingtonNZ remains committed to paying the living wage and will ensure employees are continued to be paid at least the current living wage as calculated independently by the New Zealand Family Centre Social Policy Unit, ensuring all staff can fully participate as active citizens within the community.

4.2 / DIVERSIFIED REVENUE SOURCES

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

- NZTE and Callaghan for the RBP programme;
- Educational institutions for the WISGP programme;
- Partnerships with tourist operators and hotels to support destination marketing and business events attraction;
- Commercial engagements via CreativeHQ.

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.

4.3 / TE REO MĀORI

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

- A commitment to work in partnership with Mana Whenua to share their stories, support their tourism initiatives and enhance the skills of their emerging entrepreneurs;
- A commitment to facilitating the upskilling of our team in both Te Reo and Tikanga Māori;
- Introducing Te Reo into communications and marketing material where appropriate;
- Incorporating a Māori perspective and particularly that of Mana Whenua into our business growth work as appropriate.





4.4 / HEALTH, SAFETY AND WELLBEING

WellingtonNZ 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. We are committed to continuing to develop a working environment where positive Health and Safety is part of our culture. what we do, rather than a compliance task.

This is reflected in the following policy statement which has been signed by the WellingtonNZ 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;
 - 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 regularly for each Board meeting or Board Risk and Audit Committee. The Risk and Audit Committee also undertakes an annual deep dive review of management practices.

4.5 / HARASSMENT

WellingtonNZ 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 evolved our Standard Operating Procedures to address this issue, including communications to patrons, specific training for staff on how to handle incidents, and incident response procedures.

4.6 / PEOPLE AND CULTURE

We recognise that our people are at the centre of our business.

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 and will continue into 2021/22 include:

- Cultural Capability
- Leadership development programmes;
- A continued focus on improving engagement;
- A focus on diversity;
- Succession planning and readiness;
- Enhancing recruitment methodologies to ensure we attract the best candidates;
- Enhancing our wellness offering, with a focus on all pillars of wellbeing;
- Embedding our flexible working policies, normalising the approach and acceptance of flexible practises;
- Embedding our values and behaviours:
 - Doing it together
 - Showing the passion
 - Finding the fun
 - Focusing on the customer
 - Daring to be different

4.7 / OPERATIONAL EFFICIENCIES

WellingtonNZ seeks continuous improvement in its operational management.

With all IT platforms now consolidated on the core WellingtonNZ system, our focus will move to enhancing these core systems to ensure we operate with the appropriate hardware and software for staff to operate in the most effective manner. We will also look to continue to find ways to share services with CreativeHQ as appropriate.

We continue to assess each purchasing decision and contract negotiation we make to ensure it is appropriate with a level of probity expected in the public sector. We will continue to enhance our environmental and climate considerations for all purchasing and operational practises.



5. / FINANCIAL SUMMARY

STATEMENT OF FINANCIAL PERFORMANCE

	2021/22	2022/23	2023/24
REVENUE			
Revenue from Shareholders	19,424,796	19,770,883	20,015,783
Other Revenue	7,943,255	10,272,581	12,161,906
TOTAL REVENUE	27,368,051	30,043,463	32,177,689
EXPENDITURE			
Cost of Goods Sold in iSITE	25,000	27,500	30,250
Personnel Costs	12,771,155	13,355,434	14,126,320
Investment in Projects and Events	12,088,643	14,048,276	15,195,866
Other Expenditure	2,333,253	2,462,253	2,675,253
TOTAL EXPENDITURE	27,218,051	29,893,463	32,027,689
SURPLUS	150,000	150,000	150,000

STATEMENT OF FINANCIAL POSITION

	2021/22	2022/23	2023/24
SHAREHOLDER FUNDS	2,850,000	3,000,000	3,150,001
ASSETS			
Current Assets	4,159,536	4,522,403	4,649,102
Investments	1,569,540	1,569,540	1,569,540
Other Non Current Assets	1,215,627	1,314,420	1,306,015
TOTAL ASSETS	6,944,703	7,406,363	7,524,657
CURRENT LIABILITIES	4,094,703	4,406,363	4,374,656
NET ASSETS	2,850,000	3,000,000	3,150,001

STATEMENT OF CASHFLOWS

	2019/20	2020/21	2021/22
OPENING CASH	3,500,000	4,060,000	4,410,000
Operating Cash Receipts	27,368,051	30,043,463	32,177,689
Operating Cash Payments	27,218,051	29,893,463	32,027,689
Other Receipts Payments	410,000	200,000	(100,000)
NET CASHFLOW	560,000	350,000	50,000
CLOSING CASH	4,060,000	4,410,000	4,460,001

NOTES:

- Financial Summary is a consolidated view (Parent and Subsidiary - CreativeHQ)
- Revenue forecasts from our Shareholders are reflective of forecasted funding agreements.
- 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.



6. / RISKS TO KPI ACHIEVEMENT

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
Reviews of Economic Development Activities	GWRC has indicated that it will be reviewing its role in Economic Development activities which may impact on its funding of WellingtonNZ.	<ul style="list-style-type: none"> Continue to be actively involved in conversations with GWRC and WRS Committee on value from WellingtonNZ activities.
Availability of shareholder and partner funding	Partner funding is provided for a number of WellingtonNZ 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 WellingtonNZ'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.
Scope of WellingtonNZ operations	WellingtonNZ has limited human and financial 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 the 3 key SOI focus areas and specifically to those activities which deliver 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 WellingtonNZ'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"> WellingtonNZ has an appropriate fit for purpose Health and Safety programme in place, which is governed by the WellingtonNZ Board.

AREA OF RISK	RISK DESCRIPTION	MITIGATION
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 which will be impacted by the ongoing construction work on the Town Hall). We will therefore be working with constrained and aging venue inventory.	<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.
Covid	Continued border restrictions impact student, tourist, and talent numbers required to deliver and sustain regional economic growth. Major, performance and business events are not viable due to alert level changes.	<ul style="list-style-type: none"> Close cooperation with Auckland Unlimited, ChristchurchNZ and key business and education leaders to ensure Government is aware of the impacts of its decisions and consider all options to safely increase capacity at the border and enable increased numbers of students, tourists and skilled workers into the country.
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 will work 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.
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. To be successful we need to be well connected, trusted, well informed and action oriented.

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.

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 WellingtonNZ 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 WellingtonNZ's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public. WellingtonNZ will adhere to a 'no surprises' approach in its dealings with its Shareholders and WRSC. It is anticipated that a new structure will replace the WRC during this SOI period. This is currently being discussed with the GWRC and the regional TAs.

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 WRS Committee 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 2019/20 Annual Report.

