

Report 15.61
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Committee Wellington Regional Strategy Committee
Author Peter Biggs, Chair, Wellington Regional Economic Development Agency (WREDA)

Chair's update for WREDA

Purpose

- 1 To update the Committee on progress in establishing WREDA, presentation of the draft Statement of Intent, and the six month report for Grow Wellington.

Background

- 2 WREDA was established in December from Positively Wellington Tourism, Positively Wellington Venues and Grow Wellington/Creative HQ. Major Events from Wellington City Council (WCC) will be added following the arrival of the new Chief Executive.

Progress to date

- 3 In the time since the last Committee meeting in December 2014 meeting there has been a lot of activity some of it very visible and some less so.
- 4 The advertising for the CEO created a lot of interest, both from a brand point of view and interest from prospective candidates. There were a large number of candidates that applied as well as potential candidates arising from the search process. The sub-committee of the Board recently met to take the process to the next stage.
- 5 Positively Wellington Tourism staff are now employed by WREDA following the approvals by the Board at their meeting in December.
- 6 The current structure consists of WREDA (renamed from Wellington Venues Ltd) which now owns Grow Wellington Ltd and Creative HQ. The existing CEOs remain in their current positions and they continue to report through to the Board of WREDA.
- 7 Major Events still remain within WCC and will continue to do so, probably until 1 July or the commencement of the new CEO.

- 8 WCC has set the draft budgeted funding for 2015/16 and this largely remains at the current levels although there is a proposed increase in Major Events. At this stage Tourism will receive \$5.63 million (no change), Major Events \$4.77 million (up \$0.60 million) and the Destination Wellington programme will be \$1.77 million (no change).
- 9 Greater Wellington Regional Council has set the same dollar amount in respect of 2015/16 for WREDA at \$4.0 million
- 10 There are a number of back office matters which have been dealt with although there is still a lot to be done. As a general principle each of the 3 entities will continue to operate as they did prior to the establishment of WREDA with their existing staff and systems. Any changes to systems etc. will await the arrival of the new CEO.
- 11 The Board has met twice plus a full day strategy session. They are working well together and in a collegial manner
- 12 The Board has largely completed its Vision, Mission and Strategy. I will give an update at the meeting in my presentation.
- 13 Appointing the tenth director with film experience is progressing and should be completed shortly.
- 14 I have been undertaking a number of conversations with key stakeholders (this is ongoing) and I'll verbally update the Committee at the meeting.

Statement of Intent (SOI)

- 15 WREDA as a council controlled organisation (CCO) is required under the Local Government Act 2002 to produce a draft SOI (business plan) to its Shareholder(s) by 1 March. There is a list of matters that need to be included within the SOI. The Shareholder(s) then has 2 months to respond, the CCO must then produce its final SOI by 30 June.
- 16 However, WREDA has only be recently been established, has yet to appoint a CEO, its strategy is still in draft and the Committee will only consider the Letter of Expectation to be sent to WREDA at this meeting (Report 15.60 refers). To satisfy the legislative requirements, the Board of WREDA has approved a draft SOI which is attached (refer **Attachment 1**). This SOI contains the matters required under the legislation. The SOI also includes an acknowledgement that the matters raised in the Letter of Expectation (LoE) will be included in the final SOI.
- 17 Following receipt of the LoE, WREDA will then prepare a draft business plan which will be presented to the WRS Committee at their meeting on 28 April.

Grow Wellington

- 18 The Grow Wellington six monthly report to 31 December 2014 is attached (refer **Attachment 2**). This will be the last time that a separate report for Grow Wellington will be presented to the Committee. In future a combined WREDA

report will be presented with the first being for the quarter ended 31 March 2015. Detailed half yearly reports for Tourism and Venues have not been given to the Committee as I have taken the view that up to 31 December the previous governance arrangements were in place. They will of course be presented to the relevant WCC Committee

19 The Chief Executive of Grow Wellington will be available at the meeting.

Communications and Branding

20 Senate and Assignment are undertaking work for WREDA in establishing the branding, positioning and communication strategy for WREDA.

21 In the last month they have undertaken a number of activities, among them:

- Complete a placeholder logo as a holding action while consideration is given to a more permanent logo is decided on
- Managing internal communications — staff updates, website, URL management, etc.
- Communications planning and liaison/coordination with agencies
- Developing coordinated calendar of events and internal communications process
- Supporting communications for the BBC Billboard campaign; and
- Development of generic WREDA presentation for Chair and Board.

Next Steps

22 The completion of the draft business plan for consideration by the Board at their April meeting will be a major undertaking. It will use as its starting point the Letter of Expectation from the WRS Committee.

23 Progress the search for the CEO.

24 Complete the communications strategy.

Financials

25 For the 6 months ending 31 December 2014 WREDA has received \$3.00 million in funding from the two Councils, \$0.48 million from central government and \$8.64 million from other sources. Actual revenue totalled \$12.12 million compared with the budget of \$12.09 million Operating costs of \$11.77 million are slightly below budget.

26 On a forecast basis the year end result is a small surplus which is in line with budget.

27 The operations of Major Events have not been included as they are still part of WCC. The funding from the Destination Wellington programme is included as the funding is largely spent by Tourism and Grow Wellington.

WREDA
Income Statement
Six months ending 31 December 2014
\$ Thousands

	Ytd Actual	Ytd Budget	Year Forecast	Year Budget
Revenue				
Council contributions	3,005	2,955	5,855	5,805
Central government	485	514	994	1,102
Other revenue	8,634	8,620	14,827	15,218
Total Revenue	12,124	12,089	21,676	22,125
Expenses				
Salaries and Wages	5,119	5,072	9,534	9,906
Project costs	408	576	1,272	1,119
Other expenses	6,245	6,378	10,832	11,044
Total expenses	11,772	12,026	21,638	22,069
Net income	352	63	38	56

Balance Sheet
as at 31 December 2014
\$ Thousands

	Total
Cash	1,665
Other current assets	1,007
Total current assets	2,672
Non current assets	1,092
Total assets	3,764
Current liabilities	2,394
Equity	1,370
Total	3,764

Communication

28 No communications are necessary

The decision-making process and significance

29 No decision is being sought in this report.

Recommendations

30 *That the Committee:*

1. ***Receives and notes the contents of the report.***
2. ***Receives the draft WREDA Statement of Intent for 2015/16.***

Report prepared by:

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Chair, WREDA

Attachment 1: Draft Statement of Intent

Attachment 2: Grow Wellington six monthly report