



Report 10.113
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Committee Council
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Westpac Stadium 2010/11 Draft Statement of Intent & Five Year Strategic Plan

1. Purpose

To receive the draft Statement of Intent (SOI) for the year ending 30 June 2010 incorporating the Strategic Plan from the Wellington Regional Stadium Trust.

2. Significance of Decision

The matters in this report do not trigger the Significance Policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

The SOI is the responsibility of the Trustees of the Stadium Trust.

The Stadium Trust is required to produce a draft SOI to Greater Wellington Regional Council (GWRC) and Wellington City Council (WCC), as Settlers of the Trust, for comment. They must then advise the Stadium Trust if there is anything they wish to have amended or added, in respect of the SOI.

Once any comments have been received from the Settlers, the SOI will be finalised by the Trustees and the Business Plan completed. It is expected that the final documents will be received by the end of May.

The draft SOI, incorporating a five year Strategic Plan for the Stadium Trust, is attached (refer **Attachment 1**).

4. Statement of Trustees' Intent

The key responsibilities of the Trustees, as specified in the Stadium Trust's Deed, are clearly articulated, namely:

- Own, operate and maintain the Stadium as a high quality multi purpose sporting and cultural venue.

- Provide high quality facilities to be used by rugby, cricket and other sports codes, musical, cultural and other users. This includes sponsors, event and fixture organisers and promoters, so as to attract high quality and popular events to the Stadium for the benefit of the public of the region.
- Administer the Stadium Trust assets and the Stadium on a prudent commercial basis so that it is a successful, financially autonomous community asset.

5. Letter of Expectations, Wellington City Council

WCC has as in previous years written to the Stadium Trust outlining their expectations. A copy of this letter is attached (refer **Attachment 2**).

The comments we have made to WCC as in the past are:

- a) The staging of additional community events should not put at risk the meeting of the Stadium Trust's financial obligations.
- b) The objectives of the Stadium Trust cannot be compromised.

6. Comments

The SOI and Strategic Plan are largely unchanged from the previous year. The major issues facing the Stadium over the next five years are:

- Renewal of the Sevens – being tendered, contract expires after February 2011 event
- Corporate box and membership renewals – expire in 2014
- Competition from new stadiums currently under construction
- Maintaining and enhancing the facility – A 15 year capital development plan is in development
- Litigation is underway against the contractor for weather-tightness and in respect of deterioration of the external cladding
- Achieving a sustained level of profitability.

Other items of note which were not in last year's SOI:

- A section incorporating Wellington City Council's 10 years aspirations
- A new section on environmental issues – addressing issues raised in the Letter of Expectation from Wellington City Council, this has seen a number of new initiatives implemented
- Some minor changes to the Five Year Strategic Plan arising from the above mentioned issues.

From a GWRC's officer's perspective, the following matter needs to be addressed.

- With the renewal of corporate box licences and memberships, plus competition from new and enhanced facilities in New Zealand, the Stadium faces more competition. While these are acknowledged in the SOI a clear risk management strategy around them is not apparent.

7. Financials

The financial information will be included in the Business Plan.

8. Communications

No communications are necessary.

9. Recommendation

That the Council:

- (1) ***Receives the report***
- (2) ***Notes its contents.***
- (3) ***Requests that any comments arising from the Council are sent to the Stadium Trust.***

Report prepared by:

Report approved by:

Mike Timmer
Treasurer

Barry Turfrey
Chief Financial Officer

Attachment 1: Stadium Trust – Statement of Trustees Intent

Attachment 2: Wellington City Council letter of expectations