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Committee: Wellington Regional Strategy Committee

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WREDA's 2014/15 Annual Report

Purpose

1. To receive WREDA's Annual Report for 2014/15.

Background

2. WREDA is a council controlled organisation owned by Wellington City Council (80%) and Greater Wellington Regional Council (on behalf of the region, 20%).
3. As the Committee will be aware, an existing council controlled organisation, Wellington Venues Limited (trading as Positively Wellington Venues) was renamed WREDA in December 2014. It then acquired Positively Wellington Tourism and Grow Wellington/Creative HQ.
4. This Annual Report, therefore, includes the results of Positively Wellington Venues for 12 months with 6 months of Positively Wellington Tourism and Grow Wellington/Creative HQ.
5. The activities of Major Events are not included in the Annual Report as they are yet to transfer to WREDA

Financials

6. The WREDA Group made an operating deficit of \$0.5 million for the year ending 30 June 2015. However, this deficit reflects the timing of revenue and expenditure in the individual parts of WREDA before and after the merger. The equivalent surplus for the six months prior to the merger is accounted for in retained earnings. If each of the separate organisations are considered for the entire 12 months then the WREDA Group would have made a small surplus in line with budget.
7. WREDA received an unqualified audit report although the auditor noted the uncertainty in the valuation of Creative HQ's shares in unlisted companies which

were received in exchange for services delivered by Creative HQ. This note is the same as in previous years.

Highlights for the year

8. There have been a number of highlights during the year, in particular:
 - Completion of the first WREDA Statement of Intent (SOI).
 - Meetings and discussions with a number of key stakeholders, including councils, central government and business groups.
 - Worked with over 400 businesses, assisting them in accessing \$6.6 million in research and development grant funding.
 - South by Southwest interactive director attracted to Wellington to take up the role of Programme Director for Lightning Lab Manufacturing.
 - Funding secured to extend the Lightning Lab acceleration programme to manufacturing.
 - With Ministry of Business, Innovation and Employment, Creative HQ developed one of the world's first Government accelerators.
 - New business attracted to the region with an estimated economic value of \$4.1 million
 - Significant increase in the number of film shoot days.
 - Over 2.5 million commercial guest nights in Wellington, the highest ever.
 - Domestic guest nights were up 4.5%, international by 10.6%.
 - Marketing campaigns developed for a number of high profile exhibitions such as Gallipoli, The scale of our war and the Great War Exhibition
 - Hosting of a record number of familiarisation visits.
 - Hosted 326 performance and show events contributing \$43.3 million to the economy.
 - Over 180 hire days for community groups.

Statement of Service Performance (SSP)

9. Each of the individual organisations within WREDA reported against their individual SSPs (key performance indicators) set in their individual SOIs for 2014/15. In respect of 2015/16 the SSPs will be on a combined WREDA basis as set out in the current SOI.
10. As detailed in the Annual Report the majority of the SSPs were met or exceeded

Looking Forward

11. The Chief Executive commenced his role in early September. His immediate focus will be on:
 - creating a new organisational structure
 - a single location
 - transfer of Major Events to WREDA
 - implementing action plans for key opportunity sectors
 - maintaining and improving relationships with stakeholders.
12. The year will be one of change, while delivering on the SOI and the Letter of Expectation set by the Committee.

Communication

13. The Annual Report will be published on the WREDA website and it will also be sent to a number of key stakeholders.

The decision-making process and significance

14. Part 6 of the Local Government Act requires Greater Wellington Regional Council to consider the significance of the decision. The term 'significance' as a statutory definition is set out in the Act. Officers have considered the significance of the matter, taking the Council's significance policy and decision-making guidelines into account. Officers recommend that the matter be considered to have low significance. Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

Engagement

15. Engagement on this matter is unnecessary.

Recommendations

16. *That the Committee:*

Receives and notes the contents of the report.

Report prepared by:

Peter Biggs

Chair, WREDA

Attachment 1: WREDA 2014/15 Annual Report