

REPORT ON COUNCIL CONTROLLED ORGANISATIONS

The Council has established several companies and trusts to assist it in achieving its objectives for the city. By virtue of the fact that we, in some cases jointly with other local authorities, either control 50 percent or more of the voting rights of the shareholders, members or controlling body of the entity or directly or indirectly appoint 50 percent or more of the directors or trustees, these companies or trusts meet the legal definition of council controlled organisations. This report provides information about their structure, objectives, activities and performance.

Council controlled organisations independently manage Council facilities, deliver significant services and undertake significant developments on behalf of the Wellington community. Where necessary, we provide funding to support their operations and capital investment requirements.



ST JAMES THEATRE CHARITABLE TRUST

STRUCTURE

All trustees are appointed by the Council. As at 30 June 2009 they were Chris Parkin (Chair), Roger Miller, Councillor Stephanie Cook, Pele Walker, Sam Knowles, and Juliet McKee. The chief executive was Craig Goodall.

OBJECTIVES

The St James Theatre Charitable Trust exists to preserve the historic St James Theatre and Opera House buildings, and to promote these theatres as venues for the live performance of cultural and artistic events. The Trust also acts as a general sponsor for performing arts and the preservation of historic buildings in Wellington.

ACTIVITIES

The Trust:

- Manage and develop the St James Theatre and the Opera House, delivering high quality experiences, events and programmes for the residents of Wellington and national and international visitors
- Promotes audience development (to include children and young people) and develops a broad range of programmes to meet the needs of a wide audience
- Develops and maintains beneficial relationships with other national and international institutions, supports Positively Wellington Tourism, and develops new initiatives in its role as a key provider of performance venues.

The nature and scope of these activities are consistent with those set out in the Annual Plan.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Number of performances		
St James Theatre	112	167
The Opera House	167	97
Total number of utilisation days		
St James Theatre	132	344
The Opera House	178	157

See also Galleries and Museums in the Cultural Wellbeing strategy

PARTNERSHIP WELLINGTON TRUST (TRADING AS POSITIVELY WELLINGTON TOURISM)

STRUCTURE

All trustees are appointed by the Council. As at 30 June 2009 they were Glenys Coughlan, Councillor Jo Coughlan, Kim Wicksteed, John Milford, Mike O'Donnell, Peter Monk and Ruth Pretty. The chief executive was David Perks.

OBJECTIVES

The Partnership Wellington Trust markets and adds value to Wellington to achieve sustainable economic growth for the people of the city. It maximises awareness and desirability of Wellington as a world class visitor destination, enhances the profile of city businesses and promotes strategic alliances and private sector partnerships, and maximises the city's share of regional spending. It also promotes community focused initiatives, aims to improve the sustainability of Wellington's commercial sector through its marketing initiatives, and facilitates the coordination of marketing initiatives that are appropriate to its objectives.

ACTIVITIES

The Trust:

- Promotes Wellington as a visitor destination in national Australia and long haul international markets
- Manages and maximises Wellington's destination profile on the internet and through social media networks
- Markets Wellington as a convention and conference destination
- Provides visitor information services
- Runs initiatives that promote downtown prosperity and growth, including the KNOW consumer, business and car parking campaign
- Profiles Wellington's strengths in arts, culture and sport, and conducts development of an ongoing events profile for the city
- Facilitates the development of new tourism and event product, and the development of the Visiting Friends and Relatives (VFR) market
- Conducts research and analysis of the tourism industry.

The nature and scope of these activities are consistent with those set out in the Annual Plan. See also City Promotions, Events and Attractions in the Economic Development strategy for more information on tourism promotion.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
International direct arrivals to Wellington Airport from Australia	Maintain 2007/08 levels	Increase of 3.24% (Year end May 2009)
International visitor nights	Maintain 2007/08 levels	3.66% decrease
New Zealand market visitors and visitor nights	Increase NZ market numbers and visitor nights by 2% (over 2007/08)	3.58% increase
Weekend occupancy in partner hotels (capacity aligned)	2% increase (over 2007/08)	0.93% increase
Downtown weekend visitation	2% increase (over 2007/08)	Downtown visitor spend 0.65% decrease
i-Site revenue	Increase revenue by at least 5% (over 2007/08)	4.5% increase
Partner funding	Maintain funding within 5% of 2007/08 levels	10% decrease. Our relationship with Air NZ has changed. Where Air NZ used to pay a lump sum to PWT they now Joint Venture individual projects with PWT. The value of the relationship is unchanged but revenue is received directly to PWT.
Number of partners	Number of partners within 5% of 2007/08 levels	38% increase
Cost effectiveness	Partnership funding at no less than 30% of WCC funding	Partnership funding is 50.6% of WCC funding
Visit to www.WellingtonNZ.com	40% increase over 2007/08	42% increase
Online revenue	Achieve revenue of at least \$1.4m	Online revenue achieved was \$530,921. Since the introduction of a new booking platform and activation of the online strategy team, booking levels per month have increased by an average of 80% compared to the months previous to these actions and activity.

WELLINGTON MUSEUMS TRUST

STRUCTURE

All trustees are appointed by the Council. As at 30 June 2009, they were Vivienne Beck (Chair), Councillor Hayley Wain, Rhonda Paku, Phillip Shewell, Peter Cullen, and Quentin Hay. The chief executive was Pat Stuart.

OBJECTIVES

The Wellington Museums Trust (WMT) was established in 1995 to promote and manage arts, culture and heritage visitor attractions and assets on behalf of Council. Trust institutions are: City Gallery Wellington, the Museum of Wellington City & Sea, the Plimmer's Ark Galleries, the Colonial Cottage Museum, Capital E and the Wellington Cable Car Museum. The Trust also manages the New Zealand Cricket Museum by way of a management agreement with the New Zealand Cricket Museum Trust. The Trust is responsible for the development and delivery of high quality visitor experiences and the management of Wellington's heritage collections. It provides advice to the Council for the development of museum and gallery services in Wellington, establishes exhibition programmes and education policies for its facilities, and develops acquisition, de-accession and collection development policies. The Trust works closely with other Council Controlled Organisations to ensure Wellington's status as New Zealand's Cultural and Arts Capital.

ACTIVITIES

The Trust:

- Delivers high quality experiences, events and exhibitions at its institutions
- Manages heritage collections, and conducts research and development to enhance visitors' experiences
- Offers quality education experiences to children and young people
- Promotes and protects the heritage of venues
- Develops and operates creative technology experiences for children
- Develops and delivers Theatre for Children
- Works with national and international artists and collectors

The nature and scope of these activities are consistent with those set out in the Annual Plan. See also Galleries and Museums in the Cultural Well-being strategy for more information on galleries and museums.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Attendance targets		
City Gallery	75,000 (if partly closed)	66,952 City Gallery closed earlier than planned due to the requirement to undertake seismic strengthening as well as construct the new wing. It was not possible to remain open to Christmas 2008 as proposed in the Statement of Intent.
Capital E	113,000 (includes National Arts Festival)	133,371
City and Sea	90,000	88,885
Plimmers Ark	Not available	Not available
Colonial Cottage	2,000	2,320
Cable Car Museum	220,000	247,422
NZ Cricket Museum	3,000	2,161 – Attendance is dependent on cricket matches played at the Basin Reserve. One rather than two tests were held at the ground and attendance was less than target at the test that did take place.
Subsidy per customer (excludes Plimmers Ark, but includes rental subsidy)	\$12	\$11.64
Average retail income per customer	\$1.16	\$1.43
Number of exhibitions (seasons) held by Trust institutions	A minimum of 12 new temporary exhibitions presented and a minimum of 3 segmental changes achieved.	33 temporary exhibitions were delivered. One segmental change was made to Telling Tales and three other segmental changes will be completed by May 2010.
Percentage of visitors to all trust institutions who are satisfied with the experience.	95% of visitors rate their experience as good or very good.	Museum of Wellington: 99.3% City Gallery Wellington: 98.2% Cable Car Museum: 95.2% Colonial Cottage: 96% Capital E: 96.4 % NZ Cricket Museum: 100%



WELLINGTON CABLE CAR LIMITED

STRUCTURE

The Council is the 100 percent shareholder in this company and appoints all of the directors. As at 30 June 2009 they were Roger Drummond (Chair), Christine Southey and Jeremy Ward. The general manager was Brian Brown.

OBJECTIVES

Wellington Cable Car Limited operates the Cable Car as an efficient, reliable and safe transport service and uniquely Wellington tourism asset. It meets its shareholder objective to retain, on strategic and environmental grounds, the trolley bus passenger service in the city, and maintains the overhead wiring system for this.

ACTIVITIES

The company:

- Maintains the cable cars and associated track, plant, tunnels, bridges and buildings in accordance with best engineering practice, and to meet the certification requirements of the Land Transport Safety Authority
- Manages the Cable Car passenger service operation
- Specifies and controls the contract for the inspection, maintenance and repair of the trolley bus overhead wiring system.

The nature and scope of these activities are consistent with those set out in the Annual Plan.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Cable car passenger numbers	1,119,917	1,146,097
All cable car vehicles and associated buildings and equipment are maintained to required safety standards	Achieve	Achieved
Percentage of residents who have used the Cable Car in the last 12 months	30%	48%
Percentage of residents who rate the standard and operational reliability of the Cable Car as good or very good	90%	94%



LAMBTON HARBOUR MANAGEMENT LIMITED (TRADING AS WELLINGTON WATERFRONT LIMITED)

STRUCTURE

The Council is the 100 percent shareholder in this company and appoints all of the directors. As at 30 June 2009 they were Michael Cashin (Chair), David Kernohan, Mark Petersen, Robert Gray and Councillor Ray Ahipene-Mercer. The chief executive was Ian Pike.

OBJECTIVES

Wellington Waterfront Limited acts as the implementation manager for the waterfront development area. This means ensuring that the waterfront area is recognised locally and internationally for its design, is attractive, caters for a wide range of activities, is readily accessible to all people, and is both safe and perceived to be safe. Wellington Waterfront Ltd also acts to protect significant heritage buildings on the waterfront, and makes sure that activities on the waterfront are integrated with those on the harbour.

ACTIVITIES

The company:

- Manages day to day operations on the waterfront, including cleaning, security and maintenance
- Negotiates and manages contracts for the design and construction of the waterfront's public spaces, as approved by the Council via the annual waterfront development plan
- Negotiates and manages contracts and leases for all building development sites, and the refurbishment and re-use of existing buildings as approved by the Council via the annual waterfront development plan.

The nature and scope of these activities are consistent with those set out in the Annual Plan.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Percentage of residents visiting the waterfront	95%	95%
Percentage of residents satisfied with the waterfront	80%	93%
Project timeliness, number of milestones achieved on time	75%	Not achieved: the economic environment has resulted in deferral of the Kumutoto projects (sites 8, 9 and 10); Frank Kitts Park has been put on hold; and the Wharewaka and Taranaki Street public space projects await on decisions made by the Tenth's Trust.
Capital expenditure	\$12.69m	\$290k: this was due to a number of factors including: The Environment Court decision to decline the Hilton Hotel and therefore deferring proposed public space development on Queens Wharf. Economic downturn impacting on the ability to negotiate tenants for proposed buildings and therefore a deferral of the capex projects (sites 8, 9 and 10 in particular). The Council decision in December 2008 to extend and slow down the implementation of the waterfront work programme.

See also Public Spaces Development in the Urban Development strategy

WELLINGTON WATER MANAGEMENT LTD (TRADING AS CAPACITY)

STRUCTURE

Wellington City Council and Hutt City Council are equal 50 per cent shareholders in this Council Controlled Trading Company, established on 9 July 2003, and between them appoint all of the directors. The company is overseen by a board of directors made up of two councillors (one from each council) and four independent directors appointed jointly by the two councils. Each council continues to own its respective water, stormwater and waste water assets and determines the level and standard of services to be provided to its customers and ratepayers. As at 30 June 2009 the councillor appointees are Andy Foster (Wellington City Council) and Ray Wallace (Hutt City Council). The four independent directors are Bryan Jackson (Chair), Peter Allport, Peter Leslie and Richard Westlake. The chief executive is David Hill.

OBJECTIVES

The objective of Capacity is to manage the provision of water services (water supply, stormwater and wastewater) to the residents and businesses in the areas served by Wellington City Council and Hutt City Council.

This objective was achieved throughout the period ended 30 June 2009.

THE NATURE AND SCOPE OF THE ACTIVITIES UNDERTAKEN

The company's purpose is to provide high quality, safe and environmentally sustainable services to shareholding councils and other customers with a principal focus on asset management planning and contracted service delivery for the operation, maintenance and on-going development of drinking water, stormwater and wastewater assets and services.

The company is committed to ensuring all work managed on behalf of customer's accords with the highest standards of health and safety for those involved in the work and for the general public. The company will continually seek opportunities to integrate water, stormwater and wastewater activities within the Wellington region where such integration can deliver least cost, best practice outcomes to the benefit of shareholder councils and other entities.

See also the Environment strategic area for more information on water, stormwater and wastewater services.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Compliance with existing resource consents	100% compliance	Not achieved: One infringement notice received for odour at Moa Point Treatment Plant
Consent renewals accepted by regulatory authority prior to expiry	100%	Achieved 100%
Percentage of requests for service that are resolved within 15 days.	90%	Achieved 97%
Customer Satisfaction	90% customer satisfaction	Achieved: 99% (water), 93 percent (wastewater)
Progress against agreed programme of capital works	90% completed on time 90% completed within budget.	Achieved: 100% completed on time and within budget. With two projects approved by Council to be carried forward.
Actual total operating expenditure vs budget	Within budget	Achieved
Actual total capital expenditure vs. budget	Within budget	Achieved
Achieve savings target for the year	Achieve total overall savings of \$4.175m to shareholding councils after 5 years.	The end of the first 5 year term the savings model has now been closed. The model's outcome indicates that the target savings of \$2.505 million have not been achieved and the negative variance to the savings target is \$3.377 million. With the conclusion of the savings model inputs for this period, there are a number of operational expenditure elements that occurred throughout the term of the Service Level Agreement that may be considered by Council as potential mitigation factors to the savings target variance.

WELLINGTON ZOO TRUST

STRUCTURE

The Wellington Zoo Trust was established on 1 July 2003 and all of the trustees are appointed by the Council. As at 30 June 2009 they were Denise Church (Chair), Lee Parkinson, Ross Martin, Frances Russell, Phillip Meyer and Councillor Celia Wade-Brown. The chief executive was Karen Fifield.

OBJECTIVES

The Wellington Zoo Trust manages the assets and operations of Wellington Zoo for the benefit of the residents of Wellington and visitors to the city. It promotes species conservation, educates the community by building an awareness of plant and animal species, and supports the conservation and educational activities of other organisations.

ACTIVITIES

The Trust:

- Develops and maintains animal exhibits which offer high quality experiences to visitors and high quality living environments to the resident animals
- Provides engaging learning experiences for visitors and community involvement with the Zoo as a community asset
- Delivers the education curriculum
- Manages collection animals to achieve excellent levels of health and emotional/psychological well-being
- Strategically manages the animal collection
- Contributes to conservation through advocacy, support for ex situ and in situ programmes, and sustainable management practices on site
- Participates in collaborative inter-zoo management programmes for collection species and individuals
- Contributes to conservation, scientific, learning and management research projects
- Fundraises for the organisation's future sustainability, development and conservation projects

The nature and scope of these activities are consistent with those set out in the Annual Plan.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Number of visitors	180,560	178,386
Number of school visits (students)	14,700	15,549
Conservation Programme Managed Species (% of total collection)	>38%	44.1%
Average WCC subsidy per visitor	\$14.88	\$15.07
Average retail income per visitor	\$8.60	\$9.04
Average income per visitor (excluding WCC grant)	\$11.71	\$13.29
Ratio of generated Trust income as % of WCC grant	79%	88%

See also Environmental Conservation Attractions in the Environment strategy



BASIN RESERVE TRUST

STRUCTURE

There are four trustees, of whom two are appointed by the Council and two by Cricket Wellington. As at 30 June 2009 the two trustees appointed by the Council were Councillor John Morrison and Glenn McGovern. The two trustees appointed by Cricket Wellington were Don Neely and Douglas Catley (Chair). The chief executive is Gavin Larsen.

OBJECTIVES

The Basin Reserve Trust manages and operates the Basin Reserve to continue to attract national and international sporting events to Wellington.

ACTIVITIES

The Trust:

- Manages the Basin Reserve for recreational activities and the playing of cricket for the residents of Wellington
- Contributes to the events programme for Wellington
- Operates as a successful not-for-profit undertaking
- Preserves and enhances the heritage value of the Basin Reserve.

The nature and scope of these activities are consistent with those set out in the Annual Plan.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Number of events		
Cricket	11	21
Other sports	12	9
Community	5	4
Other (cultural etc)	3	0
Number of event days		
Cricket	33	39
Other sports	12	9
Community	5	4
Other (cultural etc)	3	0



WELLINGTON REGIONAL STADIUM TRUST

STRUCTURE

All of the trustees are jointly appointed by the Council and Greater Wellington Regional Council (GWRC) As at 30 June 2009 they are Paul Collins (Chair), Councillor Chris Laidlaw (GWRC), Michael Egan, Sir John Anderson, Liz Dawson, Sue Elliot, David Bale and Councillor John Morrison (WCC). The chief executive is David Gray.

OBJECTIVES

The Wellington Regional Stadium Trust owns, operates and maintains the Stadium as a high-quality multi-purpose sporting and cultural venue. It provides facilities to be used for rugby, cricket and other sports codes, musical and cultural events, and other users including sponsors and event and fixture organisers.

ACTIVITIES

The Trust:

- Operates the Stadium
- Manages the event programme and seeks opportunities to provide regular quality events
- Ensures the Stadium is provided to the community for appropriate usage
- Administers the Trust assets and the Stadium on a prudent commercial basis.

The nature and scope of these activities are consistent with those set out in the Annual Plan.

HOW WE PERFORMED

PERFORMANCE MEASURES	TARGET 2008/09	ACTUAL 2008/09
Number of events	47	54
Total revenue	\$14.78m	\$16.59m
Event revenue	\$5.66	\$7.43m
Net surplus (deficit)	\$1.59m	\$2.48m

Note: The Wellington Regional Stadium Trust is not formally defined as a Council Controlled Organisation. This report on their activities is presented to recognise the interest that Wellington City ratepayers have in the Trust and its activities.