

WellingtonNZ (Wellington Regional Economic Development Agency Ltd)
Report to the Wellington City Council LTP, Finance & Performance Committee
First Quarter ending 30 September 2023

MISSION Creating a thriving Wellington region for all		
MORE Businesses succeeding & employing more people	MORE Locals & visitors participating in events & experiences	MORE Collaboration & investment across the region
JOBS FOR THE FUTURE	PLACEMAKING	COLLABORATION & ENGAGEMENT
Support businesses to grow, innovate & meet future workforce needs.	Enhance Wellington's reputation as New Zealand's creative heart	Work in partnership to support investment in the region to unlock opportunities

Highlights

JOBS FOR THE FUTURE – support business to grow, innovate and meet future workforce needs

- As part of our one-to-many capacity building programme we are running a series of monthly education events for startup founders and their teams. These events have included speakers from Australia and the US and regularly get audiences in excess of 100. We plan to continue to grow this programme in 2024. We are also working to attract major tech events to Wellington including Sunrise and Electrify Aotearoa in 2024, the latter is a programme to inspire / educate around 500 female founders as well as to provide a smaller number with a programme to help launch their businesses. This will form part of our equity programme for 2024.
- Through the incubator programme at CHQ we provide bespoke support to a small number of companies who we think could become major employers in the future. Recent successes in our incubator include NextWork who have just signed a term-sheet, a major milestone in obtaining investment, from high profile Australian and NZ investors, LitMaps who have are also in the process of closing a major funding round, and Virtue who are expanding to Australia.
- A Summer of Tech 'Meet and Greet' event in Wellington attracted 500+ students with slightly fewer employers than previous years. However the number of engineering employers listing roles for the Summer of Engineering has increased, signalling an increased demand in this space.
- Our pilot programme to connect intermediate school children in Porirua with mentors from Victoria University ran in term 2 this year in partnership with Ngāti Toa. The aim of the programme was to inspire young people to think about careers in STEM before they reach high school (a critical age). The pilot was for 4 classes at Te Kura and Titahi Bay Intermediate. It was deemed to be a success by all and Ngāti Toa are looking to expand it in 2024.
- Regional Business Partner Network has allocated \$41,852 over Q1 (of a \$96,000 target) from the MBIE management capability development fund, distributed amongst 13 businesses. These are 50/50 funded interventions, so the total management capability investment is \$83,704. Additionally they have 24 actively Engaged Businesses (of a 64 business target). While both measures are behind on their Q1 targets this is reflected by a new team currently building skill in this space. Callaghan Innovation grants (facilitated through the WNZ team) have shown a strong Q1 with 49 innovator companies assisted on a target of 30.
- WellingtonNZ's newly appointed Business Transition Manager has been actively meeting stakeholders, businesses and establishing the business support programme since his commencement in August. This included a hui at the Chamber of Commerce on 12 September with LGWM and the business community. The Business Transition Manager is currently being cross trained in existing supports and systems while developing bespoke assistance options for businesses affected by the City infrastructure works.

PLACEMAKING – enhance Wellington's reputation as New Zealand's creative heart

- FIFA WWC 2023 was successfully delivered across Australia and NZ - Wellington hosted 9 matches and 11 of the 32 teams in the tournament trained and played here in Wellington, leaving with their own unique Wellington story. Wellington welcomed 231,000 attendees as well as tens of thousands through the jam-packed Fan Festival. Over July and August guests and residents experienced the opening ceremony, citywide activations like Wellington Wāhine and the extended Matariki celebrations. We are currently working through our full suite of reporting on the impact of the event.
- The lead North American campaign, 'Escape to Wellington' featuring a giant yellow escape key placed in central Manhattan New York has been a significant success in respect of the reach and awareness it has achieved. Resulting in more than 3.5 million video views across paid and organic media, and more than 3300 people having submitted detailed expressions of interest on the campaign landing page. The campaign has generated more than \$NZ15m equivalent advertising value in media coverage. Our pre-campaign objectives were a reach of 1.5 million and an estimated equivalent advertising value of \$2-3m. As a PR led fame moment, there are always risks as to the level of interest such an activation can create, however EAV results in excess of 5x the target has demonstrated the success of this campaign. We are now focussed on engaging directly with the database and working with them so they can experience Wellington firsthand.
- The 'Are you Ready to Wellington' campaign headlined by Karen O'Leary, targeted the West Coast of America and engaged 'soccer' audiences featured a paid social campaign directly with the LA Times amongst other channels. Total figures into California and beyond for this 5-part video series and consumer competition (not counting numbers on Karen O'Leary's own channels) were ~2.3M video views, ~2M reach, ~4M impressions and ~1.4M engagements. The LA Times provided positive feedback commenting on the interest and engagement in Wellington as a result of a "creative, delightful way to promote tourism to a key audience."
- We welcomed WOW back to Wellington September/October with nearly 60,000 tickets sold to a 63% out of region audience. This year we focussed on activations to emphasise the CBD with participation from over 70 businesses across hospitality, tourism, and retail with each providing a special offering. Through this and other consumer and digital based activations, we increased the vibrancy of the CBD, created a buzz about WOW and show goers being in town, and built on the audience development work we assisted with last show season. Meg Williams, formally of Tawhiri / NZ Festival, has started as the new CEO at WOW.
- Jurassic World by Brickman has now wrapped with over 92K tickets having been sold. Strong opening sales were followed by a slower sale period; at this time WNZ transitioned the campaign messaging and ramped up the promotion programme resulting in over 20K of the tickets sold taking place in the last month of the exhibition.
- The world premiere of a new Marvel exhibition in Tākina over summer was successfully announced and planning on the delivery of this is well advanced, with plans on track for the December 14th opening. Sales of Marvel are underway with the launch of two pre-sales to Comic-Con audiences and the second to our KNOW/LIVE in Wellington and Marvel AU/NZ databases. The next major phase of the sales launch is an extensive PR campaign, targeting New Zealand and Australian media. We have also appointed a Tākina Exhibitions Marketing Advisor who is responsible for the implementation of the marketing and sales strategies.
- The Wicked musical wrapped up on 3 Sept and as previously outlined, with more than 28k tickets sold, was the largest 3 week musical theatre season in Wellington ever. An incredible 40% of sales were from out of region, many of which can be attributed to our 'A little bit' campaign activity early in the year where we focused outside of Wellington to target drivetime, Auckland and city centres. Alongside Wicked performance highlights included the return of the Wiggles, NZSO's Bluebeard, The Simon & Garfunkel Story, Paris Gobbels' 'The Royal Family Dance crew', Orchestra Wellington's Prophecy, Postmodern Jukebox and more all enjoying high volume sales.

- In the Screen Sector; Annecy / Wellington Animation Event – The French Embassy and WellingtonNZ hosted an event to celebrate the creative relationship and artist exchange between the two cities. Annecy in France holds the world’s largest Animation Film Festival – and we are now in talks to host an Annecy ‘pop-up’ Festival in Wellington – the first time out of it’s home city.
- The NZ Game Developers conference was a huge success with more than 450 delegates attending over 3 days. The public showcase of games in development including AR/VR and other interactive games and media was hugely popular. The ‘screen convergence’ day focused on the crossover of film/gaming with delegates engaged in demonstrations from WētāFX, some of the biggest films and tv series (Guardians of the Galaxy, Avatar, The Last of Us), documentarians using game and VR technology to engage people on humanitarian issues such as nuclear disarmament!

COLLABORATION AND ENGAGEMENT – work in partnership to support investment in the region to unlock opportunities

- The Wairarapa Economic Development Strategy (WEDS) FY23/24 workplan is now approved by all three Wairarapa Councils. Key initiatives, including Digital Training, Agri-Tourism Workshops, Capital Raising education, and Food Innovation Forums tailored to the Wairarapa, are in progress following the August 2023 WEDS Forum. WEDS is actively collaborating with with GWRC to implement the Wairarapa Water Resilience Strategy (WWRS). This involves creating a new water governance entity and developing a WWRS program manager’s role. WEDS has been successful in obtaining \$1.75M for water infrastructure at Waingawa Estate through Kānoa.
- The Regional Economic Development Plan (REDP) annual summary, showcasing year one highlights and an updated regional snapshot, was approved by the Wellington Regional Leadership Committee (WRLC) on September 19. The summary is available to view on WellingtonNZ([hyperlink](#)) and has been shared with WRLC stakeholders including iwi representatives, central government officials, and elected members from the ten councils across the region. In the upcoming year, we’ll focus on advancing initiative delivery and conducting a brief review of the REDP’s issues, opportunities, and initiatives for approval in June 2024, reflecting changing circumstances since its creation.
- The Wellington & Wairarapa International Marketing Alliance has been represented at Tourism New Zealand’s KiwiLink South East Asia event by our Tourism Trade Manager. Over 200 agents in Malaysia, Singapore, Kuala Lumpur and Jakarta have been trained and there remains a great deal of market interest in the return of the Singapore Airlines flight to Wellington.
- WellingtonNZ worked with the Ōtaki and Porirua Trusts Board to access additional funding from MPI to complete a land use feasibility study to support the transition away from dairy farming.
- Strategic planning on Iwi economic aspirations in the Wairarapa has continued. A suitable partner has been identified and planning discussions are underway.
- The insights on WellingtonNZ’s Rautaki Māori/Māori Strategy were shared with CHQ as part of whanaungatanga and deepening connections. The hui was attended by Karepa Wall from WCC and a cultural expert who shared some insights about Iwi engagement. There are benefits to working on a framework together that will continue to be explored.

Performance Measures (KPIs) in the SOI 2023/2024

WellingtonNZ is delivering direct value / ROI on our shareholder investment

KPI: Direct Economic Impact of WellingtonNZ's activities and interventions

Target 23/24	Q4	Q3	Q2	Q1
\$150m				\$29.57m*

*Major Events data is **not** included within these results, they are independently assessed which results in a lag in reporting, this means FIFA, WOW, Eat, Drink, Play, and Beervana are not yet reflected in this KPI.

WellingtonNZ is shaping and amplifying the regional destination/brand story

KPI: Equivalent Advertising Value (EAV) from media activity

Target 23/24	Q4	Q3	Q2	Q1
\$30m				\$15.91m

KPI: Value of Expenditure generated by events

Target 23/24	Q4	Q3	Q2	Q1
\$110m				\$3.80m*

*Major Events data is **not** included within these results, they are independently assessed which results in a lag in reporting, this means FIFA, WOW, Eat, Drink, Play, and Beervana are not yet reflected in this KPI.

KPI: The number of Wellington Region Residents that attend events

Target 23/24	Q4	Q3	Q2	Q1
550,000				54,604*

*Major Events data is **not** included within these results, they are independently assessed which results in a lag in reporting, this means FIFA, WOW, Eat, Drink, Play, and Beervana are not yet reflected in this KPI.

WellingtonNZ is supporting businesses to upskill and grow

KPI: Number of different business engagements in WellingtonNZ Programmes

Target 23/24	Q4	Q3	Q2	Q1
2,300				445

KPI: Number of different Māori business engagements in WellingtonNZ Programmes

Target 23/24	Q4	Q3	Q2	Q1
Establish a baseline				91

KPI: Number of different Pasifika business engagements in WellingtonNZ Programmes

Target 23/24	Q4	Q3	Q2	Q1
Establish a baseline				1*

* In collaboration with Porirua City Council, we hosted a community Talanoa (27/09/23) with Pacific business owners and community leaders to discuss challenges facing Pacific entrepreneurship in Porirua. Insights will lead on to support development of other projects within the 'Pacific Business Enablement' initiative. 17 businesses and stakeholders were represented.

Internal – Financial Health

KPI: Budget on track – income, expenditure, and surplus

Target 23/24	Q4	Q3	Q2	Q1
To budget				To budget

KPI: % of revenue from non-council funding and commercial activity (WellingtonNZ group)

Target 23/24	Q4	Q3	Q2	Q1
34%				27.80%

Internal – Employee Health

KPI: Employee Engagement

Target 23/24	Q4	Q3	Q2	Q1
78%				NA

Measured annually in February of each year.

Internal – Stakeholder Relation Health

KPI: Stakeholder Satisfaction

Target 23/24	Q4	Q3	Q2	Q1
90%				NA

KPI: Māori Business Satisfaction

Target 23/24	Q4	Q3	Q2	Q1
Establish a baseline				NA

KPI: Pasifika Business Satisfaction

Target 23/24	Q4	Q3	Q2	Q1
Establish a baseline				NA

The satisfaction measures will be reported annually in Q4 of each year.

Q1 2023/24 Financial Summary

Wellington Regional Economic Development Agency Ltd (t/a WellingtonNZ)

STATEMENT OF FINANCIAL PERFORMANCE	YTD Actual 30-Sep-23	YTD Budget 30-Sep-23	FY Budget 30-Jun-24	FY SOI 30-Jun-24
Revenue				
Revenue from Shareholders	7,057,929	9,239,942	25,368,804	24,849,995
Other income	2,765,011	3,617,896	9,663,739	9,493,648
Total Revenue	9,822,939	12,857,838	35,032,543	34,343,643
Expenditure				
Personnel Costs	4,091,705	3,724,217	16,282,292	16,037,200
Investments in Projects and Events	4,063,253	2,948,348	16,507,645	15,623,602
Other Expenditure	722,878	652,613	2,742,174	3,182,841
Total Expenditure	8,877,836	7,325,178	35,532,111	34,843,643
Net Surplus/(Deficit)	945,103	5,532,660	(499,569)	(500,000)

Note that budget figures are slightly different from SOI figures due to budgets being finalised after SOI deadlines.

- Shareholder revenue is under budget due to timing of Major Event and Fifa expenditure, which is released to revenue as expended. Additionally budget timing was slightly earlier than now anticipated.
- Other revenue is lower due to some pipelined revenue, including at CreativeHQ, being delayed.

STATEMENT OF FINANCIAL POSITION	Actual 30-Sep-23	Actual 30-Jun-23	SOI 30-Jun-24
Assets			
Current Assets	16,259,884	13,004,541	7,400,000
Investments	1,695,904	1,695,904	1,900,000
Other Non-Current Assets	1,051,743	1,393,280	100,000
Total Assets	19,007,532	16,093,725	9,400,000
Current Liabilities	14,731,396	12,872,755	7,000,000
Net Assets	4,276,136	3,220,970	2,400,000

- Personnel costs are higher than anticipated due to timing of roles being filled and a lower turnover rate than budgeted. Some additional costs are being recouped from WCC under secondment agreements for staff currently on secondment to WCC. Additionally annual leave accruals have been higher than budgeted over winter. Active plans are in place to ensure that personnel costs remain within budget and any additional personnel revenue received.
- Current Assets higher than June due to invoices raised for quarterly funding.
- Accounts Payable lower than 30 June due to 30 June containing invoices for Fifa activation.
- The organisation has sufficient funds to meet all liabilities as they fall due. There are no issues with debt control.

- WellingtonNZ matches its financial expenditure on programmes with revenue earned. Although our bottom line is running lower than budget, this is timing only between revenue earned and expenditure incurred and there are no current concerns about WellingtonNZ not being able to meet its financial targets.

Challenges – Summary of the key quarter challenges

- Contracted events for the 2023/24 FY are continuing to lag against budget, performance events are picking up and are on track, however business events still slow. The trend of late confirmation and short lead times is continuing; however, we are starting to see some longer lead time bookings with events contracting for the end of 2024 and into 2025.
- Screen Attraction, while the writer's strike has concluded the actor's strikes continue to impact the pipeline of larger international productions to NZ. Recent insight from the bidding process has emphasised the sustainability prioritisation in screen attraction which has seen long-haul destinations as having additional hurdles to overcome. Screen Wellington is ahead in this space with strong activity in the Asia-Pac market and in weightless exports – Animation, Special FX and gaming.

Coming Up – priority on delivering key programmes in WCC's Economic Wellbeing Plan, Destination Poneke Plans and The Regional Economic Development Plan

- Major Events welcomes Semi-Permanent Aotearoa in November and On a Good Day in December. Looking into the first half of 2024, the Foo Fighters concert in January, Aotearoa NZ Festival of the Arts in Feb/March, NZ vs Australia T20 & Test Cricket (Feb) and Homegrown in March, headline a strong events calendar.
- In conjunction with Oho we are continuing our engagement with Te Atiawa and Ngāti Toa on the brand proposition, having recently shared the proposed rautaki and positioning of Te Whanganui a Tara as 'a place of and for change'. Initial feedback has been very positive and we are now focussed on ensuring the final document reflects consistent and agreed elements of the Wellington ahi kaa story. We will shortly commence engagement with our key partners and stakeholders with the work. We note that engagement on the rautaki with other manawhenua from the Wellington region will occur at a future date when relationships have been established.
- Project planning with Tourism Industry Aotearoa on TRENZ 2024 delivery is underway with two major workstreams. The first is realising Wellington priorities and partner benefits in the event contract and the second is working with tourism businesses on famil activities so that we present an irresistible programme to international Buyers when they begin to register.
- With a recent flurry of announcement we were involved in the launches of some fantastic upcoming shows, with highlights including the previously mentioned musical 'We Will Rock You', theatre show 'The Best Exotic Marigold Hotel', The Music is Bond, Kraftwerk, Peter Hook of Joy Division, Tami Neilson, Bill Bailey, Dara O Briain, Luke Kidgill, Beth Orton, The Phoenix Foundation, Dai Henwood, and of course our headline shows for both the Tawhiri Wellington Jazz Festival and Aotearoa New Zealand Festival of the Arts.
- The winter 2024 exhibition for Tākina has been contracted. We are currently in positive discussions for the 2024/25 summer exhibition content, with an aim to have this contracted by December.