

# Statement of Intent 2015-16 Basin Reserve Trust

Presented to the Economic Growth & Arts Committee  
pursuant to Schedule 8 of the Local Government Act (2002)

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## Introduction

The Basin Reserve Trust continues a busy programme of activity as regards the premier cricket ground in New Zealand, the Basin Reserve.

The main issue for the Trust over recent years, the NZTA “Basin Bridge” application, was concluded in July 2014 with the decision of the Board of Inquiry to decline the project. Notwithstanding this decision the Trust already had plans in place to continue to operate the Basin as normal, irrespective of the outcome of the planning decision.

A significant focus over the past twelve months has been the coordination and drafting of a Basin Reserve “Master Plan”; a vision for the ground and its use over the next 25 years and beyond. Through a period of consultation and engagement, the Trust developed a comprehensive strategic plan which now underpins the request for funding for the Basin Reserve within the Council’s LTP 2015-25 process.

Elsewhere in NZ the continued development and/or establishment of new cricket grounds, as evidenced by the Cricket World Cup played throughout the country, reinforced the need to ensure that the ground remains a competitive option for NZ Cricket when it schedules international matches for each season. The attractive “Future Tours Programme” currently being negotiated by NZC suggests a high number of valuable matches may be available for Wellington to pursue over the coming 8-year period.

## Strategic Direction

### Core Purpose

The objectives of the trust are stated in the Trust Deed as agreed between the Wellington City Council and the Basin Reserve Trust and are highlighted below:

1. to contribute to the Wellington City Council’s vision of Creative Wellington - Innovative Capital - positioning Wellington as an affordable, internationally competitive city.
2. to manage, administer, plan, develop, maintain, promote and operate the Basin Reserve for recreation and leisure activities and for the playing of cricket for the benefit of the inhabitants of Wellington
3. to establish a long term policy for the further development of the value of the Basin Reserve as a recreational facility and as a facility for the playing of cricket, other sports and as a venue for other community based activities;
4. to enter into management agreements and other contracts that are necessary or desirable to achieve the objects of the Trust;
5. to promote and co-ordinate the raising of funds to assist the management, administration, maintenance planning, promotion and further development of the Basin Reserve - in a manner consistent with the achievement of council objectives;
6. generally to do all acts, matters and things that the Trustees consider necessary or conducive to further or attain the objects of the Trust set out above for the benefit of the public of Wellington;
7. to operate as a successful undertaking, managed on a not-for-profit basis;
8. to preserve and enhance the significant and recognised heritage value of the Basin Reserve;
9. to comply with all legislative and regulatory provisions relating to its operation and performance including statutory and general Council objectives for Council controlled organisations, and to acknowledge the Councils contribution where appropriate;

## **Operating Environment Update**

### **NZTA Basin Bridge**

The Trust had been an involved participant throughout the NZTA “Basin Bridge” process. However, with the decision by the Board of Inquiry in July 2014 to decline the application, the Trust’s involvement has effectively ended, other than it being an observer party in any formal future progress.

### **New Venues and International Match Allocations**

In the past two years there have been three new international cricket grounds approved to host matches by the International Cricket Council (ICC), and NZ Cricket (NZC). These grounds are Hagley Oval (Christchurch), Saxton Oval (Nelson), and Bay Oval (Mt Maunganui). There has been a clear resolve on NZC’s part in particular to support and allocate matches to grounds of a ‘boutique’ nature, which present extremely well to broadcast audiences, and also have a much lower cost structure than the more traditional sports stadiums used for international matches in the past.

While the Basin Reserve retains its standing as NZ’s foremost test cricket venue, the establishment of these ‘new’ grounds means that increased scrutiny is being applied to the Basin Reserve, not just in the traditional area of the turf performance, but now in the wider consideration of ancillary services such as media accommodation, fan activation areas, public amenities and the like. Acknowledging the financial, profiling, and community value associated with hosting international cricket in Wellington city, the Basin Reserve will need to meet these new challenges, and the proposed “Master Plan” details the Trust’s strategic direction to meet and overcome such challengers to the Basin’s title as NZ’s number one cricket venue.

## **Nature and Scope of Activities**

The Trust intends to work closely with Council, particularly WREDA personnel, to leverage the trade and tourism opportunities associated with cricket test matches. The recent Indian tour in 2014 highlighted the potential for building promotional activities, particularly given the large broadcast market back into India and the sub-continent.

The Trust will continue its work with several agencies, including NZTA, Heritage Places Trust, and the Council, to ensure that the Basin Reserve is maintained and promoted as has been legislated by the Deed of Trust.

## **Performance Measurements**

### **Non financial Performance Measures**

As attached.

### **Financial Performance Measures**

As attached.

# Board’s Approach to Governance

The Trustees are responsible for setting the strategic direction for the Trust, and approving the Statement of Intent and Annual Business Plan. The Trustees monitor the organisational performance and ensures that the ongoing viability of the organisation is maintained.

The Trust delegates the daily operation of the Trust to Cricket Wellington Incorporated, pursuant to a Management Agreement between the two parties.

## Trust Membership

- Sir John Anderson KBE (Chair)
- Mr Don Neely MNZM MBE (retiring 30 April 2015)
- Cr Paul Eagle
- Mr John Greenwood

## Trust Operations

The Trust meets bi-monthly, and considers a Management Report submitted by Cricket Wellington as Manager. Additional meetings are called as required.

## Performance Management

The performance of the Trust is measured in part by achievement of agreed KPI’s, in regards to operational activities. The Chair of the Board will undertake an annual evaluation of Trustee performance. Further, the individual performance of Trustees is monitored by the Wellington City Council (in respect of the two Council- appointed Trustees), and Cricket Wellington (in regards to the two Cricket Wellington-appointed Trustees).

The Trust acknowledges the need for ongoing professional development opportunities for Trustees, and encourages the undertaking of specialist training for identified needs. The Board will on an annual basis implement a programme that supports the identified needs. This may include programmes such as that offered by the NZ Institute of Directors (or similar) or specialist knowledge building from appropriate agencies.

# 6. Organisational Health, Capability and Risk Assessment

The Trust undertakes the following measures to manage identified risks.

Financial and Legal Risks	<ul style="list-style-type: none"> <li>• External audit and review of financial accounts (undertaken by Audit NZ)</li> <li>• Interests Register documented at each Trust meeting</li> <li>• Fraud Policy adopted by the Trust (detailing the Trust’s policy for fraud prevention)</li> <li>• The Trust’s financial matters are managed by an external Accountant, whom also sits on Trust meetings and partakes in business discussions and decision-making (as a non-voting member of the Trust’s Executive)</li> </ul>
Health & Safety	<ul style="list-style-type: none"> <li>• Health &amp; Safety policy in place, reviewed bi-annually</li> <li>• Evacuation Procedures in place</li> <li>• Meet all building WOF requirements and act in the required manner on IQP reports</li> </ul>

Operating Risks	<ul style="list-style-type: none"> <li>• Routine Maintenance Plan in place to ensure facility meets a necessary standard</li> <li>• For cricket-specific events, the Trust meets or exceeds NZC and/or ICC set criteria</li> </ul>
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## 7. Additional Information

### Response to other specific Letter of Expectation matters (if applicable)

#### Wellington Regional Economic Development Agency (WREDA)

The Trust has introduced NZC directly to key Council personnel, with a view to ensuring that Council has involvement in the international match allocation process to be adopted by NZC for the coming summers. The Trust already enjoys a close working relationship with Council events personnel in particular, and intends to develop that relationship further with the newly-established WREDA agency.

#### Health & Safety

Trust representatives attended the Council's internal H&S briefing in October, ahead of new legislation being introduced. The Trust itself has undertaken to ensure that H&S compliance is indeed a focus of its operations over the coming months, and in doing so to entrench such practices into the operating culture of the venue and organisation.

Trust representatives have engaged directly with Council H&S specialist staff, and will continue to do so to ensure comprehensive policies and practices are developed and enacted.

#### Naming Rights Sponsor

The Trust set itself an internal goal of retaining a Naming Rights Sponsor to start the 2015-16 financial year. The purposeful and positive progress of the Master Plan within Council has assisted with recent negotiations with prospective partners. The Trust remains confident that a new Naming Rights partner will be recruited ahead of next summer.

#### Business Continuity Plan

The Trust will discuss the Council's expectations with its BCP specialist staff, and undertakes to review and develop its BCP to a standard acceptable to and endorsed by Council no later than 30 September 2015.

#### Allocation of NZ Test Matches

Please see earlier commentary in the "Operating Environment Update". The Trust is aware that securing test matches (and other international matches if available) is critical to the ongoing success and sustainability of the venue. The Trust has had informal discussions with NZC as regards the "Future Tours Programme" (FTP), an 8-year programme of visits and likely matches up to and including 2023. Based on this information, which remains confidential and subject to confirmation hopefully by June 2015, the Trust intends to work closely with Council and WREDA to obtain and confirm a playing programme that meets the Council's strategic objectives, leverages maximum exposure for both cricket and the city, and protects and enhances the Basin's local, national, and international reputation.

### **Access to the Basin Reserve**

A major theme of the Trust's "Master Plan" is the objective of widening the usage of the Basin Reserve beyond a recreation ground, and opening it up as a public space to other informal users, including walkers, cyclists and visitors. At a high level, the Trust is seeking to do this through a variety of measures, including the design of the ground being more 'open' (change of exterior fencing), and a 'greening' of the western embankment, with more user amenities such as playground features, picnic tables, etc. There are also plans to increase and improve the night security lighting within the ground, and in doing so allow for a return to 24 hour access.

The ground was closed during hours of darkness in 2011, in response to a large increase in vandalism at night and anti-social behaviour within the precinct. There are now plans to increase and improve the night security lighting within the ground, and in doing so allow for a return to 24 hour access.

### **Ratio of shareholders funds to total assets**

A statement of the ratio of shareholders' funds to assets is not considered appropriate at this time.

### **Estimate of amount intended for distribution**

There is no intention to pay out reserves to stakeholders.

### **Acquisition procedures**

There is no intention to make any acquisitions.

### **Activities for which the board seeks compensation from a local authority**

None.

### **Estimate of commercial value of shareholders investment**

The net value of the Stakeholder's investment in the trust is estimated to be valued at \$355,000 as at 30 June 2015.

### **Other matters (if applicable) e.g. water supply services LGA requirements**

None.

### **Supplementary information the entity wishes to include**

None.

## **8. Appendix: Accounting Policies**

## **9. Appendix: Forecast Financial Statements**