



Statement of Intent 2017-18 Basin Reserve Trust

Presented to the Wellington Council Controlled Organisations Sub-Committee
pursuant to Schedule 8 of the Local Government Act (2002)

Contents

- Introduction..... 3
- Strategic Direction 4
- Nature and Scope of Activities 5
- Board’s Approach to Governance 6
- Operating Environment Update 7
- Performance Measurements..... 8
- Additional Information 9
- Organisational Health, Capability and Risk Assessment..... 11
- Appendix: Accounting Policies and Financials 12

Introduction

The Basin Reserve Trust continues a busy programme of activity as befitting the premier Test cricket ground in New Zealand, the Basin Reserve. In coordination with the Westpac Stadium Trust, the Basin has played host to a busy international calendar in 2016-17, including two Test Matches against Bangladesh and South Africa. Complementing this has been a full schedule of Domestic Cricket capped off by the Wellington Firebirds successful run to the Super Smash Twenty20 title. Outside of cricket, the Basin again played host to a music concert, but this time on a smaller scale to Robbie Williams in 2016-17. The Winery Tour concert was a very popular event and provided a good model for the type of events capable at the Basin Reserve.

Looking ahead, international cricket is already locked in for the 2017-18 season and a bidding process will soon begin for matches in the following three seasons. The Trust is working with the WREDA's events team to ensure a steady stream of non-cricket event bookings that complement an already busy schedule. In the winter months, the ground will continue to be used by Wellington Rugby, now with a focus upon junior sport rather than seniors. By doing so, usage of the Basin will be increased significantly, while at the same time improving preparation of the cricket wickets in the off-season.

Momentum continues to build for the Basin Reserve Masterplan and the Trust is pleased to note that the RA Vance Stand has undergone significant works to date. Over the winter months, it is expected the stand will become fully functional and present at a high standard. As planning for the remaining major works progresses, the Trust looks forward to several smaller projects being completed over the winter. While it will take several years for the Masterplan project be considered complete, the Trust anticipates a venue that looks significantly improved in 2017-18.

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;

Nature and Scope of Activities

The Basin Reserve Trust (the Trust) is a charitable trust, and operates on a not-for profit basis. The Trustees are appointed by Cricket Wellington (2) and the Wellington City Council (2).

The Trust operates under the Basin Reserve Trust Deed, which has the following objectives:

- Manage, develop and promote the Basin Reserve for recreation, leisure and cricket games
- Preserve the heritage value of the Basin Reserve and its assets
- Organise fundraising to help promote and further develop the Basin Reserve.

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)
- Mike Horsley
- Cr Simon Woolf
- 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.

Operating Environment Update

Events

The Basin Reserve continues to deliver a calendar of high quality events that balance the needs of both cricket and non-cricket alike. In terms of cricket, the ground is half-way through a two-year contract cycle that has New Zealand Cricket locked into three Test Matches and a One Dayer. Shortly, New Zealand Cricket will look to engage with the Trust, Westpac Stadium Trust and Wellington City Council on another three year contract cycle. This next period will see the high profile Indian and Australian teams touring, which underlines the importance of the city presenting a strong regional case. Below the international level, domestic cricket sees the resurgence of the Twenty20 format at the Basin Reserve, moving to a more fan friendly window in the season.

Outside of cricket, the Trust has been actively working with several key partners to make the ground available in a way that is complimentary to the cricket season. In February 2017, this saw the ground host the Winery Tour Concert which was met very favourably by the public. Looking ahead to 2017-18, the venue will host a Wine and Food Festival in December and we are currently working towards more events in early 2018.

Masterplan Project Rollout

Work on the re-development of the Basin Reserve continued through 2016/17 with the completion of the exterior of the RA Vance Stand. The interior upgrade of the RA Vance stand is progressing and is expected to be completed in Quarter 1 of 2017/18 and we look forward to seeing the stand brought back up to a high standard befitting the home of Cricket in New Zealand.

2017/18 will see the following projects progressed:

- Refurbishment of the scoreboard;
- Replacement of the exterior seating in front of the RA Vance Stand;
- Upgrading of the Kent and Cambridge Terrace entrance and interface;
- Working with Council and Cricket Wellington to relocate the Brierley Pavilion and develop this area as open and functional space
- Detailed design of the changes to the Eastern grass embankments; and
- Presentation to Council of the options for the future of the Museum Stand

The Trust is keen to see momentum maintained over the winter of 2017 that should see the ground presenting well for the upcoming cricket season.

The Trust acknowledges Council's expectation that the Trust will have a significant focus on fund raising to support the Council investment in the upgrade of the Basin Reserve.

Operational Maintenance Work

Working closely with the Masterplan project, the Trust has endeavoured to complement its rollout with general repairs, maintenance and small improvements to the functionality of the venue. Of particular note is the addition of a CCTV security system that improves both its

event operations and the monitoring of after-hours vandalism. This addition has been well received so far and has enabled police to more accurately identify trends in the area.

Performance Measurements

Non-financial Performance Measures 2017-20

Measure	Frequency	Measurement	2016-17 Forecast	2017-18	2018-19	2019-20
Number of event days	Quarterly					
• Cricket Events		Cricket days	42	38	38	43
• Other Sports Events		Sports days	20	20	22	24
• Practice facility usage		Practice days	100	100	105	110
• Community Events		Other days	12	13	14	15
• Functions		Function days	15	17	19	21
Numbers attending events		Attendance figures	35000	40,000	42,000	44,000

Non-financial Performance Measures 2017-18

Measure	Frequency	Measurement	2017-18 Q1	2017-18 Q2	2017-18 Q3	2017-18 Q4	2017-18 Total
Number of event days	Quarterly						
• Cricket Events		Cricket days	0	21	17	0	38
• Other Sports Events		Sports days	8	2	2	8	20
• Practice facility usage		Practice days	15	40	45	0	100
• Community Events		Other days	2	3	3	5	13
• Functions		Function days	4	3	3	6	17
Numbers attending events		Attendance figures	1,500	25,000	12,000	1,500	40,000

Additional Information

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

Maintenance Responsibilities for the Basin Reserve

The Trust acknowledges the Councils desire to ensure ongoing maintenance of the venue is carried out by the Council's own team and will work to ensure that this is a successful arrangement. At the same time, the Trust believes it is important that the governance and responsibility for operational management of the Basin Reserve remains untouched. The Trust has built the venue's capability and credibility over the past 12 years, due in large part to its appreciation of the ground's unique status and heritage. It is important that this work continues, particularly as the Masterplan work unfolds.

Naming Rights Sponsor

With the Masterplan timetable close to being confirmed, the Trust now has a greater degree of certainty on what benefits can be provide to a Naming Rights Sponsor. The Trust remains confident that a new Naming Rights partner will be recruited ahead of next summer. In the short term, the Trust will engage a third party specialist to assist in identifying suitable partners. This third party will work with the Trust in developing sponsorship collateral for prospective partners, and pursue targets on a commission basis.

Performance Review

The Trust acknowledges the Council's expectation that a review of the Trustees performance be undertaken. The Trust will work with Council to ensure this expectation is addressed through the course of 2017-18

Health and Safety

The Basin Reserve Trustees are very cognisant of their obligations under the new Health and Safety legislation, and are committed to ensuring the Trust complies with requirements in a best practice approach. The Trust has made significant strides in the past 12 months, particularly in respect of Emergency Management Planning and compliance of third party contractors at events. The Trust is continuing to monitor and evaluate best practice in the area of Health and Safety.

Ratio of trustee equity to total assets

0.85 : 1.00

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 stakeholder's investment

The net value of the Stakeholder's investment in the trust is estimated to be valued at \$715,000 as at 30 June 2018.

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

None.

Supplementary information the entity wishes to include

None.

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">• External audit and review of financial accounts (undertaken by Audit NZ)• Interests Register documented at each Trust meeting• Fraud Policy adopted by the Trust (detailing the Trust's policy for fraud prevention)• 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)
Health & Safety	<ul style="list-style-type: none">• Health & Safety policy in place, reviewed bi-annually• Evacuation Procedures in place• Meet all building WOF requirements and act in the required manner on IQP reports
Operating Risks	<ul style="list-style-type: none">• Routine Maintenance Plan in place to ensure facility meets a necessary standard• For cricket-specific events, the Trust meets or exceeds NZC and/or ICC set criteria

Appendix: Accounting Policies and Financials