



Report 07.591
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Committee Wellington Regional Strategy
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Community Facilities and Events Interpretation

1. Purpose

To address a matter arising from the Committee's meeting on the 6th August 2007 and the need to clarify the meaning of the term "community facilities and events" as it applies to Regional EDA Ltd (REDA) funding support, for inclusion in Regional EDA Ltd's Statement of Intent.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Background

As part of the Local Government Act Section 16 process followed to adopt the WRS and establish the WRS governance structure a mediation was held between Greater Wellington and Hutt City and Upper Hutt City Councils. The mediated agreement contained the following provision:

"the WRS Committee will require that the statement of corporate intent for the Regional Economic Development Agency (EDA) will include an explicit statement to record that capital or operational expenditure of community facilities or events are not activities that can be funded by the EDA."

Subsequent to the mediation the Committee accepted these provisions.

At the August 2007 meeting of the Committee questions were raised about the involvement of REDA with the AFCI Cineposium 2008 and in particular whether this was contrary to the mediated agreement. The Chairman asked officers to report back to the Committee on this matter.

4. Operational Definition of Community Facilities and Events

4.1 Process to Develop the Interpretation

The Chief Executives met on the 10th August and discussed the application of the mediated agreement provision. They agreed that some conference-type activities are appropriate for the REDA to be involved with and that these would be within the terms of the mediated agreement, although a number of criteria need to be met in order to be appropriate. They agreed that activities that are held with the objective of attracting people to the region, or to generate revenue are not activities that are appropriate for REDA to be involved.

Following the Chief Executives' discussion officers developed a draft interpretation of the mediated provisions. This was distributed to the Senior Officers resource Team (SORT). The SORT considered the draft interpretation and recommended some changes.

Informal responses were then made to officers about the sponsorship by REDA of the Thrive Wellington Event. There appears to be a wish that, while REDA could be involved with the facilitation of activities like conferences and symposiums, this should not include any direct financial involvement. In response to this the draft interpretation was further amended.

4.2 Recommended Interpretation

Should the Committee be of a view that it is appropriate that REDA be involved with some conference/symposium-type events, but this involvement be restricted to facilitation not involving cash sponsorship or underwriting the following interpretation would provide for this:

Community facilities” are activities that provide services, entertainment or education to the public generally. Examples of community facilities include: Te Papa, the Karori Wildlife Sanctuary, libraries, galleries (e.g. The New Dowse) and the proposed Marine Education Centre.

Events” include events that are operated for the purposes of entertainment, sport, tourist attraction or cultural/community celebration and are open to the public generally. Examples include festivals, concerts, sporting competitions, movie premiers, etc.

While the REDA will not provide operational or capital expenditure for community facilities or events, this will not prevent the REDA facilitating activities that are integral to its role of achieving sustainable long term economic growth in the region defined by this Statement of Intent, including activities that:*

- *create or facilitate the success of the region’s Centres of Excellence programme*
- *assist to attract and retain high value individuals in the region*

- *facilitate access to international markets for businesses in the region*
- *boost the innovative and competitive image of the region internationally*
- *assist to attract investment into the region*
- *provide an opportunity to grow the skills base in the region.*

*** *Facilitation does not include cash sponsorship or underwriting***

5. REDA Statement of Intent

Inclusion of the above definition in REDA's Statement of Intent will assist the REDA Board make its investment decisions. In addition the Funding Deed between Greater Wellington and REDA could include a provision to reinforce the limitation on the funding of the activities specified above. The Funding Deed is currently being developed and will be considered by the Committee in December. Officers recommend this as an appropriate approach to provide assurance to the Committee that the mediated agreement will be given effect to by REDA.

6. Communication

The interpretation of the mediated agreement provisions will be communicated to the REDA Board, in line with the Committee's decision.

7. Recommendations

That the Committee:

1. ***Receives*** the report.
2. ***Notes*** the contents of the report.
3. ***Agrees*** with the operational definition of the WRS mediated agreement terms "*community facilities and events*" as shown in italics in Section 4.2 of this report.
4. ***Recommends*** to the Board of Regional EDA Ltd that it adopts in its Statement of Intent the operational definition of "*community facilities and events*" agreed in (3).
5. ***Instructs*** officers to include provisions in the draft Funding Deed, to be considered by the Committee in December, that require the Board to give effect to the agreement

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