

VENUES  
ŌTAUTAHI

STATEMENT OF INTENT  
1 JULY 2024 TO 30 JUNE 2027

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## INTRODUCTION

Venues Ōtautahi Ltd is a Council Controlled Organisation (CCO) for the purposes of the Local Government Act 2002.

This Statement of Intent (SOI) is prepared by Venues Ōtautahi Ltd (Venues Ōtautahi) in accordance with Section 64(1) of the Local Government Act 2002.

This SOI specifies the objectives, nature, and scope of the activities to be undertaken by Venues Ōtautahi, and the performance targets and other measures by which the performance of the Company may be judged in relation to its objectives.

The SOI is a public and legally required document which is reviewed and agreed annually with the Company's sole Shareholder, the Christchurch City Council (Council) and covers a three-year period. This SOI covers the period from 1 July 2024 to 30 June 2027.

## ABOUT VENUES ŌTAUTAHĪ

Venues Ōtautahi's mission is to strategically manage and leverage the venues to deliver positive social, cultural, environmental, and economic benefit to the region. The venues are owned by the community and are for the community. Venues Ōtautahi are proud and privileged to manage them, and the community is proud to own them.

Venues Ōtautahi, where Ōtautahi comes together, is the largest venue, event and culinary services management company in New Zealand and attracts, plans, and delivers a broad range of ticketed, business, civic, lifestyle, wedding, education, culinary and community events, including all major entertainment and sporting events in the city of Christchurch and manage a diverse and iconic portfolio of community venues.

Venues Ōtautahi also delivers innovative, sustainable, accessible, inclusive, culturally connected and locally centric culinary, event and venue management services, through the mobile event, culinary services and venue management arm of the business, VŌ Events.

Venues and events are places for locals and visitors to connect for celebration, education, trade, and entertainment. They and the experiences they create exist for community connection and to deliver social, cultural, environmental and economic benefits for our community and these philosophies underpin the Venues Ōtautahi ethos and culture.



Venues Ōtautahi's way of doing business is to be aspirational, agile, and kind. We have the best interests of the community at the core of everything we do and at the heart of our culture.

The Company, established over 25 years ago, currently operates the Christchurch Town Hall, Wolfbrook Arena, the Airforce Museum of New Zealand, Apollo Projects Stadium and Hagley Oval.

Venues Ōtautahi is also responsible for the operation and management of One New Zealand Stadium at Te Kaha, Canterbury's new 37,000 capacity stadium due to open in April 2026 and delivers a number of large-scale events through the mobile culinary, event and venue management services arm of the business, including events such as SailGP.

The diversity of the event portfolio is extensive, and the capability of the Venues Ōtautahi team reflects this. Across the portfolio of venues currently under the Venues Ōtautahi umbrella over 400 events are delivered and around 600,000 guests are welcomed to the venues each year and from 2026 when One New Zealand Stadium at Te Kaha becomes operational, annual guest numbers will increase to over 800,000 and event numbers to over 600.

The events delivered across the portfolio of Venues Ōtautahi venues deliver around \$46m of estimated economic benefit annually to the Canterbury region including around \$2m of direct contribution to local suppliers and producers of food and beverage and \$10m of direct contribution to local service providers and contractors through our celebrate and source local procurement strategy.

With the addition of One New Zealand Stadium at Te Kaha to the portfolio of Venues Ōtautahi venues the estimated economic benefit to the region across the full event ecosystem including visitor attraction, local sourcing and the engagement of our local team will be over \$100m annually.



Through the Venues Ōtautahi local and ethical culinary ethos, the community centric principles underpinning who we are and how we operate, our ability to innovate, grow, diversify and shift the traditions of the events and venues industry, through our drive to be as socially and environmentally sustainable as we possibly can be for the generations ahead and through our desire to reflect the cultural heritage of the region we operate in everything we do, we have changed the nature of our business both inside and out and feel these philosophies have a global application in benefiting all regions wherever applied.

Our focus as we move forward into the period of this Statement of Intent is to remain committed to maximising the utilisation of the current suite of venues we operate, to growing and diversifying the business to build resilience for the future, to maximising the opportunity of One New Zealand Stadium at Te Kaha, continuing to drive efficiencies across the business and to enhancing client and guest experiences.

In doing so remaining committed to valuing and supporting our people to perform at their best, to delivering positive social and environmental outcomes, to protecting the assets we are so privileged to operate, to embedding and embracing the principles of Te ao Māori, to leveraging data and insights to grow revenue and to nurturing and building the strategic partnerships underpinning the Venues Ōtautahi business.

## NATURE AND SCOPE OF ACTIVITIES

Venues Ōtautahi undertakes the following activities.

- Venue marketing, communications, and event attraction
- Commercial event and venue partnerships
- Event planning, management, delivery, and venue operations
- Retail, corporate, and mobile culinary services
- Asset management and facilities maintenance
- Community and strategic local partnership and engagement

**Fig 1. Venues Ōtautahi Event and Venue Lifecycle Diagram.**

The below is a graphical representation of the mechanics of the Venues Ōtautahi business and what makes up the full event lifecycle.



## STRATEGIC ALIGNMENT

Venues Ōtautahi's mission, ethos, and way of doing business is aligned with Council's vision for Ōtautahi, Christchurch to be a place of opportunity for all; open to new ideas, new people, new investment, and new ways of doing things – a place where anything is possible.

Venues Ōtautahi's nature and scope of activities align with and are driven to contribute to Council's draft Strategic Framework Community Outcomes.

### **A collaborative and confident city**

- Community is at the heart of everything we do.
- Community access to and connection with the venues is a strategic priority.
- Strategic partnerships and collaboration are core to the VO way of doing business.

### **A green, liveable city**

- Environmental, business, and social sustainability are a strategic priority.
- Local sourcing procurement model across all services and supply.
- Focus on growth and diversity building business resilience.

### **A cultural powerhouse city**

- Events celebrate our identity through arts, culture, heritage, sport, and recreation.
- Social and cultural impact of diversity of event portfolio held at VO venues.
- Community venues are critical in making Christchurch an events powerhouse.

### **A thriving prosperous city**

- Direct contribution to regional economy through local sourcing model.
- Economic impact of major entertainment and sporting events held at VO venues.
- Events at the city's venues support a vibrant and thriving city centre.

Venues Ōtautahi is committed to a close and collaborative partnership with our shareholder, the Council, to navigate our way through the inevitable challenges in the future, to celebrating successes delivered through the city venues for Ōtautahi, Christchurch and to ensuring Venues Ōtautahi keeps getting better, stronger, and more resilient and the venues are the pride and delight of everyone, especially the people of Christchurch who own them.



## THE VENUES

### Christchurch Town Hall

Christchurch Town Hall is the city's premiere performance venue with a range of multi-purpose spaces, including the much-celebrated Douglas Lilburn Auditorium and James Hay Theatre as well as event spaces such as the Limes Room, Avon Room, and Victoria Room, all varying in capacity from 100 to 2,800.

The iconic Town Hall hosts around 280 events per year ranging from concerts, civic events, community events, trade shows, corporate and business events, gala dinners, school, and university events, performing arts and weddings.

### Air Force Museum of New Zealand

The Airforce Museum of New Zealand offers a wonderful and unique experience with a large open space and options to be surrounded by planes steeped in the history of war.

The Airforce Museum hosts around 30 events annually of capacities up to 1000 and hosts events ranging from expos, trade shows, art exhibitions, corporate and business events, gala dinners, and school events.

### Hagley Oval

Hagley Oval is Christchurch's iconic cricket ground and is home to the much-celebrated Hadlee Pavilion. The ground hosts around 30 events annually, has a capacity of 9,000 and hosts events ranging from international and domestic cricket, corporate events, and weddings.



### Apollo Projects Stadium

Apollo Projects Stadium is Christchurch's largest sporting Stadium and is home to one of the World's most successful rugby teams, the Crusaders. The Stadium has a permanent seating capacity of 17,100 and holds large concerts up to 27,000. Around 15 major events are hosted at Apollo Projects Stadium per year across rugby union, rugby league, football, motorsport events and large concerts.

### One New Zealand Stadium at Te Kaha

One New Zealand Stadium at Te Kaha is the new Canterbury Stadium due for completion in 2026. One New Zealand Stadium at Te Kaha will be New Zealand's most premiere venue with a seating capacity of 30,000 and the ability to hold large concerts up to 37,000. With a permanent roof One New Zealand Stadium at Te Kaha is a genuinely multi use facility and is expected to host around 200 events per year across a diverse range of event types such as rugby union, rugby league, football, motorsport, boxing, e-sports, corporate events, expos and tradeshows, education and conferencing events, and large, medium, and intimate style concerts.

## Wolfbrook Arena

Wolfbrook Arena is the largest indoor multipurpose arena in the South Island with a capacity of 9,000, hosting around 40 events per year. Wolfbrook Arena delivers a diverse range of events including major international concerts, major indoor sporting, expos, large corporate events/dinners, school, and university events.



## VŌ Events

VŌ Events is the mobile services arm of the business delivering culinary, event and venue management services to venues aligned with the principles and ethos of VŌ as well as large scale mobile events such as SailGP for example.





## PURPOSE AND DIRECTION

Venues Ōtautahi, where Ōtautahi comes together.

Our mission is to strategically manage and leverage the venues to deliver positive social, cultural, environmental, and economic benefit to the region and to be aspirational, agile, and kind in how we achieve our mission.

Social benefits through inclusion and unity, cultural benefits through celebration of identity, pride in us and our city, economic benefits through employment, trade, visitor spending, city promotion and the impacts of local sourcing and employment and environmental benefits through guardianship, protection, and ethical sourcing.

Doing good for our community is at our very core and the ultimate measurement of success.

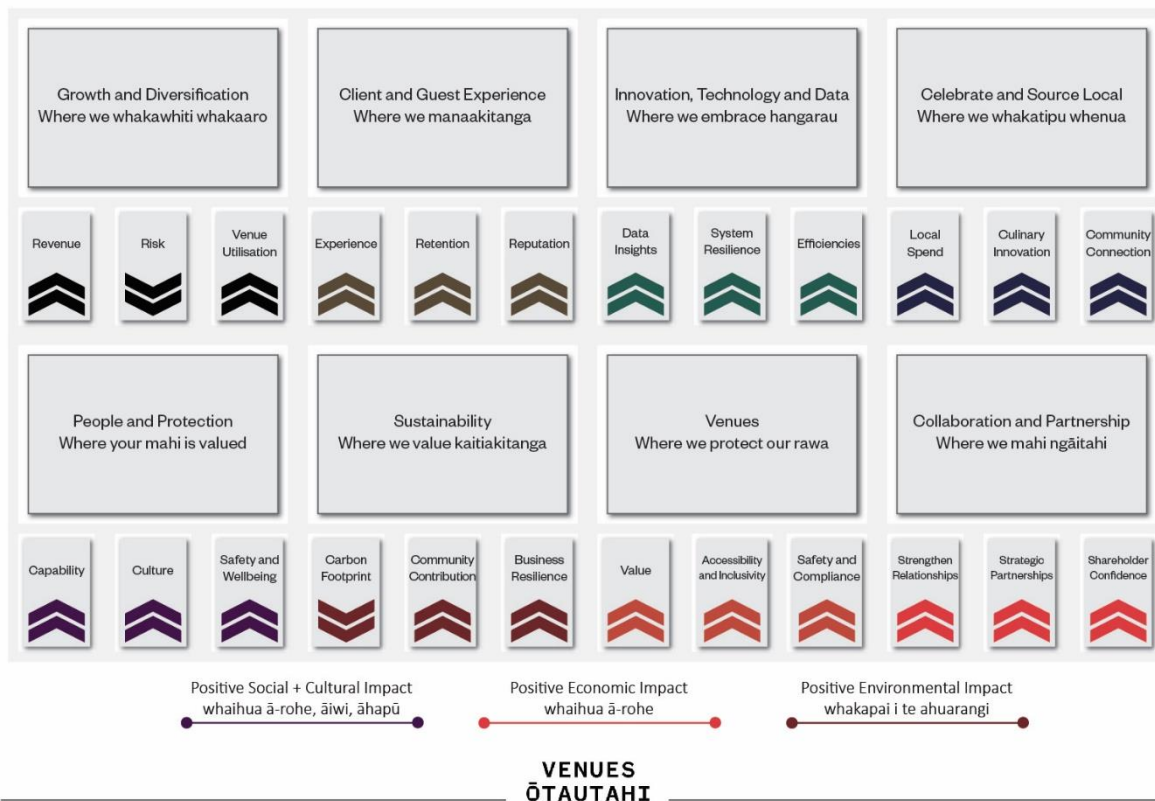


We aim to spend cautiously, invest wisely, and minimise operating grant funding while at the same time not allowing the latter to materially constrain economic, social, and cultural impact.

At a minimum the quantifiable economic and social benefits derived from the venues are expected to exceed the whole of life cost of developing, maintaining, and operating the venues.

Our people believe it is a special privilege to serve the venues and the community.

**WHERE ŌTAUTAHĪ COMES TOGETHER**



**1. Growth and diversification, where we whakawhiti whakaaro**

- Grow the business to increase revenue and build a stronger strategic proposition for the attraction of events to Ōtautahi, Christchurch.
- Diversify revenue streams to increase revenue and de-risk the business through extending the VŌ culinary and event services delivery model outside of the venue portfolio.
- Increase revenue and venue utilisation through the development of a high yield event attraction strategy that includes strategic procurement, commercial partnerships and event promotion and creation.

**2. Client and guest experience, where we manaakitanga**

- Enhance the guest experience and VŌ reputation through the development of a venue specific but holistic guest experience strategy.
- Retain current and attract new client custom through taking a continuous improvement approach to delivering a seamless and technology lead experience for all VŌ clients.
- Attract more high yield events to VŌ venues by prioritising key client retention and engagement strategies across business and ticketed events.
- Through the assessment and evolution of technology at VŌ venues assure all remain competitive in attracting and retaining high yield business and ticketed events.

### 3. Technology and data, where we embrace hangarau

- Take a strategic and innovative approach to the acquisition and utilisation of data and insights to generate revenue, enhance guest experience.
- Build robust internal systems for the management of all VŌ inventory and assets to deliver cost efficiencies, greater controls and a more streamlined operational delivery framework.
- Develop an Information, Communications and Technology (ICT) strategy and roadmap to assure VŌ has a resilient and fit for purpose ICT foundation and platform for the future.
- Research and acquire global industry leading technologies to deliver operational efficiencies, build system resilience, enhance the guest experience and generate revenue.
- Broaden strategic technology partnerships to support VŌ now and in the future to assure VŌ can achieve the aspiration of being an industry leader in event and venue technology and innovation.



### 4. Celebrate and source local, where we whakatipu whenua

- Deliver positive economic outcomes to the Canterbury region through the development and execution of a celebrate and source local procurement strategy with a core focus on local food producers and suppliers.
- Prioritise local in all procurement decisions and integrate celebrate and source local procurement philosophies across the VŌ social sustainability framework.
- Develop a Culinary Services strategy across corporate and retail food and beverage that not only diversifies the current retail offering in preparation for One New Zealand Stadium at Te Kaha but continues to be industry leading in culinary innovation.
- Develop a strategy, and assure VŌ has the capability to deliver, to engage and connect the community with the Te Kaha precinct and the new stadium and integrate this into a broader community connection and engagement strategy for the business as a whole.

## 5. People and Protection, where your mahi is valued and we whakaruruhau i ō tātou iwi

- Develop a people strategy underpinned by a focus on assuring VŌ attract and retain the capability and leadership to deliver operational and strategic aspirations now and in the future.
- Build a strong and connected culture underpinned by a genuine care for each other and drive to achieve the company's aspirations for itself and the region, through the development and execution of an internal communications strategy and framework.
- Protect the safety and wellbeing of all staff, event delivery partners, key stakeholders and visitors to the venues, by developing an industry leading health and safety management system underpinned by robust systems and controls, a core focus on critical risk and a culture of safety leadership.
- Build strength, resilience and trust in our people through taking a holistic approach to the development of a wellbeing strategy with a focus not only on positive wellbeing outcomes but also with the intention to build closer integration between operational delivery and support.

## 6. Sustainability, where we kaitiakitanga

- Deliver positive environmental outcomes for the region by developing a carbon reduction strategy, roadmap, internal engagement strategy and monitoring framework to achieve net carbon neutrality for all VŌ owned, operated and occupied venues by 2030.
- To underpin VŌ's aspirations to deliver positively to the social fabric of the region develop and execute a social sustainability strategy and framework.
- Take a strategic approach, with a focus on growth and diversification, to assure the long-term financial viability and resilience of the business as well as to reduce Council operational financial support.



## 7. Collaboration and partnership, where we te mahi ngātahi

- Take a strategic partnership approach to all current and future stakeholder relationships and consider how each could be strengthened, and outcomes enhanced through collaboration and shared risk and reward.

- Nurture and enhance the relationship with our shareholder through close collaboration and a focus on shared outcomes, transparency and strategic alignment and through developing a programme of meaningful engagements and regular communications forums.
- Grow a strong network of strategic partnerships with like-minded organisations all collectively driven to contribute positively to the social, cultural, environmental and economic fabric of the Canterbury region.

#### 8. Venues, where we protect our rawa

- Implement long-term asset management and preventive maintenance plans to maintain the value of assets on the balance sheet while taking a strategic approach to phasing to allow for strategic procurement opportunities and the maximum utilisation of the venues.
- Assure and enable the same experience for all members of the community through accessible and inclusive venues.
- Maximise the opportunity of close involvement in One New Zealand Stadium at Te Kaha design and construction phases to assure accurate information is captured to inform the whole of life costing model and development of the asset management and preventative maintenance plans for the new venue.



## STRATEGIC OPPORTUNITIES AND CHALLENGES

There are key strategic opportunities and challenges material to the future of the business and remain the focus of the Venues Ōtautahi Board and Management in developing and evolving strategy. These include;

1. The opening of Te Pae, Christchurch Convention Centre in 2021 substantially increased venue supply in Christchurch. The primary purpose of Te Pae remains to re-establish and grow Christchurch's share of the international conference and convention market however this strategy has been undermined by both the heightened awareness of environmental issues associated with business travel and a general change in travel behaviour post Covid-19.
  - a. *This SOI continues to factor a shift in focus by Te Pae to the national and local event market across both business and ticketed events and the increased competition a new local venue resulting in potential loss of revenue for Venues Ōtautahi.*
2. Venues Ōtautahi is the operator of One New Zealand Stadium at Te Kaha and as such Venues Ōtautahi has had intensive and early engagement in venue design and construction, is preparing for the commissioning, commercialisation, and operationalisation of the new venue, is leading venue communications, stakeholder engagement and brand development, all of which provide a demand on people and financial resources over and above business as usual activity.
  - a. *This SOI allows for expenditure associated with the following functions associated with One New Zealand Stadium at Te Kaha and assumes these as direct Te Kaha project costs reimbursed to Venues Ōtautahi.*
    - *Project management of Venues Ōtautahi operator advice throughout design, construction, and commissioning phases of the venue*
    - *Leadership of communications and brand development*
  - b. *This SOI allows for pre-opening costs for the following functions associated with One New Zealand Stadium at Te Kaha and assumes these within Venues Ōtautahi operating cashflows for FY23, FY24, FY25 and FY26<sup>1</sup>*
    - *Development and execution of the commercial, event attraction and technology and data strategies for One New Zealand Stadium at Te Kaha*
    - *Increased operational resource required for the commissioning, commercialisation, and operationalisation of the venue. This SOI does not allow for the bid incentive fund and structure of administration required for One New Zealand Stadium at Te Kaha.*
    - *This SOI integrates One New Zealand Stadium at Te Kaha into the Venues Ōtautahi financial model from FY25/26 across all revenue, expense, and funding lines.*
3. Extended operation of Apollo Projects Stadium to mid-2026 and the increased costs of repairs and maintenance of the asset for this extended period
  - a. *This SOI reflects the Council confirmation (as reflected in the 2024-2034 Long Term Plan) to continue operational support for Apollo Projects Stadium to mid-2026 (to align with the timing of One New Zealand Stadium at Te Kaha opening).*
4. Volatility of Global and National Economic Forecast
  - a. *This SOI reflects the Company's preparedness for the continued volatile global and national economic and industry environment.*
5. Growth and Diversity Opportunities
  - a. *This SOI reflects Venue Ōtautahi's aspirations to grow the event business outside of the current venue portfolio and to pursue the possibility of a Venues Ōtautahi consultancy business with a particular focus on supporting other businesses to design and execute a culinary service offering focused on local procurement.*
  - b. *All initiatives to ensure the long-term financial viability of the business and desire to reduce the financial support required from the shareholder needed to repair and maintain the city owned assets as well as to ensure we have a resilient business prepared for inevitable disruption in the future.*

<sup>1</sup> Council to reimburse Venues Ōtautahi on all actual Te Kaha pre-opening costs incurred across FY23, FY24, FY25 and FY26. Venues Ōtautahi receive the balance of pre-opening costs (as allowed for in the draft 2024-2034 Long Term Plan, in FY26.

## CURRENT POSITION

### 1. Economic and Industry Conditions

With a volatile and challenging economic environment and the impacts of this not only on the Venues Ōtautahi business but the events and venues industry as a whole, we remain focused on building a resilient and long term financially viable business able to respond to and ultimately advance in times of adversity.

Increased costs including those associated with food and beverage, repairs and maintenance, asset management, utilities, and insurance, along with the continued impacts of a recessionary environment has created pressure on the business. With these costs uncontrollable and unable to be deprioritised Venues Ōtautahi continue to focus on growth, diversity of revenue, cost control and high yield event creation and attraction.

From a revenue perspective, the impact of increased competition for and pressure on the discretionary dollar in an industry reliant on it and the increased costs of labour in and getting to and around New Zealand for touring artists particularly, Venues Ōtautahi continue to focus on delivering value to our clients and guests, developing strategic partnerships with promoters and event organisers and on creating the right platform for leveraging data and insights to drive revenue.



In light of the current and forecast economic and industry conditions, the Venues Ōtautahi FY25-27 Statement of Intent reflects, for the next two financial years, a realistic and achievable revenue forecast underpinned by those core areas of focus that drive revenue and reduce cost and from FY26/27 onwards, including the aspirations and forecast commercial value of One New Zealand Stadium at Te Kaha.

At the same time while the medium term reflects, an environment requiring a strategic approach to growth balanced with a critical focus on cost, Venues Ōtautahi will not compromise on our commitment to enhancing the client and guest experience, prioritising social and environmental sustainability, the health, safety and wellbeing of everyone involved with or visiting Venues Ōtautahi venues, our commitment to paying all Venues Ōtautahi staff at a minimum the living wage, accessibility and inclusivity, maximising the social, cultural, environmental and commercial outcomes of One New Zealand Stadium at Te Kaha for the city, prioritising community connection with and access to their venues, integrating Te ao Māori principles in all we do and assuring the safety, compliance and operational functionality of the venues.

These are the commitments underpinning who Venues Ōtautahi are as a business and as a team.

## 2. Regional Impact

### a. Celebrate and Source Local

The decision to end the long-term outsourced catering partnership with Spotless Services in April 2020, to bring catering in-house and to implement a local procurement strategy for food and beverage continues to have a significant and legacy impact on the business.

Venues Ōtautahi consistently sources around 80% of all food from Canterbury, 3% from the wider South Island, 14% from the North Island and only 3% from overseas. Prior to April 2020, 30% of products were imported, 50% were from the North Island and only 5% were from the Canterbury region.

With this approach extended to all contractors, service suppliers and event delivery partners as well as our commitment to employing local, the positive economic impact to the region from Venues Ōtautahi venues is significant.

Venues Ōtautahi contributes over \$2m directly to local food and beverage producers and suppliers and around \$10m to local contractors, service suppliers and event delivery partners annually.

Looking forward Venues Ōtautahi are forecasting year on year growth across the next two financial years and exponential growth with the addition of One New Zealand Stadium at Te Kaha to the venue portfolio with from FY26/27.

Based on the forecast event schedule for the new venue, from FY26/27 Venues Ōtautahi is anticipating a close to 100% uplift in total annual revenue. On this basis, with the addition of One New Zealand Stadium at Te Kaha to the portfolio of venues, annually there is \$20m of expected direct contribution to local contractors, service suppliers and event delivery partners and \$4m to local food and beverage producers in addition to the impacts of employing around 1000 staff from the Canterbury region from the Venues Ōtautahi suite of venues.



### b. Visitation

Through the attraction of major entertainment, sporting and business events to the region, venues and events deliver significant economic benefit to the community with visitors who attend events from out-of-town spending on accommodation, hospitality, retail, and other activities.

Venues Ōtautahi for this reason is focused on attracting these major events to the Venues Ōtautahi portfolio of venues, as these events bring the most direct and indirect economic impact to the region.



In FY22/23, for example, events held across the portfolio of Venues Ōtautahi venues delivered an estimated positive economic benefit through visitation of around \$34m to the region. In FY23/24, this is forecast to be around \$30m.

When you add in other economic impacts such as local employment, local procurement of food and beverage and engagement of local contractors, suppliers, and event delivery partners the broader estimated annual contribution from the Venues Ōtautahi ecosystem is around \$46m and could be up to \$100m from FY26/27 when One New Zealand Stadium at Te Kaha opens.

With such significant contribution to the economic wellbeing of the Canterbury region being delivered from events across the portfolio of community venues, there is a real opportunity for Venues Ōtautahi to take a leadership role to develop the event portfolio and ultimate broader social, cultural, environmental, and economic wellbeing of the region and this will be a focus of the business across the period of this Statement of Intent.



### 3. Social, Environmental and Business Sustainability

#### a. Environmental Sustainability

Caring for the environment using thoughtful and sustainable methods, always acting with future generations in mind, taking a role in contributing to the health and sustainability of the social fabric of the region are long term strategic priorities of Venues Ōtautahi.

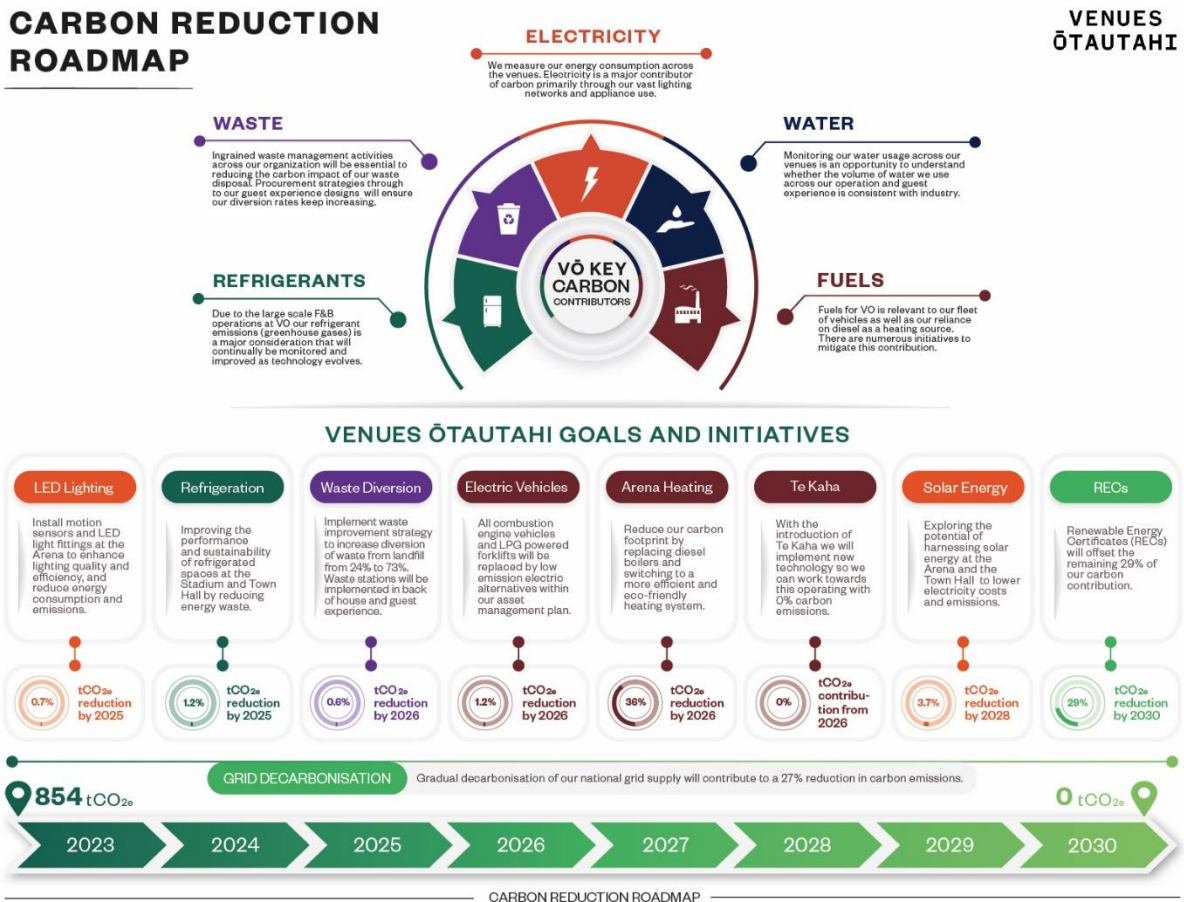
Venues Ōtautahi commits to building a culture whereby responsibility for positive sustainability outcomes is embraced by every member of our team, whatever their role or position. We believe in a holistic approach with an innovative, inclusive, and future focused approach to environmental, social, and business sustainability critical.

Environmental sustainability is essential for the long-term viability of major events. In an industry of mass gatherings generating large volumes of waste and in venues with peaks and troughs in activity, taking a strategic approach to sustainability is both a challenge and an opportunity.

Venues Ōtautahi strives to be innovative in delivering sustainable operational practices and reducing the business's carbon footprint across all categories with a particular focus on waste management, water and energy usage, fuel, and refrigeration.

In 2023, a baseline carbon footprint was established and the Venues Ōtautahi strategy and roadmap to achieve carbon neutrality by 2030 developed.

Fig 2. Venues Ōtautahi Carbon Reduction Roadmap



To oversee our strategic direction a new sustainability subcommittee of the Venues Ōtautahi Board has been established, as well as an Executive leadership steering group to assure the delivery of the strategy and a sustainability committee responsible for execution, activation, and championing of sustainability across the business.

To track and monitor the outcomes of environmental sustainability initiatives implemented and to assure the company remains on track to deliver our 2030 targets, an environmental sustainability reporting platform, GreenHalo, has also been established.

To assure and validate our programme of activity Venues Ōtautahi has entered a formal partnership with Toitū Envirocare, a specialist provider of business sustainability services, to seek certification across all Venues Ōtautahi venues through the Toitū Environmental Management Accreditation Programme.

**b. Social Sustainability**

In taking a holistic approach to sustainability, Venues Ōtautahi also strives to deliver positive social sustainability outcomes. The company’s approach to sourcing local, employing local, contributing local and partnering local all underpin a positive contribution to the social fabric of the region.

Venues Ōtautahi is also committed to creating a diverse and inclusive culture, and one connected to our cultural heritage where our people are enabled to innovate and find new and better ways of delivering value to clients, guests, and the community at large.

Venues Ōtautahi have a strong partnership with Ngāi Tūāhuriri with this cultural connection reflected in our culinary services offering, our front of house service and guest experience strategy and with the intention as we continue to deepen this partnership into future years, extending to training, development, and employment opportunities.

All aspects of this partnership contributing to the economic growth and support to our local Māori community.

Social responsibility and supporting those members of our community who need it the most is also core to the philosophies by which Venues Ōtautahi live by, and we are committed to meeting the highest standards of social and environmental performance, accountability, and transparency. This includes for example our partnership with the Christchurch City Mission with Venues Ōtautahi donating food able to be repurposed at the end of every event to the Mission.

Venues Ōtautahi believe in a system where businesses can benefit people, communities, and the planet, we intend to make long term strategic decisions over quick wins and will continue to measure our success in part based on the positive impact delivered by all aspects of the business.

### **c. Business Sustainability**

Venues Ōtautahi is focused on building a resilient business underpinned by focus on growth and diversification to not only grow commercial returns but to de-risk the business in times of adversity and to ensure its long-term financial viability.



## **4. Health, Safety and Wellbeing**

The health, safety, and wellbeing of our Venues Ōtautahi team, key delivery partners, clients, guests in the venues and all stakeholders involved with the business is paramount.

Venues Ōtautahi pursue collective and continuous improvement, genuine engagement across the business, have a focus on critical risk and a system underpinned by quality systems and processes to deliver outcomes focused on improving the health and wellbeing of all involved in or with the Venues Ōtautahi business.

A comprehensive overhaul of the Venues Ōtautahi health and safety management system was undertaken in 2023 and included the development of a more strategic approach to the identification, management, monitoring, and assurance associated with critical risk.

This focus on collective and continuous improvement across all aspects of health, safety, and wellbeing and the strategic management of critical risk is a strategic priority and will remain so into the future.

Mental health and wellbeing is also a core focus of the business and on this basis the development and implementation of a wellbeing strategy and approach that supports the mental, physical, social, and spiritual health of our people and strengthens the connection between us is a priority of Venues Ōtautahi, now and in the future.

## 5. One New Zealand Stadium at Te Kaha

### a. The Venue

One New Zealand Stadium at Te Kaha, due to open in April 2026, during the period of this Statement of Intent, is the last of the 16 Anchor Projects created to regenerate the city centre of Christchurch following the catastrophic sequence of major earthquakes that devastated the city in 2010 and 2011.

Each of the Anchor Projects symbolises the next step in a long road to recovery and Te Kaha is the last and the most important of all. It is a symbol of resilience, endurance and strength and the end of a journey through all of its challenges that has bonded the people of the region together.

This endurance and strength are reflected in the name gifted by Ngāi Tūāhuriri, Te Kaha which means “enduring strength”. A name that will carry the legacy of this important symbol forever.



One New Zealand Stadium at Te Kaha will be a venue for the community to be proud. It will celebrate everything wonderful about the Canterbury region and will do on the world stage. It will activate and connect the Eastern part of the city and Venues Ōtautahi are committed to ensuring the surrounding precinct and the external facing aspect of the venue is full of heart, life, and warmth. Te Kaha will be a precinct for entertainment, not just a Stadium.

With an ever-changing event and technology landscape there is the opportunity to build an asset for the future landscape. One New Zealand Stadium at Te Kaha will be ahead of all other venues in New Zealand and the Southern Hemisphere and as such, the region will be at a genuine competitive advantage in securing top quality events that will deliver positive regional benefit.

One New Zealand Stadium at Te Kaha as a multi-use, covered stadium built with the future of events in mind will be an attractive proposition for various sporting codes, promoters, exhibitors, corporates, e-sport tournament organisers, conference organisers and community groups. This and the uniquely local positioning of the venue will set it apart.

The success of One New Zealand Stadium at Te Kaha is important for the hearts and minds of the community and a place of whanaungatanga, unity, belonging and cohesion for all. It is also a venue set to deliver significant economic benefit to the region.

### b. One New Zealand at Te Kaha Pre-Opening

Venues Ōtautahi as the operator of One New Zealand Stadium at Te Kaha has the responsibility for attracting, planning, and delivering entertainment, sporting, business, and community events, developing a commercial strategy to maximise the opportunity of this stunning new venue for the region, and for managing the asset itself.

Venues Ōtautahi has been and will continue to be intensively engaged across all aspects of the project with this early engagement, and leadership in the One New Zealand Stadium at Te Kaha project from a design, construction and stakeholder engagement perspective has been, and will continue to be, invaluable.

Venues Ōtautahi will continue this engagement through the remaining design, construction, and commissioning phases of the venue prior to its opening in April 2026 with both this early engagement as well as leadership from a stakeholder engagement perspective invaluable in the long-term success of the venue.

From a design perspective, Venues Ōtautahi continues to assure key design fundamentals of operational functionality, commercial viability, guest experience, accessibility and inclusivity, sustainability, and multi-use functionality are prioritised while concurrently are focused on the importance of the whole of life versus capital trade-offs for the new venue.

### **c. One New Zealand Stadium at Te Kaha Commercial Strategy**

In 2023, Venues Ōtautahi commenced the two phased process to develop and execute the commercial strategy for the new venue. Phase one independently identified and valued all commercial assets including naming rights, corporate hospitality, sponsorship, and membership at One New Zealand Stadium at Te Kaha.

Phase two, the development and execution of the sales strategy for all commercial assets commenced in June 2023 and continues in earnest throughout the period of this Statement of Intent.

Venues Ōtautahi will also continue to execute the marketing, communications, and engagement strategy to not only build community connection and pride in what will be a stunning venue for the region but also to activate and underpin the commercial strategy for the venue.

The attraction of events to One New Zealand Stadium at Te Kaha underpins the long-term commercial strategy for the venue with major and business events delivering the most significant economic benefit to the region. Venues Ōtautahi commenced the development of an integrated and long-term strategy for attracting major and business events to One New Zealand Stadium at Te Kaha in FY22/23 with the execution of the strategy commencing in FY23/24.



Outside of the venue itself, Venues Ōtautahi will also develop an activation strategy for the Te Kaha entertainment precinct and will develop an approach for the events making up the opening phase of the venue that will be underpinned by the following principles: Community, Versatility, Global Reach and Regional Impact

Te Kaha as a whole is a critical project for the city and Venues Ōtautahi feel privileged to be involved in the project and to take care of what is going to be a stunning new venue on behalf of the Canterbury community.

## 6. Te ao Māori

Venues Ōtautahi has a deep connection to the community through the venues and to the rich cultural heritage of the region. Venues Ōtautahi is committed to continuing to deepen this connection through integrating Te Ao Māori principles across our strategic framework and how we do business.

Recognising the profound value of indigenous wisdom, Venues Ōtautahi has woven traditional Māori values such as kaitiakitanga (guardianship), whanaungatanga (relationships), and manaakitanga (hospitality) into our operations.

This holistic approach not only honours the cultural heritage of Aotearoa but also fosters sustainable practices, fosters deeper connections with clients and communities, and enhances overall business resilience.

Venues Ōtautahi look forward to continuing to forge a close and strategic partnership with Ngāi Tūāhuriri and to taking this journey together.



## 7. Strategic Asset Management

Taking care of the community's venues is a key pillar of the business. Venues Ōtautahi have focused on developing a strategic approach to the management of the assets to ensure the venues are safe and sustainable and maximise Shareholder value throughout their lifecycle.

Venues Ōtautahi has established asset management and preventative maintenance plans for all venues with a particular focus on Wolfbrook Arena. The Arena is 26 years old and continues to be in a period requiring significant asset renewal and improvement to maintain the quality, safety, compliance, and operational functionality of the asset.

A planned programme of capital works at the Arena to ensure it is safe, compliant, and functional is well underway and extends beyond the three-year horizon of this Statement of Intent.

## 8. Accessibility and Inclusivity

Assuring and enabling the same experience for all members of the community in all Venues Ōtautahi venues is a strategic priority of Venues Ōtautahi and on his basis accessibility and inclusivity are strategic fundamentals in everything we do.

Not only does the company have a focus on assuring all aspects of the business are reflective of the diverse make up of our community, but the venues evolve to assure the whole community has an enhanced but inherently safe and secure experience in all Venues Ōtautahi venues, including One New Zealand Stadium at Te Kaha.

Venues Ōtautahi will continue work with the right community groups and individuals to understand the opportunities and the challenges not only for the current suite of venues but also One New Zealand Stadium and the Te Kaha precinct throughout the period of this Statement of Intent.



## COMMUNITY

Venues Ōtautahi primarily supports the local community by managing and operating the Christchurch Town Hall, Wolfbrook Arena, Hagley Oval (Hadlee Pavilion), Apollo Projects Stadium, and from 2026, One New Zealand Stadium at Te Kaha those assets owned by the people of Christchurch for their economic, social, environmental, and cultural benefit.

The Company also operates the Airforce Museum of New Zealand and considers this asset as a strategic venue in the portfolio of assets adding to the significant economic, social, environmental, and cultural benefit delivered from events across the portfolio of assets.

Venues Ōtautahi endeavours, and makes a strategic priority, to ensure reasonable local cultural and community event access to all venues under its ownership or management through the provision of discounted venue hire rates. With venue compliance, maintenance, and operating costs, particularly in relation to the heritage listed Christchurch Town Hall and the Wolfbrook Arena increasingly costly given the age of the asset, but generally across all major venues, making affordability for these groups more challenging.

Any consideration of future acquisition of assets or establishment of management services agreements for additional venues and the growth of the mobile arm of the business VŌ Events, will always be underpinned by the alignment with Venues Ōtautahi community principles and in the best interests of Ōtautahi, Christchurch.



## GOVERNANCE

The Venues Ōtautahi Board is responsible for the strategic direction and control of the Company. The Board guides and monitors the business and affairs of Venues Ōtautahi on behalf of the Shareholder to whom it is accountable within the framework of the purpose, direction and objectives set out in this Statement of Intent.

All Directors are required to comply with a formal Code of Conduct, based on the New Zealand Institute of Directors' Principles of Best Practice. The Board will conduct an annual self or independent review of Board performance and effectiveness.



## PERFORMANCE TARGETS

### 1. Operational Performance Targets

In addition to the above financial performance measures, Venues Ōtautahi will report to the Shareholder on a quarterly basis the progress against our stated objectives. Venues Ōtautahi will also use the following measures to assess its operational performance:

Objective and Strategy	Performance Measure		
	2024/2025	2025/2026	2026/2027
<b>Economic Impact</b>			
Attract and manage events that generate positive social, cultural, environmental and economic impact.	Maximise visitor spending by holding at least 16 major ticketed events at Venues Ōtautahi venues <sup>1</sup> .	Maximise visitor spending by holding at least 17 major ticketed events at Venues Ōtautahi venues <sup>1</sup> .	Maximise visitor spending by holding at least 22 major ticketed events at Venues Ōtautahi venues <sup>1</sup> including One New Zealand Stadium at Te Kaha.
Contribute direct economic benefit to the region <sup>2</sup> through implementation of local procurement strategy where commercially viable	80% of food procured from Canterbury. 70% of all third-party suppliers and contractors from Canterbury.	80% of food procured from Canterbury. 70% of all third-party suppliers and contractors from Canterbury.	80% of food procured from Canterbury. 70% of all third-party suppliers and contractors from Canterbury.
<b>Social and Cultural Impact</b>			
Maximise attendance at Venues Ōtautahi venues including One New Zealand Stadium at Te Kaha	Guests to venues exceed 500,000 <sup>3</sup>	Guests to venues exceed 600,000 <sup>3</sup>	Guests to venues exceed 800,000 <sup>3</sup>
Make venues available to support local community groups/individuals	At least 45 events receive the community rate, or the value of community discounts applied equate to at least \$100,000	At least 50 events receive the community rate, or the value of community discounts applied equate to at least \$115,000	At least 55 events receive the community rate, or the value of community discounts applied equate to at least \$115,000
<b>Client and Guest Experience</b>			
Guest NPS <sup>4</sup>	Achieve greater than 50 NPS <sup>4</sup> during the year	Achieve greater than 55 NPS <sup>4</sup> during the year	Achieve greater than 55 NPS <sup>4</sup> during the year
Client Net Promoter Score (NPS <sup>4</sup> )	Achieve greater than 50 NPS <sup>4</sup> during the year	Achieve greater than 55 NPS <sup>4</sup> during the year	Achieve greater than 55 NPS <sup>4</sup> during the year
<b>Health, Safety and Wellbeing</b>			
Ensure the health and safety of our Venues Ōtautahi team, key delivery partners, clients, guests in the venues and all stakeholders involved with the business.	No serious harm incidents involving critical risks for guests, staff, or third-party stakeholders at Venues Ōtautahi.	No serious harm incidents involving critical risks for guests, staff, or third-party stakeholders at Venues Ōtautahi.	No serious harm incidents involving critical risks for guests, staff, or third-party stakeholders at Venues Ōtautahi.

Sustainability and Environment			
Contribute to reducing the City's carbon footprint by achieving target of net carbon neutrality by 2030.	Achieve reduction in carbon footprint.	Achieve reduction in carbon footprint.	Achieve reduction in carbon footprint.
Governance			
Report to Shareholder	Meet all Local Government Act (LGA) and Council reporting deadlines.	Meet all LGA and Council reporting deadlines.	Meet all LGA and Council reporting deadlines.
Asset Care			
Ensure the safety, compliance and operational functionality of Venues Ōtautahi owned venues is maintained.	Venues Ōtautahi has an asset management plan in place for owned assets with this reviewed annually.	Venues Ōtautahi has an asset management plan in place for owned assets with this reviewed annually.	Venues Ōtautahi has an asset management plan in place for owned assets with this reviewed annually.
One New Zealand Stadium at Te Kaha			
Maximise the commercial opportunity of One New Zealand Stadium at Te Kaha for Ōtautahi, Christchurch.	Corporate hospitality marketing collateral and pricing structure developed.	Corporate hospitality and commercial sponsorship offerings in market.	All corporate hospitality and commercial sponsorship offerings sold.

1. Major Events defined as:

*Arena: Event attendance > 5000 and/or International Sport*

*Apollo Projects and One New Zealand Stadium at Te Kaha Stadium: Ticketed events > 10,000 and/or International Sport*

*Hagley Oval: Ticketed events > 5,000 and/or International Cricket*

2. Regional is Christchurch and Canterbury. Can include National or International suppliers if point of origin is Canterbury.

3. The visitor numbers include events such as concerts and sports (ticketed events), dinners, conferences, expos and trade shows (unticketed events). Visitor numbers for expos and trade shows are captured using a clicker system at the entry point to the venue.

4. Any Net Promoter Score above 0 is 'good' and means that your audience is more loyal than not. A score above 20 is considered 'favourable'. Anything above 50 is excellent and means your organisation has considerably more satisfied customers than dissatisfied ones. An NPS score above 80 is World Class and means customers love you and your company generates a lot of positive word-of-mouth referrals.



## 2. Financial Performance Targets

### a. EBITDA

Below represents the forecasted EBITDA split between event and venue operational performance (operations), asset management, repairs, and maintenance (property) and One New Zealand Stadium at Te Kaha for the 2025 financial year:

<b>Event and Venue Operations (excluding Te Kaha)</b>			
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Direct operating income	19,993	19,513	17,425
Less: Direct operating expenses	8,973	8,618	7,599
Less: Net operating overheads and fixed costs	9,492	9,288	9,686
<b>EBITDA</b>	<b>1,528</b>	<b>1,608</b>	<b>140</b>
<b>Asset Management, Repairs and Maintenance (Property)</b>			
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Direct operating income	225	225	225
Council operating support	3,250	3,250	3,200
Less: Net operating overheads and fixed costs	6,566	6,769	5,939
<b>EBITDA</b>	<b>(3,091)</b>	<b>(3,294)</b>	<b>(2,514)</b>
<b>Te Kaha Pre-opening costs, funding and operations (Operations based on Developed Design and LTP workings)</b>			
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Te Kaha operating income	-	4,869	19,476
Council Te Kaha operating support	-	2,368	1,556
Less: Direct operating expenses	-	2,181	8,726
Less: Te Kaha pre-opening expenses	1,249	2,345	-
Less: Net operating overheads and fixed costs	-	2,283	9,133
<b>EBITDA</b>	<b>(1,249)</b>	<b>428</b>	<b>3,174</b>

Of note, One New Zealand Stadium at Te Kaha pre-opening costs continue (since FY22/23) to be funded by Venues Ōtautahi for the 2025 and 2026 financial years with the timing of grant revenue to be received in FY26.



## b. Consolidated Financial Performance Targets

The consolidated financial performance targets for Venues Ōtautahi are as follows:

	2024/25	2025/26	2026/27
<b>Consolidated</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Direct operating income	20,218	19,738	17,650
Te Kaha operating income	-	4,869	19,476
Operating grant revenue received from Council	3,250	3,250	3,200
Te Kaha operating grant	-	2,368	1,556
Less: Direct operating expenses	8,973	10,799	16,325
Less: Net operating overheads and fixed costs	16,058	18,340	24,758
<b>EBITDA (Before Te Kaha Pre-Opening Expenses)</b>	<b>(1,562)</b>	<b>1,087</b>	<b>800</b>
Less: Te Kaha pre-opening expenses	1,249	2,345	-
<b>EBITDA</b>	<b>(2,811)</b>	<b>(1,258)</b>	<b>800</b>
Forecasted Subvention	2,000	2,000	1,500
<b>Operating cash surplus / (deficit) excluding net interest and depreciation</b>	<b>(811)</b>	<b>742</b>	<b>2,300</b>

## c. Forecast Capital Structure

The forecast capital structure and ratio of shareholder's funds to total assets for the next three years is:

<b>Forecasted capital Structure</b>			
	2024/25	2025/26	2026/27
	\$000	\$000	\$000
Issued shares and other equity instruments	244,636	244,636	244,636
Debt	3,185	3,185	0
Total Assets	237,095	232,936	227,374
Shareholder funds to total assets ratio	85%	84%	84%

## d. Forecast Capital Expenditure

The forecast capital expenditure for Venues Ōtautahi owned venues is detailed below:

<b>Asset Management Plan</b>	2024/25	2025/26	2026/27
	\$000	\$000	\$000
Asset management plan - Wolfbrook Arena *	2,587	1,486	2,253
Asset management plan - Christchurch Town Hall	628	588	1,132
Operational equipment	1,435	1,905	1,109
	<b>4,650</b>	<b>3,979</b>	<b>4,494</b>
Capital Grant (as per draft 2024/34 Long Term Plan)	4,650	3,979	4,494
	<b>(0)</b>	<b>0</b>	<b>(0)</b>

The Asset Management Plan includes the inflationary adjustment as per the draft 2024/34 Long Term Plan

\* Replacement retractable seating for Wolfbrook Arena of \$2.94m has been moved to the 2026/27 financial year due to the extent of time the venue is required to be closed. Replacement postponed until One New Zealand Stadium at Te Kaha is operational providing an alternate venue for any displaced events.

Capital funding in the 2025 and 2026 years is for costs associated with the continued delivery of the Asset Management Plan for required safety and compliance upgrades at Wolfbrook Arena and the Christchurch Town Hall as well as ongoing replacement of operational capital equipment.

## COMPENSATION SOUGHT FROM COUNCIL

Public assembly venues such as town halls, entertainment and sporting arenas, and stadia exist to deliver economic, environmental, and social benefits to their communities. The whole of life costs of developing, maintaining, operating, and refurbishing these types of assets is a significant investment by the local authority. The operator of these assets is fully funded for asset development and care and will require some form of operating subsidy to ensure market competitiveness in event attraction and community access.

### 1. Operational, Capital and Debt Servicing Support

Venues Ōtautahi has confirmed operational and capital funding required in the draft 2024-2034 Council Long Term Plan for the period of this Statement of Intent ending 30 June 2027, which includes One New Zealand Stadium at Te Kaha in the portfolio of assets from the third quarter of the 2026 financial year.

Operational support and capital grant funding provided to Venues Ōtautahi is prioritised to ensuring the venues are safe, compliant, and operationally functional with the same philosophy (with the exception of preopening expenses) applying to One New Zealand Stadium at Te Kaha when operational.

#### a. Operational Funding

Operational funding support contributes around 50% of the fixed largely uncontrollable costs associated with managing the city assets, Christchurch Town Hall, Wolfbrook Arena, Apollo Projects Stadium and Te Kaha. These fixed costs include repairs and maintenance, rates, insurance, building compliance, and utilities which by in large are fixed and in the current economic climate are subject to material increases year on year. The remainder of these fixed costs are offset by operational revenues.

#### b. Capital Funding

Capital funding support is solely prioritised to the delivery of the asset management plan for the Christchurch Town Hall and Wolfbrook Arena.

To provide ongoing clarity and assurance to Council as to the appropriate allocation of operating and capital support, Venues Ōtautahi provides dashboard reporting on a quarterly basis to clearly reflect the prioritisation of these funds.

With fixed asset costs forecast having increased significantly in the 2023 and 2024 years, the addition of increased local and national competition in the market, the impacts of high inflation and a volatile economic environment, the support of Council as we together navigate the challenges of the current economic environment and desire to reduce rates impact, and with the addition of One New Zealand Stadium at Te Kaha to the venue portfolio, there are some amendments to operational funding support sought for the period of this Statement of Intent.



### c. Debt Funding

The majority of an historical Lancaster Park loan (relating to the construction of the Deans Stand, which opened in 2010 in preparation for the 2011 Rugby World Cup) was repaid in FY24 with the remainder of all Venues Ōtautahi debt being repaid during the course of this Statement of Intent. On this basis, debt funding support from Council reduced by \$800k in FY24, reducing Venues Ōtautahi annual operational support from Council from \$4.05m to \$3.25m. Debt financing will reduce to nil from 2027/28.

## 2. Te Kaha Operational, Capital, and Bid Incentive Funding

### a. Operational Funding Support, Pre-Opening

Te Kaha operational funding support commences in FY25/26 with these funds being attributed to the reimbursement of pre-opening expenses being met by Venues Ōtautahi since FY22/23 without any revenue associated with the venue prior to opening to offset.

With the criticality of delivering the best commercial outcome for the shareholder and the city and particularly given the magnitude of this opportunity and the time it takes to negotiate material commercial arrangements the commencement of the commercial strategy starts well before the venue is operational.

Over the period of this Statement of Intent, these are set to increase as detailed operational and asset management planning and execution commences as will the resources required for intensive operator involvement in testing and commissioning.



Between FY22/23 and FY25/26 pre-opening expenses will total \$4.55m.

In addition to the development and execution of the commercial strategy (including identifying and valuing all commercial assets, developing and executing the sales strategy, event attraction, marketing collateral costs including website development and other enabling technology) costs in the latter stages of the period will include starting to acquire sufficient business development and information technology and data resources and as we move into testing, commissioning and operationalising the venue, additional assets and facilities, operations and culinary services resources.

To support Council in minimising rates impact for the 2023, 2024 and 2025 years and what is reflected in the FY25-27 Statement of Intent, Venues Ōtautahi will manage all Te Kaha pre-opening costs within current cashflows.

The impact of this for Venues Ōtautahi is a \$1.25m and \$23k negative variance with respect to EBITDA performance in FY24/25 and FY25/26 respectively.

Te Kaha Pre-opening costs and funding	2023/24	2024/25	2025/26	2026/27	Total
	\$000	\$000	\$000	\$000	\$000
Council Te Kaha operating support	-	-	2,368	1,556	3,924
Less: Te Kaha pre-opening Costs	961	1,249	2,345	-	4,555
	(961)	(1,249)	(23)	1,556	(631)

#### b. Operational and Capital Funding Support, Te Kaha

Operational and capital funding for Te Kaha reflects the Venues Ōtautahi financial and operating model, aligns with the analysis\* undertaken of the Te Kaha investment case as at detailed design and is accounted for in real terms.

With limited repairs and maintenance required in the first five years of operation there is minimal operational (asset management and maintenance) and capital support required.

On this basis, across the 7-year comparator period between the 2021-2031 LTP and 2024-2034 LTP there is a \$16.05m dollar saving based on this analysis.

The analysis underpinning operational and capital support required is based on asset replacement (life cycle renewals) rather than a percentage of capital cost. This is due to more detailed information being available at the latter stages of design versus the percentage of capital cost assumption in the Te Kaha Investment Case.

At the conclusion of detailed design and through the phases of testing and commissioning these assumptions will become more refined.

*\* Of note, Venues Ōtautahi analysis has been independently reviewed and validated by Ernst and Young who were responsible for the original Investment Case. Council Finance have also reviewed Venues Ōtautahi analysis and revised life cycle and operating model assumptions and have confirmed these are aligned with their expectations.*



#### c. Bid Incentive Fund

It is Venues Ōtautahi's intention to work with the Council to confirm the bid incentive fund allocation and administration structure associated with bid incentive funding for One New Zealand Stadium at Te Kaha and all major events attraction hosted in Venues Ōtautahi venues.

### 3. Funding for ongoing and extended operation of Apollo Projects Stadium

In September 2021 the legal ownership of all Stadium assets transferred to Council with the operational responsibility including asset management of the Stadium to Venues Ōtautahi. Council committed the financial support to enable the future operation of the Stadium until the opening of One New Zealand Stadium at Te Kaha in 2025.

With the opening of One New Zealand Stadium at Te Kaha now expected in April 2026, Council have confirmed the extension of this financial support for the operations and repairs and maintenance of the Stadium accordingly.



### 4. Consolidated Operational, Capital and Debt Financing Support

The total operating, debt and capital support finding for the period of this SOI are included in the chart below.

<b>Operating, debt financing and capital support funding</b>			
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Venues Otautahi Council operating support	3,050	3,050	3,000
Venues Otautahi debt financing support	200	200	200
Council Te Kaha operating support	-	2,301	1,479
<b>Total operating and debt financing funding</b>	<b>3,250</b>	<b>5,551</b>	<b>4,679</b>
<b>Capital grant as per draft 2024/34 LTP</b>			
	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Capital Grant (as per Draft 2024/34 Long Term Plan)	4,650	3,867	4,273
<b>Total Capital Grant</b>	<b>4,650</b>	<b>3,867</b>	<b>4,273</b>



## ACCOUNTING POLICIES

Venues Ōtautahi has adopted accounting policies that are consistent with New Zealand International Financial Reporting Standards (NZ IFRS), generally accepted accounting practice and the policies adopted by the Christchurch City Council Group.

The Company's detailed accounting policies are available in the Venues Ōtautahi most recent annual report for the year ended 30 June 2023, as published in the CCO section of the Council website.

The Venues Ōtautahi actual accounting policies during the three-year period of this SOI may change as a result of changes to NZ IFRS standards and interpretations.



## ACQUISITION/DIVESTMENT AND OTHER SIGNIFICANT TRANSACTIONS POLICY

The subscription or acquisition of securities in any company or organisation, or a divestment of part of the existing business, will only be considered where it is consistent with the long term strategic and commercial objectives of Venues Ōtautahi.

When the subscription, acquisition or divestment is considered by Directors to be significant to Venues Ōtautahi business operations, it will be subject to consultation with, and where required approval of, the Shareholder.

Major transactions as defined in the Companies Act 1993, s129(2), will be subject to Shareholder approval by special resolution.

### Distributions

During the period of this SOI Venues Ōtautahi will not return capital funds to its Shareholder.

## ESTIMATE OF COMMERCIAL VALUE

The Shareholder investment in Venues Ōtautahi was assessed as at 30 June 2023 by Deloitte at \$212.2 million on a net asset value basis. The Venues Ōtautahi Board consider that the investment value is an appropriate estimate of the commercial value.

## INFORMATION TO BE REPORTED TO THE SHAREHOLDER

### 1. No surprises

Venues Ōtautahi will operate on a 'no surprises' basis in respect of significant Shareholder related matters, to the extent possible in the context of commercial sensitivity and confidentiality obligations. Any sensitive issue that may result in media enquiry will be communicated to the Shareholder as soon as possible.

The Board aims to ensure the Shareholder is informed of all major developments affecting the Company, while at the same time recognising commercial sensitivity may preclude certain information from being made public.

Within this constraint, information is communicated to the Shareholder through periodic reports, occasional briefings, regular reports, and informal updates on important issues.

### 2. Local Government Act 2002 reporting requirements

Venues Ōtautahi will provide information requested by the Shareholder in accordance with the requirements of the Local Government Act 2002.

An Annual Report will be submitted to the Shareholder. The Annual Report will include audited financial statements and such other details as are necessary to permit an informed assessment performance and financial position of the Company during the reporting period provided to the Shareholder.

Half Yearly Reports will also be provided to the Shareholder. These reports will contain unaudited information and comply with PBE IAS 34.



The SOI will be submitted to the Shareholder for consultation annually, as required by the Local Government Act 2002. The Directors will include any other information they consider appropriate and where it is necessary, due to significant changes, revised forecasts will be submitted to the Shareholder.

### 3. Other Reporting

Quarterly Reports will also be provided to the Shareholder, which will include the financial and non-financial performance of the Company.

## CONTACT DETAILS

Contact details for both the Chair and Chief Executive are at the Venues Ōtautahi registered office:

**Address:** 81 Jack Hinton Drive

Addington

Christchurch 8024

**Telephone:** +64 3 339 3599

**Website:** [www.venuesotautahi.co.nz](http://www.venuesotautahi.co.nz)

