

# NZ ON AIR

Six Monthly Report

31 December 2014



*Supporting local content for 25 years*

**NZ On Air Six Monthly Report**  
Period ended 31 December 2014



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## 1. SECTOR COLLABORATION UPDATE

Agency	Update		
NZ Music Commission / Te Māngai Pāho / Creative NZ	<ul style="list-style-type: none"> <li>Contemporary Popular Music Group: first sector strategy developed and published December 2014</li> </ul>		
NZ Music Commission: selected co-ventures	<ul style="list-style-type: none"> <li>Waiata Māori Music Awards</li> </ul>	<ul style="list-style-type: none"> <li>Navigating The Music Business seminar in Christchurch</li> </ul>	<ul style="list-style-type: none"> <li>Smokefree RockQuest &amp; Pacifica Beats</li> </ul>
Broadcasting Standards Authority	<ul style="list-style-type: none"> <li>Joint children's research project conducted</li> </ul>		
NZ Film Commission	<ul style="list-style-type: none"> <li>Co-invested in three documentary projects (<i>Too Much Love, Back From The Death Zone, Poi E</i>)</li> <li>Shared support for launch of online project Loading Docs</li> <li>New joint documentary initiative developed and RFP issued – Doc Connect</li> </ul>		
MFAT	<ul style="list-style-type: none"> <li>Release of RFP and selection of Māori Television as host broadcaster for coverage of Chunuk Bair Commemorative Service 2014 and 2015</li> </ul>		

## 2. STATEMENT OF SERVICE PERFORMANCE SUMMARY

(for more detail refer pages 7-11)

Area		Activity	Top Line Points
Screen Content	Television	General Contestable Fund	On track
		Platinum Fund	On track
		Regional Television	On track
	Web-Only	NZ On Screen	On track
		Digital Media Fund	On track
Sound Content	Radio	Public Radio	On track
		Special Interest Radio	On track
		Commercial & Alternative Radio	On track
	Music	Music Content	On track
		Music Promotion	On track

## 3. KEY FINANCIAL STATEMENT SUMMARY

(for more details refer pages 12-13)

Financial Statement	Summary
Statement of Comprehensive Income	All financial measures in line with budget and expectations
Statement of Financial Position	Higher level of investments due to temporary lull in level of funding draw-downs

## 4. KEY EFFICIENCY GOALS AND MEASURES

Efficiency Goals	Efficiency Measures	2013-2016 Target	YTD Actual
Low administration costs to maximize available investment funds	Administration costs as a % of total revenue	Less than 3%	2.5%
What we fund gets released	% of funded projects broadcast within 12 months of formal delivery	99%	99%
Our processes are efficient and effective	% of complete applications received by deadline are considered by next Board meeting	100%	100%
	% of funding decisions made in accordance with approved policies and procedures	100%	100%

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## HIGHLIGHTS

### 5. TOP 10 NZ ON AIR FUNDED TELEVISION PROGRAMMES FOR THE PERIOD

Rank	Programme	Channel	Episodes	Average Rating % *	Average Audience
1	Hyundai Country Calendar	TV ONE	10	15.03	626,000
2	Our Big Blue Backyard	TV ONE	6	13.13	546,800
3	Gloriavale: A World Apart	TV2	1	13.26	552,000
4	Topp Country	TV ONE	2	11.92	496,400
5	Erebus: Operation Overdue	TV ONE	1	11.82	492,300
6	Radar Across The Pacific	TV ONE	8	11.24	467,800
7	The Kick	TV ONE	1	9.90	412,300
8	Global Radar	TV ONE	2	9.83	409,200
9	Nigel Latta	TV ONE	6	9.39	390,800
10	7 Days	TV3	17	8.16	339,750

\*Consolidated rating All People 5+: 1 July 2014 – 31 December 2014

### 6. RADIO NEW ZEALAND AUDIENCE FIGURES

(12 months to 30 September 2014)

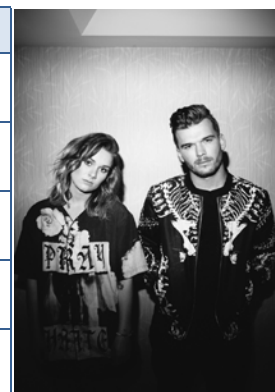
Total weekly live audience for RNZ National*	502,000
Total weekly live audience for RNZ Concert*	134,000

\*Results for the full year to 31 December 2014 not yet available

### 7. TOP 5 MOST PLAYED NZ SONGS ON NZ RADIO

(6 months to 31 December 2014)

Rank	Song	Artist	Kiwi Hit Disc
1	<i>Mother &amp; Father</i>	Broods	-
2	<i>Yellow Flicker Beat</i>	Lorde	-
3	<i>Step On Up</i>	Benny Tipene	Kiwi 174
4	<i>Kings &amp; Queens</i>	Brooke Fraser	-
5	<i>Holding You</i>	Ginny Blackmore & Stan Walker	Kiwi 170



### 8. KEY DIGITAL MEDIA FUND PROJECTS

(released in the 6 months to 31 December 2014)

Project	Description	# Users To Date	View Time Period
Sign Ninja	A web-based game for learning sign language	11,022	6 months
Road Trip	An interactive comedy docu-drama webseries	82,588	1 month
If These Walls Could Talk	A documentary webseries about street art	14,678	1 month
High Road Season 2	A comedy webseries following ex-rocker Terry Huffer	10,681	1 month
Flat 3 Season 3	A comedy webseries about three Auckland flatmates	Not available yet	

## REVIEWS

### 9. REVIEWS

#### **Gloriavale: A World Apart**

**Pacific Screen for TV2**

Paul Casserly – The New Zealand Herald – 29 July 2014

*“Watching TV2’s excellent Gloriavale: A World Apart doco the other night I found myself hoping that someone like Louis Theroux might have popped up and gently asked some probing questions of the clear minded, but possibly deluded, folk featured on the show.....Gaining access to such a closed off community would probably see the likes of Theroux off at the gate, but to her credit director Amanda Evans found a way, and it makes for fascinating viewing”*



#### **Our Big Blue Backyard**

**NHNZ for TV One (Platinum Fund)**

Diana Wichtel – The Listener – 6 November 2014

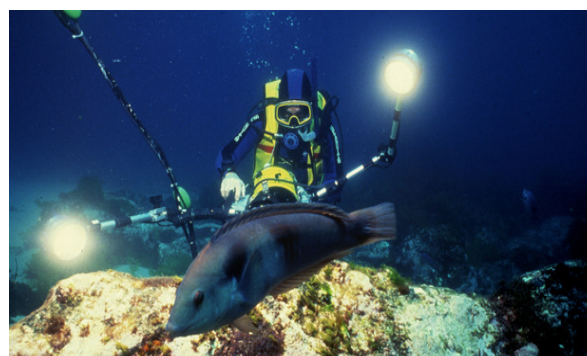
*“I didn’t expect to have my socks so comprehensively knocked off by local marine wildlife series Our Big Blue Backyard..... It’s a jungle out there – or, in this case, a series of gorgeously shot New Zealand marine ecosystems.... Somehow it’s all absolutely riveting”*

#### **Consent: The Louise Nicholas Story**

**Condor Encore for TV One**

Jane Clifton – The Dominion Post – 18 August 2014

*“.... A powerfully told true story like this illustrates with visceral clarity how much easier it is and always will be for everyone concerned not to do the right thing..... Seeing the story in a compact sequential form like this makes it the more of a wonder Kitchin and Nicholas even embarked on this process... We can only celebrate again that they did, courtesy of this TV masterclass in how to approach a story of the most brutal realities with sensitivity”*



#### **The Brokenwood Mysteries**

**South Pacific Pictures for Prime**

Paul Casserly – The New Zealand Herald – 21 October 2014

*“It looked pedestrian, at first glance; a programme for old people. And I was right. But as I gorged on the show this past weekend, I realised that’s all part of the charm. And this is a seriously charming series....Comfort viewing is what The Brokenwood Mysteries aspire to and it’s an aspiration that the series has nailed so firmly it feels like it could run for years”*

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## 10. STATEMENT OF SERVICE PERFORMANCE

### ACTIVITY 1: SCREEN CONTENT

Investing in digital content to increase range and diversity options for target audiences. Content is expected to screen on at least two platforms where practicable.

- Planned activity tracked as forecast
- There is considerable pressure on funding
- On-air performance of funded programming remains strong

### PERFORMANCE MEASURES

Key Performance Measures	Full Year Forecast	YTD Actual
The majority of New Zealanders believe NZ On Air supports television programmes and activities important to New Zealanders	75%	v
At least half of general contestable fund expenditure is for prime time content (6pm - 10pm first screening)	50%	63%
The average number of New Zealanders watching funded television programmes that are broadcast during primetime on Type 1 channels	300,000	281,361
Every week at least half of all New Zealanders are reached by the broadcast of funded television programmes)	55%	41%*
Increase investment in online content and platforms as New Zealand audiences grow	3%	2.2%

vmeasured at year end only \*absence of long running, high rating series like *The X Factor NZ* during the period means the average is lower

### GENERAL CONTESTABLE FUND

General Contestable Fund	Full Year Forecast Hours	YTD Actual Hours	Full Year Forecast \$000	YTD Actual \$000	Full Year Forecast % Prime-time	YTD Actual % Prime-time
Drama/Comedy	85.5	94	26,239	27,169	100%	95%
Documentary/Factual	66	59	7,500	7,128	100%	100%
Children's Drama	-	3	0	1,055	-	100%
Children & Young People	361.2	351.6	14,142	12,171	0%	0%
Māori Programmes	35.5	19	4,000	2,039	66%	97%
Arts/Culture/Identity	31	52	1,850	2,190	70%	94%
Minorities	139.5	138.5	7,959	7,821	0%	5%
Disability (includes Captioning + Audio Description)	18.5	18	4,300	4,364	n/a	-
Development	-	-	310	151	n/a	-
Digital Projects	-	1	-	100	n/a	-
<b>Total General Fund</b>	<b>737.2</b>	<b>736.1</b>	<b>66,300</b>	<b>64,188</b>		

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## PLATINUM FUND

Platinum Fund	Full Year Forecast Hours	YTD Actual Hours*	Full Year Forecast \$000	YTD Actual \$000	Full Year Forecast % Prime-time	YTD Actual % Prime-time
Drama	8	6	8,800	6,419	100%	100%
Documentary	98	101.5	5,231	6,114	67%	71%
Current Affairs						
Arts/Culture/Identity	6	0	1,080	0	100%	-
<b>Total Platinum Fund</b>	<b>112</b>	<b>107.5</b>	<b>15,111</b>	<b>12,533</b>		

## REGIONAL TELEVISION

Regional Television	Full Year Forecast		YTD Actual	
	HOURS	\$000	HOURS	\$000
Local news and information	800	1,500	831	1,190
<b>Total</b>	<b>800</b>	<b>1,500</b>	<b>831</b>	<b>1,190</b>

\*Digital switchover satisfactorily completed

## DIGITAL MEDIA

Digital	Full Year Forecast		YTD Actual	
	QUANTITY	\$000	QUANTITY	\$000
Contestable Digital Media Fund	12	3,400	17	806
Digital Platforms	2		2	1,400
General	2		3	496
<b>Total Digital Media</b>	<b>16</b>	<b>3,400</b>	<b>22</b>	<b>2,702</b>

### \* Platinum Fund investments

#### Documentary/Current Affairs:

Descent From Disaster: Gallipoli	1 x 1 hr
History Of The NZ Home	7 x 1 hr
Making NZ: Mining and Drilling	1 x 1hr
The Monster Of Mangatiti	1 x 1.5 hr
Coast	6 x 1 hr
Q + A 2015	40 x 1 hr
The Nation 2015	40 x 1 hr
3 <sup>RD</sup> Degree Investigates	10x 0.5hr

#### Drama

Hillary 6 x 1 hr

#### Arts/Culture

Nil YTD



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## ACTIVITY 2: SOUND CONTENT

Investing in digital content to increase range and diversity options for target audiences. Content is expected to be heard on at least two platforms where practicable.

### PERFORMANCE MEASURES

Key Performance Measures	Full Year Forecast	YTD Actual
The majority of New Zealanders believe NZ On Air supports local content for radio important to New Zealanders	72%	√
NZ Music content on radio and music television is at least 20% (target % of NZ Music on radio stations bound by the Radio Broadcasters Association NZ Music Code)	20%	All Radio = 18.75% Code Radio = 17.85% Music TV = 17.44%
Achieve an increasing % of NZ Music on Alternative Radio	38.75%	41.97%

√measured at year end only

### DETAILED MEASURES

Radio New Zealand Quantitative Measures	Full Year Forecast		YTD Actual**	
	RNZ National	RNZ Concert	RNZ National	RNZ Concert
Ensure RNZ provides programme types specified in the Broadcasting Act 1989				
Māori Language and Culture	350 hours	NA	199	NA
Special Interest	400 hours	NA	242	NA
NZ Drama, Fiction and Comedy	250 hours	NA	147	NA
% of NZ Music on Rotate	33%	NA	34%	NA
% of NZ Composition	NA	3.5%	NA	4.5%
% of Music Performance	NA	16%	NA	16%
% of Population able to Receive Transmission*	97%	92%	97%	92%
NZ On Air Funding Provided	\$31.816m		\$31.816m	

\* This is the proportion of the population able to receive RNZ National and RNZ concert via terrestrial transmission. 100% of the country is able to access RNZ National and RNZ Concert via a Freeview or Sky TV satellite dish or decoder.

\*\* 6 months ended 31 December 2014. (subject to final audit)

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## QUALITATIVE MEASURES

Radio New Zealand: Qualitative measures of New Zealanders independently surveyed, maintain the percentage of;	Full Year Forecast	YTD Actual*
General public who agree RNZ broadcasts programmes of interest to a wide cross- section of New Zealanders	88%	85%
RNZ National listeners who are very satisfied or quite satisfied with the quality of RNZ National programming	88%	84%
Listeners who agree RNZ National provides in-depth news and current affairs about New Zealand	93%	95%
RNZ Concert listeners who are very satisfied or quite satisfied with the quality of RNZ Concert programming	75%	77%
The number of formal complaints about RNZ programmes each year that are upheld by the Broadcasting Standards Authority against any one of the broadcasting standards as a breach of fairness, balance, accuracy or privacy	No more than 3	One

\* Actual refers to the year ended 30 June 2013, being the results available at time of report preparation.

## SPECIAL INTEREST RADIO

Access to the airwaves for diverse regional communities through 12 community access radio stations from Auckland to Invercargill. Funding is also provided to NPRT (Niu FM and 531pi), Radio for the Print Disabled and Samoa Capital Radio

Community Radio	Full Year Forecast Hours	Full Year Forecast \$000	YTD Actual Hours	YTD Actual \$000
Access and special interest radio	24,000	6,050	24,000	2,440
Pacific radio	15,000		15,000	3,430
<b>Total Special Interest Radio</b>	<b>39,000</b>	<b>6,050</b>	<b>39,000</b>	<b>5,870</b>

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## COMMERCIAL AND ALTERNATIVE RADIO

Increasing diversity for commercial radio audiences				
Spoken Content	Full Year Forecast Hours	Full Year Forecast \$000	YTD Actual Hours	YTD Actual \$000
Children and Youth	264	375	110	219
Spiritual	60	115	-	0
Ethnic / Special Interest	104	75	194	292
Māori issues (English language)	96	75	-	0
<b>Total Spoken Radio Programmes</b>	<b>524</b>	<b>640</b>	<b>304</b>	<b>511</b>

## NZ MUSIC FUNDING

Funding – Making Tracks (5 of 10 planned funding rounds completed) directly supports local recording projects						
NZ Music	Quantity			\$'000		
Music Funding	Year to date Actual	Full Year Budget	Prior Year Actual	Year to date Actual	Full Year Budget	Prior Year Actual
Commercial projects funded	69	At least 120	139	1,009	2,040	2,028
Alternative projects funded	43	At least 80	99			
Music Promotion						
Content promoting NZ music – sound	59	58	21	1,415	1,400	1,455
Content promoting NZ music - screen	3	3	2	250	350	350
Other Promotion and Digital Media	2	-	-	659	1,024	843
<b>Total Music Promotion</b>	<b>-</b>	<b>61</b>	<b>23</b>	<b>2,324</b>	<b>2,774</b>	<b>2,648</b>
<b>Total Music</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,333</b>	<b>4,814</b>	<b>4,676</b>

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## 11. KEY FINANCIAL STATEMENTS

(excludes statements of movements in equity and cash flows)

Statement of Comprehensive Income to 31 December 2014 (\$'000)		Annual Budget	Year to Date Budget	Year to Date Actual	Variance
Income	Crown Revenue	128,726	64,363	64,531	168
	Other Income	2,650	1,325	1,567	242
	<b>Total Income</b>	<b>131,376</b>	<b>65,688</b>	<b>66,098</b>	<b>410</b>
Operating Expenditure	Administration and consultation	3,400	1,834	1,676	(158)
	<b>Total Operating Expenditure</b>	<b>3,400</b>	<b>1,834</b>	<b>1,676</b>	<b>(158)</b>
Funding Expenditure	National Television	81,411	81,411	76,721	(4,690)
	Regional Television	1,500	1,500	1,190	(310)
	Online	3,400	3,400	2,702	(698)
	Public Radio	31,816	31,816	31,816	-
	Special Interest Radio	6,690	6,690	6,381	(309)
	Music and Other Content	4,814	3,687	3,333	(354)
	Funding Expenditure	129,631	128,504	122,143	(6,361)
	Less Funding Write-backs	-	-	(669)	(669)
	<b>Total Funding Expenditure</b>	<b>129,631</b>	<b>128,504</b>	<b>121,474</b>	<b>(7,030)</b>
	<b>Total Expenditure</b>	<b>133,031</b>	<b>130,338</b>	<b>123,150</b>	<b>(7,188)</b>
<b>Net (deficit)/surplus for the 6 months</b>		<b>(1,655)</b>	<b>(64,650)</b>	<b>(57,052)</b>	<b>(7,598)</b>

1 The variance in the net deficit for the 6 months reflects the recognition of Crown revenue as received. The year-end position is on track to meet budget.

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Statement of Financial Position as at 31 December 2014 (\$'000)	Annual Budget	Actual	Variance
<b>Assets</b>			
Cash and cash equivalents	1,168	277	(891)
Investments	41,326	47,909	6,583
Trade and other receivables	1,050	433	(617)
<b>Total Current Assets</b>	<b>43,544</b>	<b>48,619</b>	<b>5,075</b>
Property, plant and equipment	560	389	(171)
<b>Total Non-Current Assets</b>	<b>560</b>	<b>389</b>	<b>(171)</b>
<b>Total Assets</b>	<b>44,104</b>	<b>49,008</b>	<b>4,904</b>
<b>Liabilities</b>			
Trade and other payables	730	313	(417)
Funding Liabilities	40,964	100,564	59,600
<b>Total Liabilities</b>	<b>41,694</b>	<b>100,877</b>	<b>59,183</b>
<b>Public Equity</b>			
Public equity committed	1,426	(51,869)	(54,279)
Public equity - uncommitted	984		
<b>Total Public equity</b>	<b>2,410</b>	<b>(51,869)</b>	<b>(54,279)</b>
<b>Total Liabilities and Public Equity</b>	<b>44,104</b>	<b>49,008</b>	<b>4,904</b>

1 The variance in the public equity balance as at 31 December reflects the recognition of Crown revenue as received. The year-end position is on track to meet budget.

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## 12. HEALTH AND CAPABILITY PERFORMANCE MEASURES

The table below details progress on the organisational capability actions undertaken in 2014-15 in accordance with the targets set out in the SPE.

Goal	Measure	2014-15 Target	2014-15 Progress
Focus recruitment, training and remuneration policies on attracting and retaining skilled, flexible, efficient and knowledgeable team players	Full time staff turnover is no more than three people per annum	Achieved	On track
	Individual staff training needs assessed annually	Achieved	On track
	External salary comparisons conducted regularly to ensure staff are paid fairly	Achieved	Next review scheduled 2015/16
Ensure staff are committed to the agency and its work	Staff engagement surveys conducted at least bi-annually; results target to be in the top quartile of the cultural sector  (next survey 2015)	Achieved	Planned for May 2015
Ensure our office environment and equipment are safe and well maintained	Reported safety hazards attended to promptly, significant hazards attended to immediately	Achieved	On track/Achieved
	Zero tolerance of harassment, bullying and discrimination. Immediate investigation if any instances are reported	Achieved	Achieved
	Each new employee has an ergonomically suitable workspace within one week of beginning work	Achieved	Achieved
Incorporate equal employment opportunity principles in staff selection and management, to achieve as diverse a workforce as possible within the limits of our small size	EEO principles included in all relevant documents and practices	Achieved	Achieved
	A workforce diversity summary is included in the Annual Report	Achieved	Scheduled for 2015 annual report



Supporting local content for **25** years