

NZ On Air

# SIX MONTHLY REPORT

30 June 2015

**NZ On Air**  
Irirangi Te Motu



Light blue, dark blue, green, yellow, orange, red

Red, orange, yellow

Green, cyan, blue, dark blue

Red, orange, yellow

Green, cyan, blue, dark blue

Red, orange, yellow

Green, cyan, blue, dark blue

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## 1. Sector Collaboration Update

Agency	Update
NZ Music Commission / Te Māngai Pāho / Creative NZ	The CPMG (Contemporary Popular Music Group) held its six-monthly meeting on 03 June. NZOA involved in the assessment of digital media projects for TMP's Digital Funding round. Also co-funded with TMP <i>Songs From the Inside 3</i>
NZ Music Commission: selected co-ventures	Participated in the Commission's Domestic Industry Outlook Discussion in March, NZ Music Month in May and participated in the Commission-sponsored NZ Music Summit in May
Broadcasting Standards Authority	Completed joint children's research project
NZ Film Commission	Co-funded feature films <i>Born To Dance</i> , <i>Guinea Pig Club</i> and <i>Pork Pie</i> as well as documentaries <i>Loading Docs</i> , <i>Te Taki A Merata Mita</i> and <i>We Kill</i>

## 2. Statement of Service Performance Summary *(for more details refer pages 7-11)*

Area		Activity	Top Line Points
Screen Content	Television	General Contestable Fund	Targets achieved and/or exceeded to meet increased budget
		Platinum Fund	Targets achieved
		Regional Television	Targets below budget due to reduction in number of broadcasters
	Web-Only	NZ On Screen	Over 1.3 million unique visitors to <i>NZ On Screen</i> and 180,000 to <i>AudioCulture</i> this year
Digital Media Fund		<i>Thecoconet.tv</i> reaches record audiences and <i>The Wireless</i> strikes a chord with almost 800,000 views of one episode of cartoon series <i>The Pencilsword</i>	
Sound Content	Radio	Public Radio	Targets achieved
		Special Interest Radio	Targets achieved
		Commercial & Alternative Radio	Targets achieved
	Music	Music Content	Completed fourth Making Tracks year. Funded 230 songs. Hit 60:40 mainstream/alternative target
		Music Promotion	Launched AllTracks portal to facilitate access to New Zealand music on Spotify, YouTube & Soundcloud. Recast Kiwi Hit Disc as NewTracks

## 3. Key Financial Statement Summary *(for more details refer pages 12-13)*

Financial Statement	Summary
Statement of Comprehensive Income	Revenue targets slightly ahead of budget. Initial funding targets exceeded
Statement of Financial Position	No issues. Funds on hand reflect outstanding funding liabilities at year-end

## 4. Key Efficiency Goals and Measures

Efficiency Goals	Efficiency Measures	2013-2016 Target	Full Year
Low administration costs to maximize available investment funds	Administration costs as a % of total revenue	Less than 3%	2.6%
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%

# Highlights

## 5. Top 10 NZ On Air Funded Television Programmes for the Period

Rank	Programme	Genre	Channel	Episodes	Average Rating % *	Average Audience
1	Hyundai Country Calendar	Documentary	TV One	23	14.31	598,800
2	Gloriavale: A World Apart	Documentary	TV2	1	13.26	552,000
3	Our Big Blue Backyard	Documentary	TV One	6	13.13	546,800
4	Keeping Up With The Kaimanawas	Documentary	TV One	5	12.59	529,000
5	Topp Country	Documentary	TV One	2	11.92	496,400
6	Erebus Operation Overdue	Documentary / Drama	TV One	1	11.82	492,300
7	Radar Across The Pacific	Documentary	TV One	8	11.24	467,800
8	Global Radar	Documentary	TV One	3	10.53	442,500
9	I Am Innocent	Documentary	TV One	6	10.08	423,300
10	The Kick	Drama	TV One	1	9.90	412,300

\*Consolidated rating All People 5+: 1 Jan 2015 – 30 June 2015

## 6. Radio New Zealand Audience Figures *(for 12 months to 30 June 2015)*

Total weekly live audience for RNZ National*	434,000
Total weekly live audience for RNZ Concert*	118,000

\*Results for the full year Quarter 1, 31 March 2015

## 7. Top 5 most played NZ songs on NZ Radio *(for 12 months to 30 June 2015)*

Rank	Song	Artist
1	Mother & Father	Broods
2	Yellow Flicker Beat	Lorde
3	Special*	Six60
4	Step On Up*	Benny Tipene
5	L.A.F.	Broods



\*Making Tracks-funded

## 8. Key Digital Media Fund Projects *(for 12 months to 30 June 2015)*

Project	Description	# Users To Date	View Time Period
Road Trip	A docu-drama comedy webseries	80,700 views	1 month
Flat 3: Season 2	A comedy webseries	170,500 views across all episodes	9 months
Little Legends	A story-telling iPad App for children	Not yet available. Version 2 recently released	3 months
High Road: Season 3	A comedy webseries	13,760 views across all episodes	1 month

# Reviews

## 9. Reviews

### *I Am Innocent*

**Screentime for TV One**

Lin Fergusson – The Wanganui Chronicle – 28 March 2015

*“It was a difficult and thought-provoking watch....We were shown the story of someone falsely accused of a crime whose life is upended through the courts and who is thrown into prison. And this person is innocent.....It made this a desperate tale of tragic proportions. But it was told carefully and quietly, considering the hideous facts.”*



### *Westside*

**South Pacific Pictures for TV3**

Mike Kilpatrick – Stuff.co.nz – 2 June 2015

*“Expectations are a weird thing. They can transform a mediocre show into an acceptable one if they're low enough. Conversely, they can turn a fantastic show into an okay one by being too high. I've watched no new show in the last decade with higher expectations than the ones I sat down with to watch the debut of Outrageous Fortune prequel Westside at the weekend - and I'm delighted to say nearly every one was met.”*



### *Erebus: Operation Overdue*

**Rogue Productions for TV One (Platinum Fund)**

Linda Burgess – The Dominion Post – 14 July 2014

*“It's all very well remembering where you were when Kennedy died or when man first walked on the moon but the Erebus accident (Erebus - Operation Overdue, TV One last night) was ours, defining us in a way that only tragedies seem to....what this docudrama did so harrowingly well was to look at how it felt to be one of the people who had to go in and tidy up.”*



### *Shearing Gang*

**Great Southern Television for Prime**

Colin Hogg – Radio New Zealand – 7 July 2015

*“.... on the other hand the un-artificial lifestyle – Shearing Gang... this as the title suggests follows the working adventures of an Otago shearing gang, it's done in a very traditional, old-school sort of way.....loads of landscape, frosty mornings...nice mix of likeable characters doing breathtakingly hard work....it's aspirational sort of stuff, its lovely actually.”*



## 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		
<ul style="list-style-type: none"> <li>Planned activity tracked as forecast</li> <li>There is considerable pressure on funding</li> <li>On-air performance of funded programming remains strong</li> </ul>		
Performance Measures		
Key Performance Measures	Full Year Forecast	Full Year Actual
The majority of New Zealanders believe NZ On Air supports television programmes and activities important to New Zealanders	75%	73%
At least half of general contestable fund expenditure is for prime time content (6pm - 10pm first screening)	50%	64%
The average number of New Zealanders watching funded television programmes that are broadcast during primetime on Type 1 channels	300,000	325,300
Every week at least half of all New Zealanders are reached by the broadcast of funded television programmes	55%	46%*
Increase investment in online content and platforms as New Zealand audiences grow	3%	2.6%

\*Fewer programmes than anticipated screened in the first half of 2015

GENERAL CONTESTABLE FUND						
General Contestable Fund	Full Year Forecast Hours	Full Year Hours	Full Year Forecast \$000	Full Year \$000	Full Year Forecast % Prime-time	Full Year % Prime-time
Drama/Comedy	85.5	114	26,239	27,894	100%	99%
Documentary/Factual	66	68	7,500	8,348	100%	100%
Children's Drama	-	3	0	1,125	-	100%
Children & Young People	361.2	376.6	14,142	13,938	0%	0%
Māori Programmes	35.5	39	4,000	4,009	66%	73%
Arts/Culture/Identity	31	52.5	1,850	2,214	70%	87%
Minorities	139.5	126	7,959	6,678	0%	0%
Disability (includes Captioning + Audio Description)	18.5	19	4,300	4,526	n/a	n/a
Development	-	n/a	310	315	n/a	n/a
Digital Projects	-	1	-	100	n/a	n/a
<b>Total General Fund</b>	<b>737.2</b>	<b>799.1</b>	<b>66,300</b>	<b>69,147</b>		

PLATINUM FUND						
Platinum Fund	Full Year Forecast Hours	Full Year Hours	Full Year Forecast \$000	Full Year \$000	Full Year Forecast % Prime-time	Full Year % Prime-time
Drama	8	6	8,800	6,419	100%	100%
Documentary	98	110.5	5,231	8,761	67%	80%
Current Affairs						
Arts/Culture/Identity	6	-	1,080	-	100%	-
<b>Total Platinum Fund</b>	<b>112</b>	<b>116.5*</b>	<b>15,111</b>	<b>15,180</b>		

\*Total Full Year Platinum Fund investment hours comprising:

Documentary/Current Affairs	Drama	Arts/Culture
Coast New Zealand 6 x 1 hr	Hillary 6 x 1 hr	Nil
Decades in Colour 3 x 1 hr		
Descent from Disaster: Gallipoli 1 x 1 hr		
Making NZ – Mining and Drilling 1 x 1 hr		
Our Big Blue Backyard 2 6 x 1 hr		
The Monster of Mangatiti 1 x 1.5 hr		
The New Zealand Home 7 x 1 hr		
3D Investigates 10 x ½ hr		
Q+A 2015 40 x 1 hr		
The Nation 2015 40 x 1 hr		

REGIONAL TELEVISION				
Regional Television	Full Year Forecast		Full Year	
	HOURS	\$000	HOURS	\$000
Local news and information	800	1,500	703	1,143
<b>Total</b>	<b>800</b>	<b>1,500</b>	<b>703*</b>	<b>1,143</b>

\*Contract commitments were made for 831 hours. Three stations ceased broadcasting during the course of the year leading to a loss of 128 hours

DIGITAL MEDIA				
Digital	Full Year Forecast		Full Year	
	QUANTITY	\$000	QUANTITY	\$000
Contestable Digital Media Fund	12	3,400	10	865
Digital Platforms	2		2	1,400
General	2		6	1,171
<b>Total Digital Media</b>	<b>16</b>	<b>3,400</b>	<b>18</b>	<b>3,436</b>



## 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	Full Year
The majority of New Zealanders believe NZ On Air supports local content for radio important to New Zealanders	72%	68%
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 = 18.48% Code Radio = 17.16% Music TV*
Achieve an increasing % of NZ Music on Alternative Radio	38.75%	42.42%

\*RadioScope is no longer publishing a Music TV chart since Juice TV closed down earlier this year

### DETAILED MEASURES

Radio New Zealand Quantitative Measures	Full Year Forecast		Full Year	
Ensure RNZ provides programme types specified in the Broadcasting Act 1989	RNZ National	RNZ Concert	RNZ National	RNZ Concert
Māori Language and Culture	350 hours	n/a	389	n/a
Special Interest	400 hours	n/a	484	n/a
NZ Drama, Fiction and Comedy	250 hours	n/a	279	n/a
% of NZ Music on Rotate	33%	n/a	34.7%	n/a
% of NZ Composition	n/a	3.5%	n/a	4.4%
% of Music Performance	n/a	16%	n/a	16.4%
% of Population able to Receive Transmission*	97%	92%	97%	92%
NZ On Air Funding Provided	\$31.816m		\$31.816m	

\*Proportion of the population able to receive RNZ National and RNZ Concert via terrestrial transmission

QUALITATIVE MEASURES		
Radio New Zealand (RNZ):	Full Year Forecast	Full Year*
<b>Qualitative measures</b> of New Zealanders independently surveyed, maintain the percentage of;		
General public who agree RNZ broadcasts programmes of interest to a wide cross- section of New Zealanders	88%	*
RNZ National listeners who are very satisfied or quite satisfied with the quality of RNZ National programming	88%	*
Listeners who agree RNZ National provides in-depth news and current affairs about New Zealand	93%	*
RNZ Concert listeners who are very satisfied or quite satisfied with the quality of RNZ Concert programming	75%	*
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	*

\*Results not available until publication of RNZ annual report

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	Full Year Hours	Full Year \$000
Access and special interest radio	24,000	6,050	25,660*	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>40,660</b>	<b>5,870</b>

\*Estimate based on quarter 1, 2 and 3 performance

## COMMERCIAL AND ALTERNATIVE RADIO

### Increasing diversity for commercial radio audiences

Spoken Content	Full Year Forecast Hours	Full Year Forecast \$000	Full Year Hours	Full Year \$000
Children and Youth	264	375	156*	337
Spiritual	60	115	62	118
Ethnic / Special Interest	104	75	104	0**
Māori issues (English language)	96	75	96	75
<b>Total Spoken Radio Programmes</b>	<b>524</b>	<b>640</b>	<b>418</b>	<b>539</b>

\*Reflects one non-returning programme and one programme funded with reduced hours due to the loss of a broadcast commitment

\*\*Funding committed previous year

## NZ MUSIC FUNDING

### Funding – Making Tracks (5 of 10 planned funding rounds completed) directly supports local recording projects

NZ Music	Quantity			\$'000		
	Full Year Actual	Full Year Budget	Prior Year Actual	Full Year Actual	Full Year Budget	Prior Year Actual
Commercial projects funded	133	At least 120	139	2,054	2,040	2,028
Alternative projects funded	106	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	-	-	1,108	1,024	843
<b>Total Music Promotion</b>	<b>-</b>	<b>61</b>	<b>23</b>	<b>2,773</b>	<b>2,774</b>	<b>2,648</b>
<b>Total Music</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,827</b>	<b>4,814</b>	<b>4,676</b>

**11. Key Financial Statements** *(excludes statements of movements in equity and cash flows)*

Statement of Comprehensive Income to 30 June 2015 (\$'000)		Full Year Budget	Full Year Actual	Variance
<b>Income</b>	Crown Revenue	128,726	128,726	-
	Other Income	2,650	2,932	282
	<b>Total Income</b>	<b>131,376</b>	<b>131,658</b>	<b>282</b>
<b>Operating Expenditure</b>	Administration and consultation	3,400	3,416	16
	<b>Total Operating Expenditure</b>	<b>3,400</b>	<b>3,416</b>	<b>16</b>
<b>Funding Expenditure</b>	National Television	81,411	84,327	2,916
	Regional Television	1,500	1,143	(357)
	Online	3,400	3,436	36
	Public Radio	31,816	31,816	-
	Special Interest Radio	6,690	6,409	(281)
	Music and Other Content	4,814	4,827	13
	Funding Expenditure	129,631	131,958	2,327
	Less Funding Write-backs	-	(844)	(844)
	<b>Total Funding Expenditure</b>	<b>129,631</b>	<b>131,114</b>	<b>1,483</b>
	<b>Total Expenditure</b>	<b>133,031</b>	<b>134,530</b>	<b>1,499</b>
<b>Net (deficit)/surplus for the full year</b>		<b>(1,655)</b>	<b>(2,872)</b>	<b>1,217</b>

Statement of Financial Position as at 30 June 2015 (\$'000)	Full Year Budget	Full Year Actual	Variance
<b>Assets</b>			
Cash and cash equivalents	1,168	2,309	1,141
Investments	41,326	41,500	174
Trade and other receivables	1,050	342	(708)
<b>Total Current Assets</b>	<b>43,544</b>	<b>44,151</b>	<b>607</b>
Property, plant and equipment	560	356	(204)
<b>Total Non-Current Assets</b>	<b>560</b>	<b>356</b>	<b>(204)</b>
<b>Total Assets</b>	<b>44,104</b>	<b>44,507</b>	<b>403</b>
<b>Liabilities</b>			
Trade and other payables	730	627	(103)
Funding Liabilities	40,964	41,403	439
<b>Total Liabilities</b>	<b>41,694</b>	<b>42,030</b>	<b>336</b>
<b>Public Equity</b>			
Public equity committed	1,426	2,477	67
Public equity - uncommitted	984		
<b>Total Public equity</b>	<b>2,410</b>	<b>2,477</b>	<b>67</b>
<b>Total Liabilities and Public Equity</b>	<b>44,104</b>	<b>44,507</b>	<b>403</b>

## 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 Result
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	Achieved
	Individual staff training needs assessed annually	Achieved	Achieved
	External salary comparisons conducted regularly to ensure staff are paid fairly	Achieved	Next review scheduled for 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	Achieved	Achieved. Survey conducted 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	Achieved
	Zero tolerance of harassment, bullying and discrimination. Immediate investigation if any instances are reported	Achieved	Achieved. No instances arising
	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	Will be included within the 2015 Annual Report

Red segment followed by orange segment followed by yellow segment.

Teal segment.

Green segment followed by teal segment followed by blue segment followed by dark blue segment.

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