

# Nelson Regional Development Agency STATEMENT OF INTENT 2019-20

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**Prepared by Nelson Regional Development Agency Board**

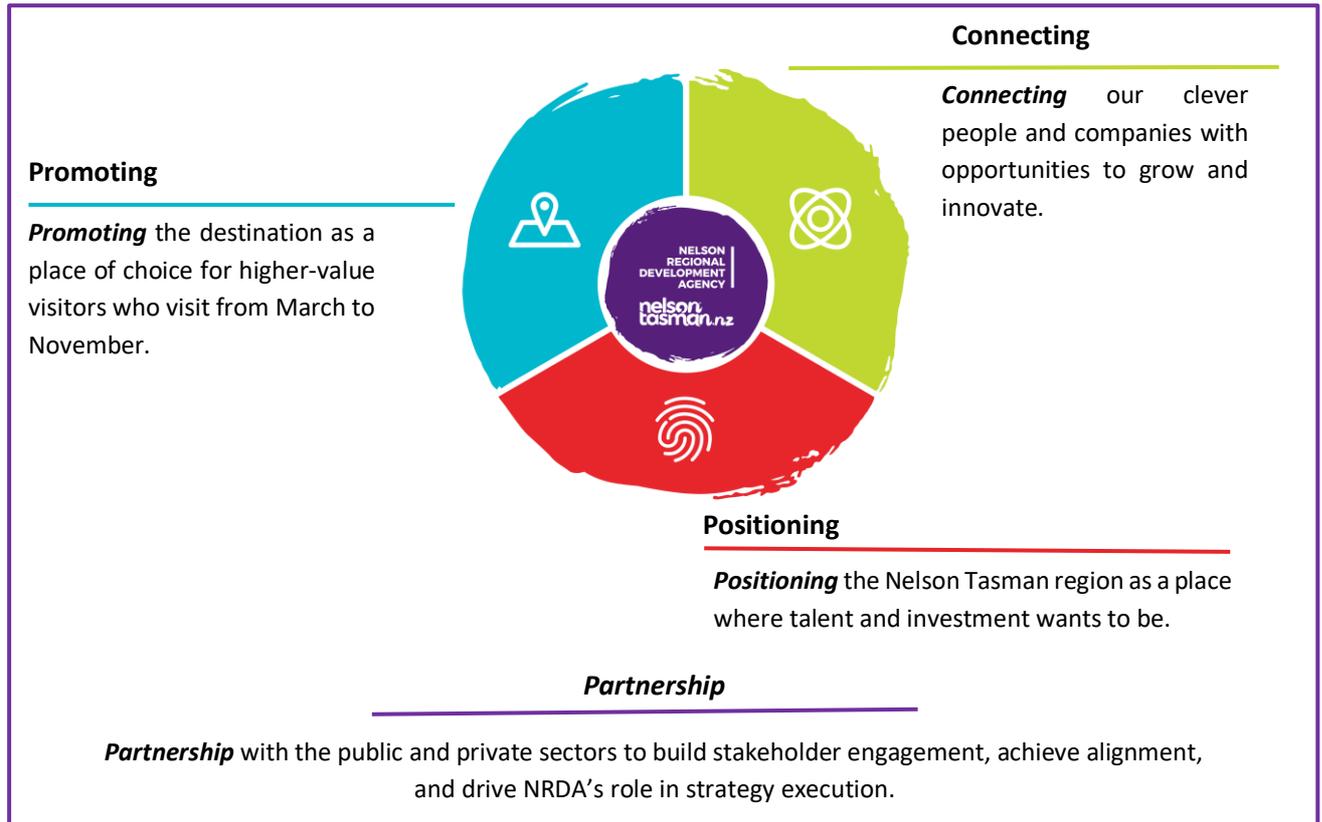
**1 July 2019 to 30 June 2020**

# POSITIONING, CONNECTING AND PROMOTING

## THE NELSON TASMAN REGION

The Nelson Regional Development Agency exists to make a difference to the future prosperity of the Nelson Tasman region through **positioning**, **connecting** and **promoting** the region.

We do this by partnering with the public and private sectors in the attraction and retention of talent, visitors and investment who want to add value to the identity of the extraordinary Nelson Tasman region.



The five pillars of the Nelson Tasman identity provide the strategic framework for everything we do.



# 1 Introduction

## 1.1 Purpose of the NRDA

At the NRDA we aim to inspire others to share our Extraordinary Nelson Tasman identity story and experiences through new thinking and behaviour changes.

We exist to make a difference to the future prosperity of the Nelson Tasman region through:

1. **Positioning** the Nelson Tasman region as a place where talent and investment wants to be;
  - Inspiring ownership of the Extraordinary Nelson Tasman identity across the community.
  - Being a catalyst in establishing the future sustainable economic development aspirations and direction for the Nelson Tasman region through the Te Taihu Intergenerational Strategy.
  - Attracting talent with skills for the future that will enhance our clever companies, with a conscious bias towards the 30 to 50 year age group.
  - Leveraging our regional strengths to attract companies with employees in the target areas that will add value to the future of our clever companies and community.
2. **Connecting** our clever people and companies with opportunities to grow and innovate.
  - Being a catalyst to generate greater collaboration and value from new ideas and technologies.
  - Connecting clever individuals and companies to the services or networks that will enable them to be better positioned for future prosperity.
3. **Promoting** the destination as a place of choice for higher-value visitors who visit between March and November.
  - Inspiring others to share our Extraordinary Nelson Tasman identity story and experiences.
  - Delivering a range of targeted marketing and sales programmes across the international, domestic and events market segments.

These three areas of focus are built on a strong platform of partnering with the public and private sectors to build stakeholder engagement, achieve alignment, and drive NRDA's role in strategy execution.

## 1.2 Background

The NRDA is a Council Controlled Organisation established 1 July 2016, and is 100% owned by the Nelson City Council (NCC). Core funding for the NRDA is provided by NCC. Tasman District Council (TDC) also contributes financially to the NRDA for economic development, business support and destination marketing and management services through a Service Level Agreement that sets out the accountability arrangements, and the anticipated outputs and performance measures. These services are delivered by the NRDA with a combined Nelson Tasman regional focus. This statement of Intent (Sol) is prepared in response to the NCC letter of expectation from Mayor Reese to NRDA, dated 22 March 2019, and is in accordance with Schedule 8 of the Local Government Act. The Sol forms the basis of accountability for the NRDA to the shareholder for the 12 months commencing 1 July 2019.

### 1.3 NRDA Directors

As at May 2019, the NRDA Board comprises the following directors:

- Meg Matthews – Chairperson
- Martin Byrne
- Marina Hirst-Tristram
- Alan Dunn
- Sarah-Jane Weir
- David Johnston
- Jeremy Banks

### 1.4 NRDA Business Model Review

In order to achieve the desired outcomes within the key focus areas, the NRDA Board instigated a review of the longer-term sustainability of the current NRDA business model in December 2018. The review was driven by the growing need for the organisation to shift from short-term tactical activities to focus on longer-term multi-year initiatives that will make a more significant impact over a longer timeframe.

Funding uncertainty was identified as the major challenge to implementing a longer-term strategic focus. Without funding certainty beyond a one-year timeframe, NRDA is unable to develop and operate a longer, strategic 3 to 5-year plan that it can deliver on with confidence.

Comparative analysis undertaken as part of the review also demonstrated that NRDA is delivering a high level of value across a similar set of functions to seven comparable regional development organisations throughout NZ on approximately 50% of the average amount of Local Government funding. It also identified that NRDA is managing to leverage every local government \$1 invested by \$0.75, in comparison to the NZ regions benchmark of \$0.50.

The full comparative analysis is contained within Section 4 – Financial Information.

### 1.5 Sustainable Future Business Model

Exploring ways to create a more sustainable future business model and delivering long-term strategic regional priorities is an additional key focus of this Sol period.

While the current high level of non-council funding already being received limits the extent of increases in revenue from those sources going forward, additional funding is critical in order to enhance organisational sustainability and regional economic development service delivery.

The board has identified a sustainable future business model would require securing an additional \$200,000, to enable the organisation to maintain its current level of service and deliver on the baseline requirements set-out in the letter of expectation. Over the next year NRDA will explore the ways in which it could secure this additional \$200,000. This will have a focus on identifying additional potential non-council revenue sources where possible as outlined in section 4.2. However, NRDA will also need to be requesting additional baseline funding support from local authorities through the next Long Term Plan cycle. While trying to maintain the balance between local government and non-local government funding, this approach will also include a reallocation of some of our current local government funding from tourism-related activity to a focus on innovation, talent and investment attraction. The result of securing this additional

baseline funding would allow us to better align our human resources to the focus areas identified in the letter of expectation and from recent Council feedback sessions while also creating a service delivery platform from which to generate a greater level of future non-council revenue.

An initial longer-term strategic priority is a talent and investment attraction programme. This was identified as part of a significant piece of talent attraction and retention research we have just completed with the support of the Nelson Taman Innovation Neighborhood, which demonstrated that talent attraction was one of the top three issues for 60%, and a major concern for 88% of Nelson Tasman businesses surveyed. The programme's focus would be on leveraging our regional strengths to attract both talent and companies (or part-there-of) that would be complementary and / or add value to the future of our existing clever companies and community. It is important that we attract both talent and companies at the same time as both are complementary and are needed by each other to succeed. The target market is talent based in Auckland and Wellington who have skills for the future in the 30-50-year age group that will enhance our clever companies. The target companies are also likely to be based in Auckland or Wellington, have a portion of staff in the 30-50 age group that are able to work from anywhere and / or have a product or service that is aligned to the identity and key economic drivers of the region.

To deliver this programme we estimate we would require a total budget of \$400,000 p.a. for 3 years. This would include provision for dedicated resources to drive implementation of the programme. We have a good current level of support from the business community to drive this type of programme and we feel they would be prepared to assist in funding part of the implementation. We would need to secure an additional \$300,000 p.a. from the councils to establish this programme, which would provide us with the service level base from which to raise the additional \$100,000 to make this a success. A summary of the proposed programme is included in appendix 3.

In summary the NRDA board has identified a sustainable future business model would require securing an additional \$200,000, to enable the organisation to maintain its current level of service and deliver on the baseline requirements set-out in the letter of expectation. In addition, to deliver on the initial longer-term strategic priority of a talent and investment attraction programme will require an additional \$300,000 of investment. A total potential local government funding increase request of up to \$500,000 over current levels.

## 2 Areas of Activity and Performance Measurement

The core business activities and key performance measures are based on the strategic parameters outlined in section 3 and the expected base funding outlined in the financial section.

The performance framework is based on two key metrics:

- **Key Performance Indicator (KPI)** – The KPI's are based on a key indicator that reflects outcomes at the regional level which NRDA will monitor, report and where possible influence at a local level through our activity focus areas. However, they are not the measure of performance for the organisation due to our limited ability to influence the significant number of factors that contribute to this indicator.
- **Key Performance Measure (KPM)** - The KPM's are based on those aspects that the NRDA has a degree of control over and will form the basis of accountability to the shareholder.

## 2.1 Core Business Areas of Activity and Key Performance Measures

1. Positioning the Nelson Tasman region as a place where talent and investment wants to be			
Focus Area	Regional Indicators	FY19 Key Performance Measures	FY18 Baseline <sup>1</sup>
<b>1.1 Regional Identity Story shared by others</b>	A positive change in perception of the Nelson Tasman region as a place to live, work, visit in our target markets of Auckland, Wellington and Christchurch.	An increase of 10% in locals, businesses and partner organisations utilising the regional identity tools and assets by June 2020.	<ul style="list-style-type: none"> <li>1000 utilising the identity tools and assets.</li> </ul>
<b>1.2 Talent Attraction &amp; Retention</b>	A positive change in % of the workforce in the skilled or highly-skilled workers category, change in the % of knowledge-intensive employment and change in the proportion of population within the 30-50 age group.	50 Nelson Tasman businesses engaged in the programme achieving a reach of over 500,000, and engagement level above the national average across the digital channels within the target markets of Auckland and Wellington by June 2020.	<ul style="list-style-type: none"> <li>25 businesses engaged</li> <li>The marketing programme is a new initiative, no baseline reach and engagement for 2018.</li> </ul>
<b>1.3 Catalyst for Te Taihū Intergenerational Strategy</b>	Te Taihū Intergenerational Strategy completed with key stakeholder sign-off by December 2019.	Provides input into the Strategy Steering and Project Management Groups. NRDA attracts the appropriate resource commitments to drive priority NRDA implementation actions identified within the strategy by June 2020.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
		Using the Wellbeing Indicators, establish baseline data (Data Dashboard) for future benchmarking.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
<b>1.4 Contribution to Nelson Smart Little City Centre development</b>	A positive change in spend in the Nelson City Centre.	Provides input into the Centre City Project team. Demonstrate outcomes from the key roles identified for NRDA within the City Centre project where targeted funding is provided. (see section 3.4.1)	<ul style="list-style-type: none"> <li>The Nelson City Centre Identity was created in the 2018/19 year and there is no baseline.</li> <li>Presentation of three investment propositions for the Nelson City Centre to potential investors.</li> </ul>

<sup>1</sup> Projected YE June figures as at March 2019

2. Connecting our clever people and companies with opportunities to grow and innovate			
Focus Area	Regional Indicators	FY19 Key Performance Measures	FY18 Baseline <sup>2</sup>
2.1 Regional Business Partner programme (RBP)	A positive change in regional productivity relative to NZ trends (GDP / filled job)	Delivering RBP support to over 300 companies, attracting in excess of \$1 million in RBP funding and a customer satisfaction net promoter score of +50 across the RBP programme by June 2020. Targeting a minimum of 30% of businesses from any one district.	<ul style="list-style-type: none"> <li>Support provided to 310 companies</li> <li>\$1.3million in RBP funding attracted</li> <li>Satisfaction net promoter score<sup>3</sup> +90</li> </ul>
		10 Tasman & 10 Nelson businesses intensively case-managed.	<ul style="list-style-type: none"> <li>New Initiative</li> </ul>
		3 initiatives or connections made to support targeted businesses challenges across the region.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
2.2 Catalyst for collaboration	A positive change in the utilisation of the Colab space through the hosting of networking and collaboration events within the Mahitahi Colab.	NRDA engaged in at least 10 regional collaboration projects by June 2020 (e.g. NTINC, Nelson City Identity, Lean Cluster etc) and have hosted over 100 collaboration events or activities within the Nelson Tasman region by June 2020.	<ul style="list-style-type: none"> <li>Engaged in 10 regional collaboration projects</li> <li>Hosted at least 80 collaboration events/activities</li> </ul>
3. Promoting the destination as a place of choice for higher-value visitors who visit from March to November			
Focus Area	Regional Indicators	FY19 Key Performance Measures	FY18 Baseline <sup>4</sup>
3.1 International visitor marketing programme	Increased international visitor spend in Nelson Tasman over the March-November period relative to NZ trends.	100 international trade and media hosted and trained, and 4 in-market trade training events	<ul style="list-style-type: none"> <li>100 international trade and media hosted and trained</li> <li>4 in-market trade training events attended</li> </ul>

<sup>2</sup> Projected YE June figures as at March 2019

<sup>3</sup> Net Promoter Score (NPS) system is a globally recognised system used to measure the likelihood of clients who would recommend the service to others. It's based on a 100 point scale. Anything above 50 is a net positive for your service, meaning you have more promoters than detractors.

<sup>4</sup> Projected YE June figures as at March 2019

		attended or led with 500 referrals <sup>5</sup> within the target markets by June 2020.	<ul style="list-style-type: none"> <li>500 referrals</li> </ul>
		Number of international trade and media hosted and trained with breakdown of businesses engagement by district.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
		Report on market reach of media and estimated equivalent advertising value.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
		Total Visitor spend by month and by district in comparison to year on year against NZ average. Reported in a manner that identifies total spend, international and domestic split.	<ul style="list-style-type: none"> <li>YE Dec 2018 Nelson Tasman visitor spend (-1.7%): Tasman (-1%), Nelson – (2%), compared to nationally (+4%)</li> </ul>
<b>3.2 Domestic consumer marketing programme</b>	Increased domestic visitor spend in Nelson Tasman over the March-November period relative to NZ trends.	Maintain a consistent digital content marketing engagement level that is above the industry average based on specific campaign objectives targeting Auckland, Wellington and Christchurch markets by June 2020.	<ul style="list-style-type: none"> <li>Current average digital content marketing engagement level is 20% across all markets, which is well above the industry average of 2-5% depending on channel.</li> </ul>
<b>3.3 Business Events Sales &amp; Marketing</b>	Positive change in business events delegate days in Nelson Tasman relative to NZ trends.	Contributing to the attraction of 6,000 out-of-region business events delegates, at an average of three nights each (18,000 room nights), with 75% between March-November for events to take place within the next three years.	<ul style="list-style-type: none"> <li>5,000 business event delegates</li> <li>15,000 room nights</li> <li>80% between March and November</li> </ul>
		Number of conference events hosted between March and November by district.	<ul style="list-style-type: none"> <li>To be determined in the annual report.</li> </ul>
<b>3.4 NCC Economic Events programme</b>	Positive change in the number of event attendees attracted from out-of-region over the July 2019-June 2020 period.	Through the NCC events fund, contributing to the attraction of over 35,000 major events attendees (50% from out-of-region), with 80% between March-	<ul style="list-style-type: none"> <li>Events funds allocated to 21 events</li> <li>45,000 attendees at major events</li> </ul>

<sup>5</sup> Referral is a qualified sales lead provided to a business partner.

		November delivering a return on event fund investment ratio of 10:1.	<ul style="list-style-type: none"> <li>• 50% attendees from out-of-region</li> <li>• Event fund return ratio 20:1</li> </ul>
<b>3.5 Nelson i-SITE programme</b>	Achieving a break-even financial bottom-line.	Implementing the first phase of a revised business model as agreed with council, while maintaining a Customer Satisfaction Rating of 80% of 4/5 and 5/5 ratings.	<ul style="list-style-type: none"> <li>• New initiative</li> <li>• Customer satisfaction rating 80%</li> </ul>
<b>4. Partnering with the public and private sectors to build stakeholder engagement, achieve alignment, and drive NRDA's role in strategy execution</b>			
<b>Focus Area</b>	<b>Regional Indicators</b>	<b>FY19 Key Performance Measures</b>	<b>FY18 Baseline<sup>6</sup></b>
<b>4.1 Business Partner programmes</b>		120 partners contributing \$350,000 of business partner contributions commitments to delivery of NRDA programmes with breakdown by region.	<ul style="list-style-type: none"> <li>• 100 partners</li> <li>• \$350,000 business partner contributions</li> </ul>
<b>4.2 Trusted independent advisors</b>		The NRDA maintains economic data insights and provides timely reports.	<ul style="list-style-type: none"> <li>• Quarterly Regional Snapshot reports delivered to each Council.</li> <li>• Annual economic profiles prepared for region and each Council.</li> </ul>
		Engage in at least 10 Te Taihū forums and / or hui with iwi and Māori businesses by June 2020.	<ul style="list-style-type: none"> <li>• New initiative</li> </ul>
		Provide input to at least four economic development related stakeholder working groups in both Nelson and Tasman.	<ul style="list-style-type: none"> <li>• New Initiative</li> </ul>
		Implement an annual stakeholder survey and achieve a net positive result.	<ul style="list-style-type: none"> <li>• New initiative</li> </ul>

<sup>6</sup> Projected YE June figures as at March 2019

<b>4.3 Financially sustainable organisation</b>	The NRDA maintains a balanced budget and identifies a future sustainable business model by June 2020.	<ul style="list-style-type: none"> <li>Balanced budget achieved.</li> <li>Business model review commenced.</li> </ul>
	NRDA delivers a clean Audit.	<ul style="list-style-type: none"> <li>FY2018 received a clean Audit.</li> </ul>
	Progress development of sustainable future business model by June 2020.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
	Review Health, Safety and Wellness Policy.	<ul style="list-style-type: none"> <li>Policy adopted 2015 and reviewed annually.</li> </ul>
<b>4.4 Organisational culture and development programme including NRDA Communications Strategy</b>	<p>Communication Strategy:</p> <ul style="list-style-type: none"> <li>Track and analyse engagement with communications channels specifically including newsletter/eDM statistics, LinkedIn engagement and media results.</li> <li>Stakeholder survey with all key audiences to get specific feedback on communication from and with the NRDA, and how it is received and can be improved. Annual survey to be completed by end June with a net positive result.</li> <li>At least 8 off-site team meetings held annually.</li> </ul>	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
	<p>The CEOs 360 review demonstrates an engaged and valued team with improvements shown within the identified areas of:</p> <ul style="list-style-type: none"> <li>Internal communication</li> <li>Clarity of organisational purpose and strategy.</li> </ul>	<ul style="list-style-type: none"> <li>FY2018 demonstrated an engaged team.</li> </ul>
	Every staff member completing at least one Professional Development activity annually.	<ul style="list-style-type: none"> <li>New initiative</li> </ul>
	Zero lost-time work injuries.	<ul style="list-style-type: none"> <li>FY2018 zero lost-time injuries</li> </ul>

## 3 Strategic Parameters

The Councils' Long Term Plans, as well as the high-level strategic direction and performance expectations provided in the Letter of Expectation from NCC, inform our key focus areas and all of the activities we undertake.

### 3.1 High-level Sustainable Economic Growth Direction

The Nelson Tasman sustainable economic growth direction is based around the application of research, science, and technology within our areas of regional competitive advantage in the oceans economy, value-add food and beverage, and a growing visitor economy. A key focus is on creating an Extraordinary regional identity where talent can be the best it can be.

This growth direction recognises the important role that the urban and rural centers of the Nelson Tasman region will play in enabling the achievement of this direction. In particular Nelson City's "Smart Little City" vision is a critical element as the major population and commercial center of the top of the south.

Once the Te Taihu Intergenerational Strategy has been completed, we will have an agreed growth direction for the Nelson Tasman (and Marlborough) region that will enable refinement and reprioritization of key activities.

### 3.2 Te Taihu Intergenerational Strategy

NRDA sees the regional growth strategy as a key piece of strategic work for the region resulting in creating alignment between business, iwi and local government around the economic development priorities for the region. This should create a strong platform for engagement with Central Government around the important enablement role they will need to play in assisting to realise the strategy vision.

NRDA's role and deliverables in relation to the Strategy are:

- NRDA has been heavily involved since the inception of the Te Taihu Intergenerational Strategy. Along with Wakatu, NCC, TDC and Marlborough District Council (MDC) we have played a key role in the development of the successful funding application to the Government and the establishment of the project governance group.
- We are an active participant of the project management team along with Wakatu, MBIE, MDC, NCC, TDC and Iwi.
- We will be a facilitator of key partner/stakeholder engagement throughout the strategy development.
- We are providing specialist support and resource for the programme management team and the Phase one Data Project.
- To support the Strategy development, we are supporting activities and sectors across the wider Te Taihu Region.
- Once Phase one of the strategy is completed, NRDA will play a key role in securing the attraction of appropriate resource commitments to drive the priority implementation actions that are identified for NRDA to be leading.
- Of note, one of the key pillars of the strategy is around the environment (Taiao) which recognises that Climate Change is a significant risk to the future of NZ and the region's economy. This work will

be key in both improving our understanding and informing us of what considerations we should be taking into any future sustainable economic development programs or initiatives.

- It is also important to note that a number of the key considerations identified from the recent rounds of engagement with the two Councils will be included in this piece of work. These include: the future of work, innovation, sustainability, identifying the economic opportunity for the Nelson Tasman region to come from the development of the Waimea Community Dam, ageing population, Māori business and the role of regenerative agriculture.

### 3.3 NRDA Value Proposition

Everything NRDA is doing is driven by an effort to influence the four macro and four major enterprise-level economic challenges of the Nelson Tasman region, which form the basis of the Te Tauihu Intergenerational Strategy, and accordingly, were the key considerations for prioritising NRDA's actions and deliverables.

#### 3.3.1 FOUR MACRO CHALLENGES:

1. **Nelson Tasman productivity** per employee is about 25% lower than NZ average.<sup>7</sup>
2. **Income levels** remain about 15% lower than the NZ average despite the Nelson Tasman region keeping pace with income growth.<sup>8</sup>
3. **Talent attraction and retention** is required to support our labour market. We have a significantly disproportionate ageing population base. In a particularly tight labour market, even with good migration growth, we are projected to see a decrease of around 8.5% in our working age population over the next 15 years, which is in contrast to the NZ trend of +13%.<sup>9</sup>
4. **Resilient, future-proof infrastructure** is required to support private sector confidence. As a growing region, both in terms of population and the economy, we need to develop a more resilient, future-proof infrastructure base which will in turn support the confidence of the private sector in making the necessary future investment decisions required to take the Nelson Tasman region forward. Priority infrastructure has been identified as water, roading and housing.<sup>10</sup>

#### 3.3.2 FOUR MAJOR ENTERPRISE-LEVEL DEVELOPMENT CHALLENGES:

1. **Talent and Skills** attraction, retention and development.<sup>11</sup>
2. **Local and Central Government alignment** on the things that are most important to the future of the economy. At a local, regional and national level, including urban planning, regulatory environment, infrastructure, funding, and public services.
3. **Pace of technological change**, including the business community's awareness of and capacity to adapt and respond.
4. **Visitor sector seasonality** which has a significant impact on the viability of product development, staff security, social license and flow-on to the retail and transport sectors.

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<sup>7</sup> Based on NRDA assessment of Stats NZ and Infomertics regional data.

<sup>8</sup> Based on NRDA assessment of Stats NZ and Infomertics regional data.

<sup>9</sup> Based on Stats NZ population data

<sup>10</sup> Based on various market research reports and the 2019 NTIC Nelson Tasman Talent research

<sup>11</sup> Based on a set of formal and informal research undertaken in 2017/18 by Nelson Tasman Chamber and NRDA. This has been constantly retested in various forums over the past 12-18 months.

## 3.4 Council Priorities

The NRDA is aware of the nine main council priorities and key issues as outlined in the respective Long Term Plans, and consideration is given to these in all of our activity and project planning.

Key Issues / priorities for NCC LTP:

- Infrastructure
- Environment
- CBD development and the Smart Little City vision
- Lifting Council performance

Key Issues / Priorities for TDC LTP:

- Rates affordability and managing Council's debt
- Growth and Infrastructure
- Development and Financial Contributions Policy
- Drinking water supply and quality
- Funding Motueka's water supply

### 3.4.1 Nelson Smart Little City

NRDA sees Nelson City's "Smart Little City" vision is a critical element to enabling the future of the region, in particular as it relates to creating a place where talent and investment want to be. Through our involvement in the City Centre project team NRDA is well connected into how our activity programmes can contribute to this vision.

In addition to the creation of the Nelson City Centre Identity, which is currently underway, the four roles that have been identified for NRDA in this project are:

1. Enhance the utilisation of the Nelson City Centre Identity.
2. Provide economic development and investment stakeholder advice to the City Centre development project.
3. Stimulate the attraction and retention of talent and investment within the City Centre.
4. Promote the City Center as a visitor destination.

In addition to doing what we can at present to integrate the Smart Little City vision and priorities into our relevant activity areas, NRDA is looking forward to delivering on some more targeted and tangible projects as the City Centre Development plan develops and resources for implementation become available.

## 3.5 Advice and Agility

NRDA has a good level of engagement with key staff in each council and we regularly participate in a wide range of Council-driven activity, where appropriate, through project teams and/or stakeholder working groups. Recent examples include: Nelson City Centre development project, Climate Change, Camping ground review, Freedom camping, Future development strategy, and Waimea Community Dam. On occasion this engagement has led to the development of a specific or targeted contract for services to deliver a specific piece of work where NRDA is best placed to deliver, such as with the Nelson Centre City

project and some major events. NRDA has a good level of insight into the Nelson Tasman region, its economy and the aspirations of the business community and we feel in the future we could add more value to the Councils in a strategic planning sense if invited to do so and resources allowed.

NRDA also participate in a wide range of local, regional and national business, central government and community-led forums and networks where we endeavour to reflect Council priorities.

NRDA also works with the councils to ascertain their requirements and provide timely information and relevant advice to the councils on regional economic trends including:

- NRDA maintains economic data insights and provides them to the councils at least quarterly and makes them available to the business sector on [www.nelsontasman.nz](http://www.nelsontasman.nz).
- We produce a quarterly Regional Snapshot report covering a set of high-level economic and labour market indicators of the region's current economic performance, which we provide additional updates on when requested. We also make these updates available to the business community via digital distribution and through a range of events. We will aim to host at least 4 events per year in each district.
- By the end of April each year NRDA provide each council with an annual economic profile for the Nelson Tasman region providing an in-depth description of the region's economic structure, workforce and skills, and standard of living, and comparative performance against previous years.
- In addition, the team responds to a number of ad-hoc requests to support decision-making, particularly around LTPs, as and when required. For example, within the last 12 months this has included economic impacts of drought and fires, various Waimea Community Dam reports, response to Cyclone Gita, and a number of submissions on a local, regional and national basis.

In addition to the priorities outlined in the LTP's and the letter of expectation, we endeavour to remain flexible and responsive to opportunities in line with Council outcomes, as demonstrated with our ability to support Council with key events such as the All Blacks match.

As identified at the Council reporting sessions over March and April, as resources allow we will remain cognisant of economic opportunities for the Nelson Tasman region that may arise from the development of the Waimea Community Dam and future irrigation, as well as the opportunity to extend the attraction of talent and investment to the region.

### 3.6 Stakeholder Relationships

NRDA has a high-level of stakeholder engagement in everything we do and we intend to increase our commitment to strengthening these stakeholder relationships over the next 12 months through an annual stakeholder survey to get specific feedback on their satisfaction with the level of engagement with NRDA.

The NRDA currently measures its acceptance, recognition and legitimacy with stakeholders in the following ways:

- The number and value of the private sector investment in our activity areas with over 100 businesses investing over \$350K in our activity programmes.
- The number of collaborative projects and events NRDA is involved in with over 90 annually such as NTINC, Nelson City Centre, various DoC projects, Mahitahi Colab, Innovation Community group,

Tourism NZ, Te Taihū Intergenerational Strategy, and a significant range of visitor sector groups and projects.

- The number of companies engaged in our innovation programmes, which is over 300.
- The level of attendance at the various NRDA-hosted or partnered events. For example, we were humbled by in excess of 100 business people who turned up to the launch of the Mahitahi Colab and the 180 that came to the launch of the Regional Identity.

### 3.7 Partnerships with iwi and Māori

We acknowledge that we need to enhance our engagement with both Iwi and Maori business. We have begun a program of Chair to Chair and General Manager meetings to understand how we can better engage and collaborate. While at the embryonic stage, this has already resulted in NRDA being invited to participate in a series of Iwi entity investment committee sessions and at least two specific investment project developments over the past year.

Through the development of Te Taihū Intergenerational Strategy, we are building a close working relationship with Wakatu Incorporation which is assisting us to gain a better level of engagement around various Māori business initiatives. Being a key partner in the strategy development provides us with a platform to increase our engagement and develop a deeper level of understanding of Māori business and organisational needs as well as the various Iwi entities' future economic development aspirations.

Through our Regional Business Partner programme, we also participate in various Te Taihū Iwi forums, such as the Māori partnerships and investment hui.

The appointment of two new directors with strong Māori linkages into the community will also enhance our position to be able to proactively support future iwi and Māori business aspirations. To improve our understanding the staff and board of NRDA will also be undertaking some upskilling in basic Te Reo and Tikanga over the coming year.

### 3.8 Relationship with Tasman District Council

NRDA intends work to strengthen the relationship with Tasman District Council with a view to increasing future funding from this source. This will take a targeted approach as we need to balance our activities to align with all of our funding partners.

Everything we do has a regional focus with Tasman featuring in all of our key investment, talent and visitor attraction activity that the TDC funding contributes towards. A significant number of the activities we undertake make a difference to the Tasman region, however, we acknowledge this is not well understood and we need to do a better job of telling this story. We will amend our reporting environment to, where possible, reflect specific Nelson and Tasman district impacts from our activity including:

- The number of opportunities facilitated to secure innovative businesses or investment into Tasman.
- The number of new companies/start-ups supported in Tasman with the aim of 5.
- The number of related entrepreneurship and investment-related events held with the aim of 10.
- The number of potential investor inquiries made and information responses sent.
- The number of Investor Migrant and Business Investors facilitated and hosted in Tasman.

- Number of connections made with secondary and tertiary education providers including upskilling staff activities supported for businesses.
- The number of businesses engaged in the Talent Attraction and Retention Programme.

We will also provide regular updates to TDC on the activities of NRDA, formally, three times per year through council meeting presentations, and informally, through regular communications including regular economic updates and analysis.

We intend to host a fair proportion of our innovation and destination management activity in the Tasman region this year, as resources allow. It should be noted a significant amount of our current destination management activity is based in the Tasman region and over 50% of our business partners are from the Tasman district. We will also continue to build our relationships with Tasman Bay Promotions and Golden Bay Promotions.

## 4 Financial Information

### 4.1 Projected financial performance

A Prospective Statement of Comprehensive Income and Opening Statement of Financial Position is appended to this Sol (refer Appendix 1 and 2). These projected statements have been prepared based on shareholder funding of \$1.16 million as advised by NCC for the 2019-20 year. This funding has been reduced by \$100K compared to last year due to the \$50K for the Regional Growth Strategy now flowing through Wakatu instead of directly to NRDA, and the funding of \$50K for the Nelson City Identity project which was for one year only.

Budgets have been reduced to reflect this reduced council funding environment. A target of an additional \$200K revenue funded from non-council sources has been factored in over the next two years as a preliminary assumption. This \$200K assumption is based on targeting the attraction of investment as outlined in section 4.2. We have budgeted this increase in two-stages: 1.) \$80K in FY 2019/20; 2.) \$120K in FY 2020/21. Due to the high-levels of existing private sector revenue generated, we feel there is some risk to achieving these financial objectives. This will be managed by the work program having a set level of financial contribution requirement prior to the commitment of resources to an activity area.

This demonstrates an EBITDA surplus of \$43,702 for 2019-20 year and \$35,891 for 2020-21. However, both of these EBITDA surpluses become losses when depreciation is factored in. On this basis maintaining the current level of service would mean the estimated opening equity balance as at 1 July 2020 would be estimated at \$259,000.

Looking ahead to the 2021-22 year significant changes would need to be implemented to meet the boards policy of maintaining the shareholder capital base of \$250,000 and therefore a reduced level of service would need to be reflected in the SOI expectations.

### 4.2 Building long-term financial sustainability

NRDA staff have made a significant commitment to deliver on the current Council and organisational focus areas and priorities however, we are cognisant that our human resources are stretched, and the current model is not sustainable for the development and delivery of longer-term strategic outcomes. The outcomes of the business model review are still being worked through with the intention of discussing the

potential step-change in regional economic outcomes with Councils as part of the development of the 2021-2031 LTP.

As part of the business model review and the letter of expectation NRDA recognises the need to raise additional revenue from non-council sources and proactive work is planned over the next two years to achieve this part of the strategy (refer Section 1.5).

The NRDA's primary approach to improve the sustainability of our business model is based around:

- a) Growing the contribution from targeted contract for services funding from local and central government and the private sector through a revised approach to the pricing of the NRDA services to ensure it reflects the total cost of delivery as opposed to just the direct costs.
- b) Grow the contribution from the private sector for talent and/or investment attraction related products and services.
- c) Grow the contribution from the private sector and/or Government for innovation-related services and to create more leverage from Mahitahi Colab and the RBP contract.
- d) Implement an amended visitor sector partner programme based around a greater focus on user pays and the new pricing model to drive decision making on areas of activity focus that align with partner value.
- e) Grow the contribution from Government around targeted projects, such as those funded by the PGF and/or other key regionally focused Government programs where NRDA is best positioned to be the regional delivery agent.
- f) Implement a revised i-SITE business model, subject to Council Approval.

One of the major challenges in implementing this model is being able to strike the balance between generating additional revenue from the delivery of services to the private sector while maintaining our independent regional position around service delivery.

### 4.3 Regional Development Agency Services Funding Analysis

As part of the business model review and considering the LoE requirement around how NRDA intends to increase non-Government revenue streams, we undertook comparative analysis of the NRDA services funding profiles. The analysis consisted of examining the financial data from seven regional development organisations in NZ through their annual reports with the same services as NRDA across economic development, regional tourism, events and i-SITES. The average population of these regions, Taranaki, Northland, Central EDA (Manawatu & Palmerston North), Southland, South Canterbury, Bay of Plenty and Rotorua, were all similar. Of note, we did not include the large metros of Auckland, Wellington and Christchurch or the regions that deliver the services through council departments or a specialised trust such as West Coast or Dunedin. The analysis is representative of 65% of the NZ population and is based on audit-verified publicly-available information.

The following table is a summary of that analysis.

NZ Regional Development Agency Funding Analysis							
Organisation	Total Budget	Local Govt Contribution	%	Other funding (Govt/private)	%	Population	Investment / capita
Total NRDA	2,175,000	1,250,000	57%	925,000	43%	104,000	12.02
NZ Regions Avg	3,967,143	2,635,714	66%	1,308,857	33%	105,000	25.01
Var NRDA to Regions	-1,792,143	-1,385,714	7%	-383,857	9%		-12.99

The outcome of this exercise has provided us with a more comprehensive understanding of our business and the total cost structure of each area of activity. It has also identified how we may better price the activities we undertake to match the cost of delivery as well as a better understanding of the funding context we are currently operating within. In particular, it demonstrates that NRDA is delivering a high level of value on approximately 50% of the average amount of Local Government funding. It also identified that NRDA is managing to leverage every local government \$1 invested by \$0.75 which is a considerably higher margin than the comparable NZ regions benchmark of \$0.50. It also confirms that our human resources are stretched, and the current model is not sustainable for the development and delivery of longer-term strategic outcomes.

#### 4.4 Procedure to be followed with purchase of shares in other company or organisation

The procedure to be followed before subscription for, or purchase of, or other acquisition of shares in any company or organisation, shall be by resolution of the Directors, excepting that any significant diversification or addition to existing activities will be referred to the shareholder for approval.

#### 4.5 Directors estimate of Company Value

The Directors' estimate that the opening balance of shareholder funds in the annual accounts will represent the value of the Company. The Directors will advise the shareholder on an annual basis if they believe the value to differ materially from this state. The opening balance of equity projected at 1 July 2019 is \$329,789.

The projected ratio of consolidated shareholder funds to total assets at 1 July 2019 is 44%.

Based on the nature of the NRDA's business the shareholder accepts no dividend is required to be paid to the shareholder as a result of the company's activities.

#### 4.6 Accounting Policies

The NRDA Accounting Policies were reviewed by the board in December 2018 following the 2017/2018 audit report and found to be complying with the Tier 2 Public Benefit Entity Public Sector ("Tier 2 PBE PS") Financial Reporting Framework and all audit requirements. A full set of the reviewed policies are available from the NRDA as required.

## 4.7 Capital Expenditure and asset management intentions

Based on the business model assumption the capital expenditure estimate for 2019/2020 is \$50K. This will assist in the delivery of expected outcomes and will be primarily allocated to digital assets and the i-SITE future business model.

## 5 Health and Safety

The Nelson Regional Development Agency is committed to the provision of a healthy and safe working environment for employees and others that may be affected by its activities.

The NRDA Board will review the Health, Safety and Wellness Policy by June 2019 to ensure it reflects the current working environment. This Policy is compliant with the requirements of the Health and Safety at Work Act of 2015. In addition to the statutory requirements the board have also instigated the inclusion of a number of Health, Safety and Wellness aspects into the NRDA Reward, Perform and Grow recognition framework, assisting to ensure that this is a key aspect of the NRDA culture and values.

The NRDA Management have proactively created a safe and healthy workplace by means of:

- Creating a culture that allows all staff and contractors to use their skills and knowledge to take personal ownership for health, safety and wellness in the workplace.
- Taking a personal interest in incidents within their area of influence, ensuring proper investigation and follow up, and the welfare of people involved.
- Ensuring a high priority to health, safety and wellness through its prominence in all business plans, projects, and the NRDA Reward, Perform and Grow recognition framework.
- Ensuring adequate resources and training are available to enable successful health, safety and wellness initiatives.
- Including health, safety and wellness as an agenda item at any staff and management meetings as well as reporting on a regular basis to the Board of Directors.
- Inviting solutions to any health, safety and wellness issues from staff.
- In implementing this policy, the NRDA has established a Health, Safety and Wellness committee which meets regularly, any significant outcomes of which are reported to the Board.

## 6 Approach to Governance

### 6.1 Reporting to the Shareholder

In addition to provide economic reporting, advice and guidance to NCC, NRDA also has key reporting requirements and timeframes it must meet under Schedule 8 of the Local Government Act.

Quarterly – NRDA report to Shareholder

- By the 31 October and 31 January each year, the NRDA will provide the shareholder a quarterly report against the SoI Key Performance Measures and any other relevant governance or operational matters.
- This report will also be provided to TDC.

#### Half Yearly – NRDA report to Shareholder

- By the end of March each year, the NRDA will provide to the Shareholder a half-yearly report against the Sol Key Performance Measures and comply with the Local Government Act.
- This report will contain unaudited financial information and comply with NZIAS 34.
- This report will also be provided to TDC.

Annual – NRDA balance date is 30 June and the NRDA will provide an Annual report to the shareholder by the 30 September each year

- The Annual report will report against the Sol Key Performance Measures and comply with sections 67, 68 and 69 of the Local Government Act and the Companies Act.
- This report will include audited Financial Statements and comply with NZIAS 34.
- This report will also be provided to TDC.

#### Annual Economic Profile

- By the end of April each year NRDA will provide each council with an annual economic profile for the Nelson Tasman region.

In addition, the NRDA will be available to attend ad-hoc Council meetings or workshops throughout the year on an as requested basis. NRDA will make an effort where possible in its reporting to the Councils to provide both a regional and a TLA level of information.

## 6.2 Best Practice Governance

Consistent with best practice, Directors are appointed under the expectation that in undertaking their role, they will exhibit and ensure to:

- Act as a Board of Governance for the organisation responsible for the overall direction and control of the company's activities, to act in the best interests of the NRDA, and not act as representatives of either their business or the sector they work in.
- Assist the organisation to ensure the activities of the NRDA deliver upon the Sol and funding agreements with the shareholder which are driven by the strategies and expectations of the two funding Councils.
- The Board will adopt governance practices and policies that are not inconsistent with those of the Shareholder and make the commitment to operate in a manner consistent with adherence to the Companies and Local Government Acts and the principles of the Institute of Directors of NZ and their four pillars of governance best practice for NZ Directors.
- Sound and sustainable business practice in commercial undertakings, operating as an efficient and effective business.
- Ethical and good behaviour in dealing with all parties in alignment with a policy of identifying and dealing with potential conflicts of interest.
- An active partnership with the Shareholder, Iwi and Māori, TDC, funding partners and key stakeholders.
- The Chairperson and Board members are expected to adhere to the communication protocols identified in the Sol in addition to the formal reporting requirements.

- The practices of a good employer, operating a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment.
- The Board shall ensure that the Company has appropriate risk management procedures and policies in place to assist the smooth running of the organisation and compliance with all applicable legislation.
- The Board shall ensure that the Company has appropriate Health, Safety & Wellness procedures and policies in place to assist the safe running of the organisation and compliance with all applicable legislation.
- Act in a manner that will bring commercial disciplines and a greater ability to partner with the business community.
- The Company Constitution sets out in more detail the governance framework for the Company.

In accordance with best practice the Board Chair will undertake an evaluation of the individual members and overall board performance by November 2019.

### 6.3 Communication Protocols

The Chairperson, Board members and officers of the NRDA are expected to adhere to the following communication protocols with the Shareholder in addition to the formal reporting requirements:

- A “no-surprises” approach.
- Consultation with the Shareholder prior to external release of significant changes and/or developments.
- Early notification and collaboration on the management of risks and issues.
- Will not make comments that could impact detrimentally or bring into disrepute the Shareholders reputation.

## 7 Business Management

### 7.1 Sustainability and Climate Change Responsiveness

The NRDA recognises that Climate Change is a significant risk to the future of NZ and the region’s economy. The NRDA will take a lead from the work completed as part of the environment pillar of Te Taihū Intergenerational Strategy around Climate Change. This work will be key in both improving our understanding and informing us of what considerations we should be taking into any future sustainable economic development programs or initiatives. There is likely to be two aspects to this work, the first being the transitions required within the current economy to a lower emissions focused economic and community base and secondly a focus on the future resilience of the region in response to the significant challenges presented by climate change.

The NRDA has sustainability at the heart of the organisation’s approach to all of its activities. Sustainability is a core element that runs through all aspects of the Nelson Tasman identity. The organisation demonstrates this commitment through:

- Sustainability being a key theme of all our economic development strategy activity, noting that Climate Change is a critical future element.

- The sustainability of the Nelson Tasman environment is a core component of all of the visitor marketing activity we deliver.
- The NRDA as an organisation has signed-up to the national Tourism Industry Aotearoa Sustainability pledge, which has many obligations on us around meeting various sustainability requirements. We are also actively encouraging local visitor operators to join us in this commitment further strengthening the Nelson Tasman’s sustainability story including hosting some events in-region to promote it to our partners.
- Sustainability forms an important part of the way in which we present our view through formal submissions on matters of importance to the sustainable economic development community.
- As part of our relocation to Mahitahi Colab we have signed-up to the NMIT recycling programme and we have also recently committed to the purchase of a hybrid vehicle upon replacement of an old existing one.
- Environmental sustainability is also a key aspect for consideration of events funding applications with applicants required to demonstrate what measures they are taking around waste reduction and sustainability.

## 7.2 Gender Equality in Employment

Fair play in employment is a key component of the NRDA Reward Performance and Remuneration Policy. The core objective of the policy is to achieve a high performing team that executes the plans, exhibits the values of the organisation, and demonstrates the capabilities required to deliver. While there are fair play components throughout the policy, the following three principles demonstrate this commitment best:

- Apply a remuneration system that is transparent, simple and easy to administer.
- Remunerate people fairly for their work at NRDA.
- Ensure there is internal relativity, and pay staff in similar roles consistently, where there is similar performance and competency.

The NRDA has a clear policy that all roles are filled by the most capable person with no bias to gender, ethnicity, religion or sexuality. Currently the NRDA has a very diverse team, of the 20 individuals within the organisation (many part-time) we have 4 males and 16 females, from 11 countries and speaking 10 languages.

## 8 Signatories:

Meg Matthews  
 Chairperson  
 Nelson Regional Development Agency



Date: 07.05.19

Mark Rawson  
 Chief Executive  
 Nelson Regional Development Agency



Date: 07.05.19

## 9 Appendices

### 9.1 Appendix 1: Summary Statement of Comprehensive Income

Prospective Statement of Comprehensive Income

Budget - July 2018 to 30 June 2019

FY 1 - July 2019 to 30 June 2020

FY 2 - July 2020 to 30 June 2021

<b><u>Revenue:</u></b>	<b>BUD 2018-2019</b>	<b>FY 2019-2020</b>	<b>FY 2020-2021</b>
Trading Income	\$242,117	\$198,355	\$198,335
Grants & Other Funding	\$477,000	\$455,940	\$515,960
Private Sector Investment	\$402,011	\$422,489	\$482,489
<b><u>Local Body Funding</u></b>			
<i>Sol Shareholder Funding (NCC)</i>	\$959,000	\$859,000	\$859,000
<i>Sol Funding (TDC)</i>	\$300,000	\$300,000	\$300,000
<b><u>Total Local Body Funding</u></b>	\$1,259,000	\$1,159,000	\$1,159,000
<b>Total Revenue</b>	\$2,380,128	\$2,235,784	\$2,355,784
<b><u>Less Operating Expenses:</u></b>			
Positioning <i>(Identity Story, Talent Attraction, Regional Strategy)</i>	\$519,260	\$513,205	\$563,205
Promoting <i>(Consumer marketing, Business Events marketing, International marketing, i-SITE, Events Programme)</i>	\$1,379,183	\$1,259,941	\$1,297,752
Connecting <i>(Regional Business Partnership, Business Development &amp; Innovation)</i>	\$430,539	\$418,936	\$458,936
	\$2,328,982	\$2,192,082	\$2,319,893
<b><u>Total Operating Expenses</u></b>			
<b>Operating Surplus (EBITDA)</b>	<b>\$51,146</b>	<b>\$43,702</b>	<b>\$35,891</b>
Depreciation/Interest	\$119,147	\$113,800	\$87,423
<b>Operating Loss (EBT)</b>	<b>(\$68,001)</b>	<b>(\$70,098)</b>	<b>(\$51,532)</b>

Note: The shareholder investment excludes the NCC Events Fund which is dealt with separately.

## 9.2 Appendix 2: Statement of Financial Position

### Prospective Statement of Financial Position

Opening Balance as at 1 July 2018 - 1 July 2019 - 1 July 2020

<b><u>Assets</u></b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>2020-2021</b>
Current Assets	\$563,184	\$551,799	\$521,799
Non-current Assets	\$237,704	\$206,778	\$151,778
Total Assets	\$800,888	\$758,577	\$673,577
<b><u>Liabilities</u></b>			
Current Liabilities	\$403,098	\$428,788	\$413,886
Non-current Liabilities			
Total Liabilities	\$403,098	\$428,788	\$413,886
<b>Net Assets</b>	<b>\$397,790</b>	<b>\$329,789</b>	<b>\$259,691</b>
<b><u>Equity</u></b>			
Retained Earnings	\$197,790	\$129,789	\$59,691
Issued Capital	\$200,000	\$200,000	\$200,000
<b>Equity</b>	<b>\$397,790</b>	<b>\$329,789</b>	<b>\$259,691</b>

9.3 Appendix 3: Talent and Investment Attraction Programme Summary

<b>Talent and Investment Attraction Programme</b>	
<b>What</b>	<p>Develop and deliver a targeted and proactive Talent and Investment Attraction Programme. The focus would be on leveraging our regional strengths to attract both talent and companies (or part-there-of) that would be complementary / or add value to the future of our existing clever companies and community. It is important that we attract both talent and companies at the same time as both are complementary and are needed by each other to succeed.</p> <p>The target market is talent based in Auckland and Wellington who have skills for the future in the 30-50-year age group that will enhance our clever companies. The target companies are also likely to be based in Auckland or Wellington, have a portion of staff in the 30-50 age group that are able to work from anywhere and / or have a product or service that is aligned to the identity and key economic drivers of the region.</p>
<b>Top three Why's</b>	<p>A significant piece of talent attraction and retention research we have just completed with the support of the Nelson Taman Innovation Neighborhood, identified that talent attraction was one of the top three issues for 60%, and a major concern for 88% of Nelson Tasman businesses surveyed.</p> <ol style="list-style-type: none"> <li>1. We know our lifestyle investment case is strong and, in many cases, our economic case is strong also. However, one of the largest issues for the region's business community is the attraction and retention of talent with skills for the future. Two of the key barriers for talent coming to the region is having a two-deep employment base (i.e. future career opportunities beyond the role they move for) and the availability of suitable roles for their partners. The attraction of companies with a strong staff pool will assist to build a critical mass and create a platform to address these challenges and encourage other talent and similar organisations to consider the shift.</li> <li>2. The productivity and wage levels within the region are low, we have an ageing workforce and a very low unemployment base, therefore a constrained future local labour market meaning we will be competing nationally for our future talent. The attraction of targeted talent and companies will assist to raise the wage rates and have positive flow-on impacts for the community - including creating more entry level opportunities for our youth over time. The attraction of talent will also increase the capability and capacity of the region's innovation community, providing access to new skills and capital for our current business community to leverage-off.</li> <li>3. The attraction of these types of talent and companies will also have a significant impact on the community. It is likely to provide a significant positive direct impact on the Nelson City Centre and the main urban centers, contributing to their regeneration. The talent will live throughout the region, they are likely to have families and become significant contributors to the likes of schools and community organisations. They will also be critical contributors to the future affordability of the public services within the region.</li> </ol>
<b>What's different to now?</b>	<p>In the talent attraction (consumer) space we have focused until now on identifying and developing our value proposition and target market. Going forward the focus will be on improving the image and understanding of both Nelson Tasman's clever business story as well as our talent proposition through a storytelling and media programme, and consumer campaigns. With additional budget we would look to increase the reach and engagement of this activity, at a faster pace and with greater impact, primarily through:</p> <ul style="list-style-type: none"> <li>• Generating more frequent and higher impact storytelling content that can then be pitched and shared by larger national multi-channel media platforms.</li> <li>• Delivering extensive multi-channel consumer campaigns, with more impactful content that will continually build on previous activity and reinforce our key messages. At our current budget</li> </ul>

	<p>levels, we will have to rely primarily on delivering campaigns through our own channels such as social media which restricts our reach.</p> <ul style="list-style-type: none"> <li>• Invest more heavily in our digital platforms and tools which can be utilised by others in the region to support talent attraction activity.</li> <li>• Implement a dedicated after-care programme to ensure that new talent to the region has an extraordinary transition experience and is connected into the community, ensuring their longevity in the region becoming our future ambassadors.</li> </ul> <p>In the investment (company) attraction space, we currently react as best as we can to enquiries as resources allow but it is very reactive and spasmodic. We are sure that the region is not on the radar screen of many potential targets while other regions are very proactive in this area. With additional budget, this programme would have 3 key components:</p> <ul style="list-style-type: none"> <li>• Create a targeted investment case with key partners which we would push through various direct and indirect channels;</li> <li>• Working with partners we would identify a number of key targets and implement a sales programme;</li> <li>• Develop an after-care programme to maximise their impact in the region.</li> </ul> <p>We feel the time is right, we have tested the identity as the core of our proposition, and this has been well received by the target market. For investment attraction, the economic case is currently strong, there is a trend to considering a regional model by some major corporates and companies, we have some proactive developers ready to participate and the region is building some momentum in this area. The research tells us that both employers and potential talent see improving the understanding and perception of the regions clever business and talent story a key strategy to attracting the right type of future talent.</p>
<b>Business Model</b>	<p>To deliver this programme we estimate we would require a total budget of \$400,000 p.a. for 3 years. This would include provision for dedicated resources to drive implementation of the programme. We have a good current level of support from the business community to drive this type of programme and we feel they would be prepared to assist in funding part of the implementation. We would need to secure an additional \$300,000 from the councils to establish this programme, which would provide us with the service level base from which to raise the additional \$100,000 to make this a success.</p>
<b>KPI's</b>	<ol style="list-style-type: none"> <li>1. A positive change in perception of the region as a place to live and work in our target markets</li> <li>2. A positive change in % of the workforce in the skilled or highly-skilled workers category, change in the % of knowledge-intensive employment and change in the proportion of population within the 30-50 age group.</li> <li>3. Number of investment cases presented.</li> <li>4. Number of companies and talent attracted and their impact on the economy.</li> </ol>