

NELSON  
REGIONAL  
DEVELOPMENT  
AGENCY



# Statement of Intent 2021-2024



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## Company Directory

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Limited Liability Company

[www.nelsontasman.nz](http://www.nelsontasman.nz)

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# 1. Introduction

## 1.1. Purpose of the Statement of Intent

This Statement of Intent (Sol) is presented by Nelson Regional Development Agency (NRDA) in accordance with the requirements of Section 64 (1) of the Local Government Act 2002 (LGA 2002). This Sol publicly states the proposed activities and intentions of the NRDA for the three years 1 July 2021 to 30 June 2024, and the priorities to which those activities will contribute. This Sol takes into consideration the shareholder Letter of Expectation<sup>1</sup> (LoE), commitments and responsibilities to all funders including Central Government and the private sector, and the resources available to NRDA. It includes targeted performance measures and indicators on the basis of organisational accountability. This Sol does not capture everything NRDA does, but rather highlights our key strategic priorities and work areas, particularly those that have high impact on the regional economic development challenges.

This Sol aligns with and delivers against the Nelson Tasman Regeneration Plan 2021–2031 Project Kōkiri 2.0 (The Regeneration Plan)<sup>2</sup>, through Project Kōkiri<sup>3</sup> methodology. It is underpinned by the Te Taihū Intergenerational Strategy<sup>4</sup>.

## 1.2. About Nelson Regional Development Agency

NRDA's mission is to unlock the economic potential of Nelson Tasman to enable our people and places to thrive. We do this by leading inclusive and regenerative economic development, supporting our businesses and people to grow, and shaping and amplifying our profile to attract people, business, and investment to the region.

NRDA is a Council Controlled Organisation established on 1 July 2016 following merger of the former Nelson Regional Economic Development Agency and Nelson Tasman Tourism. NRDA is 100% owned by Nelson City Council. Partnership funding contribution from Tasman District Council enables NRDA services to be delivered

with a Nelson Tasman combined regional focus. NRDA maintains responsibilities as the official Regional Tourism Organisation (RTO) for the Nelson Tasman region and is a member of Regional Tourism NZ <https://rtnz.org.nz/>.

### Our Governance

The NRDA board is a group of independent directors with a commitment to the future prosperity of our region. The board guides the strategic direction of NRDA while monitoring business activities. Board members are appointed by Nelson City Council.

### Our Team

At 1 June 2021, NRDA employs 15 (FTE) people and engages with a wide range of service providers to deliver our programme of work for the region. The team leads strategy and delivers programmes in roles ranging from (but not limited to), regional promotion, destination management, facilitation of innovation-focused sector support, business capacity building and support, education to employment projects, and events fund management.

### Our Collaboration Partners

We rely on, and are committed to, strong strategic partnerships and collaboration with those who have a shared interest in unlocking the economic potential of Nelson Tasman. We recognise Te Tiriti o Waitangi, and mana whenua ki Te Taihū as our treaty partners whom we must involve in all our decision-making.

We also collaborate and connect with the wider business community and public sector through fora such as the Nelson Tasman Innovation Neighbourhood, the Regional Intersectoral Forum, and the Te Taihū Intergenerational Strategy group. Project Kōkiri methodology supports enhanced levels of connectivity between local government, Central Government agencies, mana whenua and the business community.

<sup>1</sup>Nelson City Council Letter of Expectation to NRDA 21 March 2021, unpublished

<sup>2</sup>Nelson Tasman Regeneration Plan 2021–2031 (Project Kōkiri 2.0). (Draft at time of Sol submission)

<sup>3</sup>Project Kōkiri – Nelson Tasman Economic Response & Regeneration Action Plan 2020, [www.projectkokiri.nz](http://www.projectkokiri.nz)

<sup>4</sup>Te Taihū Intergenerational Strategy. November 2020. [www.tetauihu.nz](http://www.tetauihu.nz)

## 2. Strategic Context

## 2.1. Recovering from COVID-19

The COVID-19 lockdown delivered unprecedented shock and uncertainty to our regional economy and community, as well as to NRDA itself and our collaboration partners. Every business in the region has been affected by COVID-19 in some way; whether through loss of international visitor spend, shortage of seasonal labour supply, disruption to supply chains or changing market conditions for our export driven economy.

As a region, Nelson Tasman is seen to be recovering relatively well from COVID-19 impacts. However, recovery is uneven to date and the region remains vulnerable as the world continues to grapple with the pandemic. NRDA has played a critical role in the region's economic recovery by leading Project Kōkiri and successfully delivering the 12-month action plan which focused on response activity to save jobs, getting cash flowing and assisting the region in accessing investment from Central Government to support our recovery. In addition to the business-as-usual activity of NRDA, the COVID-19 disruption has demanded new areas of activity to respond to changing conditions. As an example, in a typical year NRDA supports around 400 businesses through our 1:1 Business Advisory Service; since lockdown we have supported over 2,000 local businesses through this service<sup>5</sup>.

Current economic conditions in the region, while better than anticipated, are putting extreme pressure on many of our region's businesses. Our vulnerable populations have fared disproportionately badly through COVID-19<sup>6</sup>. With the initial economic impact cushioned by the Government's wage subsidy, cashflow lending scheme and targeted business support funding, the need continues for a strong regional effort to continue to navigate our recovery and build back better from COVID-19.

## 2.2. Climate Change

The government's target is to reduce greenhouse gas emissions to 30% below 2005 levels by 2030<sup>7</sup>. As Tūpuna Pono Good Ancestors, it is incumbent upon us all to take action.

As the lead agency for regional development in Nelson Tasman, NRDA has a dual responsibility: firstly, to look to our own carbon footprint, and that of our partners, collaborators and suppliers. But secondly, we must place a climate lens across everything that we do and encourage others to do the same, leading by example and facilitating actions across multiple areas in conjunction with many other actors – businesses, industry groups, agencies and existing groups already working in this area.

Our particular opportunity is to enhance and foster awareness of where the wins can be most readily made; to support monitoring and measurement of progress; to connect and facilitate the actions of others for maximum benefit; and to leverage opportunities to build in climate action to all suitable regional initiatives.

## 2.3. Wellbeing

In 2019 the Local Government (Community Wellbeing) Amendment Bill was passed, reinstating local government responsibilities for the four Wellbeings – social, economic, environmental and cultural. Shortly afterwards, the Te Taihū Intergenerational Strategy was developed, in which our communities clearly voiced their requirements for improved wellbeing for our people.

Regional development agencies now embrace wellbeing as part of their remit, recognising that the purpose of an economy is to serve the wellbeing of its people. As a Council Controlled Organisation, NRDA adopts a shared responsibility with Council to apply a Wellbeing lens to everything that we do.

As a local employer, we place the wellbeing of our own people at the top of the priority list and engage in ongoing professional, team and organisational development to support that. As the lead regional development agency, we will take responsibility across the wider spectrum of wellbeing consideration, supporting the tracking, monitoring and reporting of wellbeing measures for the region, and ensuring that wellbeing criteria are a consideration for initiatives in which we engage.

<sup>5</sup>Source: Nelson Tasman Regional Business Partners Programme reporting May 2021

<sup>6</sup>The Nelson Tasman Regional Economic Development Briefing. Project Kōkiri. January 2021. [www.projectkokiri.nz](http://www.projectkokiri.nz)

<sup>7</sup><https://www.mfat.govt.nz/en/environment/climate-change/meeting-our-targets/>

## 2.4. The Māori Economy

The Nelson Tasman Regeneration Plan 2021-2031 Project Kōkiri 2.0 (The Regeneration Plan)<sup>8</sup> places a spotlight on Māori Economic Development, recognising the need for specific focus which is complementary to our obligations to recognise Tino Rangatiratanga (self determination) under Te Tiriti o Waitangi. The Plan highlights Te Taihū's thriving Māori economy and substantial growth potential, targeted focus on Māori owned enterprises and Māori entrepreneurs in the region, challenges faced by a number of Māori businesses, including access to skills, and also opportunities, including through mandated procurement requirements of government agencies to Māori businesses<sup>9</sup>. The Regeneration Plan also highlights that underpinning the thinking behind a focus on Māori economic development is recognition that Māori are some of the most affected by income disparities, unemployment and household debt; an inequality that has perpetuated through periods of growth for New Zealand, and been more exposed in periods of shock.

## 2.5. Our Economic Drivers<sup>10</sup>

Nelson Tasman has a strong base of longstanding anchor sectors of the economy that have underpinned our economic performance and prosperity for decades and aided our recovery from COVID-19<sup>11</sup>. These core sectors are rich in potential and ripe for further growth:

- **The Visitor Sector** – Nelson Tasman has a long history of attracting both international and domestic visitation. Pre-covid the visitor sector in Nelson Tasman employed approximately one in ten people in the region and generated an estimated \$660m in annual visitor spend<sup>11</sup>.
- **The Oceans Economy** – 70% of New Zealand's aquaculture is based in Te Taihū and Nelson Tasman is home to Australia's largest fishing port.
- **Food, Beverage & Wellness Products** – Favourable growing conditions support this sector as our largest contributor to GDP.

- **Forestry & Wood Processing** – Nelson Tasman is home to one of the largest MDF plants in the World and produces approximately 10% of New Zealand's sustainable roundwood harvest.
- **Liveability & Our Consumption Economy** – A "catch all" economic driver partially driven by our higher-than-average net migration as a factor of population growth (94% compared to national average of 76%)<sup>12</sup>.
- **Research, Science & Technology** – One of our growing strengths with a proud history of innovation and the highest number of scientists per capita of any New Zealand city<sup>13</sup>.

While the makeup of our economy has traditionally been viewed against these core sectors, emerging concentrated economic drivers also cut across industries, presenting opportunities for expansion and growth when we converge our key strengths and the direction of travel for the global economy. These include:

- **The Knowledge Economy** – Our intellectual capital that forms the value of so many of our businesses and allows us to sell knowledge to the world; high value-low impact economic activities.
- **The Māori Economy<sup>14</sup>** – Our growing Māori economy, made up of both iwi and Māori owned enterprises, anticipated to grow substantially over the coming decade.
- **The Green Economy** – The part of the economy focused on sustainability and environmental restoration, and which includes our businesses who trade off a reputation for sustainability and care.
- **The Digital Economy** – The part of our economy enabled by remote working, and where our lifestyle proposition offers a unique competitive advantage as the digital economy continues to grow and develop.
- **The Creative Economy** – Our emerging creative class, from artists and artisans, to graphic designers and writers, supporting a range of careers and businesses in our region.

<sup>8</sup>Nelson Tasman Regeneration Plan 2021-2031 (Project Kōkiri 2.0) (Under final draft at time of Sol submission)

<sup>9</sup><https://beehive.govt.nz/release/increase-supplier-diversity-through-new-procurement-target-Māori-business>

<sup>10</sup>The Nelson Tasman Regional Economic Development Briefing. Project Kōkiri. January 2021. [www.projectkokiri.nz](http://www.projectkokiri.nz)

<sup>11</sup>Monthly Regional Tourism Estimates, MBIE, December 2019

<sup>12</sup>Infometrics Nelson Tasman Annual Economic Profile, Sources of Population Growth, 2020. <https://ecoprofile.infometrics.co.nz/Nelson-Tasman/Population/Source>.

<sup>13</sup>Statistics NZ Employment by ANZSIC06 Level 6 Industries, NRDA analysis to BERL sector amortisation tables, 2018

<sup>14</sup><https://chapmantripp.com/trends-insights/Māori-economy-soars-to-68b-a-growth-of-60-in-five-years/>

These concentrated economic drivers map well to our core economic strengths. For example, we are already well known for our success in aquaculture, but the green and knowledge economies both present opportunities for us to realise further value from this industry without increasing our footprint. This is an example of where our regenerative economic strategy helps us play to our strengths and unlock the hidden potential that exists in the region in a way that enhances outcomes for our environment and our people.

Likewise, as we look at opportunities to attract residents here who bring their own job with them and work remotely in the digital economy. Whilst we must ensure we are keeping up with infrastructure demands, this provides opportunities to bring more external cashflow into our economy which supports our hospitality and retail sectors. In addition, being able to tap into global opportunities for work will provide more favourable conditions to retain young people in the region, particularly under current conditions with COVID-19.

There are encouraging signs that our region is poised for significant growth in research, science and technology. Our innovation ecosystem is expanding<sup>15</sup>, and more clever businesses are emerging, providing employment opportunities and supporting our key economic drivers to realise higher value and build resilience to global changes. The proposed Science and Technology Precinct in Nelson City offers a platform from which we can further develop and attract more companies in this space, supporting the growth of higher value industries and the creation of more high-paying jobs.

Advances in automation through technologies such as Artificial Intelligence (AI) will transform some of our key sectors<sup>16</sup>. Our primary sector is likely to be an early mover in this wave of change, with opportunities to reduce waste, automate physical processes and optimise performance across the value chain.

Just as businesses grow through increased sales, our region expands through increased trade. More than a quarter of the world's economic output comes from the global flow of goods, services and capital<sup>17</sup>. Our economy

is no exception<sup>18</sup> and our reliance on exports requires us to be extremely competitive in global markets and adaptable to changing conditions.

A significant amount of our economic growth has been driven by migration into Nelson Tasman, which has boosted the consumption sector<sup>19</sup>. We have a unique opportunity to focus our efforts on "growing from within", to play to existing strengths, to correct some of the structural imbalances in our economy, and to tap into unrealised potential of our key economic drivers.

### 2.6. Our Economic Challenges<sup>20</sup>

Several fundamental economic challenges point to weaknesses in our regional economy.

**Location and scale** – We are heavily reliant on our port and airport, with a relatively small 'surrounding' population within driving distance spread across a large geographical area. This also presents challenges for infrastructure funding and delivery.

**Productivity** – Consistently low productivity and a reliance on low value industries contribute to income inequity in the region and perpetuate negative perceptions of Nelson Tasman as a low wage region, further hindering the ability to attract and retain the right skilled workers to fulfil key roles<sup>21</sup>. Structural reasons contribute to this: the region is without significant scale in several high productivity industries, such as information media & telecommunications, financial & insurance services and utilities. At the same time, many significant regional industries that are of scale are traditionally relatively low in productivity, such as agriculture, forestry, fishing, health care and social assistance, and retail trade<sup>22</sup>.

Across industries, however, productivity in Nelson Tasman is also lower relative to the same industry nationally<sup>23</sup>. In part, this is due to regional scale and remoteness, but productivity is also lower than comparable regions in scale and distance including Marlborough, Hawke's Bay and Southland, highlighting the need for concentrated efforts to unlock potential within our current economic drivers.

<sup>15</sup>Mahitahi Colab Co.Starters programmes 2020/21, expansion of the Mahitahi Colab coworking and events, pilot innovation programmes and work enabling greater connection between NMIT and business are all examples of recent expansions to the innovation ecosystem enabled and supported by NRDA.'

<sup>16</sup>Artificial Intelligence Shaping a Future New Zealand, AI Forum New Zealand 2018

<sup>17</sup>Key Statistics and Trends in International Trade 2020, United Nations Conference in Trade and Development UNCTAD, 2021

<sup>18</sup>Nelson Tasman Annual Economic Profile 2021, exports share of GDP 24% in 2020

<sup>19</sup>Infometrics Annual Economic Profile 2020; NRDA Sector Analysis (unpublished) October 2020.

<sup>20</sup>The Nelson Tasman Regional Economic Development Briefing. Project Kōkiri. January 2021. [https://www.projectkokiri.nz/and/Nelson\\_Tasman\\_Regeneration\\_Plan\\_2021-2031\\_\(Project\\_Kōkiri\\_2.0\).\\_\(Under\\_final\\_draft\\_at\\_time\\_of\\_Sol\\_submission\)](https://www.projectkokiri.nz/and/Nelson_Tasman_Regeneration_Plan_2021-2031_(Project_Kōkiri_2.0)._(Under_final_draft_at_time_of_Sol_submission))

<sup>21</sup>Nelson Tasman Innovation Neighbourhood, "The Talent Challenge", August 2020 <https://www.nelsontasman.nz/assets/PDFs/Nelson-Tasman-The-Talent-Challenge-November-2019-v2.pdf>

<sup>22</sup>Nelson Tasman Annual Economic Profile 2020, Infometrics. <https://ecoprofile.infometrics.co.nz/nelson-tasman/Productivity/IndustryProductivity>

<sup>23</sup>Nelson Tasman Annual Economic Profile 2020, Infometrics

**Infrastructure investment** – With a relatively small population base and a large geographical area to cover, securing funding for essential infrastructure to meet the demands of a growing region is a major challenge. As our region grapples with issues such as sea level rise and more extreme weather events as a result of climate change, resilient future-proof infrastructure will be essential to the resilience of our economy.

**Demographic challenges** – The region's demographic challenges include an ageing population and our ability to retain young people in the region, who were some of the hardest hit by COVID-19 job losses. The proportion of Nelson Tasman's population aged 15 to 64 is projected to shrink by 9% by 2035, whereas for average NZ it is expected to grow by 13%<sup>24</sup>. While we have historically had one of the lowest unemployment rates in the Country, our NEET rate has always been disproportionately high. Youth unemployment in Nelson Tasman is currently sitting at 14.3%<sup>25</sup> compared to the national figure of 9.3% and even pre-Covid the rate was 9.4% versus 6% for the Country as a whole. Housing shortages and costs present a further challenge to the attraction of young families.

**Housing** – The Nelson Tasman Regeneration Plan 2021-2031 (Project Kōkiri) spotlights housing affordability and access as the single biggest economic issue Nelson Tasman is facing. Rents in Nelson Tasman are some of the least affordable in the country. House prices have increased significantly over the past decade, driven by wider national challenges of market conditions, and New Zealanders are now some of the most privately indebted people in the developed world. Home ownership is out of reach for many. Wage increases have failed to keep up with rising house prices. As a proportion of household income Nelson Tasman ranks consistently higher than the New Zealand average for mortgage affordability: Nelson people spend 36% of the average income on their mortgage, and in Tasman the figure is 41%, compared to the national average of 34% (including Auckland)<sup>26</sup>.

**Export challenges** – A new threat to our economy is being felt due to the reduced availability of shipping containers to meet export demand, presenting real risk that export customers will be constrained by this

container availability issue over the coming 12 months. With pressures on general freight rates and availability, this could have one of the greatest economic impacts on our region (by dollar value) over the coming year. This may also have a downstream effect on transport and logistics providers<sup>27</sup>.

**Wages** – Wages in Nelson-Tasman have been consistently well below the national average for decades. In 2002 we were 15% below average NZ and for 2019 we are still 13% below. Household incomes are currently 22% below average NZ, just as they were in 2001<sup>28</sup>. As well as damaging the wellbeing of our communities, this starves our wider economy of discretionary spending in areas such as retail and hospitality.

**Labour challenges** – The region is facing labour challenges on several fronts, ranging from the immediate to the long term. These are strongly linked to some of our other regional challenges and in combination require a comprehensive suite of actions to address.

- **Seasonal Labour:** Covid-related border closures exposed our reliance on overseas workers such as working holiday visa holders and Registered Seasonal Employer Scheme workers. Concerted efforts were made in 2020/2021 via the Pick Nelson Tasman campaign to attract workers into harvesting roles, but a longer-term approach is needed. With growers and exporters already burdened by container shortages and associated storage costs, labour shortages coupled with increasingly common extreme weather events damaging crops is a very real concern for the sector.
- **Skills and Talent:** As evidenced by the work of the Regional Skills Leadership Group<sup>29</sup> and the finding of the Innovation Neighbourhood research<sup>30</sup> the region is experiencing difficulties in finding the skills and talent it needs across a range of industry and job types. Particular shortages of construction workers and associated professionals will only heighten our infrastructure and housing challenges.
- **Shrinking Working Age Population:** (*Reference Demographic Challenges*)

<sup>24</sup>Statistics New Zealand Regional Population Projections 2020

<sup>25</sup>Mayors Task Force for Jobs Youth Employment Dashboard to December 2020, four quarter rolling average

<sup>26</sup>Nelson Annual Economic Profile and Tasman Annual Economic Profile 2020, Infometrics

<sup>27</sup>NRDA team anecdotal evidence and general reports

<sup>28</sup>Nelson Tasman Annual Economic Profile 2019, Infometric

<sup>29</sup><https://www.mbie.govt.nz/dmsdocument/14789-local-insights-report-nelson-tasman-interim-rslg-may-2021>

<sup>30</sup>Nelson Tasman Innovation Neighbourhood, "The Talent Challenge". August 2020 <http://www.nelsontasman.nz/assets/PDFs/nelson-Tasman-The-Talent-Challenge-November-2019-v2.pdf>



**Environment** – Environmental degradation, biodiversity loss and waste management are key challenges for our economy.

**Climate Change** – The threat of climate change presents the biggest challenge of our time. Despite the urgency of climate change action, our emissions have continued to rise. It is incumbent upon us to be bold and transition to a zero carbon economy, and to respond rapidly to the climate emergency through mitigation and adaptation action.

In doing so, we must ensure a **just transition**, so that where changes need to occur, businesses and people are adequately supported to transition. This change requires an intensified focus at a regional level.

## 2.7. Outlook - Ensuring NRDA is Match-Fit for the Region

The Nelson Tasman Regeneration Plan 2021-2031 Project Kōkiri 2.0 (The Regeneration Plan) identifies the medium-long term economic outlook needed to address the region's economic challenges, with a strong regenerative focus for our economy, to ensure we are positioned to tackle these challenges and capitalise on our opportunities.

Our economic drivers highlight the importance that both our Regeneration Plan and therefore this Sol must address a portfolio of mutually reinforcing initiatives aimed to enhance regional productivity, whilst delivering on our regenerative economic direction and supporting better outcomes in sustainability and inclusion.

NRDA has faced huge change over the past 12 months as a result of COVID-19. This Sol reflects a step-change in how we organise and deliver economic development for the region, placing greater emphasis not only on strategy and insights-led initiatives, but also on wellbeing, the Māori economy and climate change considerations. This evolution is necessary to deliver against a bold and just economic development agenda over the coming decade.

# 3. Strategic Framework

## Our resilient economy allows our people, places, communities, and businesses to thrive

*(Te Taihū Intergenerational Strategy 2020: Economic wellbeing outcome)*

Under this Statement of Intent (Sol), our primary focus is delivery against the Nelson Tasman Regeneration Plan 2021-2031 Project Kōkiri 2.0 (The Regeneration Plan). This Regeneration Plan provides a stepping stone from the original Project Kōkiri response plan to the Te Taihū Intergenerational Strategy. Under this plan, and in line with Council expectations (LoE), NRDA will focus on the following targeted outcomes over the Sol period:

- **Regenerative** – The region makes a just transition towards a low-emissions economy, in a way that mitigates climate change, reverses existing environmental damage and protects natural resources (land, forests, fresh water, marine environmental and indigenous biodiversity) now and in the future.
- **Productive** – A shift from volume production to high value products, unlocking the potential of businesses to thrive, investing in R&D, technology and innovation to achieve productivity improvements, and supporting small and medium enterprise growth.
- **Inclusive** – More even distribution of economic benefits (recognising that some in the community fare worse on wellbeing indicators), skill levels and productivity improvements, achievement of higher incomes and the right skills available for the future workforce.
- **Resilient** – The region is able to respond to and bounce back from disruptions and shocks in a way that reduces harm and overall costs, sectors are diversified to reduce risk, there is local provision of many of the goods and services required, and supply chains are robust.
- **Creative** – The creative talents of our region are recognised and rewarded, with opportunities to showcase and leverage our clever businesses, diversity, arts and artisans, and innovation.

The Strategic Framework model (Figure 3.1) summarises the drivers and opportunities of the regional economy and high-level activity areas to deliver across the five

targeted outcomes. Additional economic development priorities identified in Council's LoE will be addressed partly through an integrated approach, considered in all programmes, and partly through discrete programmes e.g. Sector Transitions.

We rely on strong strategic partnerships and collaboration with those who have a shared interest in unlocking the economic potential of Nelson Tasman. Figure 3.2 presents the Stakeholder Ecosystem supporting our approach.

In delivering against these outcomes and priorities, it is important to highlight the following assumptions:

- The outcomes of the Te Taihū Intergenerational Strategy and The Regeneration Plan touch on a broader range of cultural, social, and environmental capitals than NRDA's Strategic Framework model. Many components will be appropriately led and delivered by others.
- Enabling outcomes are influenced by factors outside of NRDA's control, including national government policy, as well as global and national economic shocks.
- NRDA will support collective efforts related to improving housing and rental affordability; there are no outcomes or measures related to this in NRDA's Strategic Framework.
- Most activities, and associated outputs/outcomes, depend on partnership and collaboration, and on NRDA leveraging core funding to secure additional government / private programme funding.

As we deliver against these outcomes, we will embrace regional themes identified in The Regeneration Plan<sup>31</sup>:

**We are Intelligent Guardians.  
We are Makers and Creators.  
We are Clever and Connected.**

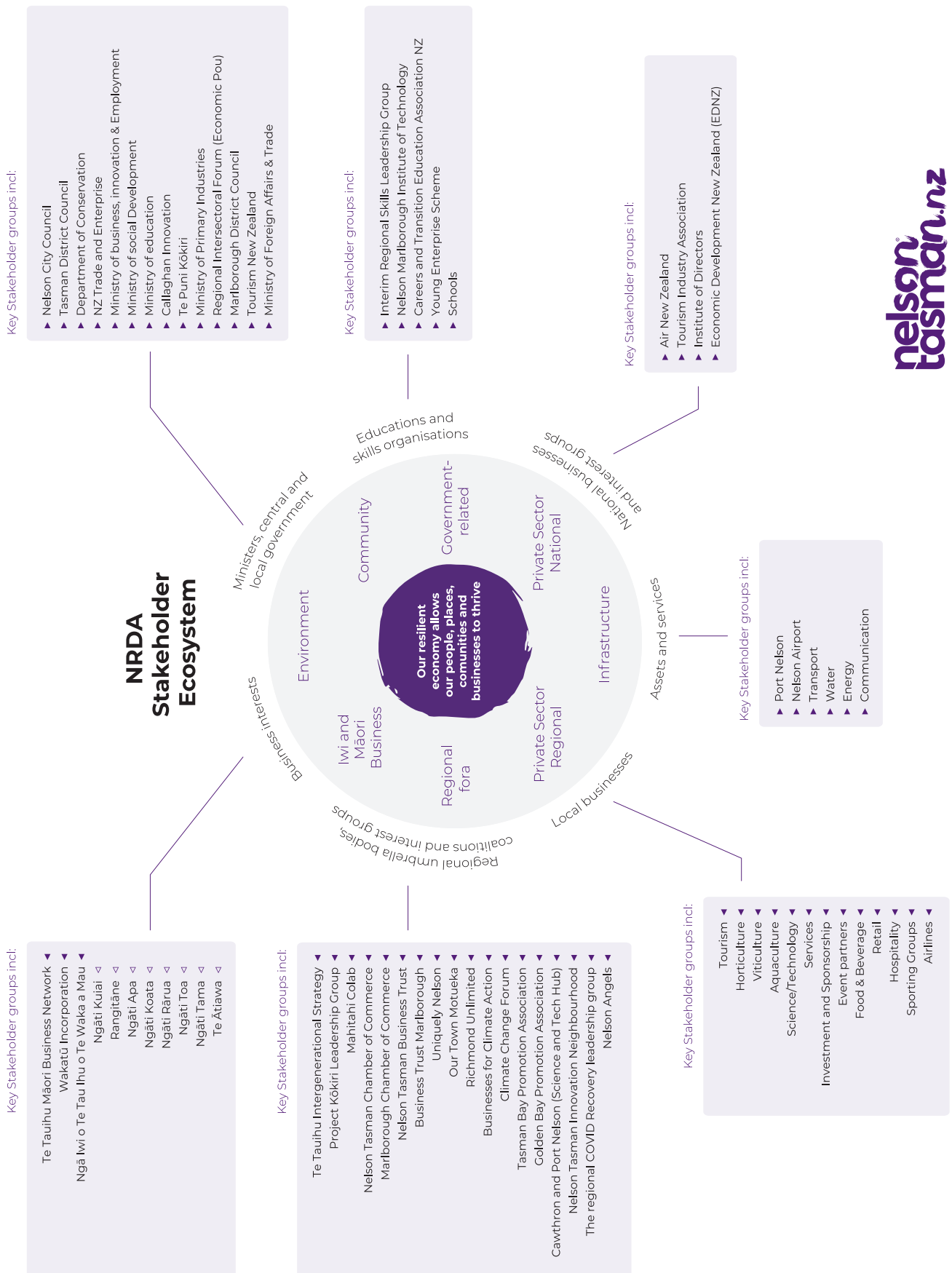
<sup>31</sup>Nelson Tasman Regeneration Plan 2021-2031 (Project Kōkiri 2.0) (Draft at time of Sol submission)

### 3.1. Strategic Framework Model

Regional drivers and opportunities	Priority Areas	Outputs	Enabling outcomes 3-5 years	Regional outcomes 10+ years
<p><b>Regional drivers and opportunities:</b></p> <p><b>Oceans Economy</b> – 70% of New Zealand’s aquaculture is based here in Te Taihuhu.</p> <p><b>High-value Food, Beverage &amp; Wellness</b> – This sector is our largest contributor to GDP, fuelled by innovation and favourable growing conditions.</p> <p><b>Forestry and Wood Processing</b> – We produce approximately 10% of New Zealand’s sustainable roundwood forest supply.</p> <p><b>Te Taihuhu Māori Economy</b> – Our growing Māori economy made up of both iwi and Māori owned enterprises that is anticipated to grow substantially over the coming decade.</p> <p><b>Visitor Economy</b> – Tourism contributes to approx. 10% of GDP and employment in the region, the sector is driven by family owned businesses.</p> <p><b>Research, Science &amp; Technology (Knowledge Economy)</b> – We have the highest number of scientists per capita of any NZ city and a growing knowledge intensive workforce across our key sectors.</p> <p><b>Liveability (Consumption Economy)</b> – Driven by higher than average net migration to the region (94% vs 76% national average).</p> <p><b>The Creative Economy</b> – Our creative sector supports a range of careers and businesses in our region.</p> <p><b>Economic Challenges:</b></p> <p><b>Environment</b> – Environmental degradation, biodiversity loss and waste management.</p> <p><b>Climate Change</b> – Responding rapidly to the climate emergency through mitigation and adaptation action.</p> <p><b>Inequality and wages</b> – Low average/mean incomes.</p> <p><b>Low productivity</b> – Productivity is the second lowest in NZ 24% lower than national average.</p> <p><b>Skills shortages</b> – A number of skills shortages and seasonal labour challenges.</p> <p><b>Under-investment in infrastructure</b></p> <p><b>Demographic challenges</b> – A relatively low and rapidly ageing population base; significant growing pressures.</p> <p><b>Housing affordability and access</b> – The 2nd/3rd (Tasman/Nelson) worst housing affordability in the Country.</p>	<p><b>Economic Strategy and Innovation</b> Leading Strategic economic development (Project Kōkiri 2.0)</p> <p><b>Industry Sector Resilience</b> Supporting industry transformation</p> <p><b>Investment Attraction and Promotion</b> Shaping and amplifying our profile, destination story and investment proposition</p> <p><b>Business and Workforce Development</b> Supporting our businesses and people to upskill, innovate and grow</p>	<ul style="list-style-type: none"> <li>• Strategic Economic Development</li> <li>• Te Taihuhu Māori Economy</li> <li>• Economic Intelligence</li> <li>• Sector Transitions and Growth</li> <li>• Tourism Sector Regeneration</li> <li>• Regional Identity and Proposition</li> <li>• Investment Attraction</li> <li>• Destination Profiling</li> <li>• Strategic Events</li> <li>• Business Support</li> <li>• Workforce and Skills Development</li> <li>• Business Innovation (Mahitahi Colab)</li> </ul>	<p>Strong collaboration between local and central government, iwi/Māori, businesses/industries, and regional stakeholders (Kōkiri methodology sustained)</p> <p>Regional economic intelligence supports decision making</p> <p>Impactful engagement across key industry sectors ensures transformations and transition programmes are aligned to industry needs/ opportunities</p> <p>Investment secured in regional priority projects</p> <p>Higher value visitors, workers, businesses, and investors in Nelson Tasman</p> <p>Our people and businesses have access to advice, funding and upskilling opportunities, to support improved business and management capability.</p> <p>Businesses have access to skills and people they need supporting reduced skill shortages</p> <p>Young people have improved access to education to employment pathways.</p> <p>Improved R&amp;D investment and capability</p>	<p><b>Regenerative</b> A regenerative economy which is supported by increased levels of public and private sector investment</p> <p>The importance of the Māori economy is recognised and supported and realised</p> <p>Nelson Tasman has a zero-carbon circular economy</p> <p><b>Resilient</b> Our resilient future-proof infrastructure supports a thriving economy</p> <p>A diverse range of industries and businesses underpin our resilient economy</p> <p><b>Productive</b> We earn more from our goods and services</p> <p>Research, science, and technology supports our economic growth</p> <p><b>Inclusive</b> Vulnerable communities have greater access to employment opportunities</p> <p>Mean incomes have increased</p> <p><b>Creative/innovative</b> Our diverse, innovative and creative businesses and people are showcased and leveraged through our regional identity.</p>

### 3.2. Stakeholder Eco-system Map

Our work cannot be achieved alone and therefore we rely on strong strategic partnerships and collaboration with a shared interest in unlocking the economic potential of Nelson Tasman.



# 4. Strategic Priorities and Activity Areas — What we do

The Nelson Tasman Regeneration Plan 2021-2031 Project Kōkiri 2.0 (The Regeneration Plan)<sup>32</sup> and this Sol will be delivered through the methodology of Project Kōkiri – connecting decision making and sharing knowledge and resources to unlock our collective economic potential. The Regeneration Plan brings together a suite of priority strategies and programs, with responsibility for leadership with the appropriate regional partner.

Under this Sol, NRDA has a dual role in the delivery of The Regeneration Plan: to work with the Project Kōkiri leadership group to lead the oversight and monitoring of the plan; and to lead delivery of specific programs within the plan.

NRDA's activity spans strategic economic development, regional promotion and investment, and community and business support programs. Our activities will be delivered through inter-related workstreams:

- Economic Strategy and Innovation
- Industry Sector Resilience
- Promotion and Investment Attraction
- Business and Workforce Development
- Organisational Management (internal NRDA business; not detailed in the Sol)

Our approach is underpinned by delivering wellbeing for the people and places of Nelson Tasman, with emphasis on climate change and economic resilience. These considerations cut across all of our strategic priorities, recognising the impacts they have on our economy and community. Building economic resilience and working collaboratively will be at the forefront of our activity, to ensure Nelson Tasman is in a strong position to respond to and recover from future shocks and disruptions.

[Appendix 8.1](#) presents the summary three-year work plan for the following activity areas.

### 4.1. Economic Strategy and Innovation

#### *Leading strategic economic development*

NRDA will lead oversight of delivery, monitoring and reporting of the region's ten-year Nelson Tasman Regeneration Plan 2021-2031 Project Kōkiri 2.0 (The Regeneration Plan), developed under the Project Kōkiri Leadership Group. Strong collaboration and partnerships are key to delivering on our goal of an inclusive and regenerative economy: our economic development activity must be purposeful, data-driven and strategy led.

### Key Activities

*Reference: Appendix 8.1 Work Plan*

**Strategic economic development** – Leading the oversight of delivery, monitoring and reporting of The Regeneration Plan, including facilitation of the Project Kōkiri 2.0 Leadership Group. Facilitating collaborative partnerships and initiatives to advance our priorities, and championing innovation and sustainability. Ensure strategic communications on the activities of NRDA and strategic messaging on delivery against the Plan.

**Te Taihū Māori Economy** – Supporting uplift and further recognition of the Te Taihū Māori economy. This work will be developed in consultation and conjunction with Te Taihū Māori and Iwi and delivered within a framework to identify where NRDA activities are most appropriately and effectively targeted to support, complement and add value to existing initiatives. This work will include: supporting the provision of regional Māori business and economy related data and insights, as well as potentially direct support for Māori businesses.

*Related activities include: Partnership on the Te Taihū Wellbeing Framework (under development), and enhancing our regional identity to better reflect Māori storytelling and engagement.*

**Economic intelligence** – To support policy, decision making and key initiatives. This will include economic data and insights as part of an economic monitoring report to inform Council, stakeholders and community, including wellbeing measures to provide a more holistic view of economic performance. This will also include supporting Council and regional projects with appropriate, specific, data and economic information. This economic intelligence will inform regional policy and considerations around social and economic infrastructure, and support investment attraction and sector transition initiatives.

*Related activities: Supporting: the newly formed Intelligent Guardians cluster, the Te Taihū Intergenerational Wellbeing Framework; climate action-related data and insights (below); prioritisation of wellbeing initiatives (below).*

- **Climate Change** – Alongside our Economic Intelligence outputs we will support the development of climate action-related data and insights to support regional initiatives in carbon reduction and offset. We will engage with climate action groups to explore opportunities to support industry solutions for

<sup>32</sup>Nelson Tasman Regeneration Plan 2021-2031 (Project Kōkiri 2.0) (Draft at time of Sol submission)

reducing carbon footprints and apply climate change criteria to development projects. As an organisation NRDA will work towards becoming Zero Carbon and Climate Positive.

- **Wellbeing** – As part of our Economic Intelligence delivery we will support the development of data and insights that provide a fact-based framework for prioritisation of wellbeing initiatives. We will apply wellbeing criteria to development projects.

### **By 2024 we will have:**

- Led implementation of the Regeneration Plan through Project Kōkiri methodology, maintaining and strengthening a collaborative approach to regional economic development
- Become valued advisors for our data and insights on national trends and the regional economy, and
- A well-recognised and supported Te Taihu Māori Economy.

## 4.2. Industry Sector Resilience

### *Supporting industry transformation*

#### **Key Activities**

*Reference: Appendix 8.1 Work Plan*

**Sector Transitions and Growth** – Providing support and expertise to engaged businesses, sectors and clusters to advance industry transformation and just transition opportunities, and to support sector resilience. This work will align with Central Government's programme of Industry Transformation Plans as they are developed, and over the period of the Sol, will include focus on: climate change response and regeneration, engaging with associated advocacy and sector groups, innovation, building R&D connections and investment, technology adoption and capability building.

*Activities in 2021/2022 will include:*

- Building on 2020/2021 work (F&B Tourism Strategy and F&B Co.Starters cohort) to develop a regional food and beverage sector support strategy in Nelson, with reference to the F&B Industry Transformation Plan (when released), Just Transitions strategy, and in light of already identified needs.
- Building on 2020/2021 work to develop a regional Transformation Support Plan for the Agritech Industry in consultation with industry and with reference to the national Agritech Industry Transformation Plan and Just Transitions strategy.

**Tourism Sector Regeneration** – In 2019/2020, under the Government's Strategic Tourism Assets Protection Programme (STAPP) NRDA developed the region's Destination Management Plan. Under the 2021-2024 Sol, NRDA is focused on enabling delivery of the Nelson Tasman Destination Management Plan through an investment plan to secure Government's Tourism Support Recovery and Re-Set funding. This industry regeneration plan places our communities, cultures and environment at the heart of our visitor sector. It is designed to lead to more economically sustainable businesses while strengthening community well-being, enhancing cultural pride, addressing the needs of climate change and supporting biodiversity. Strategies under the Plan include:

- Supporting visitor sector businesses to recover from the impacts of COVID-19
- Enabling 100,000 passionate local ambassadors as visitors and referrers to friends and relatives
- Engaging with mana whenua to ensure the visitor sector aligns with indigenous values
- Light footprint and zero carbon visitor journeys within the region
- Driving sub-sector specific tourism strategies in Arts Tourism and Food and Beverage
- Attracting higher-value visitors and repeat visitation
- Smoothing seasonality with events and off-peak offers relevant to locals and visitors
- Transitioning to sustainable higher value careers (rather than seasonal jobs)
- Advocating for facilities of the future which enhance community well-being as well as the visitor experience.

### **By 2024 we will have:**

- Developed regional action plans in key sectors to support transformation and resilience and to give effect to relevant Government Industry Transformation Plans.
- Supported key industries to improve productivity and to commit to moving the region towards a zero-carbon circular economy
- A visitor sector which is positioned for regeneration, well on the road to recovery, embraced by the local community and contributes positively to the local environment, cultures and economy.



### 4.3. Investment Attraction & Promotion

*Shaping and amplifying our profile, destination story and investment proposition to attract people, business, and investment.*

Nelson Tasman has a series of perception challenges that impact our ability to attract talent, businesses, investment and visitors into the region. Shaping and amplifying a cohesive destination story, and positioning and promoting Nelson Tasman is one of the most effective tools we have to support our region.

We have a strong foundation in our Nelson Tasman regional identity, and we need to be clever in our approach to regional marketing and storytelling. The 2020 We've Got This/Kei a Tātou campaign helped us put Nelson Tasman on the map by empowering local people and businesses with the tools to tell their story in a way that increased local pride and engaged our whole community. Under this Sol, NRDA will build on this work to enhance and enrich our destination story to highlight our strengths and showcase our clever people and businesses to the World. By doing this, we provide the right platform for attraction and retention activities across all sectors – visitors, talent, businesses and investment.

Private sector funding in NRDA's destination activities has historically been relatively high. However, as seen through COVID-19, this is vulnerable to changes in economic conditions. A challenge for the Sol period will be identifying a new model of attracting private sector funding to support our destination profiling and management activities.

#### Key Activities

*Reference: Appendix 8.1 Work Plan*

**Regional Identity & Proposition** – Positioning and promoting Nelson Tasman as a destination for the right talent, businesses, investors and visitors. This activity includes developing tools and activations for local businesses and community to leverage in order to put Nelson Tasman on the map, and re-developing the nelsontasman.nz website as the key destination website for locals, visitors and prospective businesses and residents. It also includes specific support for the vision of Nelson as a “Smart Little City” with forward-focused development of the City Centre vision as a vibrant mix of residents, lifestyle, boutique retailers and essential services.

Under the 2021-2024 Sol we will focus our regional profiling and positioning more strongly:

- To build Māori storytelling and iwi engagement in our current identity work

- To focus on our region's strengths in innovation, science, research and technology, targeting business and talent attraction and growth, and extending the current regional identity to give a stronger economic development focus and application
- To align directly with the Intelligent Guardians focus in the Nelson Tasman Regeneration Plan 2021-2031 (Kōkiri 2.0) based around wellbeing and climate change
- To focus on positioning Nelson Tasman as a light footprint, low carbon destination, and
- To align and support opportunities to build the ecosystem (investment attraction) around the proposed Nelson Science and Technology Precinct.

**Investment Attraction** – Building a dedicated workstream within NRDA focused on facilitating opportunities for unlocking public and private investment in the region, including leading and facilitating business case development around infrastructure and commercial opportunities, and facilitating investment discussions.

This activity will include focused work to identify and facilitate high impact investment opportunities, including leveraging the unique opportunities of the Nelson Science & Technology Precinct to attract businesses and workers to the region. It is important to note that investment attraction is not limited to the purely economic aspects such as infrastructure and commercial opportunities. Investment associated with wellbeing, climate change and resilience outcomes are within scope.

**Destination Profiling** – Continuing to showcase our regional offering to encourage visitation and consumption of Nelson Tasman products and to help put spotlight on our region, complementing work to attract business, investment and talent. This includes targeted campaigns, ongoing content creation and storytelling, earning the region coverage through media pitches and increasing our online engagement by growing our social media presence.

As international borders reopen all regions in NZ will be working proactively with international trade and media. It is important that Nelson Tasman maintains a clear profile with key international partners, in Australia initially and further afield when the timing is right. We will seek to leverage opportunities presented by larger organisations such as Tourism NZ and Air NZ, in order to maximise the benefits from our investment.

At present this work is unfunded, however international marketing is within the scope of MBIE's Tourism Support, Recovery and Re-Set fund.

**Strategic Events** – Stimulating visitation and economic value to the region through delivery of Events attraction, management of the Regional Events Fund (REF), and management of the Nelson City Economic & Community Events Funds<sup>33</sup>. Aligned with the NRDA Business Events Programme, activity includes delivering programmes to build capacity and capability into our local events sector, coordinating a calendar of events across the region, attracting new events to the region, and leveraging existing events to support increased visitation and economic benefit. Events contribute significantly to community wellbeing and community pride.

Council investment in NRDA enables leverage of \$1.5M Central Government supporting for events in Te Taihupo over 4.5 years. In addition, it is important to include the opportunities for strategic and community events to build the creative sector where our artists and artisans can extend their reach and exposure to a wider audience.

**By 2024 we will have:**

- Enhanced promotion of our regional identity supporting strategic economic development messaging
- Secured an increase in co-investment from Central Government and private investment in economic development in the region
- Achieved a better than average growth in domestic (and international where applicable) visitor spend
- Supported Nelson Tasman to be recognised as a region focused on low carbon travel
- Attracted and supported the delivery of diverse and vibrant events to attract out-of-region attendees, and
- Investigated/developed a new funding model to support destination management and profiling in the region.

### 4.4. Business & Workforce Development (Community and Business)

#### *Supporting our businesses and people to upskill, innovate and grow*

Small to medium businesses are the cornerstone of our regional economy and community, accounting for over 94% of total business numbers in Nelson Tasman (i.e. over 12,000 businesses)<sup>34</sup>. The resilience and success of our SMEs is key to our economic resilience, and due to the changing future of work, the impact of COVID-19 and other global conditions, our businesses are facing new and increasing pressures.

NRDA has a vital role to play in connecting businesses and people in the region with the right support, tools and funding to enable them to upskill and grow to meet the changing needs of business. Supporting the development of the region's talent pipeline is also important to support the growth of our economy and key sectors and businesses within it. This includes both retaining and developing talent and skills already in the region, and attracting those with the skills and experience our region needs.

#### Key Activities

*Reference: Appendix 8.1 Work Plan*

**Business Support** – Delivering targeted 1:1 support to businesses to facilitate access to business support services and access to funding for R&D and innovation (through Callaghan Innovation). This includes continuing to deliver and strengthen our business continuity service, enabled by the Regional Business Partner Programme (RBP Programme). The RBP Programme in the Nelson Tasman Region is a repeat national award winner for performance and reach, supporting over 454 businesses in the 2019/2020 year. Changes being applied through new regulations, upcoming reviews and potential future operating models will offer further opportunities to achieve greater leverage from our business support activity (RBP Programme) for both businesses and wider regional development objectives. It is anticipated that this will include expansion of the program to increase scale and reach during the 2021-2024 period, in conjunction with government funding opportunities and initiatives such as the Mahitahi Colab.

<sup>33</sup>Funded by NCC separately to core NRDA funding

<sup>34</sup>Source: Nelson Tasman Annual Economic Profile 2020, Infometrics

**Workforce & Skills Development** – NRDA will work with the Regional Skills Leadership Group in development of the Regional Workforce Development Plan and, from this, identify targeted programmes to align with region's labour force and skills needs. Several programmes in this workstream were initiated in 2020/2021 under Project Kōkiri with short term funding from central and local government. For Nelson Tasman they have demonstrated potential to achieve impactful outcomes. Under this Sol, NRDA will continue to build these programmes subject to funding<sup>35</sup>. This may include youth transition programmes (e.g. Education to Employment brokerage, funded to 2022), Intern, Grad and work placements, targeted initiatives (e.g. 2020 Pick Nelson job campaign), and as a collaborative partner with the Youth Hub initiative as identified as a priority under the regional Regeneration Plan<sup>36</sup>. It is noted that considerations should also include the older demographic workforce.

*Related activities: Sector Transition programmes.*

**Business Innovation** – Developing our innovation ecosystem through the continued support of initiatives such as the Mahitahi Colab and the Nelson Tasman Innovation Neighbourhood; exploring opportunities for connecting and developing new innovation hubs across the region. The Mahitahi Colab is a physical space and a partnership between NRDA, the Nelson Tasman Chamber of Commerce and NMIT and offers coworking, a business events space, and an early-stage business support programme (Co.Starters). The co-location of its three founding partners is central to the success of the Mahitahi Colab, enabling and fuelling collaboration.

NRDA is a driver of the newly forming '*Intelligent Guardians*' cluster, focused on how we can utilise science and technology to protect and prosper, and ultimately deliver more sustainable, inclusive and regenerative business. Current discussions include support for the development of a wellbeing measuring tool for the region (supporting the development of the Te Taiuhu Wellbeing Framework).

**By 2024 we will have:**

- Facilitated high engagement with business development support programmes to increase business capability and increase regional investment in R&D
- Supported a reduction in skills shortages across the region and an increased focus on supporting young people into employment and training
- Improved connectivity and communication of regional support programmes for businesses and people
- Enabled greater connection to innovation and business support for Māori businesses in the region, and
- Continued to support the Mahitahi Colab to drive innovation and collaboration in our region.

<sup>35</sup>Currently unfunded beyond 2021/2022

<sup>36</sup>Role proposed as collaborative partner; a leadership/ driving role on this initiative would require targeted programme funding.

### 4.5. Our Enabling Priorities Supporting Transition

This Statement of Intent (Sol) represents a prioritisation by NRDA on regeneration, inclusion, resilience, productivity and creativity. Collaboration and secure funding are essential to enable NRDA to deliver on the priorities outlined in this Sol, and to keep delivery focused on integrated, long-term goals and outcomes.

The 2021-2024 NRDA program will continue to develop and deliver core initiatives which strategically align with the priorities of The Regeneration Plan. In addition, to deliver on this Sol, we will need to transition to increased focus on:

**Strategic framework** – Delivering priorities according to the strategic framework of The Regeneration Plan, and ultimately of the intergenerational strategy.

**Data & Insights** – Becoming more strategy led and data driven in our decision-making across all work areas. Being adaptive to changing economic conditions. Partnering to deliver specific research projects where funding allows.

**Communication** – Telling a stronger story about the work of NRDA and our collaboration partners; Enhancing our stakeholder engagement and the visibility of our work.

**Sustainability (Climate Positive & Zero Waste)** – Measuring and reducing our carbon footprint, becoming certified climate positive by Ekos and championing zero waste.

**Te Tiriti Partnership** – Developing new and strengthening existing relationships with mana whenua and iwi/Māori to help us deliver more inclusive economic development.

**Connectivity to Council** – Improving connectivity and working relationships to ensure greater alignment of strategic priorities and stronger working relationships across the breadth of programs, with staff and elected members.

**Collaboration** – Enhancing collaboration in economic development by continuing to lead through the methodology of Project Kōkiri; strengthening our partnerships with the public and private sectors.

**Funding model and efficiencies** – Building a sustainable funding framework to support future destination management and marketing; Investigating opportunities for further operational efficiencies within NRDA and with Council.

**Capability** – Building core capability as a highly skilled, adaptive and strategic team, including targeted capability building in areas of investment attraction, economic data analysis, business case development, Māori economy support and the wellbeing economy.

**Enabling Organisational Excellence** – Growing an effective and efficient organisation, with the right culture, knowledge and outward focus to deliver our strategic priorities.

**Culture** – Committed to strengthening our high performing team through a focus on building a culture of unity, courage, ambition and respect. The foundation underpinning our organisation culture is built on the following Ara (pathways):

## Ngā Ara



**Te Ara Matua**

He aha te mea nui o te ao?

He tāngata, He tāngata, He tāngata.

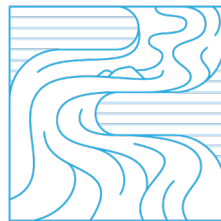
What is the most important thing in the world?

Its is the people, it is the people, it is the people.



**Te Ara Poutama**

To encourage growth in individuals through understanding their passion, strengths and how that aligns with the organisation.



**Te Ara Tiatia**

To encourage growth as individuals through team based opportunities.



**Te Ara Aruheha**

Whiri te tāngata. Weave the people together.



**Te Ara Tika**

To develop and enhance operational systems and processes for better performance.

# 5. Measuring Our Success

The following table sets out the key performance measures for the activities the NRDA will deliver to be reported under the annual reporting cycle.

Activity/ Measures	Indicators	Data source
<b>Economic Strategy and Innovation</b> Facilitating regional collaboration on delivery of the Regeneration Plan Providing regional economic intelligence to support decision making	Collaboration maintained between stakeholders on priority strategies and initiatives through Project Kōkiri methodology	Project Kōkiri Leadership Group reporting
	Regional economic monitoring maintained; Quarterly economic profile reports aligning with stakeholder and business needs	NRDA Economic reports
	Relevant data produced in the last 12 months	
<b>Industry Sector Resilience</b> Strengthening sectors through transition or cluster programmes	Number of businesses engaged with in sector transitions/ transformation programme reporting positive business outcomes/ changed practices	NRDA database
<b>Investment Attraction and Promotion</b> Identifying opportunities and positioning Nelson Tasman to attract high-impact investment Promoting Nelson Tasman as a great destination for visitors, business and talent attraction	Opportunities identified to attract investment into Nelson Tasman	NRDA database
	Investment outcomes associated with NRDA referral/ involvement	NRDA database
	Number of unique visitors to nelsontasman.nz, and time spent	Google Analytics
	Diverse regional events programme delivering \$ value impact of regional events to the economy	REF analytics
	Visitor spend in Nelson Tasman increases at a rate exceeding the national average	MBIE TECT data
<b>Business and Workforce Development</b> Ensuring businesses have access to advice and skills they need Facilitating business access to R&D funding Supporting improved access to employment pathways for young people	Number of businesses supported through 1:1 business advisory service (contract annual target 300)	RBP data
	Businesses have experienced positive business outcomes by reporting a net promoter score of 50+ or higher (contract annual target 50+)	RBP data
	Number of Māori businesses engaged with NRDA reporting positive business outcomes from service	NRDA database
	Total value of capability development and R&D funding issued (Circa \$1m annual target)	RBP data
	Number of business events held in the Mahitahi Colab supporting innovation and numbers of attending businesses	Mahitahi Colab database
	Number of businesses engaged in youth transition and employment programmes reporting positive business outcomes from the programme	NRDA database

# 6. Financial Performance

## 6.1. Projected Financial Performance

NRDA is pleased to be able to provide a 3-year Sol and financial statement through engagement with Nelson City Council and the Long Term Plan process.

Appendix 8.2 presents a high-level summary of the percentage breakdown of proposed investment across functional activities and by funding sources in 2021/2022. Monitoring of this investment across activity areas will be included in all performance reports to Council.

Appendices 8.3 and 8.4 present:

- Prospective Statement of Comprehensive Income
- Statement of Financial Position

The financial statement builds on the momentum gained through Project Kōkiri, to achieve the greatest economic impact for our region, while focusing on the strategic priorities and long-term outcomes as identified in the Letter of Expectation. This statement reflects our review of our activities and resources and a shift of focus from a tactical to more strategically led organisation.

This Sol and funding statement is based on an understanding of 2021-2024 core annual Nelson City Council funding of \$1,262,240, as per Long Term Plan discussions, and confirmed Tasman District Council core annual funding of \$325,000.

The following table summarises recent investment levels into the NRDA:

Funding Source	Funding			Budget		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Core Funding NCC	899,000	865,000	912,240	1,262,240	1,262,240	1,262,240
Core Funding TDC	300,000	300,000	300,000	325,000	325,000	325,000
COVID-19 Response NCC/ TDC		50,000	450,000			
NCC Event Fund	72,000	73,000	73,500	73,500	73,500	73,500
Other Local body Funding	89,560	52,850	85,000			
<b>Total Local Body Funding</b>	<b>1,360,560</b>	<b>1,340,850</b>	<b>1,820,790</b>	<b>1,660,740</b>	<b>1,660,740</b>	<b>1,660,740</b>
Central Government	345,000	396,050	1,487,800	1,758,500*	1,313,500*	1,034,000*
Private Sector	375,800	340,950	164,500	101,200*	151,200*	201,200*
iSITE	186,900 (\$30k)	139,500 (\$75k)	45,000 (\$130k proj)	39,850 (\$75k proj)		
<b>Total</b>	<b>2,268,260</b>	<b>2,217,350</b>	<b>3,518,090</b>	<b>3,560,280</b>	<b>3,125,440</b>	<b>2,895,940</b>

\*Central Government and Private Sector Funding in years 2021/2022-2024 is currently unconfirmed.

\* Private sector funding: 2020/21 and projected is in-out'



These financials and the proposed Sol are presented in the following context, including items informed by the Martin Jenkins Review in November 2020<sup>37</sup>:

**Strained Private Sector Investment** – COVID-19 has disrupted and continues to disrupt NRDA's ability to attract private sector investment, in particular in Destination Management and Marketing, due to the impact of border closures on the visitor sector. Previously, NRDA has attracted relatively high levels of private sector investment comparative to other similar organisations (validated by the Martin Jenkins review). We have been successful in pivoting somewhat to new private sector funding through targeted initiatives such as Pick Nelson Tasman and the Catch a Job campaign, however, these reflect a change in nature of private sector funding to support specific activities (in-out funding) and not the wider work of NRDA.

**Historically Low Levels of Core Funding** – NRDA has been operating on low levels of core local government funding when compared with other similar economic development agencies.

**Operational Cost Efficiencies** – The review of NRDA's operations found that we are operating relatively efficiently compared to other EDA's and there was limited room for a reduction in costs. Nevertheless, we are committed to further investigating opportunities for efficiencies, within NRDA and with Council.

**Central Government Investment** – In the FY2020-2021 NRDA received one-off Central Government funding for a range of specific COVID-19 response activities. However, future Central Government funding is uncertain and opportunities continue to be investigated to leverage local government funding to secure Central Government investment. This includes the Tourism Support Recovery and Reset Fund (under application at the time of preparation of the Sol).

**Tourism Support Recovery and Reset Fund** – Delivery of activities proposed in this Sol is based on an assumption of successful funding for 2021-2022 of \$1M, 2022-23 \$700K, 2023-24 \$500K under this program to support Destination Management and Marketing. Note: This funding is not confirmed and if not received we will need to revisit the delivery funding model for this activity area.

**Private Sector Revenue Assumptions** – Budget projections assume: Year 1 Total \$100K (in-out) (\$50K Investment Attraction; \$50K Regional Profiling); Year 2 Total \$150k (\$50K Investment Attraction \$100K Regional Profiling (\$100K in and out; \$50K allocate to costs); Year 3 Total 200k (\$50K Investment Attraction \$150K Regional Profiling (\$150K in and out; \$50K allocate to costs).

## 6.2. Building Long-Term Financial Sustainability

The combination of the loss of private sector funding and visitor sector income, and an uncertain future around Central Government support challenges the financial sustainability of NRDA. To deliver on the aspirations and to build on the momentum of Project Kōkiri, establishing a sustainable model of future funding is essential. Work is proposed in 2021/2022 to identify an alternative private sector funding model to support Destination Management and Marketing.

The Martin Jenkins review of NRDA's operations highlighted that one option to increase core funding that could be assessed is the potential to develop a regional economic development fund (Regional Economic Investment Fund), which could be funded from a portion of the returns from Councils' investments. Similar funds created elsewhere have been used to co-invest in business cases and major regional economic development projects, with work typically led by the local EDA. Apart from bolstering local funding, the existence of the funds has made it easier to attract Central Government co-investment in the projects. Consideration of this approach may provide an opportunity for a sustainable future business model.

<sup>37</sup>Economic Development Priorities for Nelson Tasman: Final Report: Identifying opportunities and challenges for the region, MartinJenkins November 2020

### 6.3. Transition Focus and Resource Implications

Through refocusing and adjustments, 2021-2024 Council investment will enable NRDA to:

- Leverage Central Government funding to support key programs, including: Tourism Support Recovery and Reset funding (destination management and profiling); Education to Employment (until 2022); Regional Business Partnership Programme (until Dec 2021 – contract and funding is currently under review by MBIE); Regional Events Fund (until 2025).
- Oversee and drive delivery of the Nelson Tasman Regeneration Plan 2021-2031 (Project Kōkiri 2.0), maintaining and strengthening a collaborative approach to regional development. Resources: Current staff time, redirected administration support.
- Unlock Investment: Establish a workstream within NRDA focused on attracting public and private investment to the region through strategic business case development and positioning (economic development, infrastructure and commercial opportunities). Resources: New 1.0 FTE Year 1 onwards, program budget, redirection of current resourcing.
- Strengthen economic profiling and insights: Provide economic profile information providing a more holistic view of economic performance and supporting regional considerations for investment and project prioritisation. Resources: Budget allocation (information, impact modelling and assessments).
- Lead sector transition programmes: Provide support and expertise to identified sectors/ clusters to support industry transformation and Just Transition opportunities. Resources: Current staff.
- Support Māori Economic Development – Develop a Māori economy and business partnership and engagement plan to work closely with mana whenua and Te Taihū Māori owned enterprises to guide NRDA activity to promote and strengthen Māori economic development in the region. Resources: Existing staff Year 1, future years pending findings.
- Championing innovation and sustainability – Continued focus (including Mahitahi Colab partnership and Intelligent Guardians initiative). Resources: Current staff.
- Regional profiling: Funding support sought for Years 1/2/3 under STAPP/ Tourism Support Recovery and Reset. Resources: Sustainable funding model (destination management) to be investigated for implementation commencing Year 2-3. Risk: Year 1/2/3 Government funding unconfirmed.
- Regional Skills and workforce programmes and forums participation. Continue to deliver targeted programs currently Government funded. Resources: Expanded programs subject to funding.
- iSITE: Delivery of the iSITE visitor customer service has been allocated for the six months to December 2021 at a deficit of (\$75K); We will work with the National Visitor Information Network Board and Nelson City Council to investigate a financially sustainable alternative.

#### Notes:

- Opportunities for operational efficiencies – to be investigated Year 1, internally and with Council;
- Not currently included in funding: Extended workforce skills development programme (future programme subject to Regional Skills Leadership Group findings and to partnership funding).

# 7. Governance Statement

Governance of the NRDA is the responsibility of the NRDA Board. Operations of the NRDA organisation are the responsibility of the Chief Executive who reports to the Chair of the Board.

### 7.1. 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.

### 7.2. 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 2021 is \$227,500. The projected ratio of consolidated shareholder funds to total assets at 1 July 2021 is 22%.

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.

### 7.3. Accounting Policies

The NRDA Accounting Policies were reviewed by the board in November 2020 following the 2019/2020 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.

### 7.4. Capital Expenditure and Asset Management Intentions

Based on the business model assumption the capital expenditure estimate for 2021/2022 is \$67K, 2022/2023 is \$117K, 2023/2024 is \$17K thus total 3 year spend \$201K. This will assist in the delivery of expected outcomes and will be primarily allocated to redevelopment of the nelsontasman.nz website and digital assets.

### 7.5. Health & Safety

Directors and Officers (the CEO) have obligations under the Health and Safety at Work Act 2015 regarding staff, contractors and visitor. NRDA has a policy, supported by a process, to:

- Be informed and keep up to date about work health and safety matters;
- Identify hazards and risks associated with NRDA operations and take steps and processes to eliminate or minimise those risks;

- Ensure the NRDA has appropriate processes for receiving and considering information regarding incidents, hazards and risks and for responding to these in a timely way;
- Ensure the NRDA implements processes for compliance, and verifies all of the above steps.

### 7.6. Risk Management

The current uncertain economic climate poses many potential risks to the successful delivery of this Sol. We will focus on high levels of engagement and communication with key stakeholders and best practice Governance approach outlined in section 7 and apply these principles while monitoring and assessing risk.

### 7.7. 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 has taken a lead from the work completed as part of the environment pillar of Te Taihū Intergenerational Strategy around Climate Change. This work has assisted in informing us on considerations we should be giving in any future sustainable economic development initiatives. The Nelson Tasman Regeneration Plan<sup>38</sup> likewise recognises this global and regional challenge and the transitions required within the current economy to a lower emissions focused economic and community base, and a focus on the future resilience of the region in response to the significant challenges presented by climate change. This highlights the green/regenerative economy as an emerging economic driver which cuts across industries and focuses us on the opportunities that present when we converge our key strengths; that part of the economy that is focused on sustainability and environmental restoration which includes our businesses who benefit from a reputation for sustainability and care.

NRDA has sustainability at the heart of the organisation's approach to all its activities.

### 7.8. Organisational Sustainability

An objective to support delivery of the Sol is to build the NRDA organisational sustainability. This will focus on building the capability of the core team, supporting organisational resilience, flexibility to new challenges, increased staff confidence and succession planning.

<sup>38</sup>Nelson Tasman Regeneration Plan 2021-2031 (Project Kōkiri 2.0) (Draft at time of Sol submission)

## 7.9. 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.

### 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.

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 Territorial Local Authority level of information.

## 7.10. 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 stakeholder;
- The Chair 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; and
- In accordance with best practice, the Board Chair will undertake an evaluation of the individual members and overall board performance by November 2021.

## 7.11. 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, and
- Will not make comments that could detrimentally impact or bring into disrepute the Shareholders reputation.

In addition to complying with formal reporting requirements and communication protocols, NRDA will be committed to ongoing, open and collaborative relationships with our Shareholder, to ensure transparency of information, clarity of understanding and to ensure good working relationships with and support for the Council in its service to the Community.

# 8. Appendices

### 8.1. Appendix 1: NRDA Summary Work Plan 2021/2022 – 2023/2024

Noting that the proposed work plan is subject to change due to emerging issues, and that any significant changes will to be discussed with Council.

Strategic Priority Area	Activity	2021/22	2022/23	2023/24
			Activity levels dependent on future funding and model	
Economic Strategy and Innovation	Strategic Economic Development	<ul style="list-style-type: none"> <li>Strategic direction as agreed with Council and as adopted through The Regeneration Plan. Activities and reporting delivered within Strategic framework</li> <li>Oversight, monitoring, communication on delivery progress against the Nelson Tasman Regeneration Plan</li> <li>Project Kōkiri Leadership Group meeting regularly and called to action on strategic issues and opportunities</li> <li>Strategic issues and opportunities monitored and discussed with stakeholders</li> <li>Championing innovation and sustainability, underpinning all activities</li> </ul>		
	Te Taihū Māori Economy	<ul style="list-style-type: none"> <li>Māori business and economy data included in data insights and profiling</li> <li>Partnership on Te Taihū Economic Pou supporting Māori economy focus work</li> <li>Development of a Māori partnership and engagement plan to work closely with mana whenua and Te Taihū Māori owned enterprises to promote and strengthen Māori economic development in the region</li> <li>Work commencing according to findings of engagement and partnership plan</li> </ul>	<ul style="list-style-type: none"> <li>Delivery according to findings of engagement and partnership plan developed in 2021/22</li> </ul>	
	Economic Intelligence	<ul style="list-style-type: none"> <li><i>Assessment and reset:</i> Current data collection, availability assessed/ expanded/ adjusted to ensure fit for purpose, accessibility, communication and responsiveness</li> <li><i>Data insights:</i> Establish regular qualitative and quantitative data and insights relevant to key sectors, including visitor sector, to inform decision making, local and Central Government and local businesses</li> <li>Support the development of climate action-related data and insights to support regional initiatives in carbon reduction and offset</li> <li>Support the development of wellbeing data and insights that provide a fact-based framework for prioritisation of initiatives. We will apply wellbeing criteria to development projects</li> <li>Capture and profile Māori business and economic information in our data and insights to inform strategy and decision making</li> <li><i>Economic profile:</i> Designed and commenced, including national trends and regional economy</li> <li><i>Economic data partner:</i> Confirmed</li> <li><i>Survey:</i> Nelson Tasman Business Confidence and Insights survey established in partnership with Chamber of Commerce</li> <li><i>Impact model:</i> Economic impact model and assessment capacity developed</li> <li>Shareholder business visitation programme to commence 2021/22</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing service established to ensure relevant strategies and projects (NRDA, Council and partners) are supported by evidence and that data and economic profiling is both proactive and responsive to need</li> <li>Quarterly economic profile maintained</li> <li>Quarterly Business Survey ongoing; reported with profiling</li> <li>Input to economic value/ impact model applied to support high level decision making</li> <li>Input to economic value/ impact assessments to support major investment considerations (note: may require additional partner support in some cases depending on budget)</li> </ul>	

Strategic Priority Area	Activity	2021/22	2022/23	2023/24
			Activity levels dependent on future funding and model	
<b>Industry Sector Resilience</b>	<p><b>Sector Transitions and Growth</b></p> <p><i>Supporting engaged sectors to advance industry transformation and just transition opportunities</i></p> <p><i>Link: Business innovation, RBPP, Mahitahi Colab, Investment Attraction, Te Taihū Māori Economy, Sustainability</i></p>	<ul style="list-style-type: none"> <li>• <b>All sectors: Climate Change</b> <ul style="list-style-type: none"> <li>• Provide regular information to regional businesses through data, insights and case studies to support regional initiatives in carbon reduction</li> <li>• Engage with climate action groups to explore opportunities to support industry solutions for reducing carbon footprint</li> <li>• Engage existing initiatives, such as Business for Climate Action, in sector focused transition support programmes</li> </ul> </li> <li>• <b>Food and Beverage:</b> <p>Build on 2020/2021 work (F&amp;B Tourism Strategy and F&amp;B Co.Starters cohort) to develop a regional food and beverage sector support strategy in Nelson, to deliver against the F&amp;B Industry Transformation Plan (when released), Just Transitions strategy, and already identified needs. Actions that may be included in the regional F&amp;B strategy include:</p> <ul style="list-style-type: none"> <li>• Key topic workshops: Reducing carbon footprint; Sustainable packaging; Reducing waste; Navigating the regulatory framework; Accessing funding for growth; Adopting wellbeing principles in business</li> <li>• Co.Starters cohort - new and growing F&amp;B businesses</li> <li>• Supporting joint marketing efforts to help smaller F&amp;B businesses access new markets and grow exports</li> <li>• Mapping local F&amp;B value chain and underutilised capital assets to help producers improve productivity and invest in new technologies</li> <li>• Supporting business connection and collaboration</li> <li>• Assessing F&amp;B cluster development potential</li> </ul> </li> <li>• <b>Horticulture:</b> <p>Build on 2020/2021 work to develop a regional Agritech Industry Transformation support plan, in consultation with industry and with reference to the National Agritech Industry Transformation Plan, Just Transitions strategy and other relevant sector strategies. Examples of actions that may be included in the regional Agritech strategy include:</p> <ul style="list-style-type: none"> <li>• Mapping local horticulture value chain</li> <li>• Supporting business connections with investment in R&amp;D and new technologies to support improved sector productivity, resilience and high value jobs</li> <li>• Working with business and NMIT to help ensure graduates are equipped with required skills and capability</li> <li>• Key topic workshops: Reducing carbon footprint; Becoming a more sustainable business; Adopting wellbeing principles in business; Innovation training</li> <li>• Supporting volume to value business transition by exploring: Supply chain transparency; Regional storytelling; Value added product opportunities (mapping and connecting primary producers with relevant capital assets e.g. contract manufacturing, bottling, juicing etc)</li> <li>• Assessing horticulture cluster development potential</li> </ul> </li> <li>• All sector initiatives to include exploring opportunities to support and develop Māori businesses and work with iwi</li> <li>• Three-year programme to be delivered according to strategy and project review. Year three to include extension to further sectors</li> <li>• <i>Responsiveness:</i> Capacity maintained to support sectors according to emerging issues</li> <li>• <b>Business Event programme:</b> <p>Quarterly all-business partnership event programme (sponsorship to be confirmed) focusing on and showcasing key issues, for example: AI and Innovation, Intelligent Guardians, Carbon Footprint Reduction. Key topics to be identified with industry and informed through regional business insights survey.</p> </li> </ul>		



Strategic Priority Area	Activity	2021/22	2022/23	2023/24
			Activity levels dependent on future funding and model	
Industry Sector Resilience	<b>Tourism Sector Regeneration</b>  <i>The Destination Management Plan provides the guiding document to rebuild the visitor sector in alignment with the Te Taihū Intergenerational strategy, in such a way that it enhances our local communities, cultures and environment and economy.</i>	Destination Management is centered around social, cultural, and environmental sustainability in order to ensure long term economic sustainability. This requires managing both the supply side and the demand side of the visitor sector, i.e. developing new ways of hosting visitors, offering authentic experiences which support the region's values as well as attracting the kind of visitors who care about this.		
		<ul style="list-style-type: none"> <li>• <i>Ongoing:</i> Advocate for continued improvement to regional access (roads, air, public transport); Review crisis management planning; Provide/ interpret relevant qualitative and quantitative data and insights</li> </ul>		
		<b>Capability Building and Resilience</b>	<ul style="list-style-type: none"> <li>• <i>Industry Collaboration:</i> Pilot new ways for local operators to 'code share' their transport and transfers</li> <li>• <i>Greening the visitor experience:</i> Facilitate training to operators in improving their environmental practices and measuring and reducing carbon footprint and guidelines for offsetting</li> <li>• Trial new collaborative operating models to improve sector resilience and productivity e.g. combined retail and experience hubs, collective marketing, packaged itineraries</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to align education and training opportunities with employer needs</li> <li>• Find ways to share eco-experiences beyond those that are zero carbon certified</li> </ul>
		<b>Product Development</b>		
		<ul style="list-style-type: none"> <li>• <i>Special Interest Strategies:</i> Create strategies, feasibility studies and business cases for key sub-sectors to develop and enhance opportunities for more vibrant visitor engagement: F&amp;B tourism; Arts Tourism</li> <li>• <i>Journey Development:</i> Curate journeys to encourage wider dispersal of visitors within the region while maintaining a light footprint- "explore more, care more"</li> <li>• Accessible &amp; Inclusive Tourism</li> <li>• Develop and promote accessible and inclusive travel options (eg for wheelchairs) to connect all visitors to our natural environment</li> </ul>	<ul style="list-style-type: none"> <li>• Provide planning support for sub-regions where needed such as Golden Bay and Murchison</li> <li>• Curate journeys to encourage wider dispersal of visitors with neighbouring regions</li> <li>• <i>Local communication programme:</i> To improve local understanding of the benefits of the visitor sector</li> </ul>	<ul style="list-style-type: none"> <li>• Digital development (pilot adoption of AR and VR in the visitor experience)</li> <li>• Support extending the heartland ride network for cycle journeys (e.g. Havelock to Nelson via Maungatapu)</li> </ul>

Strategic Priority Area	Activity	2021/22	2022/23	2023/24
			Activity levels dependent on future funding and model	
Investment Attraction and Promotion	<b>Regional Identity and Proposition</b>  Link: <i>Investment Attraction, Profiling, Strategic Events</i>	<ul style="list-style-type: none"> <li>Extend and update current regional identity to reflect changing environment post COVID-19, energy from the We've Got This campaign, and to build a stronger business and investment and talent focus, including strengths in innovation, science, research and technology</li> <li>Complete phase 1 of the redevelopment of the nelsontasman.nz website as the key destination website with a stronger focus on prospective businesses, investors, talent and locals as our ambassadors. This will also involve exploration of whether the ItsOn website (which is overdue for an update due to outdated technology) could be incorporated</li> </ul>	<ul style="list-style-type: none"> <li>Develop and implement a coordinated framework and tools for businesses and the community to market the region through the updated regional identity</li> <li>Deliver a locals campaign to embed the updated regional identity within the local community</li> <li>Complete the redevelopment of the nelsontasman.nz website</li> </ul>	<ul style="list-style-type: none"> <li>Continue to refine and develop the regional identity as new business and community stories evolve, and update framework and tools as needed</li> <li>Grow engagement and visitation of nelsontasman.nz for increased promotion of and information on the region</li> </ul>
	<b>Investment Attraction</b>  Link: <i>Regional Identity and Proposition, Nelson Tasman Regeneration Plan Priorities</i>	<b>Investment strategy:</b>  <b>2021/22</b> <ul style="list-style-type: none"> <li><b>Capacity:</b> Build (NRDA) capability and capacity to lead, facilitate and support investment attraction and business case development: Staff resource, staff refocus and professional development, resources toolkit, key partner arrangements</li> <li><b>Proposition profile:</b> Develop an investment proposition profile for the region (economic profile; support infrastructure; strengths and opportunities; business and innovation stories)</li> <li><b>Priority projects:</b> Priority regional short list projects confirmed and consistent, basic business cases developed. Highest impact investment points identified and mapped to inform and direct the priority focus initiative</li> <li><b>Impact assessment:</b> Model and procedures in place to support proactive strategy, and response to emerging issues and opportunities</li> <li>Actively driving priority high impact investment opportunities, including continuing work associated with activation of the Nelson Science and Technology Precinct</li> <li><b>Supporting enterprise and innovation:</b> Facilitate investment opportunities between potential capital investors and industry</li> </ul>	<b>2022/2023/2024 – Continued delivery, including</b> <ul style="list-style-type: none"> <li>Deliver on and continually review and update the Investment Strategy</li> <li>Maintain and continually develop investment profile (including business cases)</li> </ul>	

Strategic Priority Area	Activity	2021/22	2022/23	2023/24	
			Activity levels dependent on future funding and model		
Investment Attraction and Promotion	<b>Destination Profiling</b>  <i>Link: Investment Attraction, Sustainability, Innovation</i>	<ul style="list-style-type: none"> <li>Building on the 2021 Inaugural Intelligent Guardians event, partner with TEDx Nelson 2021 to showcase the region as a place rich in innovative thinking with plenty of 'ideas worth spreading'</li> <li>Deliver a 2022 Intelligent Guardians event through sponsorship/partner funding, and develop this into a multi-day festival to include a range of events and workshops exploring, profiling and facilitating industry and community conversation on how we can be good ancestors, with a focus on utilising science and technology to protect and prosper</li> <li>Develop and deliver a comms strategy to showcase our region's strengths and business and innovation stories (to support investment attraction activity)</li> </ul>	<ul style="list-style-type: none"> <li>Continue to build the momentum of the Intelligent Guardians</li> <li>Deliver one business/ innovation activation to continue work in positioning the region as a place to do business, work and live. Depending on 2022 success, this may be another Intelligent Guardians event, and/ or an additional targeted campaign</li> <li>Continue to deliver an ongoing comms/ media strategy to showcase our region's strengths and our business and innovation stories</li> </ul>		
		<b>Destination Management:</b>			
			<ul style="list-style-type: none"> <li>Create a local ambassador programme to incentivise local exploration of the region, hosting their own visitors and repeat visitation</li> <li>Continue to build regional profile through the website and digital channels</li> <li>Revalidate and share our regional stories including hosting key media</li> <li>Resume international trade and media marketing as borders reopen, beginning with Australia</li> </ul>	<ul style="list-style-type: none"> <li>Leverage the regional mountain biking experience to build profile</li> </ul>	<ul style="list-style-type: none"> <li>In partnership with DOC, develop and promote iconic single and multi-day walks</li> <li>Spread utilisation of the Abel Tasman National Park geographically and seasonally</li> </ul>
	<b>Strategic Events</b>  <i>Delivering the Nelson Tasman &amp; Marlborough events strategy efficiencies.</i>	<ul style="list-style-type: none"> <li>Establishment of new multi-day major and business events enabled by the Regional Events Fund (REF) to drive visitation and leverage local strengths and industries</li> <li>Build upon established structures to grow long term capability and capacity in the local events sector</li> <li>Deliver NCC Events Funds under the leadership of the Events Development Committee</li> <li><i>Note: Events minimising waste and supporting other local environmental initiatives will be considered favourably for REF and NCC events funding</i></li> </ul>	<ul style="list-style-type: none"> <li>Continue to manage REF and NCC Events Fund</li> <li>Leverage major and business events supported by NCC Events Fund and REF to maximise the benefits to the events sector and increase flow on effects to the wider region</li> </ul>	<ul style="list-style-type: none"> <li>Continue to manage REF and NCC Events Fund</li> <li>By year 3 of the REF, some major and business events should have established their reputation enabling them to have a higher a degree of economic sustainability</li> </ul>	

Strategic Priority Area	Activity	2021/22	2022/23	2023/24
			Activity levels dependent on future funding and model	
Business & Workforce Development	<b>Business Support</b>	<ul style="list-style-type: none"> <li>Continue the successful management and delivery of the Regional Business Partner Programme</li> <li>Support 300 businesses per year through the various business development and capacity building activities as enabled by the Regional Business Partner Programme</li> <li>Continue to connect &amp; refer businesses to both in-region and out-of-region expertise and opportunities e.g Māori support, Exporting support, Investment support, Startup support, connecting to talent</li> <li>Partner with the Mahitahi Colab to deliver and support in-region initiatives which help to identify opportunities for growth in key sectors</li> <li>Working with government partners to promote commercial opportunities to support regional growth e.g. MPI, MFAT, ITPs</li> <li>Following the national review of the current Regional Business Partner Programme model, expected for completion December 2021, NRDA will conduct an independent review of how to maximise leverage from the model as it is delivered locally</li> </ul>		
	<b>Workforce &amp; Skills Development</b>	<ul style="list-style-type: none"> <li>Work with the <i>Regional Skills Leadership Group</i> in the development of the Regional Workforce Development Plan, (new programmes currently unfunded)</li> <li><i>Education to Employment</i>: Connect schools in the region with businesses and support delivery of school specific events to educate and excite students about vocational pathways in the region</li> <li><i>As part of E2E</i>, launch and market a Nelson Tasman digital careers hub for secondary school students to educate and inspire about employment opportunities in the region and connect them with businesses (also a connection hub to all other youth related opportunities and programmes in the region)</li> <li><i>As part of E2E</i>, deliver the second Fantastic Futures conferences in the region, growing this to 150 students</li> <li>Support the Young Enterprise Scheme, in partnership with Nelson Tasman Chamber of Commerce</li> <li><i>Currently unfunded but proposed if partnership funding secured</i>: <ul style="list-style-type: none"> <li>Pilot Youth Employability Programme in Nelson Tasman region with one school cohort (25 students) and one NEET cohort (16 youth) (\$60k)</li> <li>Deliver Grad Nelson Tasman and Intern Nelson Tasman – growing the number of students taking part to 20 interns and 10 graduates (\$50k)</li> <li>Support further development and implementation of blueprint for businesses to work with NMIT to fill specific skills and capability gaps through short courses and microcredentials</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Continue work with RSLG and secure funding for delivery of any identified initiatives (Currently unfunded - \$40k).</li> <li>Education to Employment Brokerage service is currently unfunded beyond 2022. If further funding is secured: <ul style="list-style-type: none"> <li>Continue to support all 12 schools in the region to connect with businesses and deliver events</li> <li>Develop Careers hub content to cover more sectors, opportunities and inspirational case studies</li> <li>Grow the Fantastic Futures conference to be accessible to 200 students</li> </ul> </li> <li>Continue to support the Young Enterprise Scheme, in partnership with Nelson Tasman Chamber of Commerce</li> <li>Depending on outcomes and funding, grow the Youth Employability Programme (currently unfunded)</li> <li>Depending on outcomes and funding, grow and deliver Grad Nelson Tasman and Intern Nelson Tasman (currently unfunded)</li> </ul>	

Strategic Priority Area	Activity	2021/22	2022/23	2023/24
			Activity levels dependent on future funding and model	
Business & Workforce Development	Business Innovation	<ul style="list-style-type: none"> <li>Provide support and guidance to the Intelligent Guardians and Nelson Tasman Innovation Neighbourhood generated initiatives to drive innovation outcomes for the region (<i>link – Intelligent Guardians Festival</i>)</li> </ul>	<ul style="list-style-type: none"> <li>Continued support to the Intelligent Guardians and NTIN clusters to drive innovation outcomes for the region</li> </ul>	
		<p><i>Ongoing: Supporting Mahitahi Colab to:</i></p> <ul style="list-style-type: none"> <li>Provide the physical space for collaboration to happen, through coworking, events and co-location of key partners</li> <li>Deliver the Co.Starters programme to new and growing businesses (dependent on securing enough businesses able to self-fund their participation in the programme or the Mahitahi Colab securing external funding for the programme)</li> <li>Provide workplace learning opportunities for NMIT students (dependent on securing funding for an additional resource to manage the Mahitahi Colab education offering)</li> <li>Develop and deliver other innovation initiatives such as: Startup Weekend; Hackathon; Sector-specific Co.Starters / other acceleration activities; (Noting these new initiatives are unfunded and dependent on securing sponsorship)</li> </ul>		
Organisation management (NRDA)	Destination Management Funding	<ul style="list-style-type: none"> <li><i>Future model:</i> 2021/22 Investigate future funding model for destination management and marketing and private sector partnerships to support programmes in 2022/23 and 2023/24; Investigate and confirm future funding model for the iSITE</li> </ul>		
	Wellbeing & Development	<ul style="list-style-type: none"> <li>Programmes established and maintained focused on building strong team culture and high performing team including: Staff development; Culture development, and Health, Safety &amp; Wellbeing protocols</li> </ul>		
	Sustainability	<ul style="list-style-type: none"> <li>Work with EKOS to measure NRDA business operations carbon footprint and elect to go Zero Carbon or Climate Positive once measurement is complete</li> </ul>		





### 8.2. Appendix 2: Investment Across Activities

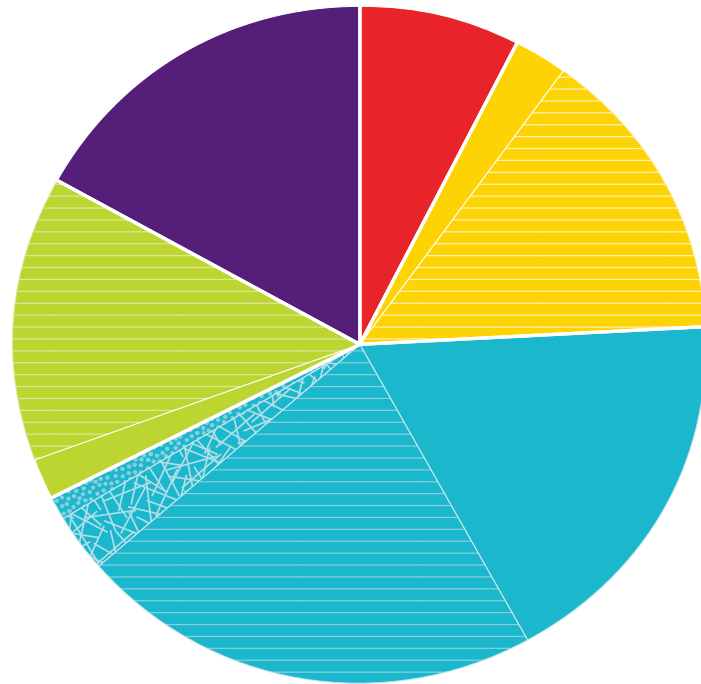
A high-level percentage breakdown of investment across functional activities proposed for 2021/2022 is presented in the chart below. Monitoring of this investment across activity areas will be included in all performance reports to Council. This highlights regional development investment achieved through local government funding.

#### Strategic Activity Areas

- Economic Strategy & Innovation  
\$272,892 (8%)
- Industry Sector Resilience  
\$591,423 (17%)
- Investment Attraction & Promotion  
\$1,544,577 (43%)
- Business & Workforce Development  
\$553,135 (15%)
- Corporate  
\$597,294 (17%)

#### Funding Source

-  Central Government
-  Private Sector
-  iSITE
-  Local Government



#### Summary of activity delivery areas:

**Economic Strategy and Innovation. Includes:**

- Strategic Economic Development (includes Project Kōkiri, Maori Economy)
- Economic Intelligence (Data insights)

**Industry Sector Resilience. Includes:**

- Sector Transitions (includes Climate change related)
- Tourism Regeneration (\$500k CG Tourism Support Recovery and Reset)

**Investment Attraction and Promotion. Includes:**

- Regional Identity and Proposition
- Investment Attraction (business cases and impact)
- Destination profiling (\$500k CG Tourism Support Recovery and Reset; \$50k private sector TBC; \$40k LG)
- iSITE
- Events (includes Regional Events Fund and Nelson City Events)

**Business and Workforce Development. Includes:**

- Regional Business Partner Programme (CG \$345k)
- Employment to Education (CG \$145k)
- Young Enterprise Scheme partnership
- Business Innovation (Mahitahi Colab)

**Corporate**

- Overheads, labour, organisational development, administration and standing charges, licenses and registrations, depreciation.

### 8.3. Appendix 3: Summary Prospective Statement of Comprehensive Income

Revenue	FY 2021-22	FY 2022-23	FY 2023-24
Central Government	1,758,500	1,313,500	1,034,000
NCC Events Contract	73,500	73,500	73,500
Private Sector	101,200	151,200	201,200
iSITE Trading	39,850		
<b>Core Shareholder Funding</b>			
Shareholder Funding (NCC current)	912,240	912,240	912,240
Funding TDC	325,000	325,000	325,000
NCC core funding increase	350,000	350,000	350,000
<b>Total Core Shareholder Funding</b>	<b>1,587,240</b>	<b>1,587,240</b>	<b>1,587,240</b>
<b>Total Revenue</b>	<b>3,560,290</b>	<b>3,125,440</b>	<b>2,895,940</b>

Less Operating Expenses	FY 2021-22	FY 2022-23	FY 2023-24
<b>Economic Strategy &amp; Innovation</b>			
Strategic Economic Development (including Project Kōkiri and Te Taihū Māori economy)	134,800	123,400	129,150
Economic Intelligence	138,100	141,400	142,800
<b>Total</b>	<b>272,900</b>	<b>264,800</b>	<b>271,950</b>
<b>Industry Sector Resilience</b>			
Sector Transitions and Growth	92,100	119,800	112,450
Tourism Sector Regeneration	499,300	349,500	249,300
<b>Total</b>	<b>591,400</b>	<b>469,300</b>	<b>361,750</b>
<b>Investment Attraction &amp; Promotion</b>			
Regional Identity & Proposition	220,700	228,600	236,800
Investment Attraction	274,800	282,900	273,500
Destination Profiling (including iSITE \$115,000 2021-22)	707,200	489,800	439,200
Strategic Events	341,800	341,600	262,100
<b>Total</b>	<b>1,544,500</b>	<b>1,342,900</b>	<b>1,211,600</b>
<b>Business &amp; Workforce Development</b>			
Business Support	344,700	345,000	347,400
Workforce & Skills Development	152,100	7,500	7,500
Business Innovation	56,400	56,400	56,400
<b>Total</b>	<b>553,200</b>	<b>408,900</b>	<b>411,300</b>
<b>Corporate Costs</b>	<b>526,460</b>	<b>542,950</b>	<b>562,300</b>
<b>Total Operating Expenses</b>	<b>3,488,460</b>	<b>3,028,850</b>	<b>2,818,900</b>

<b>Operating Surplus (EBITDA)</b>	<b>71,830</b>	<b>96,590</b>	<b>77,040</b>
Depreciation/Interest	70,700	95,500	76,600
<b>Operating Profit (EBT)</b>	<b>1,130</b>	<b>1,090</b>	<b>440</b>

#### 8.4. Appendix 4: Summary Statement of Financial Position

<b>Assets</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Accounts Receivable	39,300	44,100	48,900
Bank Accounts	424,300	368,700	398,000
Other Current Assets	49,400	49,400	49,400
Prepayments	12,500	12,500	12,500
<b>Total Current Assets</b>	<b>525,500</b>	<b>474,700</b>	<b>508,800</b>
<b>Fixed Assets</b>	<b>87,700</b>	<b>114,200</b>	<b>59,600</b>
<b>Liabilities</b>			
Accounts Payable	179,400	149,400	124,600
Accrued Expenses	176,800	176,800	176,800
GST	-95,000	-90,400	-86,500
Income in Advance	68,250	68,300	68,250
Other Current Liabilities	55,500	55,500	55,500
<b>Total Liabilities</b>	<b>384,950</b>	<b>359,600</b>	<b>338,650</b>
<b>Net Assets</b>	<b>228,250</b>	<b>229,300</b>	<b>229,750</b>
<b>Equity</b>			
Retained Earnings	200,000	200,000	200,000
Issued Capital	28,250	29,300	29,750
<b>Equity</b>	<b>228,250</b>	<b>229,300</b>	<b>229,750</b>



