



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

**CCOs COMMITTEE
MEETING AGENDA**

**Tuesday, 15 September 2021
at 2pm**

**COUNCIL CHAMBER
LIARDET STREET, NEW PLYMOUTH,
AND VIA ZOOM**

Chairperson:	Cr Richard	Jordan
Members:	Cr Colin	Johnston (Deputy)
	Cr Sam	Bennett
	Cr Gordon	Brown
	Cr Aneka	Carlson
	Cr Murray	Chong
	Cr Dinnie	Moeahu
	Mayor Neil	Holdom

COMMITTEE PURPOSE

Purpose of Local Government

The reports contained in this agenda address the requirements of the Local Government Act 2002 in relation to decision making. Unless otherwise stated, the recommended option outlined in each report meets the purpose of local government and:

- Promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

END

OPENING KARAKIA

Kia uruuru mai	I draw in (to my being)
Ā hauora	The reviving essence
Ā haukaha	The strengthening essence
Ā haumāia	The essence of courage
Ki runga, ki raro	Above, below
Ki roto, ki waho	Within, without
Rirerire hau paimarire	Let there be peace



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

Health and Safety Message

In the event of an emergency, please follow the instructions of Council staff.

Please exit through the main entrance.

Once you reach the footpath please turn right and walk towards Pukekura Park, congregating outside the Spark building. Please do not block the footpath for other users.

Staff will guide you to an alternative route if necessary.

If there is an earthquake – drop, cover and hold where possible. Please be mindful of the glass overhead.

Please remain where you are until further instruction is given.

APOLOGIES

None advised

ADDRESSING THE MEETING

Requests for public forum and deputations need to be made at least one day prior to the meeting. The Chairperson has authority to approve or decline public comments and deputations in line with the standing order requirements.

PUBLIC FORUM

Public Forums enable members of the public to bring matters to the attention of the committee which are not contained on the meeting agenda. The matters must relate to the meeting's terms of reference. Speakers can speak for up to 5 minutes, with no more than two speakers on behalf of one organisation.

- None advised

DEPUTATIONS

Deputations enable a person, group or organisation to speak to the meeting on matters contained on the agenda. An individual speaker can speak for up to 10 minutes. Where there are multiple speakers for one organisation, a total time limit of 15 minutes, for the entire deputation, applies.

- None advised

PREVIOUS COMMITTEE MINUTES

Recommendation

That the minutes of the CCOs Committee (23 June 2021), and the proceedings of the said meeting, as previously circulated, be taken as read and confirmed as a true and correct record.

END

REPORTS

ITEMS FOR DECISION BY COMMITTEE

- 1 Performance Reports for NPDC's CCOs
- 2 Final Statements of Intent for PRIP and VTT

END

PERFORMANCE REPORTS FOR NPDC'S COUNCIL-CONTROLLED ORGANISATIONS FOR THE QUARTER ENDED 30 JUNE 2021

PURPOSE

1. The purpose of this report is for the CCOs Committee to note the Quarter Four 2020/21 Performance Reports for New Plymouth District Council's three main Council-Controlled Organisations (CCOs) – New Plymouth PIF Guardians Ltd (NPG), Papa Rererangi i Puketapu Ltd (PRIP, the Airport) and Venture Taranaki Trust (VTT).

RECOMMENDATION

That, having considered all matters raised in the report, Council notes the Quarter Four Performance Reports for the period to 30 June 2021 of:

- a) **New Plymouth PIF Guardians Ltd;**
- b) **Papa Rererangi i Puketapu Ltd; and**
- c) **Venture Taranaki Trust.**

SIGNIFICANCE AND ENGAGEMENT

2. This report is provided for information purposes only, and has been assessed as being of some importance.

DISCUSSION

3. Each CCO prepares an annual Statement of Intent (SOI). The SOIs form the basis for performance monitoring, including the requirement for quarterly performance reports.
4. The fourth quarter 2020/21 reports for NPG, PRIP and VTT are attached in appendices 1 to 3. These meet applicable policies and mandates.
5. The 2020/21 CCOs quarterly performance reports must be delivered to Council within two months of the end of each quarter (31 August). The PIF report was received on 11 August, PRIP on 27 August and VTT on 17 August.
6. A summary of each of the CCO's quarterly performance report is provided below.

Summary of Perpetual Investment Fund (PIF) half-year report

7. The balance of the Fund at 30 June 2021 was \$346.2 million.
-

8. The Fund received a 19.1 per cent increase for the financial year of 2020/21 which is ahead of its objectives (as below) of CPI +3.3 per cent over all periods.
9. Below is the Fund performance summary from inception to 30 June 2021.

	Since Inception (Nov 2004) %	5 years % (p.a.)	1 year %	3 months %
Returns (after fees and taxes)	7.3	8.6	23.1	5.9
Relative to CPI + 3.3%	n/a	+3.3	+16.5	+3.7
Relative to Benchmark	n/a	n/a	+7.0	+1.6
Fund Listed Asset Return	-	-	24.3	6.2
Relative to Benchmark	-	-	+2.9	+0.8
Fund Unlisted Asset Return	-	-	21.8	5.5
Relative to Benchmark	-	-	+15.2	+3.4
Distribution to Council	\$230.6m	\$42.1m	\$9.1m	\$2.3m

10. The PIF distribution to Council offsets the amount of general rates collected from the community.
11. Global markets were driven by sustained accommodative monetary and fiscal stimulus with the Biden administration continuing its extremely accommodative positioning, in May revealing a US\$6 trillion federal spending plan, the largest expansionary budget proposal since World War II. The budget will aim to drastically upgrade the nation's infrastructure, education system and target climate change.
12. Early announcements came from US Federal Reserve (Fed) Chair Jerome Powell in June as he expressed openness to discussing tapering of supportive monetary policy. This resulted in heightened volatility for both equities and bonds in the middle of the month. Equities recovered towards the end of the month, Powell stated "we will not raise rates pre-emptively because we fear the possible onset of inflation, we will wait for evidence of actual inflation or other imbalances".

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13. The RBNZ opened the door for interest rate hikes at its July meeting by confirming the end of its large scale asset purchases programme. Markets have now priced in an interest rate hike in August.
 14. The NPDC portfolio remains positioned for an economic recovery, which should benefit risk assets like shares. We acknowledge that after five consecutive quarters of strong performance, valuations for most assets are stretched. Nevertheless, we believe we are still in the early stages of a strong recovery.
 15. Our medium term outlook remains positive for the following reasons:
 - a) Vaccines have been rolled out at a tremendous pace in the US and UK. The EU and Japan have been catching up and roll-out has started in a number of emerging market countries. Also, in most regions, vaccine programmes have been targeted at the most vulnerable parts of the population.
 - b) We are therefore in the middle of a mini boom as pent-up demand is released and savings are spent. Re-openings have broadened the recovery as the service sector is increasingly benefiting from the rebound.
 - c) There has been a fast rebound in inflations, driven by base effects, supply chain pressure and the tightening labour market. This has led to some worries about monetary accommodation (low interest rates) ending earlier than expected however we expect this to be gradual.
 16. In December 2020, the Supreme Court of Tasmania heard the Milk Price case - the Tasmanian Land Company Pty Limited claim (TLC) against the Van Dairy Group (formerly Moon Lake). The judgment is expected to be released in the near future.
 17. On 31 August 2021, Van Dairy Group completed payment to TLC of A\$800,000 in aggregate to settle claims made against it by The Van Diemen's Land Company (VDL) and TLC unrelated to the above matter.
 18. Upon, and subject to, receipt of the Foreign Investment Review Board approval, Van Dairy Limited will acquire all of the shares in VDL from TLC for A\$200,000. In addition to the purchase price VDL will also receive A\$28,900 in respect to an historic land settlement.
 19. The benefit of the lost shareholders' fund under VDL's control, which presently amounts to around NZ\$450,000, is expected to be available for charitable causes at NPDC's direction in 2027 except to the extent that some or all of VDL's lost shareholders are located in the meantime.
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Summary of the PRIP quarterly report

20. The Covid-19 pandemic continues to affect New Plymouth Airport's operations but the domestic market in New Zealand performed far beyond expectations. The total passenger numbers for 2020/21 was 277,610, 22 per cent above those forecast.
21. The growth in passenger numbers over the 2020/21 financial year provided good results with overall Airport operating revenue 17 per cent above budget at \$4.52m, operating expenditure was 15.3% above budget (\$426,459 due to professional fees paid and some under budgeted items) at \$3.2m and earnings before income tax and depreciation was 21.2 per cent above budget at \$1.32m.
22. The growth of passengers has had a positive impact on terminal tenants affected by the impacts of Covid-19. PRIP is continuing to work with tenants including to identify opportunities to improve growth.
23. Te Hono – the New Plymouth Airport Terminal has been nominated by the Prix Versailles organisation, for an architecture and design award in the new airport category. The awards are scheduled for late November 2021.
24. Capital works that have been carried out or are continuing include the Airport entrance improvements, wastewater treatment plant replacement and the airside fencing.
25. The three-year landing charges review and consultation (new charges to be effective from 1 July 2021) with Air New Zealand has been completed successfully.
26. The aeronautical study completed in response to the proposal by Airways New Zealand to cease air traffic control services at seven regional airports, including New Plymouth was submitted to the Civil Aviation Authority (CAA) on 28 June 2021. A determination by the CAA is expected towards the end of 2021.
27. PRIP is working towards level two airport carbon accreditation emissions, measures and monitors emissions using the Airport Carbon Emissions Reporting Tool and is working with Powerco to identify opportunities for renewable energy sources such as solar and to install e-vehicle charging stations.

Summary of the VTT quarterly report

26. All performance measures were met or exceeded – some significantly so.
 27. The Venture Taranaki Trust (VTT) budget summary shows NPDC investment of \$3,545,277 and \$3,148,760 of leveraged revenue (10.4 per cent more leveraged revenue than was forecast).
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28. Key points from the quarter were:
- a) Venture Taranaki won the Economic Development New Zealand (EDNZ) supreme award for the design and delivery of the Covid-19 Enterprise Support Fund.
 - b) Development of the Taranaki Food Tourism Project Assessment – a report focusing on food tourism opportunities throughout Taranaki. Nearly 30 were identified and ranked based on criteria that considered cost, time and strategic value.
 - c) Taranaki Catchment Communities (TCC) received a grant of \$1.25m from the Ministry for Primary Industries. TCC is now a formal entity and VT's role will be advice and support where necessary.
 - d) The Massey University partnership continued to be very successful with many initiatives progressed such as the Farming to Flourish project, an event at Techweek2021 to promote careers in Taranaki food and fibre, National Science Challenge and \$250,000 funding from MBIE's Vision Mātauranga Capability Fund.
 - e) Over the 2020/21 year \$358,200 of Regional Business Partner Network Capability Development funding and \$1,126,503 of Covid-19 Business Support and Tourism Transition funding was distributed.
 - f) The PowerUp Ideas Competition was very successfully completed for the year with 50 participants involved before five finalists were chosen to progress through to receive mentorship, seed funding, co-working space and advisory support. One entrant, Sol+Sea won \$10,000 to take its idea up to the next level.
 - g) More than \$5.5 million of research and development grants were issued during the year to Taranaki enterprises.
 - h) The Taranaki Story was launched and now a significant number of assets are available to be freely used by Taranaki people and enterprises to promote their business, industry and home.
 - i) Significant media coverage of Taranaki over the quarter, including the "McCaw's on Tour" and extensive coverage of local eateries and food producers in the Cuisine magazine.
 - j) The Live/Work campaign went live – this promotion was aimed at Auckland and Wellington and people actively seeking to return to New Zealand.
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FINANCIAL AND RESOURCING IMPLICATIONS

28. This report was produced within existing resources and budgets.

IMPLICATIONS ASSESSMENT

29. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
- Council staff have delegated authority for any decisions made;
 - Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
 - Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and
 - No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES

Appendix 1 Perpetual Investment Fund Performance report to 30 June 2021 (ECM8609519)

Appendix 2 Papa Rererangi i Puketapu Ltd Performance report to 30 June 2021 (ECM8613087)

Appendix 3 Venture Taranaki Trust Performance report to 30 June 2021 (ECM8609534)

Report Details

Prepared By:	Laura Harris (Financial Accountant), Kathryn Scown (Principal Adviser – Regional Economic Development)
Team:	Corporate Services and Strategic Partnerships Group
Approved By:	Joy Buckingham (Group Manager Corporate Services), Kelvin Wright (Deputy Chief Executive)
Ward/Community:	District wide
Date:	27 August 2021
File Reference:	ECM8609522

-----End of Report -----

Quarterly Report NPDC Perpetual Investment Fund



Q2 2021



Contents

- Fund Overview
- Fund Performance
- Asset Allocation
- Sector in Focus
- Compliance Statement



Fund Overview

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Fund Overview

Fund size*
\$346.1m

Returns (after fees and taxes)

Since inception p.a. (Nov 2004)	5 years p.a.	1 year p.a.	3 months
7.3%	8.6%	23.1%	5.9%

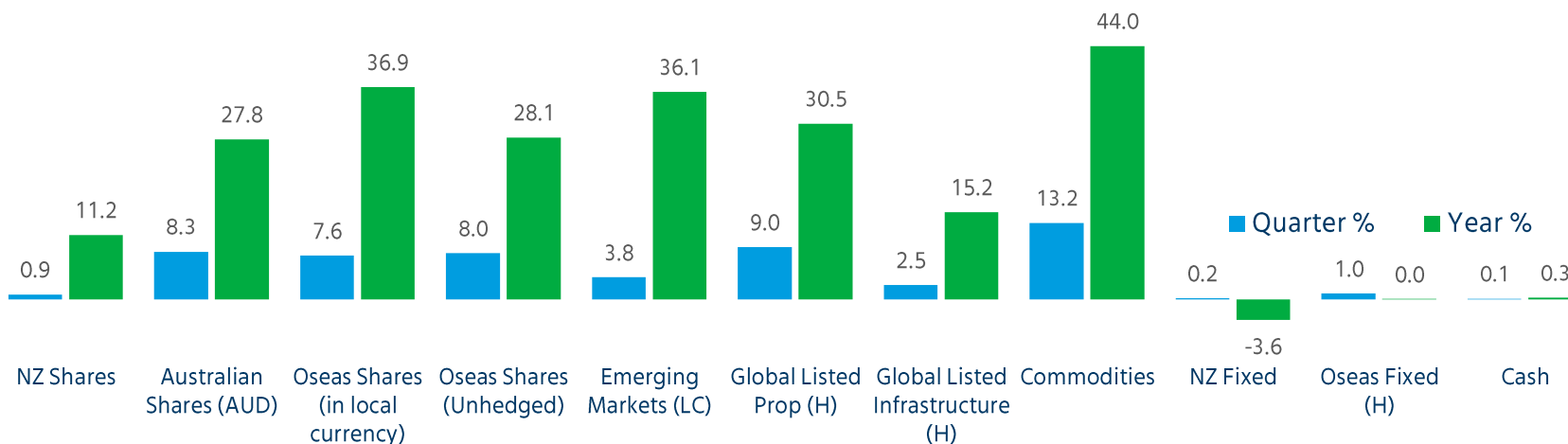
Distributions to Council (Release payments)

Since inception (Nov 2004)	5 years	1 year
\$230.6m	\$42.1m	\$9.1m

Nb – Implementation of Guardian and Full Outsource Agent (Mercer) model took effect March 1 2017. Results and distributions incorporate TIML results for period prior to March 1.

* excludes TIML settlement of \$103k

Financial Market Update



Global equities continued their rally throughout the second quarter with New Zealand lagging global peers.

Global markets were driven by sustained accommodative monetary and fiscal stimulus with the Biden administration continuing its extremely accommodative positioning, in May revealing a \$6 trillion federal spending plan, the largest expansionary budget proposal since World War II. The budget will aim to drastically upgrade the nation's infrastructure, education system and target climate change.

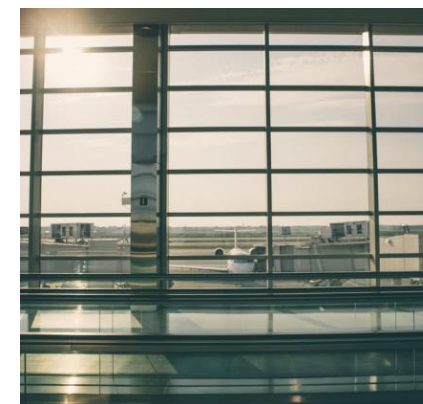
Early announcements from US Federal Reserve (Fed) Chair Jerome Powell in June had what seemed like hawkish tones as he expressed openness to discussing tapering of supportive monetary policy. This resulted in heightened volatility for both

equities and bonds in the middle of the month. Equities recovered towards the end of the month following Powell's dismissal of this perceived hawkish sentiment, stating "we will not raise rates pre-emptively because we fear the possible onset of inflation, we will wait for evidence of actual inflation or other imbalances".

The RBNZ opened the door for interest rate hikes at their July meeting by confirming the end of their LSAP program. Markets have now priced in an interest rate hike in August.

Market Outlook

- The NPDC portfolio remains positioned for an economic recovery, which should benefit risk assets like shares. We acknowledge that after five consecutive quarters of strong performance, valuations for most assets are stretched. Nevertheless, we believe we are still in the early stages of a strong recovery.
- Our medium term outlook remains positive for the following reasons:
 - Vaccines have been rolled at a tremendous pace in the US and UK. The EU and Japan have been catching up and roll-out has started in a number of emerging market countries. Also, in most regions, vaccine programs have been targeted at the most vulnerable parts of the population.
 - We are therefore in the middle of a mini boom as pent-up demand is released and savings are spent. Re-openings have broadened the recovery as the service sector is increasingly benefiting from the rebound.
 - There has been a fast rebound in inflation, driven by base effects, supply chain pressure and the tightening labour market. This has led to some worries about monetary accommodation (low interest rates) ending earlier than expected however we expect this to be gradual.





Fund Performance

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Fund performance

- The Fund returned 5.9% for the 3 month period to 30 June 2021 (after fees). The Fund is ahead of its objective of CPI+3.3% over all periods.
- On a benchmark relative basis, which is the secondary objective, the Fund is ahead of benchmark for the quarter and year.

	5 years % (p.a.)	1 year %	3 months %
Fund return (net of fees)	8.6	23.1	5.9
Value add (total portfolio including legacy PE)			
• Relative to CPI + 3.3%	+3.3	+16.5	+3.7
• Relative to benchmark	n/a	+7.0	+1.6
Fund Listed Sector Return	-	24.3	6.2
Relative to benchmark	-	+2.9	+0.8
Fund Unlisted Sector Return	-	21.8	5.5
Relative to benchmark	-	+15.2	+3.4

Sector Performance – (3 Months)

Gross Returns	\$ Value (\$M)	Weighting %	Return %	Excess over benchmark %	Return attribution ¹
Overseas Shares (incl. PE Proxy)	150.6	43.5	8.2%	+0.4	3.6%
Emerging Markets	21.5	6.2	5.6%	+0.3	0.3%
Alternatives³	60.8	17.6	5.1%	+3.2	0.9%
Mercer Unlisted Property	13.8	4.0	2.3%	-0.2	
Mercer Unlisted Infrastructure	16.9	4.9	4.8%	+3.2	
Mercer Listed Property	16.4	4.7	9.5%	+0.5	
Mercer Listed Infrastructure	13.7	3.9	3.1%	+0.6	
Private Equity	56.0	16.2	5.9%	+3.6	0.9%
Fixed Interest	44.1	12.7	1.7%	+0.7	0.2%
Mercer Overseas Sovereign Bonds	17.7	5.1	1.0%	+0.0	
Mercer Global credit	26.4	7.6	2.1%	+0.0	
Cash	13.2	3.8	0.1%	-0.0	0.0%
Total Portfolio	346.2	100.0%	6.0%		6.0%

1. Weighted contribution to total fund return.
2. Gross returns for all sectors except Private Equity which is net of fees.
3. The Alternatives Sector has a benchmark of CPI+4%, which is the long term target. CPI is reported with a 1 quarter lag. The Alternatives sub-sectors are also shown, versus their respective benchmarks.
4. Cash includes: Cash, PE Proxy, and TIML cash.

Sector Performance – (12 Months)

Gross Returns	\$ Value (\$M)	Weighting %	Return %	Excess over benchmark %	Return attribution ¹
Overseas Shares (incl. PE Proxy)	150.6	43.5	33.8%	+1.7	14.6%
Emerging Markets	21.5	6.2	30.6%	+0.4	1.8%
Alternatives³	60.8	17.6	16.4%	+10.9	2.8%
Mercer Unlisted Property	13.8	4.0	8.3%	+1.3	
Mercer Unlisted Infrastructure	16.9	4.9	17.6%	+6.1	
Mercer Listed Property	16.4	4.7	29.6%	+4.0	
Mercer Listed Infrastructure	13.7	3.9	12.8%	+0.2	
Private Equity	56.0	16.2	28.0%	+20.4	4.4%
Fixed Interest	44.1	12.7	1.8%	+1.8	0.2%
Mercer Overseas Sovereign Bonds	17.7	5.1	-0.2%	+0.6	
Mercer Global credit	26.4	7.6	3.1%	+0.2	
Cash	13.2	3.8	0.5%	+0.2	0.0%
Total Portfolio	346.2	100.0	23.7%		23.7%

1. Weighted contribution to total fund return.
2. Gross returns for all sectors except Private Equity which is net of fees.
3. The Alternatives Sector has a benchmark of CPI+4%, which is the long term target. CPI is reported with a 1 quarter lag. The Alternatives sub-sectors are also shown, versus their respective benchmarks.
4. Cash includes: Cash, PE Proxy, and TIML cash.
5. Alternatives include MSAS attribution

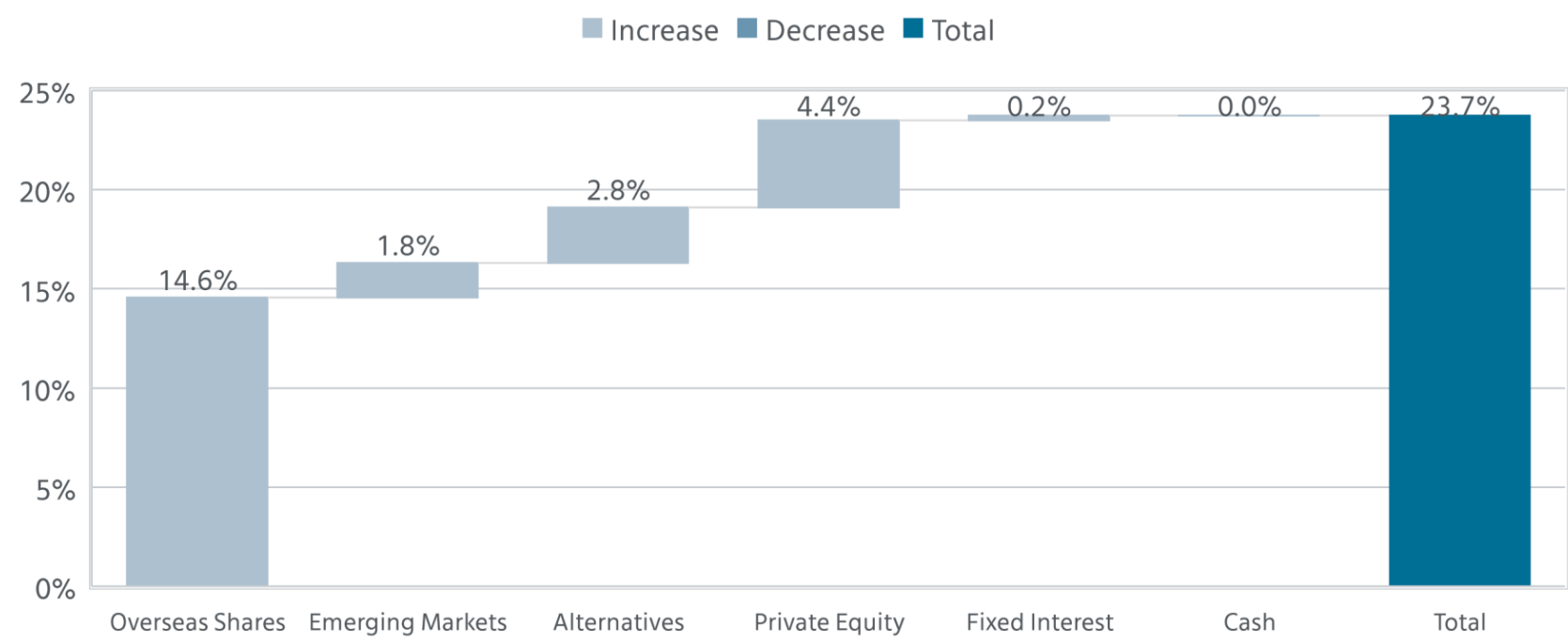
Sector Performance – (Since Inception with Mercer)

Gross Returns	\$ Value (\$M)	Weighting %	Return %	Excess over benchmark %	Return attribution ¹
Overseas Shares (incl. PE Proxy)	150.6	43.5	12.7%	+0.8	5.5%
Emerging Markets	21.5	6.2	13.5%	+0.9	1.0%
Alternatives³	60.8	17.6	6.5%	+0.9	1.2%
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Mercer Global credit	26.4	7.6	4.7%	+0.1	
Cash	13.2	3.8	1.7%	+0.3	0.1%
Total Portfolio	346.2	100.0	10.0%		10.0%

1. Weighted contribution to total fund return.
2. Gross returns for all sectors except Private Equity which is net of fees.
3. The Alternatives Sector has a benchmark of CPI+4%, which is the long term target. CPI is reported with a 1 quarter lag. The Alternatives sub-sectors are also shown, versus their respective benchmarks.
4. Cash includes: Cash, PE Proxy, and TIML cash.
5. Alternatives includes MSAS attribution

Sector Performance (12 Months)

Weighted Contribution to Total Fund Return



The all sectors contributed positively over the 12 months, with the main drivers being Overseas Shares and Private Equity.

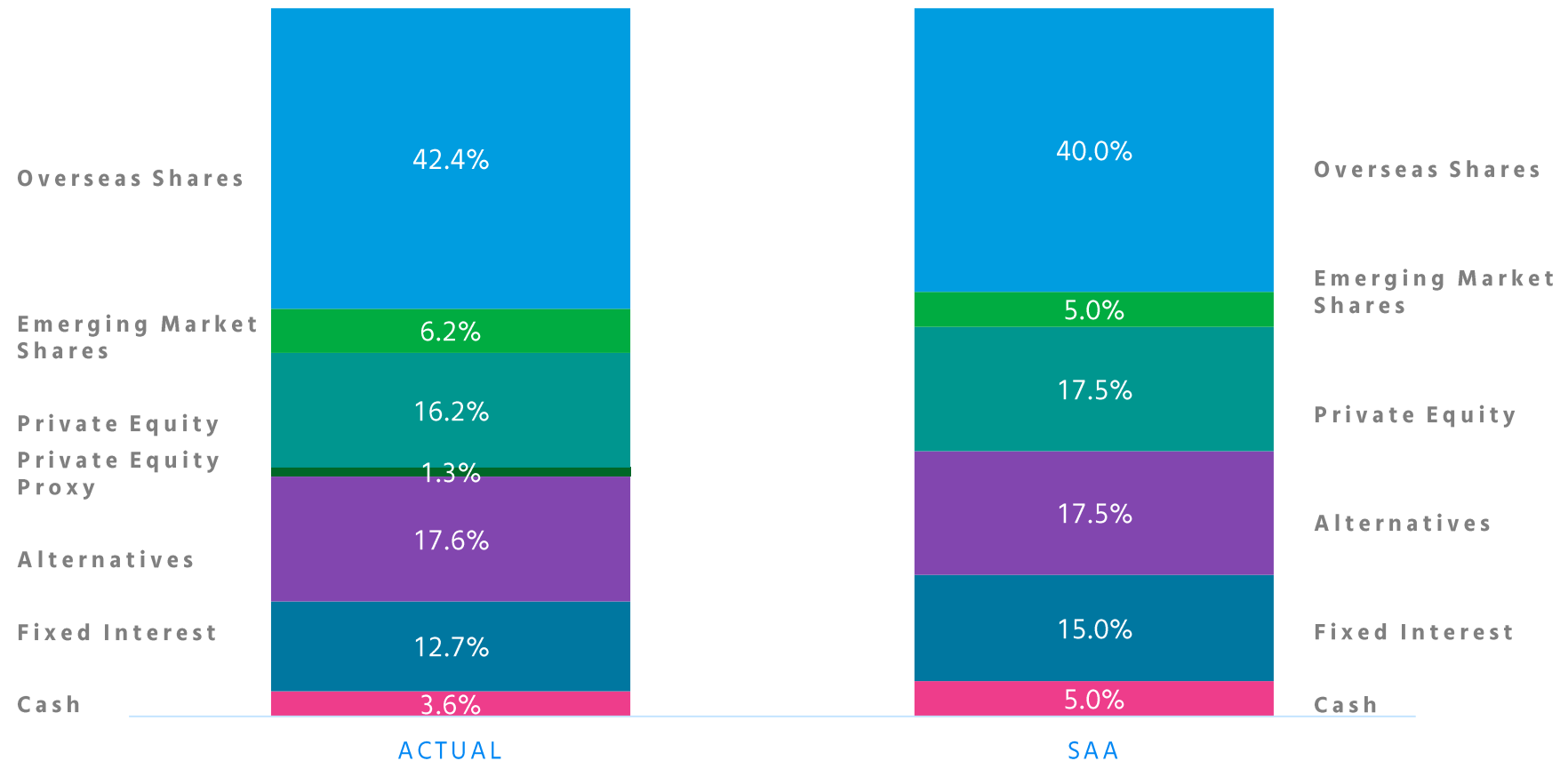
1. Weighted contribution to total fund return.
2. Gross returns for all sectors except Private Equity and Fund of Hedge Funds which are net of fees.



Asset Allocation

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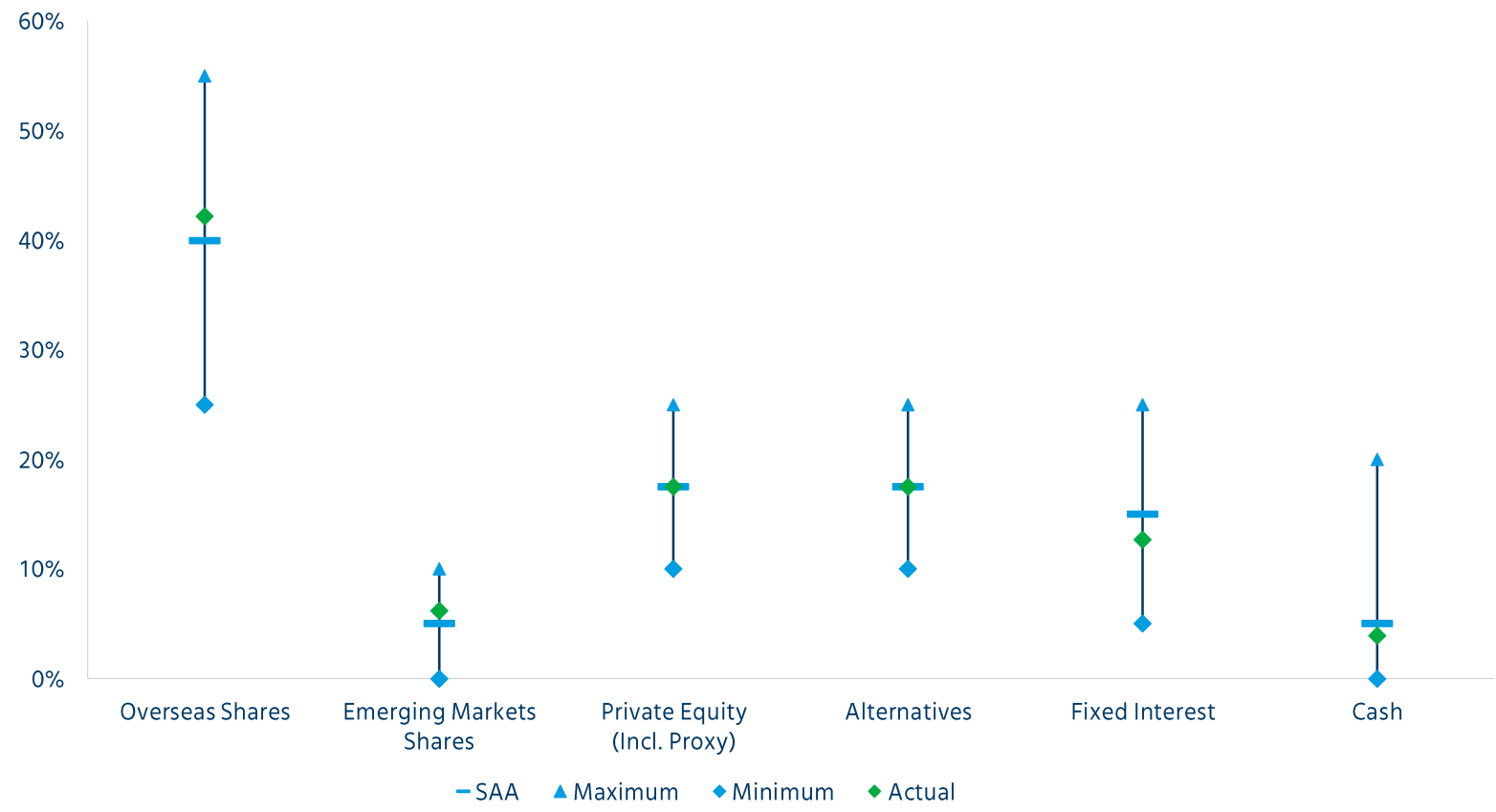
Asset Allocation



- The NPDC portfolio continues to transition towards the long term Strategic Asset Allocation (SAA) as the Private Equity allocations are built up and the proxy is progressively reduced. The Private Equity Proxy consists of 1.1% Listed Overseas Shares and 0.3% Cash.
- The target hedging ratio for Overseas Shares is now 50% (effective 31 August 2019).
- Cash is 3.5% Mercer Cash and 0.03% TIML Cash.



Asset allocation Ranges

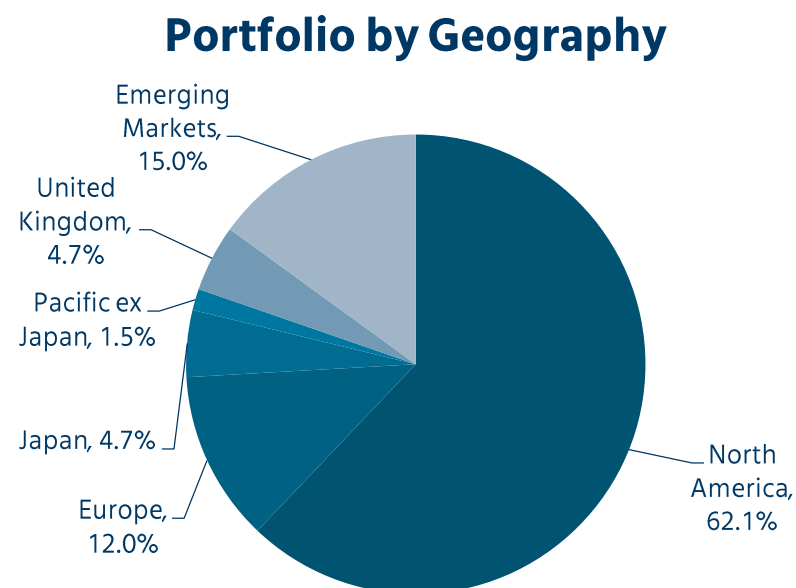
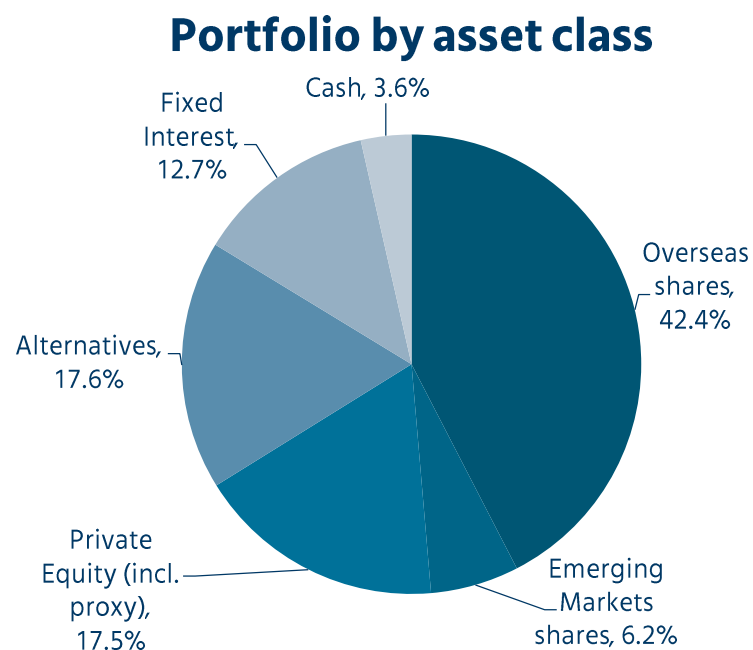


- All asset class allocations are within the ranges specified in the SIPO.



Asset Allocation

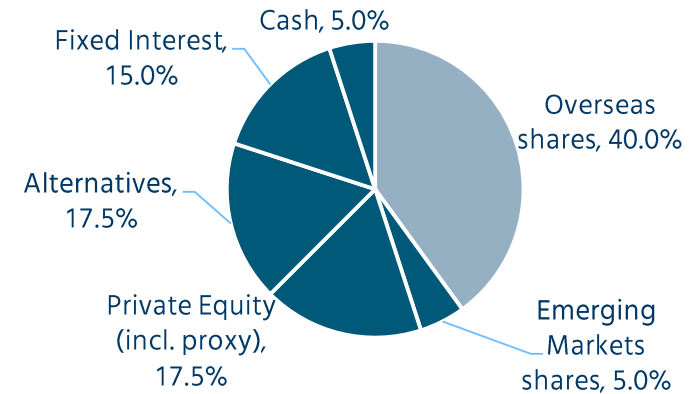
- The portfolio is well diversified by asset class, sector and region.
- Within Overseas Shares, there is an underweight relative to the benchmark in the following regions; Pacific ex Japan, Japan, Europe, and North America, in favour for an overweight to Emerging Markets and the United Kingdom . Note the Portfolio by Geography graph below includes the Schroders, LGIM and EM portfolios.



Sector in Focus

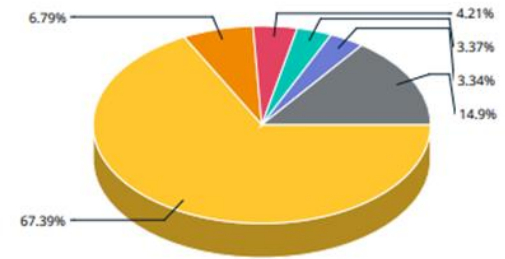
Overseas Shares

- What are Overseas Shares?** Overseas Shares are a growth asset and can be defined as equity securities issued by entities listed on a public exchange. The sector is benchmarked against the MSCI World Index which is made up of 1,563 constituents across 23 Developed Markets countries. *A breakdown of top 10, country weights and sector weights of the index are to the right. These do not necessarily reflect what is held in the NPDC Portfolio.*
- Currency Hedging:** The return of Overseas Shares is impacted by currency movements. When the NZ dollar goes up, they fall in NZD terms (and vice versa). Currency hedging effectively neutralizes the impact of currency movements. This is done by buying contracts that will change in value to offset the currency return. The long term NPDC Overseas Shares allocation is 50% hedged.
- Role in the portfolio:** The primary purpose of Overseas Shares is to provide capital growth over the long-term, taking advantage of the equity risk premium.
- Allocation:** The long term Overseas Shares allocation is 40%. There is also an allocation (1.1%) as part of the proxy allocation while the Private Equity allocation is being built up.



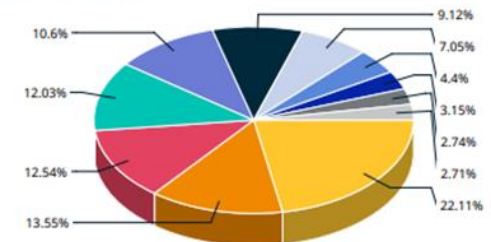
Benchmark MSCI World 50% Hedged

COUNTRY WEIGHTS



United States 67.39% Japan 6.79% United Kingdom 4.21% France 3.37%
Canada 3.34% Other 14.9%

SECTOR WEIGHTS



Information Technology 22.11% Financials 13.55% Health Care 12.54%
Consumer Discretionary 12.03% Industrials 10.6% Communication Services 9.12%
Consumer Staples 7.05% Materials 4.4% Energy 3.15% Utilities 2.74%
Real Estate 2.71%

Top 10 Index Constituents

	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
APPLE	2,299.30	3.97	Info Tech
MICROSOFT CORP	1,941.03	3.35	Info Tech
AMAZON.COM	1,472.49	2.54	Cons Discr
FACEBOOK A	836.40	1.44	Comm Svcs
ALPHABET C	738.87	1.28	Comm Svcs
ALPHABET A	734.34	1.27	Comm Svcs
TESLA	521.93	0.90	Cons Discr
NVIDIA	495.26	0.86	Info Tech
JPMORGAN CHASE & CO	474.63	0.82	Financials
JOHNSON & JOHNSON	433.05	0.75	Health Care
Total	9,947.29	17.18	

Sector in Focus

Overseas Shares

- **NPDC Guardians' Investment Beliefs:** Overseas Shares are managed with a passive or enhanced passive (low active risk) approach, reflecting the Guardians' belief that developed equity markets are relatively efficient.
- **Passive Investment:** Passive investing is investing in a strategy that aims to match the index return by tracking/replicating the index. This type of management is contrary to active management which aims to outperform a market index by holding larger amounts in securities that a manager expects to outperform, and fewer in those expected to underperform.

- **Overseas Shares Managers :**

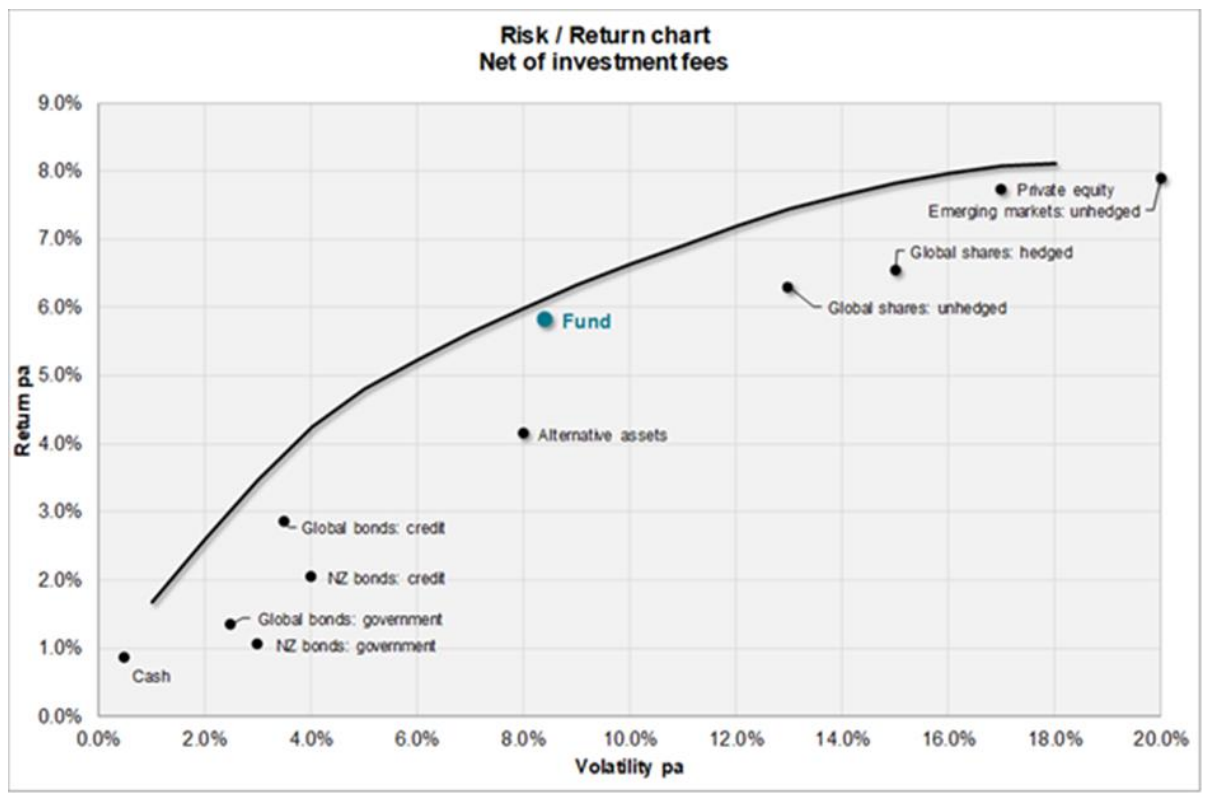
Weight	Manager	Approach	Rating	ESG Rating
50%	LGIM	Passive	A	ESG1
50%	Schroders	Low Active Risk	B+	ESG2

- **LGIM:** LGIM is a passive manager within the portfolio and has Mercer's highest ESG rating reflecting their strong approach to stewardship (voting and engagement).
- **Schroders:** Schroders use a low active risk approach. This type of strategy is modestly active meaning it only takes small active positions in securities.
- **Schroders strategy change:** The underlying Schroders strategy recently changed. This change has resulted in increased Environmental, Social, and Governance (ESG) integration within the portfolio by ranking and adjusting the portfolio weight of a company in accordance with Schroders sustainability score. The strategy also has an extended exclusions list beyond Tobacco and Controversial Weapons that includes Adult Entertainment, Alcohol, Fossil Fuels, and Gambling.

Gross Returns	1 MONTH (%)	3 MONTHS (%)	12 MONTHS (%)	3 YEARS P.A. (%)
Overseas Shares	4.2	8.2	33.8	14.1
Benchmark - MSCI World Index 50% Hedged	4.1	7.8	32.1	13.3
Excess	+0.1	+0.4	+1.7	+0.8

Asset class

Risk /return chart



Compliance Statement

Document	Status
New Plymouth PIF Guardians SIPO	There were no breaches reported in the quarter
Mercer Investment Trusts NZ SIPO	There were no breaches reported in the quarter
Responsible Investment Policy	There were no breaches reported in the quarter

Investments held in Mercer Investment Trusts NZ	Status
Segregated mandates	There were no breaches reported in the quarter
Mercer managed funds	There were no breaches reported in the quarter
External managed funds	There were no breaches reported in the quarter

Disclaimer

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Papa Rererangi i Puketapu Ltd
New Plymouth Airport

Annual report for the year ended
30 June 2021

Philip Cory-Wright	Chair
David Scott	Chief Executive

New Plymouth Airport
192 Airport Drive
New Plymouth 4373
Website: www.nplairport.co.nz

1. Cover note.

The majority of this report was written prior to the announcement of Level 4 lockdown on August 18th. The report was written to reflect PRIP business at year end FY2021.

The August lockdown has had, and will continue to have, a significant impact on the forecasts for FY2022. As of the day of writing this cover note (26th August), no flights have operated into, or out of NPL for five days, with no further flights scheduled for another five.

PRIP is currently in the process of re-forecasting the passenger numbers for FY2022 as well as re-forecasting revenue and the potential impact. In particular, what the need for borrowing from the current loan facility for operational purposes might be.

PRIP had not forecasted drawdowns for non-capital related uses in FY2022 and a re-forecast will be required to see if this has changed.

An update will be given at the council meeting on September 15th.

2. Introduction

This report for the year ended 30 June 2021 is presented by Papa Rererangi i Puketapu Ltd (PRIP) in accordance with the requirements of Sections 64 and 65 of the Local Government Act 2002 referencing the company's Statement of Intent and PRIP's monitoring and reporting requirements.

3. Responsibilities

PRIP was established in July 2017 and is 100% owned by New Plymouth District Council (NPDC). The company operates as a Council Controlled Trading Organisation (CTO) through an independent skills-based Board of Directors and employs its own Chief Executive and staff. PRIP operates under a Statement of Intent (SOI) agreed to by its Directors and is consistent with a Statement of Expectations issued by NPDC.

PRIP's prime purpose is to operate the Airport on a sustainable commercial basis and to ensure the ongoing safe and successful operation of the Airport. PRIP owns passenger terminals, aircraft hangars, airside infrastructure, car parking areas, roading and underground utilities. These facilities are sited on land occupied under a long-term lease from NPDC.

PRIP's prime objectives are to:

- operate the Airport in full compliance with the regulations set down by the New Zealand Civil Aviation Authority
- ensure that the business is run on a sustainable commercial basis
- optimise the use of its assets
- generate a reasonable rate of return on investment.

The key to this is to ensure the ongoing safe and successful operation of the Airport, whilst also facilitating the growth of tourism and trade by working collaboratively with key stakeholders to sustainably increase passenger numbers.

The Airport provides services to allow the safe and efficient facilitation of travellers and freight and, ancillary to this, leases terminal space and land at the Airport.

The Airport is viewed as an essential infrastructure asset for New Plymouth and has a key role to play in the economic performance, growth and development of the Taranaki region. As part of this, PRIP will work collaboratively with the airlines, NPDC, Venture Taranaki, the Chamber of Commerce, Iwi and other local key stakeholders to work towards the region's common strategic goals.

4. PRIP establishment

There are various agreements that have been established between the Council and PRIP for the ongoing operation of the Airport namely:

- Service Level Agreement
- Loan Facility Agreement
- General Security Deed
- Intergroup Asset Transfer
- Deed of Lease of Airport Land

The Service Level Agreement has changed during the first three years since PRIP was formed and for FY2021 now only encompasses the supply of hardware and software for telecommunications and data services together with operational support. The SLA is to be reviewed.

The loan facility agreement was established to fund the Airport Terminal redevelopment (Tranche A), provide a working capital facility for other projects and to assist with operational cash flow (Tranche B).

Based on forecast capital expenditure and cash flows, the combined limit of both Tranches is expected to be sufficient to meet all of PRIP's cash requirements. However, considering that the terminal redevelopment has now been completed, there is a need to amend the terms of Tranche A to ensure the purpose and scope include capital expenditure projects other than the Terminal redevelopment.

The Aerodrome certification, operation and use are governed by the New Zealand Civil Aviation Authority (CAA) and NPDC is currently the Aerodrome Operator Certificate (AOC) holder. Under an agreement with the CAA, PRIP manages the Airport on behalf of NPDC as if it was the holder of the Aerodrome Operator Certificate holder in its own right.

5. Executive summary

The last quarter of FY2021 saw an improvement in passenger numbers that went beyond initial projections. Domestic travel continued to recover strongly, as New Zealanders took the opportunity to travel within the country while the international borders remain closed. Christchurch in particular proved to be a strong market for New Plymouth customers with Air New Zealand responding by adding additional capacity.

The strong passenger numbers also contributed to the other revenue streams such as car parking and cafe receipts. This led to a better than expected financial result for the period. Air New Zealand has responded to the strong demand for travel by adding capacity across the network which has resulted in a re-forecast of our FY2022 passenger numbers.

PRIP and Air New Zealand agreed to a new set of lending charges that came into effect on July 1, 2021. The new rates are effective for the next three years.

All terminal related capital projects have been completed. With the airside fencing project also finished, this has improved the overall customer experience. All other capital projects scheduled for FY2022 remain on track.

The unique design of Te Hono, continues to gain attention with numerous award nominations both domestically and internationally.

6. Key personnel

a) Directors

In November 2020, NPDC advised that the tenure of the four current PRIP directors would be extended to ensure continuity in the current environment and create the ability to rotate two directors every 18 months.

Philip Cory-Wright and Chris Myers have had their tenures extended by a further 30 months to re-align with the standard three year term and will be due for reconsideration in June 2023.

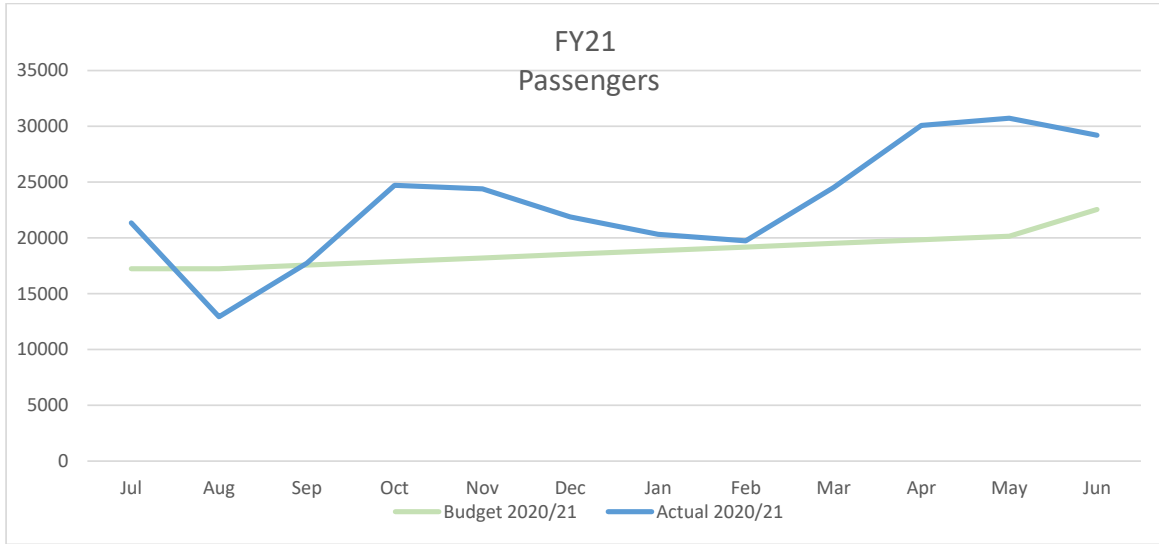
To allow an 18 month roll over, the terms of Rachel Farrant and Shelley Kopu were both extended by a further 12 months and will be due for reconsideration in December 2021.

b) Chief Executive Officer

Chief Executive (Wayne Wootton) finished on February 28th and was in an acting role until April 30th. David Scott was appointed as Chief Executive, commencing on May 1st 2021.

7. Operational summary

The last quarter of the year showed strong demand for domestic travel. The FY2021 total passengers number was 277,610, 22% above forecast. The domestic market in New Zealand has performed far beyond expectations and New Plymouth has benefited significantly from this.



As a result of the strong demand Air New Zealand had planned to add capacity. Approx. 15,000 seats were to be added in September, October, November, with indications this would continue throughout the summer months. With the advent of COVID-19 Level 4 Lockdowns a reforecast will be required.

The steady growth in passenger numbers resulted in a better than expected financial result. Total revenues for the year were \$4,524,341, 17% over our forecast, a net profit before tax of -\$ 1,059,869, 43% over forecast.

Operational expenditure was over budget by \$426,459. This was the result of unplanned non-capital maintenance works to the runway, professional fees as well as some items being under budgeted.

The following summarises the overall performance for FY2021 ended 30 June 2021.

<u>Period ended 30 June 2021</u>			
	Full year Budget	Actual	Previous year actual
Operating revenue	\$ 3,866,611	\$ 4,524,341	\$ 6,146,382
Operating expenditure	\$ 2,777,329	\$ 3,203,788	\$ 3,543,931
EBITDA	\$ 1,089,282	\$ 1,320,553	\$ 2,602,451
Depreciation & interest	\$ 2,940,000	\$ 2,380,422	\$ 2,384,006
Net profit (Loss) before tax	-\$ 1,850,718	-\$ 1,059,869	\$ 218,445
Passenger numbers	228,529	277,610	311,075

All operating costs associated with the day-to-day management of the Airport have been met from Airport revenue. Advances through the loan facility agreement have been made available from NPDC to assist with capital expenditure, with interest payments being fully serviced from Airport revenue.

The additional safety measures in the terminal that were introduced as a result of COVID-19 have continued during the first half of FY2021 and Alert Level 1 and 2 guidelines were followed mid-term. This has continued through to the end of the financial year and are expected to remain in place for the foreseeable future. During the period the Airport has been managed in full compliance with the CAA Rule Part 139, including the addition of David Scott, CEO as a senior person.

The existing Airport facilities have been well maintained throughout the year and there has been no diversion of regular passenger transport services resulting from Airport operations.

8. Airport terminal tenants

The steady growth of passenger numbers has had a positive impact for our main retail operator, while the remaining operators remain steady. PRIP will continue to work with those businesses to see what opportunities exist to improve growth.

9. Marketing and Promotion

The New Plymouth Airport Terminal, Te Hono has been nominated by the prestigious Prix Versailles organisation, for an architecture and design award in the new airport category.

Each year six airports from around the world are selected on the basis that they *'pay tribute to the qualities of innovation, creativity, reflection of local, natural and cultural heritage and ecological efficiency as well as the values of social interaction and participation which the United Nations holds in high regard'*. Below is a list of the other nominees:

- Berlin Brandenburg Airport Willy Brant. – Berlin, Germany
- Athens International Airport, South Wing – Athens, Greece
- Hazrat Sultan International Airport – Turkistan, Kazakhstan
- Clark International Airport – Pampanga, Philippines
- LaGuardia Airport, Terminal B – New York, NY, United States.

This nomination is a significant achievement which will create increased interest in the Taranaki region from all over the world. There have been articles in The Guardian newspaper in the UK and more publicity is expected as the award ceremony in Paris draws closer. The awards are scheduled for late November 2021.

PRIP would like to acknowledge all of the relevant parties involved in the creation of Te Hono, particularly the contribution of the Puketapu Hapu. The recognition is no doubt due to the cultural significance of Te Hono and PRIP is grateful for the collaboration and expertise from Puketapu.

10. Airways ATC

In May 2020, Airways announced its intention to withdraw Air Traffic Services from New Plymouth Airport, and six other regional airports. Following this announcement, New Plymouth Airport undertook an Aeronautical Study process, as required by the CAA when a significant change to operations is likely to occur at an aerodrome.

The aeronautical study concluded that the level of Air Traffic Service at New Plymouth Airport could be reduced without compromising aviation safety. However consideration of:

- The traffic forecast;
- The local operator concerns tabled during the risk assessment workshops;
- The strong rebound in New Zealand domestic movement numbers; and
- The inherent complexity of the airspace while both RNP and legacy procedures are in place;

it is considered that a full tower control service **would** be required in the short to medium term, therefore it was recommended that the existing ATC service should remain in place.

The aeronautical study was submitted to the CAA on 28 June 2021. Since that point the CAA have been undertaking their own review of the aeronautical study and the process by which it was generated, and have made contact with all the stakeholders to gauge their positions on the quality of the argument the study establishes, and the conclusions and recommendations contained within the study. In addition, the CAA have been reviewing the study and have submitted a number of clarifying questions to the Airport.

The conclusion of the CAA's process will be the publication of a determination by the Director of the CAA. As per Civil Aviation Rule 139.113, "a holder of an aerodrome operator certificate shall ensure the provision of an aerodrome flight information service or air traffic control service or both at their aerodrome when so required by the Director in the interests of safety." Airways have previously stated that they would provide services in accordance with the determination of the CAA, following an aeronautical study.

An indicative timeframe for the completion of the CAA process is 3 – 6 months, so it is expected that a CAA determination will be released towards the end of 2021.

11. Landing Charges Review

The landing charge review and consultation was completed with Air New Zealand and approved by the board in June. Given the challenges of the past 12 months this was an important process to have completed. Charges have now been set for the next three years effective 1 July 2021.

12. Capital projects

a) Airport terminal redevelopment

A small number of minor defects are ongoing and being worked through with the contractor. Apart from those minor issues the terminal contract is completed.

b) Airport entrance improvements

Project is progressing on schedule. Beca are managing the procurement and design process which is on track.

c) Wastewater treatment plant

Beca have previously been involved in the initial works for the replacement of the existing waste water treatment plant and have been in consultation with Puketapu Hapu and the Taranaki Regional Council.

An initial meeting was held with Puketapu and Beca on 22nd June to discuss the project. The meeting was a productive one and discussions are ongoing.

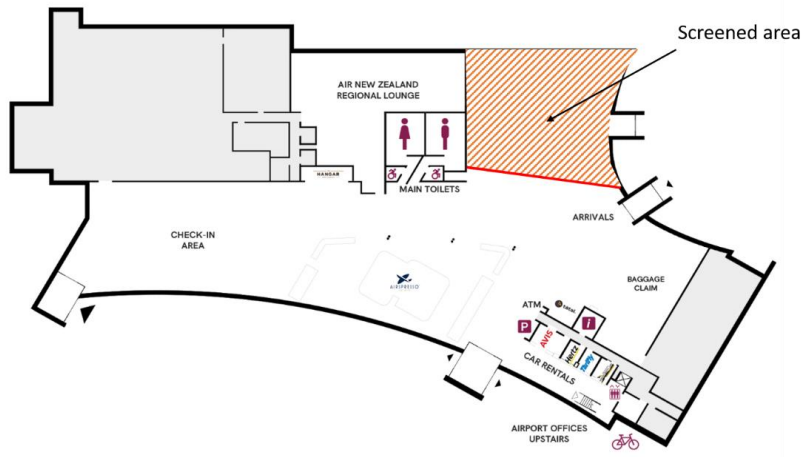
d) Fencing installation airside

The airside fencing has now been completed. This is a major improvement, both from an aesthetic and safety perspective. The passenger flow both to and from the terminal is now much more streamlined and safer and has greatly improved the customer experience.

13. Aviation Security

A representation from Aviation Security (AVSEC) attended the Airport to discuss plans for the introduction of security screening and to provide indicative timeframes for implementation.

AVSEC reviewed the Terminal building against their original plans and were content that the Airport is adequately prepared at this stage, with some minor changes required to AVSEC planning documentation. It is envisaged that the Airport's Departure Area would be segregated from the rest of the Terminal to separate screened passengers from non-screened members of the public:



AVSEC have indicated they are aiming to be on site by July 2022 and have screening established at the Airport by December 2022. They will have a staff of approximately 40 and, rather than utilise previously designated office space in the Terminal, would prefer to occupy the majority of Terminal 2.

14. Sustainability

PRIP has been working towards level two airport carbon accreditation omissions in accordance with the requirements of the Airport Council International (ACI). Level two consists of managing and reducing our carbon footprint.

PRIP mapped out carbon usage using 2018 as our base year and PRIP continues to measure and monitor emissions using the Airport Carbon Emissions Reporting Tool (ACERT).

In addition PRIP is also engaging with Powerco to look at what opportunities exist for alternative energy sources i.e. solar, as well as installing the e-vehicle charging stations in the airport car park.

15. Stakeholder relations

NPDC, as the 100% Shareholder, has nominated an advisor who attends the PRIP Board meetings as an observer. The Council's Deputy Chief Executive holds this position and, as well as the Board meeting attendance, meets regularly with the Chief Executive of PRIP to ensure strong communications and alignment between the Council and the Airport company.

PRIP management is also working in close collaboration with the Venture Taranaki Trust and the Chamber of Commerce to promote the district from tourism and economic development perspectives and is a Chamber of Commerce Regional Partner.

PRIP will continue to build upon the strong relationship with Puketapu Hapu that has developed with the Airport over the years and, in particular, with the close involvement during the Airport Terminal Redevelopment project.

PRIP is aware of the potential that future decisions may impact on local Iwi and Hapu and will ensure an appropriate level of consultation at all times. PRIP is also aware of the statutory obligations of the Council and will act at all times in a manner that is consistent with these and also those pursuant to agreements with third parties, including Iwi, Hapu, or other Maori organisations.

16. New Plymouth Partners

The official launch of NP Partners took place in October 2020 and PRIP is proud to be one of the foundation partners, being committed to investing in the future of the district through a strategic and managed programme with the New Plymouth District Council.

PRIP will allocate annual funding to the scheme which, with the combined skills, experience and networks of the partners, will create opportunities and source investment to build a better city, district and community.

PRIP donated \$50,000 to NP Partners foundation project, Destination Play, in June 2021.

17. Strategic outlook

a) Passenger numbers recovery

As previously mentioned, the last quarter of FY2021 was positive. Passenger numbers finished the year 21% above the forecast. Prior to the August/September COVID-19 Lockdown PRIP was forecasting domestic numbers to be close to 400,000 in FY2022. Air NZ has increased capacity and load factors remain in the high 80%. These numbers will now need to be revisited.

The Trans-Tasman bubble has not had a material impact during this period. It appears New Zealanders are preferring to holiday domestically while COVID remains active.

b) Car parking

Car parking is the biggest portion of the Airport's non-aeronautical revenue and the ability to create sufficient parking spaces and set appropriate charges are critical elements.

The car parking review has been not been completed. Once the airport entrance has been completed a full review of the car parking products and pricing structure will be undertaken.

Quarterly Report

NEW PLYMOUTH DISTRICT COUNCIL

Quarter Four 2020-2021



venture
TARANAKI
Te Puna Umanga

Message from the Chief Executive



We will continue to build the momentum we now have in our region, leveraging our many strengths and driving our advantages home – Justine Gilliland

As we pull together our final report for the 2020/21 year, it is an opportunity for us to reflect on a (financial) year that has been full of variety. The outlook for Taranaki in June 2020 was grey, as we worked to recover the losses from COVID-19 lockdowns and level changes, and faced up to predictions of recession and unemployment potentially topping 10%.

By March of 2021, the economists had revised their predictions, and things have been looking a lot more positive. The construction sector in particular is booming, and we are now seeing skills shortages across many industries, from construction to agriculture to IT.

At Venture Taranaki we've worked hard to maintain our focus on regional strategy throughout this period of change. Taranaki 2050 and Tapuae Roa have now been consolidated into a unified plan and the region is making good progress across the vast majority of actions.

Our food and fibre sector, always a cornerstone of Taranaki, has shown again why it is such a crucial part of our regional economy. Food and fibre sector exports from NZ are triple the pre-Covid value of tourism sector export earnings, and Taranaki is well-placed to leverage its many comparative advantages as a food bowl of New Zealand.

The cost of living remains an issue for many, with house prices at record highs, and the price of energy at near-record highs. New Zealand's reliance on gas remains critical and exploring low-emissions options for the gas

network are therefore key, with some excellent work underway on these. Further ahead, opportunities like offshore wind will take time to fully materialise in our region, but when coupled with a focus on what advanced sectors can achieve with abundant, low-emissions energy, the exponential change we need looks much more achievable. We'll have more on this when we release our Power to X work next quarter. In an energy context, focussing on low-emissions remains critical; focussing on whether an energy solution is renewable or not is limiting our options to address the critical emissions challenge.

Within this environment, Venture Taranaki continues its work, delivering PowerUp for entrepreneurs, shaping our Visitor Futures, and supporting our community and enterprises across the board. We were delighted to win the supreme award from Economic Development New Zealand (EDNZ) this year for the design and delivery of the COVID-19 Enterprise Support Fund, confirming our place as a leader and best practice organisation in the regional development space.

We will continue to build the momentum we now have in our region, leveraging our many strengths and driving our advantages home. At the heart of our work is improving the wellbeing of our people and environment, by growing resilient enterprises, economies and communities. With the collaboration of others, we will continue in our mahi in the year to come.

- *Justine Gilliland*



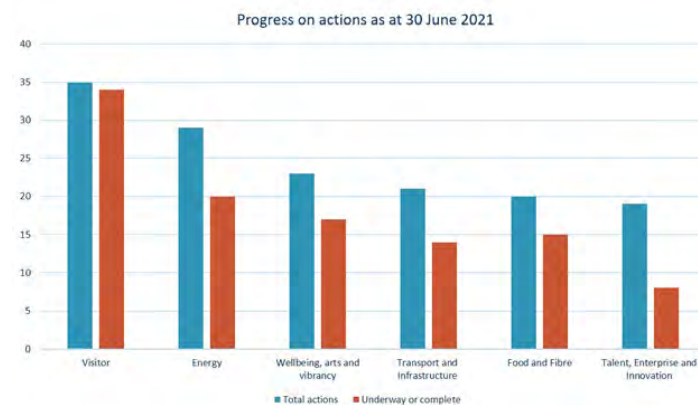
FACILITATING AND CONNECTING REGIONAL STRATEGIES

Tapuae Roa and Taranaki 2050

A strategic focus of Taranaki 2050, Tapuae Roa and recovery work has been on creating one integrated regional framework and combined action plan. This also includes considering metrics to set a baseline. A workshop was held with Ngā Kaiwhakātere o Taranaki on 22 April, and an integrated plan has been developed.

PROGRESS TO DATE

- The team has also worked on securing funding for FY2021/22 and developing a project plan for the next 12 months, to be agreed by Ngā Kaiwhakātere o Taranaki.
- Venture Taranaki secured \$120k of funding from MBIE for business case development across five different projects. The team has also supported Sustainable Taranaki to develop cases for progressing environmental behavioural change.
- Venture Taranaki is working with Kānoa (the new name of the Provincial Development Unit within MBIE) on potential areas of focus for the region to apply to the new Regional Strategic Partnership Fund.
- A graph showing progress in implementing Taranaki 2050 and Tapuae Roa actions is below (as at 30 June 2021).



FOSTERING SUSTAINABILITY AND RESILIENCE

Sector Diversification

FOOD TOURISM STUDY

Stafford Strategy recently completed a report of food tourism possibilities in Taranaki. This report had a focus on Eltham and cheese tourism, as well as possibilities for the wider region.

The report identified nearly 30 different food tourism opportunities for the region. The opportunities were ranked based on criteria that considered cost, time and strategic value.

Venture Taranaki will continue to work with key stakeholders, such as South Taranaki District Council and Fonterra, as well as members of the food and fibre and visitor sectors, to consider next steps for this work.

FOOD AND FIBRE NETWORK

Venture Taranaki hosted another Food and Fibre network event in May 2021. This event was part of our ongoing work to develop and grow the regional food and fibre network.

Approximately 40 members of the network heard from Pic Picot (of Pic's Peanut Butter) and Paul Newbold (Ozone Coffee Roasters) about their food journeys, including highlighting some of the challenges that their businesses faced as they grew.

The intention this FY is to run semi-regular events similar to this, inviting expert speakers to come and talk about specific aspects of the food and fibre value chain.

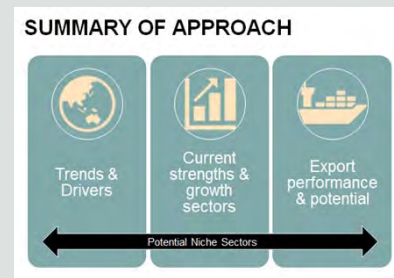


NICHE SECTORS

During Q4 Venture Taranaki commenced an investigation into new niche sectors which could help to further leverage our regional strengths, support entrepreneurialism and foster high value specialisms which capitalise on our talents, resources, infrastructure and networks.

The above endeavours seek to enhance economic resilience in the region and ensure we are well placed to capitalise on future opportunities.

Consultancy Martin Jenkins has been commissioned to assist Venture Taranaki with this workstream – the outcomes of which will contribute to 21/22 business plan activities.



1. Food & Fibre network, including Food Tourism study
2. Engineering industry plan - see ETC update
3. Taranaki Land and Climate Assessment – reported in Q2
4. Agritech Roadshow – reported in Q3
5. Strategic Tourism Assets Protection Programme (STAPP) - see project update
6. Niche Sectors work - see update

Activity	Measure	Annual target	Total YTD
Fostering sector diversification and growth	Number of initiatives targeting sector diversification and growth	4	6

FOSTERING SUSTAINABILITY AND RESILIENCE

Sector Diversification

VISITOR FUTURES

Design and Refine: Workshop on 7 May 2021

As part of our STAPP funding (which focuses on supporting our visitor industry) an interactive workshop was held in Q4 as part of an extensive design thinking research report. Other elements included visitor interviews and trends analysis, applying a consumer centric future-focused lens to our visitor industry. The final report will be shared in Q1 2021/22.

This workshop was developed to provide an opportunity for a range of relevant organisations to shape thinking and ideas in the visitor sector.

We Create Futures gave an overview of their work to date, providing insights on future trends and plausible product development opportunities to take forward.

In groups we discussed some of the key trends and how this might help build a 5-year plan to prototype these initiatives.

The key concepts focus on; food, accessibility and inclusivity, aging population, and solo travellers.

The workshop was received well, and we have identified key stakeholders to engage in the next phase of this project to move into product development.

BRANCHING OUT UPDATE

Economic Assessment on a Range of Land Uses: a report by The Agribusiness Group was submitted. Further opportunities have been identified and briefed.

Sheep Diary Value Chain Report was submitted – further work needed, and the consultant has a clear direction on this.

Gin Botanicals Analysis conducted by Massey University (Alton Gondipon) was submitted. This is likely to be extended to include an assessment on juniper.



Design and Refine: Delegates attend the We Create Futures workshop on 7 May 2021



FOSTERING SECTOR DIVERSIFICATION AND GROWTH

Championing Innovation

ENERGY ACTION GROUP AND ENERGY PROJECTS

We have been working with action-focussed organisations from the regional energy sector to prioritise outstanding energy actions from Taranaki 2050 and Tapuae Roa.

The key priority for this group was to develop a discussion document and roadmap outlining Taranaki's energy transition and Power to X opportunities.

Sapere Research Group, with support from Absolute Certainty, have been contracted to deliver this work. We expect to have a final report completed by early Q1 2021/22.

Upon formation, the Energy Action Group agreed to work together on energy actions until 30 June 2021. Work is now underway to determine the future need, makeup and focus of this group.

In partnership with Federated Farmers and the TRC, VT has also commenced a project focusing on rural energy. Data relating to energy use on Taranaki farms has been collected, presented and discussed at a workshop held during Q4 which entailed a cross-section of local farmers, agencies and energy companies. The outcomes are presently being reviewed and next stage actions defined.

The Taranaki H2 Roadmap has also been updated during Q4 to showcase progress which has occurred since the launch of the original roadmap.



The Taranaki Catchment Communities (TCC) project report is now available on the Venture Taranaki website. [Click here to view and download.](#)

Taranaki Catchment Communities

have been granted \$1.25 million from MPI to support individual catchment groups progress actions within their workplans over the next two years. This is half of what had been budgeted, but TCC is hopeful of securing further funding from other avenues.

VT will remain connected with this group and will provide advice and support where necessary. However, as TCC is now a formal entity, VT will no longer be responsible for managing the funding relationship with MPI.



1. Taranaki Catchment Communities - see update (left)
2. Regenerative Agriculture Workshops – reported in Q3
3. Auckland Food Show – reported in Q2
4. Sustainable Transport workshops – see Taranaki 2050 updates on page 2
5. Energy Action Group and Power to X, including rural energy - see update (left)

Activity	Measure	Annual target	Total YTD
Championing innovation and sustainability	Number of initiatives targeting or supporting innovation and sustainability	4	5



The PSP funded Project Reef Life project from 2015-16 was showcased in a special exhibition at Puke Ariki in Q4.

FOSTERING SUSTAINABILITY AND RESILIENCE

Curious Minds Participatory Science Platform

Two new projects were funded at the end of Q4:

1. Soil Your Undies Taranaki led by Enviroschools is a fun take on investigation into the health of our local soils by burying cotton undies to measure the effect of macro and micro inhabitants.
2. Call of Litter Duty led by Litter Action NZ is empowering schools to investigate where litter in their community comes from and what actions they can take to influence a reduction in litter ending up in the environment. Both projects are getting underway with schools in term three.

PROJECT UPDATES

- A number of projects have made significant progress through Q4. Of recent note, Dr Linda Jones and Alzheimer's Taranaki have had great success exploring a place for virtual reality in dementia. Despite a few post-COVID hurdles, their research is proving how the value of utilising increasingly available technology can help improve cognitive function and quality of life for those with access needs. Participants have thoroughly enjoyed the exposure to virtual reality technology, highlighting that age is no barrier to participating in scientific research.
- A 2015 – 2016 PSP Curious Minds Taranaki project that successfully grew beyond the programme, Project Reef Life, has reached another milestone in opening their own interactive 'Reef Alive' exhibition at Puke Ariki Museum.
- The larger national level Unlocking Curious Minds is back for 2022 with applications opening in mid-July. Support will be provided to suitable Taranaki based initiatives seeking to apply.

FOSTERING SECTOR DIVERSIFICATION AND GROWTH

Massey University partnership

FARMING TO FLOURISH

The Farming to Flourish project, funded by the Massey University/Bashford-Nicholls Trust funded Pivot: Enabling Innovation in Agriculture Award progressed, with a 'long lunch' held at Ōakura Saturday 01 May. This event brought together niche and smaller scale food producers who are involved in the project, for an information sharing and workshop day.

Massey, Beca and Ministry of Education partnered in bringing an event to Techweek2021 to highlight exciting and rewarding career opportunities for students in the Taranaki food & fibre sector, including engineering and sciences needed for future innovation in these sectors.

The event was attended by around 150 students, from 7 Taranaki high schools, with students and teachers noting the robotics and technology presentation by Massey's Prof Johan Potgieter as being especially inspiring.

[Click here to see the Stuff media coverage from the event.](#)



Massey University Business Development Manager Eve Kawana-Brown speaking at the Farming to Flourish long lunch in Ōakura on 1 May 2021.

During Q4 the Massey-Venture Taranaki partnership worked across a range of initiatives, with a strong focus on:

- Our Food & Fibre sector, including Regenerative Agriculture-related projects (attending MPI Regenerative Agriculture hui in Wellington 6-7 April and supporting events and collaboration within the region during the quarter).
- Advancing juniper-related project work for 2021-2022, having been awarded Pivot funding 2020 in March. Identifying trees with berries throughout NZ and micropropagation work has been a focus for Q3.
- Contributing to the work of the Branching Out project, including undertaking research into other botanicals with market potential for the NZ gin industry plus other high value applications.
- Supporting connectivity of regional interests to National Science Challenges (NPDC, TRC and Massey researchers' application for Deep South National Science Challenge's 'Living With Uncertainty' funding for a climate change response-related project has progressed to a co-development phase, with other projects in region starting to connect to Our Land and Water and Biological Heritage Science Challenges).
- Having secured funding (\$250k) from MBIE's Vision Mātauranga Capability Fund in early April, work is now progressing with a harakeke spinning project. Massey and AgResearch are working with Te Kuiti-based Rangi Te Kanawa to develop spinning technology, which has potential to offer value in future to Taranaki interests.



Click the images to read the reports.

REGIONAL INTELLIGENCE UPTAKE Q4 2021

Trends Winter 2021:

80 downloads
92 views

Business Survey:

5 downloads
36 views

Page views:

998 Projects
656 All reports
632 Regional intelligence
577 sector development
328 Taranaki Trends page
99 Business survey page

REGIONAL INTELLIGENCE

Undertaking environmental scans and regional economic monitoring

As part of the newly-launched Venture Taranaki website, there is a regional intelligence section, which provides access to the latest research and statistics, including both Venture Taranaki reports and curated content from Infometrics, Marketview, Stats NZ, MBIE and more.



PUBLISHED REPORTS FOR JUNE 2020-JULY 2021

1. Taranaki Trends Summer 2020
2. Taranaki Trends Winter 2021
3. Taranaki Business Survey November 2020
4. Taranaki Business Survey June 2021
5. Building & Construction Sector Survey May 2021

Activity	Measure	Annual target	Total
Undertaking environmental scans and regional economic monitoring	Number of regional monitoring updates released	4	5

ENTERPRISE SUPPORT AND ENABLEMENT

Referrals and Engagements

ENTERPRISE ADVISORY AND SUPPORT

Demand for support continues to be in high demand across the entire region, particularly North Taranaki, as Taranaki enterprises seek guidance, connections and funding to build capability, undertake research and development, and address challenges. For a growing number this means examining opportunities for growth.

Many are busy working to resolve human resource management capability that has been highlighted through COVID-19. Demand for succession planning, coaching and support has also increased as enterprise owners look to formalise arrangements for succession with family or employees, or they consider how to package their enterprise for eventual sale.

Supporting digital enablement, Venture Taranaki partnered with the national DigitalBoost programme to bring a workshop about digital enablement for small-to-medium sized enterprises during the quarter.

The majority of enterprises are positive about their respective sectors, while also reiterating that they are operating in often challenging circumstances.

Venture Taranaki has seen a considerable number of enterprises planning for growth, but also growing concern in relation to export markets and raw materials supply – freight, timing and pricing. There is a marked increase in awareness of the need to be well prepared for adverse events as the impacts of COVID-19 continue and for a far greater length of time than most imagined.



NUMBER OF CLIENT INTERACTIONS:

17,770

(55% INCREASE ON PREVIOUS YEAR)



REFERRALS AND CONNECTIONS:

241

(12.5% INCREASE ON PREVIOUS YEAR)

Activity	Measure	Annual target	Q1	Q2	Q3	Q4	Total
Enterprise connection and signposting.	Number of referrals and connections made by Venture Taranaki staff.	≥ 200	72	30	89	50	241
New Plymouth plus outside Taranaki			64	26	63	41	194
Enterprise support	Number of support engagements	≥ 4000	4317	5804	2587	5062	17,770
New Plymouth plus outside Taranaki			3,437	4,461	2,060	4,071	14,029

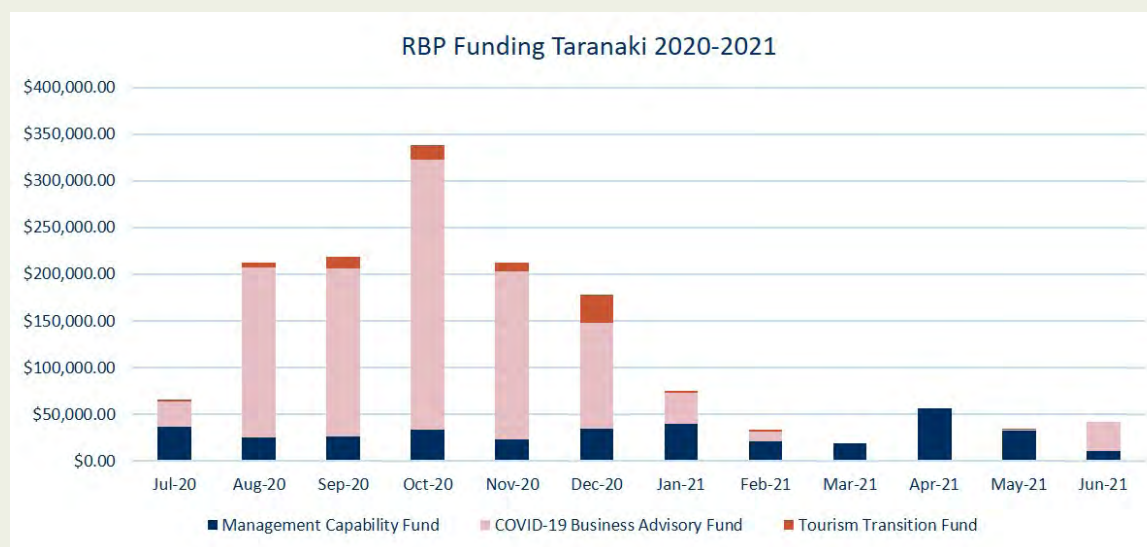
ENTERPRISE SUPPORT AND ENABLEMENT

Regional Business Partners capability funding



RBP CAPABILITY
DEVELOPMENT AND
COVID-19 SUPPORT
FUNDING ISSUED:
\$1,484,703.75

Compared to \$895,314.06 issued in
2019/20, an increase of 67%



Activity	Measure	Annual target	Q1	Q2	Q3	Q4	Total
Enterprise support	The level of annual investment in the management capability of Taranaki's small and medium sized businesses	≥ \$240,000 (all of Taranaki)	\$87,845.00	\$91,027.50	\$79,706.50	\$99,621.25	\$358,200.25
			Taranaki	Taranaki	Taranaki	Taranaki	Taranaki
			\$53,250.00	\$64,601.00	\$72,145.75	\$81,558.75	\$271,555.50
Enterprise support	RBP COVID-19 Business Support and Tourism Transition funding distributed in New Plymouth District	n/a	\$408,109.00	\$637,276.50	\$47,710.00	\$33,408.00	\$1,126,503.50
			Taranaki	Taranaki	Taranaki	Taranaki	Taranaki
			\$354,174.00	\$536,856.50	\$41,260.00	\$26,608.00	\$958,898.50
			New Plymouth	New Plymouth	New Plymouth	New Plymouth	New Plymouth

ENTERPRISE SUPPORT AND ENABLEMENT

Startups, jobs and mentor matches

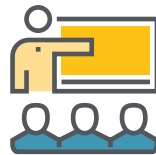
Startup clinic attendance is increasing across the region.

Job listings are up significantly in New Plymouth district, and steady in Stratford and South Taranaki districts.

Startup clinic attendance in Taranaki has increased by 68% for the year ending 30 June 2021, compared to the previous year. Most of this increase is in clinics held in New Plymouth, however there are attendees travelling to New Plymouth from both Stratford and South Taranaki districts as well.

Venture Taranaki made 41 matches in Taranaki with the Business Mentors New Zealand programme during the year, of which 34 matches were made in New Plymouth District. This is down from 51 total and 45 mentor matches for New Plymouth in the previous financial year.

The likely cause for this decrease is the availability of COVID-19 support funding, which has superceded some other programmes.



NUMBER OF STARTUP CLIENTS:
10

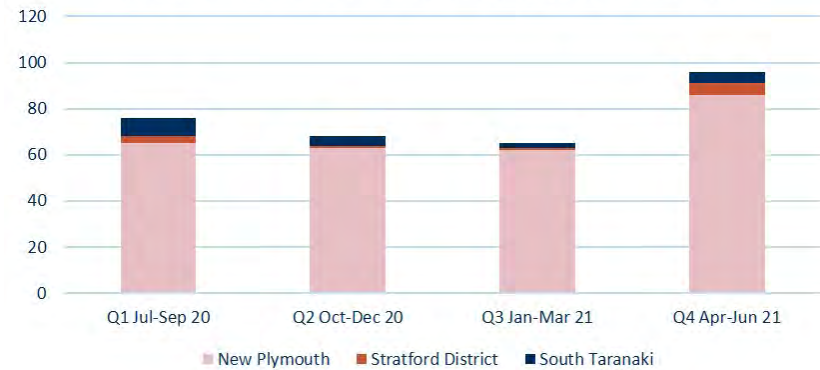


NEW JOBS LISTED:
2,826
(7% DECREASE ON PREVIOUS YEAR)

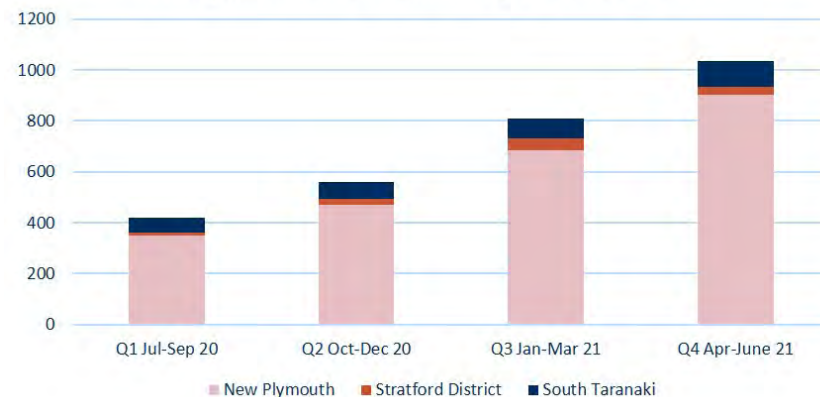


MENTOR MATCHES:
41

Startup clinic attendees in Taranaki July 2020-June 2021



New jobs listed in Taranaki July 2020-June 2021



ENTERPRISE SUPPORT AND ENABLEMENT

PowerUp

PowerUp is all about growing, connecting, and supporting ideas and capability, and harnessing the expertise and passion required to develop Taranaki's entrepreneurship ecosystem.

The PowerUp Ideas Competition journey started with the first phase, with over 70 registrations. Unfortunately we only had capacity for 50 participants – who attended eight capability building workshops. From here we made another call to the wider Taranaki public for submissions to the second phase of the Competition. Five finalists were chosen to progress through to receive crucial mentorship, seed funding, co-working space from Manifold and Johnson Corner spaces, and advisory support from our Venture Taranaki team and NZTE.

Glen Stephens and his startup Sol+Sea took out the top spot in the region's 2021 PowerUp Ideas Competition, winning \$10,000 to help take his idea to the next level.

PowerUp is not only the PowerUp Ideas Competition, but well beyond that. It focuses on 3 pillars:

- Grow (Capability and Enterprise Growth / Start-up e.g. Ideas Competition, Masterclasses)
- Connect (Collaborative effort throughout the region, supporting StartUp weekend and other activities within the ecosystem)
- Tell (telling the stories of our movers and shakers – entrepreneurs and innovators) An example is the successful PowerUp Podcast series presented by David Downs.



Above: Enterprise Advisor Shaan Davis (left) with winners Zoe and Glen Stephens from Sol + Sea, and VT's GM Enterprise Michelle Jordan. Below: People's Choice winners Nanobubble (left), David Downs and Cathy Clennett present the final award (right).



ENTERPRISE SUPPORT AND ENABLEMENT

Callaghan Innovation grants and funding

Research & Development updates

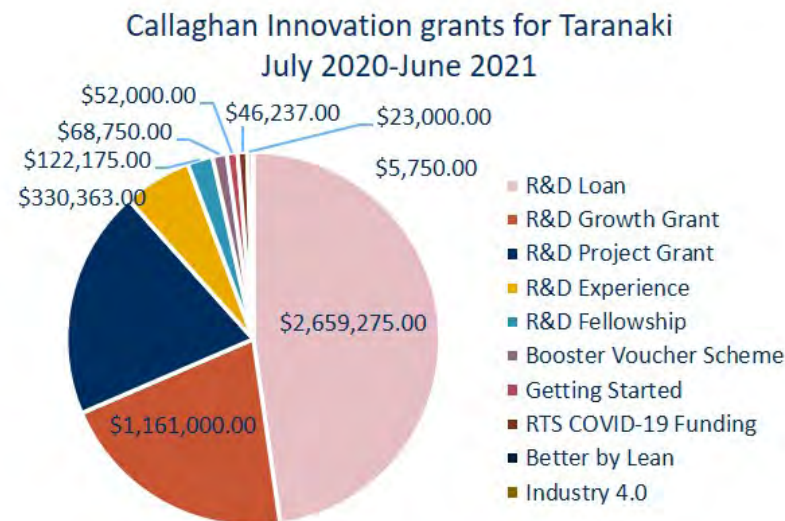
R&D activity across the region has been well utilised this year, with many enterprises taking advantage of the Booster Voucher Scheme, one of the COVID-19 support offerings from Callaghan Innovation.

Callaghan Innovation's research and technical COVID grant came to an end on the 30th June. This is where funding was available for COVID affected R&D businesses to engage with one of Callaghan Innovation's scientists, obtaining their advice and expertise for up to 200 hours. Venture Taranaki facilitated five businesses through this one-off funding process which resulted in a total of \$46,237.00 funding for the year end.

During the quarter Venture Taranaki staff have attended various training sessions for the R&D Tax Incentive, which is the Government's new flagship R&D funding scheme. Time was spent ensuring we understand the criteria, to ensure our Taranaki R&D clients have an initial point of contact.

The TechWeek event, Fantastic Tech People and Where to Find Them, involved promotion of the R&D student grants that are available with a specific focus on students studying IT. Local businesses learnt more about the student grants available and heard from a business who had received funding for a summer student and then went on to offer them permanent employment.

Callaghan Innovation, in partnership with Venture Taranaki, held a one-day lean workshop for local businesses wanting to improve the efficiency of their business operations. The workshop was sold out and Venture Taranaki are in the process of following up attendees to determine their future plans for business optimisation.



VALUE OF R&D GRANTS ISSUED TO TARANAKI ENTERPRISES:
\$5,574,986.04

Activity	Measure	Annual target	Total
Enterprise Support	The level of annual investment in regional businesses (subject to central government policy)	\$1m	\$5.6m
	New Plymouth District funding allocated		\$5.4m



ENTERPRISE SUPPORT AND ENABLEMENT

Enterprise support activities

Enterprise support activities include, but are not restricted to;

1. Enterprise advisory
2. Startup guidance
3. Mentoring programme
4. Investment ready programme
5. Innovation support
6. Connections and signposting
7. RBP Capability Development funding facilitation
8. Research and development support and funding facilitation
9. COVID-19 enterprise support fund advisory and facilitation
10. Export Taranaki event
11. PowerUp (see project update)
12. Techweek (see project update)



**FUNDING RECEIVED
FOLLOWING A VT REFERRAL*:**

\$4,754,000

*funding that Venture Taranaki staff have helped to facilitate, through referrals, connections, and application support. Does not include VT's own fund programmes or contracted projects.

Activity	Measure	Annual target	Total
Enterprise support	Breadth of enterprise support activity undertaken (number of different support initiatives)	5	12

ENTERPRISE SUPPORT AND ENABLEMENT

Māori enterprise support

TE HONO

On 20 May 2021, Venture Taranaki co-hosted the Te Hono Māori Future & Tech Summit in New Plymouth, attended by more than 170 speakers, guests and taiohi (youth) from throughout New Zealand. Speakers included Sir Ian Taylor, Dr Ganesh Nana, Cameron Bagrie and other panellists.

HE TORONGA PAKIHI KI TARANAKI

Venture Taranaki has continued to support the Māori Business Network of Taranaki throughout the financial year, following the forming of an independent trust in 2020. In Q4 Venture Taranaki co-sponsored a networking event at the Novotel in New Plymouth, attended by more than 50 people with guest speaker Tania Pouwhare sharing learnings and successes with Auckland City Council where a social procurement policy gives a percentage of Māori and Pasifika businesses options to provide services and goods.



He Toronga Pakihi ki Taranaki trustees with guest speaker Tania Pouwhare (far left) at their networking event in June.



7%

OF VENTURE TARANAKI CLIENTS ARE MĀORI*

*Clients who accessed Venture Taranaki services during the financial year ending 30 June 2021.

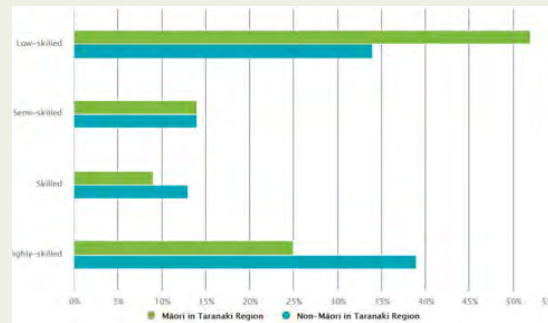


8.3%

OF BUSINESS OWNERS IN TARANAKI ARE MĀORI*

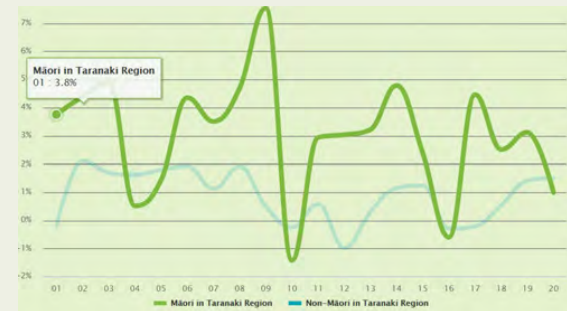
*Census 2018 data from [NZ.Stat](#)

MĀORI SKILL LEVEL 2020



The total number of Māori employed in Taranaki has risen over the five years to 2020 from 8,805 to 9,758. The average growth rate during the last five years was 2.1% pa. Non-Māori employment rose by 0.6%pa over the same period.

EMPLOYMENT GROWTH



ENTERPRISE SUPPORT AND ENABLEMENT

Events & Awards

EDNZ AWARD

Venture Taranaki was acknowledged for excellence in Economic Development, taking out the Supreme Award, as well as the category award for Business Support Recovery Initiative Award, at the May 2021 Economic Development New Zealand (EDNZ) Gala Awards, for its Taranaki COVID-19 Professional Services Grant Programme.

The VT-initiative was funded by the three Taranaki district councils, allowing VT to make small grants of up to \$400 available to Taranaki small-to-medium enterprises, giving immediate access to much-needed professional advice to help to navigate the impact of COVID-19. The grant amount was then matched by Taranaki professional service providers who offered an additional \$400 worth of support in kind.

While the amounts were only small, they had a huge impact for many enterprises. In a time of severe uncertainty and vulnerability, before central government support was available, the grant enabled enterprises to prioritise and make decisions providing them with the support needed to start resolving the challenges so many of them were facing.

TECHWEEK 2021

Techweek 2021 was back in Taranaki in May, showcasing innovation and technology happening in our region. Venture Taranaki was proud to be the curator for the fourth year running and support a wide range of free events – from environmental tech and business digitisation, to the future of energy, tech for seniors, cool hands-on displays of clean energy robots and much more, there was something for everyone. This year we also had a Tech Hub space in central New Plymouth where you could chat with the Venture Taranaki team, watch Techweek TV sessions or find out more about tech and education for example.

Techweek is a fantastic platform to amplify New Zealand's unique and inspiring innovation stories, and Taranaki proudly showcased once again our innovative spirit and long tradition of game-changing ideas.



Above: (from left) Venture Taranaki's Nadia Phillips, Natacha Dunn, Justine Gilliland and Michelle Jordan accept the Business Support Recovery category award on behalf of Venture Taranak. Below: TechWeek Taranaki events.



PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK, INVEST, PLAY, VISIT AND CREATE

Taranaki Story

The Taranaki Story was launched to the public on 28 May. Prior to this, a partners and stakeholders pre-screening was run on 25 May, and attended by over 250 people.

The launch strategy centered on engaging those who had been a part of the development of the story, and empowering them to become story champions and advocates. With over 400 people contributing in some way, through workshops, as talent, case studies, or advisers and partners, this gave us a diverse group of stakeholders.

By undertaking a pre-screening, we were not only able to thank those who had been involved, but also share with them the assets, and launch to a test audience; spreading excitement and organic word of mouth for the public launch.

By the time we launched on 28 May, we had received an overwhelming amount of positive feedback, and people were counting down to having access to the tools.

To promote the story within Taranaki as well as across NZ we ran a launch campaign that included media, our own channels, partner channels, Stuff digital, and NZ Story channels. We were also able to utilise existing media partnerships across a local magazine 'Whenua' as well as nationally through NZ Entrepreneur.

We continue to promote the story and the supporting assets across our social channels.

The launch was hugely successful. At launch, we had over 3,000 visits to the website, and seven days after launch, we had already received 41 user registrations (to download assets you need to sign up, although everything is freely available – this is for copyright and use agreement purposes only), and over 164 asset downloads.



Above: Tongaporutu and Taranaki Maunga; one of the downloadable assets launched as part of the Taranaki Story.

Below: The pre-screening launch on 28 May 2021.



PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK,
INVEST, PLAY, VISIT AND CREATE

Identifying & facilitating investment opportunities

IDENTIFYING OPPORTUNITIES

1. Initial Due Diligence with private company seeking investment
2. Launch of the Investment prospectus
3. Investment Pipeline
4. Offshore Wind forum
5. Avocados: The Taranaki Opportunity
6. STAPP Design Thinking workshop (see project update)

FACILITATING OPPORTUNITIES

1. Information sessions with TDHB and Project Maunga
2. Infrastructure webinar
3. Social procurement webinar
4. Investment education session: What investors want to know.
5. Co-hosted NZTE Raising Capital for International Growth Game Plan workshop.

Raising Capital for International Growth

The NZTE Raising Capital for International Growth Game Plan workshop was a co-hosted event held at Venture Taranaki in New Plymouth on 20 May 2021. This involved 16 participants, along with three local panellists, three NZTE facilitators and three facilitators from New Zealand Growth Capital partnership.

Topics included: Growth Plan, Capital Strategy, Preparation, Connections, Deal and Post.

Activity	Measure	Annual target	Total
Identifying opportunities to attract investment into Taranaki	Number of engagements related to attracting investment to Taranaki	5	6
Facilitating opportunities for investment into Taranaki	Number of engagements related to facilitating opportunities for investment in Taranaki	5	5

"Thanks for having me. It was great hearing from all sides of business. I loved catching up with others who were starting and looking for r&d budgets to those who had the funds to develop. Great networking and valuable insight. You were a fantastic host. Thanks for making it happen. It was the best event I've been involved in with Jobhop to date." – Job Hop, Stratford attendee



PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK, INVEST, PLAY, VISIT AND CREATE

Visitor promotion initiatives

Two visitor promotion campaigns were undertaken in Q4, bringing the total for the year to twelve.

1. The Café
2. Wellington Regional News
3. "Always On" Google adwordscampaign
4. Stuff "Back Your Backyard"
5. Visiting Friends and Family (VFR) campaign
6. Just Around the Corner digital campaign
7. Out of Region summer events promotion
8. Taranaki Like No Other Consumer newsletter
9. Mike Yardley familiarisation visit
10. Summer events out-of -region promotion

New for Q4

11. Neat Places partnership (see update next page)
12. STAPP out-of-region media activity launched

PLAN YOUR OWN TARANAKI ROADTRIP

Just around the corner is a region like no other. Soak up the spectacular natural wonders and world-class modern art. Feast on tantalising local fare, enjoy unique events, roam the endless tracks and trails. With so much on offer all year round, there is something here for everyone in Taranaki.

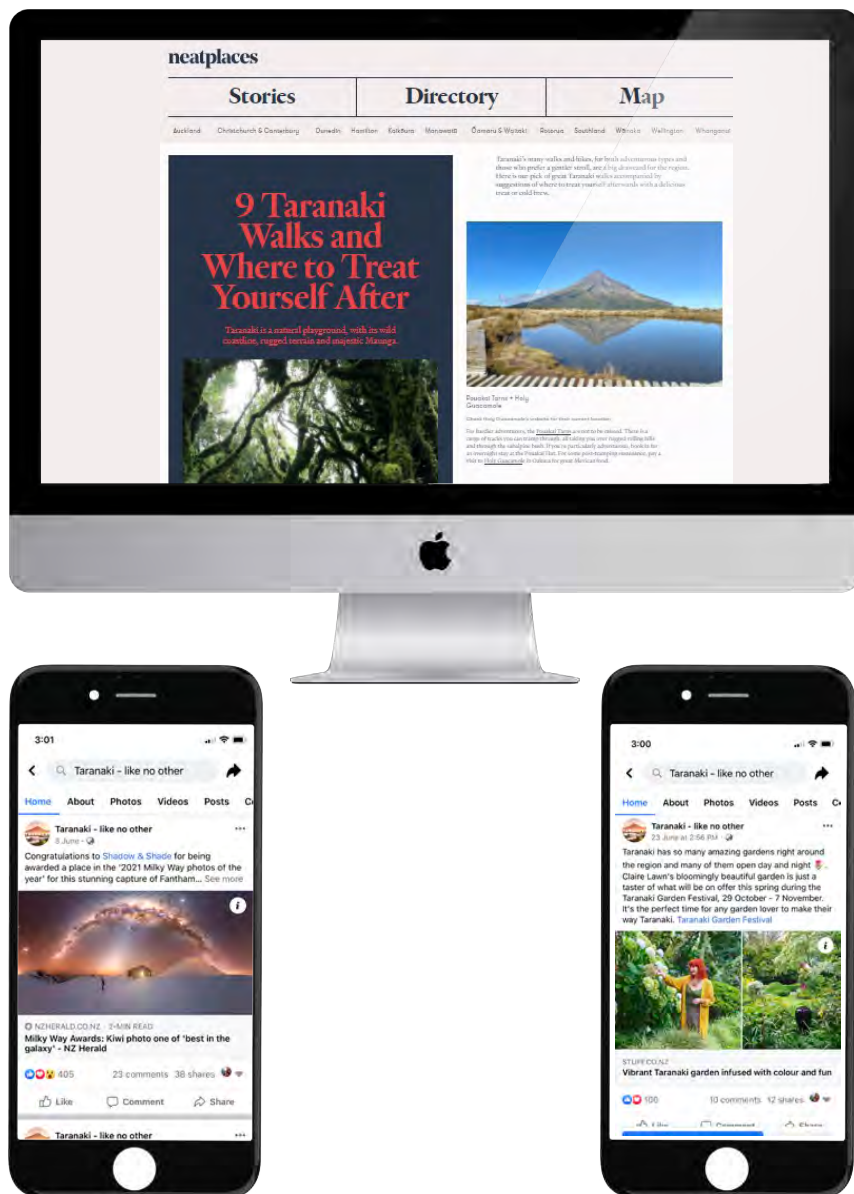
WHAT'S ON THIS WINTER
Right Royal Cabaret Festival and Puke Ariki Festival of Words – 29 July-1 August

TARANAKI
like no other

It's just around the corner!
taranaki.co.nz/visit

Half page ad placed in the winter edition of NZ Motor Caravanner magazine as part of the STAPP out-of-region campaign.

Activity	Measure	Annual target	Total
Lead regional events strategy	Number of engagements related to the regional events strategy (now complete)	25	98
Destination promotion	Number of engagements with Visitor Industry Operators	100	3294
	Number of destination promotion and attraction initiatives	2	12



PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK, INVEST, PLAY, VISIT AND CREATE

Visitor strategic partnerships

NEAT PLACES

On 21 June a series of five features written by Neat Places went live. This piece of work was commissioned by Venture Taranaki and will roll out over the next three months (June, July and August) across the Neat Places website and social channels.

Neat Places is an online exploration guide to New Zealand. Their platforms showcases and connects people to places around NZ by taking them off the beaten track to uncover unique things to do, see and eat. Through their curated and easy to follow itineraries and directories, they show other keen travellers how to do the same.

A Neat Places writer and photographer visited Taranaki earlier in the year and has written five different features.

- Taranaki Bakers, Makers, Brewers and Roasters
- Taranaki Art & Eating Guide
- Taranaki Walks & Food Guide
- Where to eat and drink in New Plymouth
- Taranaki 48 Hour Guide

Note: There will also be a bonus guide to summer events published later in the year. Along with the articles, a minimum of 25 social posts will be shared across the Neat Places channels over the three-month period. This initiative is made possible through the STAPP funding and is one of the activities Venture Taranaki is facilitating to attract visitation and further promote our wonderful

PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK, INVEST, PLAY, VISIT AND CREATE

Media coverage

PRINT ADVERTISING AND MEDIA FAMILS

- Stuff – Winter insert: Just around the corner winters warmer – two-page spread advertisement showcasing the Taranaki region.
- Capital Magazine (Wellington): Capital Magazine Banner advertisement (May/June pub)
- Scout Magazine: ¼ page advertisement (June pub)
- TAFT Right Royal Cabaret Programme: two-page advertisement
- New Zealand Motor Caravanner: ½ page advertisement June/July edition
- Destination NZ Magazine: Banner advertisement and media famil – 2 page feature on Taranaki

DIGITAL

1. Christchurch:

- First of burst of STAPP-funded social media activity targeted to the new Christchurch audience during May/June
- Second burst social media activity retargeting Christchurch audience - June/July

2. Drive and flight journey audiences

- Burst 1 Social media advertising targeting drive and flight target 50+ audiences in BoP, Manawatu, Waikato, Auckland X4 weeks early May - June
- Burst 2 Social media advertising and retargeting of drive and flight target 50+ audiences in BoP, Manawatu, Waikato, Auckland X4 weeks during June



MCCAWS ON TOUR

Gemma and Ritchie McCaw had a weekend in Taranaki in June, where they enjoyed a range of activities including bushwalking and surfing.

The visit was facilitated as part of VT's Tourism New Zealand partnership.

Coverage of the Taranaki trip can be found [here](#).



CUISINE MAGAZINE

Taranaki eateries and food producers received extensive coverage in the winter edition of Cuisine magazine.

PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK,
INVEST, PLAY, VISIT AND CREATE

Major Events Fund

Seven events were contracted during Q4, bringing the total contracted during the financial year to 16.

Events funded in the 2020-2021 financial year		
1.	Feast Festival Taranaki plus event development	Oct 30-Nov 16 2020
2.	Super Smash T20 Cricket (Central Stags)	30-31 Dec 2020
3.	TSB Festival of Lights	Dec 2020-Jan2021
4.	Jennian Homes Charles Tour Taranki Open	Oct 15-18 2020
5.	Steelformers Around the Mountain Relay	Nov 6-7 2020
6.	Synphony	Jan 23 2021
7.	Tastes and Tales	15-16 May 2021
8.	NZ Tattoo and Art Festival	27-28 Nov 2021
9.	Tri NZ North Island Sprint Distance Championships	March 28 2021
10.	Taranaki Garden Festival	Oct 29-Nov 7 2021
11.	AmeriCARna 2022	Feb 22-26 2022
12.	Fringe Garden Festival	Oct 29-Nov 7 2021
13.	Right Royal Cabaret festival	Jul 29-Aug 1 2021
14.	Steelformers Around the Mountain Relay 2021	Nov 5-6 2021
15.	RESET	Nov 4-14 2021
16.	Coastal Five	Nov 21-22 2021

Activity	Measure	Annual target	Total
Administer the Major Events Fund	Number of events funded in accordance with the criteria of the NPDC's Major Events Fund	4	16



MAJOR EVENTS IN
TARANAKI HELD IN
2020/21:

9

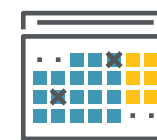


DIVERSE
PORTFOLIO OF
EVENTS



EVENTS IN TARANAKI
SUPPORTED BY
VENTURE TARANAKI:

31



MICE* IN TARANAKI
SINCE MARCH 2021:

51

*MEETINGS, INCENTIVES,
CONFERENCES AND EXHIBITIONS

PROMOTING TARANAKI AS A GREAT PLACE TO LEARN, LIVE, WORK, INVEST, PLAY, VISIT AND CREATE

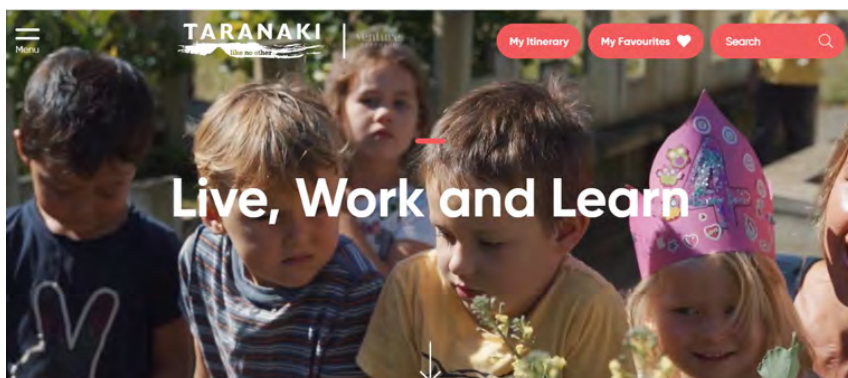
Talent attraction

Five talent initiatives were undertaken during Q4, bringing the total for the financial year to 12.

Employers are reporting skill shortages across the board, with enquiries coming in food and fibre, hospitality, construction, professional services, IT and Surveying sectors.

The Live/Work campaign went live in June. The campaign is focused on Auckland and Wellington, and people actively seeking to return to New Zealand. The focus is on skilled people in their mid-career. We have ad enquiries filter through to staff asking more specific questions and wanting to connect with local firms. These have been in areas where there are skill shortages.

The intention is to expand on the campaign in 2021/2022 to include sector specific case studies and profiles.



The Live, Work and Learn section was the top performing page on the Venture Taranaki website in Q4. Views went from **536** in May to **4,859** in June, once the Live/Work campaign went live.

Online visitors are from: USA, Australia, Auckland, Hamilton, Dannevirke and Christchurch.

1. Internship webinar to encourage enterprises to take on interns.
2. International education seminar online mini fairs (2) student and Chinese agents.
3. An in-depth sector workshop with the construction sector in November to determine barriers, opportunities and future forecasting given the Government's shovel ready initiatives and major construction projects already in the pipeline.
4. Event with WITT covering workforce employability for international students.
5. Participated in a mini trade fair for Auckland education agents.
6. Educators and Enterprises – two days of taking teachers to industry in North and South Taranaki. (Collaboration with Ministry of Education and Taranaki Futures). Attended by 31 teachers and visited nine enterprises.
7. R&D Student Intern event; celebration of working in Taranaki over the summer.
8. Construction sector survey.
9. BCITO on workforce planning: workshop
10. Federated Farmers, INZ and MSD "Rural Talent" - VTT worked with these agencies to bring farmers in the room to discuss pending visa changes and support for finding farm staff.
11. Live Work Campaign
12. Tech week event - in collaboration with Summer of Tech to discuss options for student interns.
13. Co-chairing Interim Regional Skills Leadership Group meetings throughout the financial year.

Activity	Measure	Annual target	Total
Facilitate talent attraction and retention	Number of talent initiatives	2	13

Impact analysis and Client Satisfaction Survey

CLIENT SATISFACTION SURVEY

Venture Taranaki conducts an annual Client Satisfaction Survey (CSS), which goes out to all those who have accessed Venture Taranaki programmes and services within the financial year. The survey runs in early July, and the full results are attached as an appendix to this report. The CSS helps us to measure progress against the outcomes detailed in our Statement of Intent.

The CCS is part of Venture Taranaki's commitment to continuous improvement.



NET PROMOTOR SCORE

23



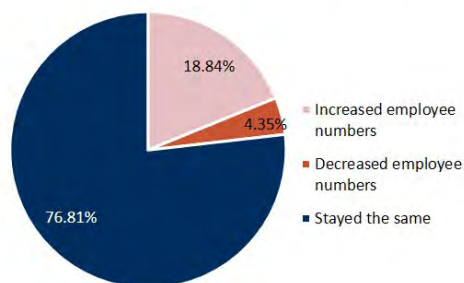
CLIENT SATISFACTION

93%

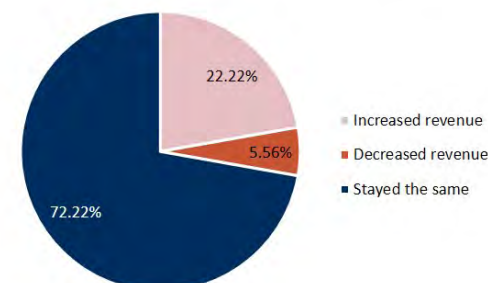
IMPACT ANALYSIS

Venture Taranaki staff engage with Taranaki enterprises in a number of ways, and part of this engagement is understanding the impact that our support has in helping enterprises grow and thrive. One of the ways we measure these impacts is by collecting information directly from client enterprises about their revenue and employee numbers, and recording any changes over time. Whilst these changes are due to multiple factors, of which Venture Taranaki support is just one, it still helps to provide a gauge of how our clients are doing.

Employee number change within 12 months of engagement with Venture Taranaki



Revenue change within 12 months of engagement with Venture Taranaki



Feedback



"Just a quick email to congratulate you and your team on an amazing evening, it blew my socks off. Fabulous just fantastic the synergy that was promoted by your hosts was a whole other level, I've never ever experienced a business class like it.

Please pass onto your team a heart felt massive thank you for the course and all the support and encouragement, while I wasn't surprised I didn't make the final cut I still gained so much." - PowerUp attendee

"Thank you, it really meant a lot to me that you could make the time. I'm glad you enjoyed our chat, I also learned a lot. I will contact Kayleen to proceed with the Business Mentor allocation. I am really excited to explore this and meet someone who can support me."

- Business Mentoring client, New Plymouth

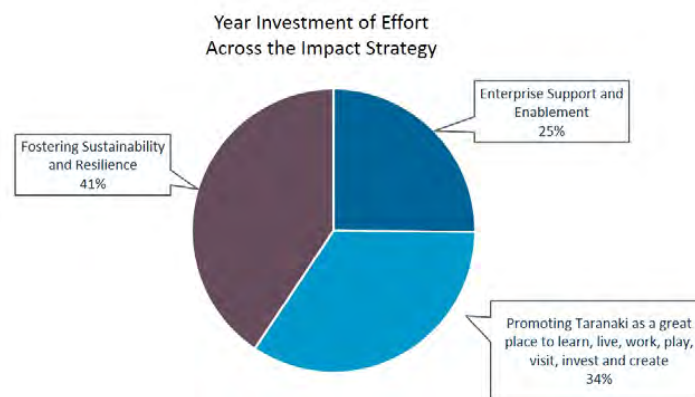
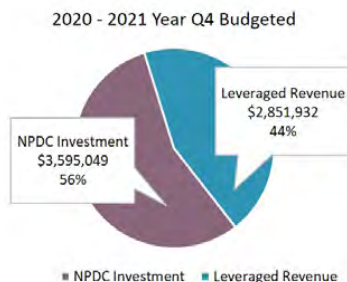
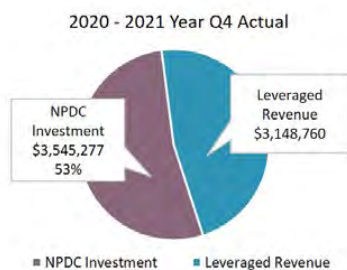
"Thanks for much for your time last week and for helping me focus our passion project better. We have been working on the action plan and setting concrete smart goals. They're really coming along and we'll have something set in stone in the next week. I certainly see the value in this and will help us move with confidence in future, so thank you for your guidance here!" - Enterprise advisory client, New Plymouth

"The Callaghan Grant system works very well and is well managed. Support from local Venture Taranaki is a fantastic resource. The end of season social evening organised by Venture Taranaki and sponsored by Massey University was an excellent event to showcase the grant and the benefits that both industry and the students get from the experience grant." – Callaghan Student grant client, New Plymouth

"The Callaghan Grant system works very well and is well managed. Support from local Venture Taranaki is a fantastic resource. The end of season social evening organised by Venture Taranaki and sponsored by Massey University was an excellent event to showcase the grant and the benefits that both industry and the students get from the experience grant. - Callaghan Student Grant client.

"We started the Powerup Programme at the perfect time in our businesses startup phase, so it enabled us to refine and validate key aspects of the business. Being a purpose driven business, it enabled us to create a single minded and differentiated brand proposition and brand model, including our messaging, tone of voice, personality, and brand pillars for content. Essentially creating a core target consumer profile and trial group which we tested and surveyed this messaging on to validate our products, ideas and key messages. The Powerup Programme helped us develop and execute this process with the help of the facilitators and mentors." - PowerUp finalist

Financial overview



BUDGET SUMMARY	2020-2021 Year Actual				2020-2021 Year Budgeted			
	Total revenue	NPDC investment	Leveraged revenue	Expenditure	Total revenue	NPDC investment	Leveraged revenue	Expenditure
End of Q4 2020-2021 year								
Total	\$6,694,037	\$3,545,277	\$3,148,760	\$6,749,376	\$6,446,981	\$3,595,049	\$2,851,932	\$6,440,476

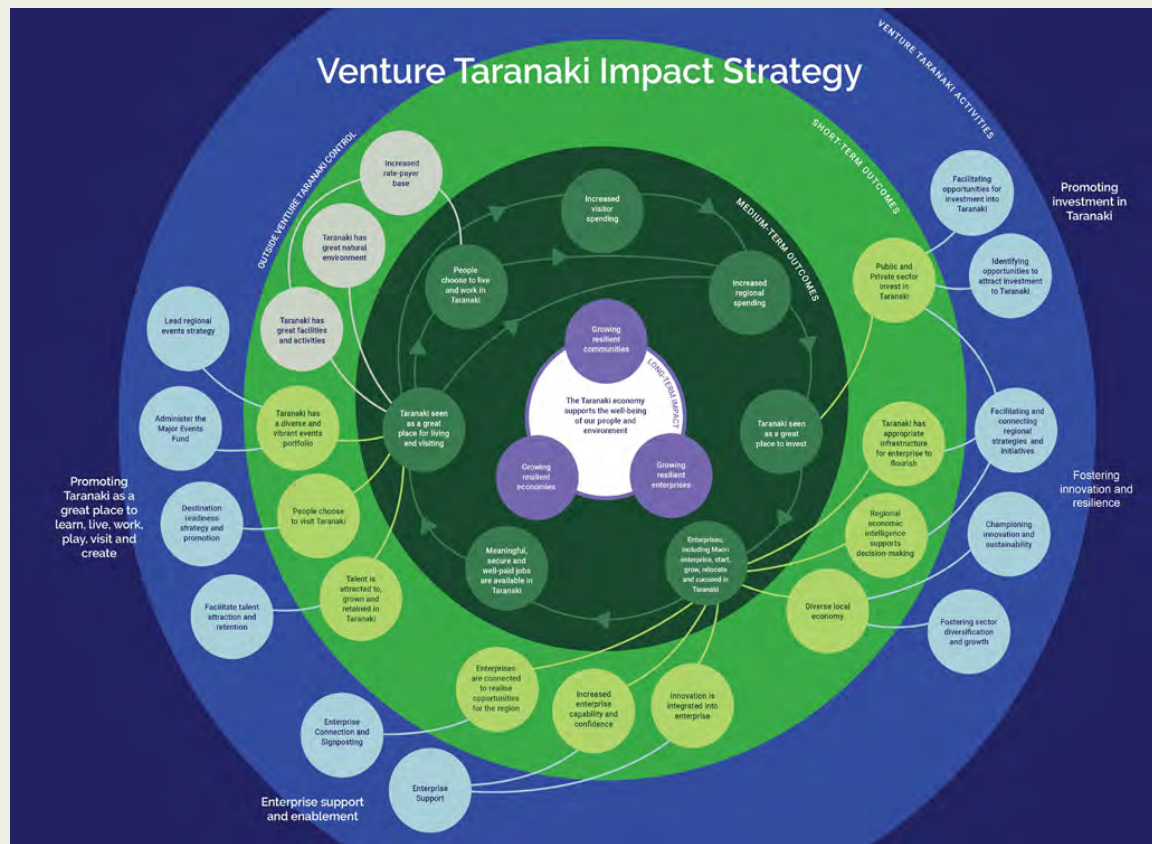
IMPACT STRATEGY

Short-term and medium-term outcomes

Venture Taranaki's Impact Strategy connects the activities we do every day to our long-term goal of contributing to a Taranaki economy that supports the well-being of our people and environment, though resilient communities, enterprises and economies. We do this by setting measures around the short and medium-term outcomes we want to see along the way.

These outcomes are ultimately outside the direct control of Venture Taranaki or its people, but we track them to ensure our activities are making a positive contribution. Some of these measures rely on data that is still to be collected, and it may be some years before we start to see patterns and trends. This is the first step to understanding the long-term contribution that Venture Taranaki makes towards achieving our region's goals.

We report on these measures six-monthly.



IMPACT STRATEGY



Short-term outcomes

Short-term outcome	Measure	Outcome 2020-2021 12 months to end June
Public and private sector invest in Taranaki	% that report increased investment after engagement with VT support	52%: Client Satisfaction Survey page 7
Taranaki has appropriate infrastructure for enterprises to flourish	Enterprises rank Taranaki infrastructure at least 7 out of 10	65%: Taranaki Business Survey June 2021 page 19
Regional economic intelligence supports decision-making	Relevant data produced in the last 12 months	Page 9
Diverse local economy	Regional GDP	\$9.5B: Taranaki Trends Winter 2020 page 6
	Regional Domestic Product is more evenly spread across industries	Taranaki Trends Winter 2020 page 6-7
	Number of people involved in key target industries e.g. tourism; food production, renewable energy etc	Taranaki Trends Winter 2020 page 7, 13
	Funding received as a result of a Venture Taranaki referral	\$4,754,000*
Increased enterprise capability and confidence	% of enterprises that report Venture Taranaki support has led to increased capability	63%: Client Satisfaction Survey page 6
	% reporting enterprise better positioned as result of interaction with Venture Taranaki	57%: Client Satisfaction Survey page 10
	% that report improved confidence after engagement with Venture Taranaki support	62%: Client Satisfaction Survey page 9
	% reporting increased connectivity as result of Venture Taranaki interaction	60%: Client Satisfaction Survey page 11
	Net Promoter Score of supported enterprises	23: Client Satisfaction Survey page 12
	Number of people or enterprises who identify as Māori receiving support from Venture Taranaki	135 (7%): Page 16
Innovation is integrated into enterprise	% that report increased innovation after engagement with Venture Taranaki support	48%: Client Satisfaction Survey page 8

*In addition to funding facilitated directly by Venture Taranaki

IMPACT STRATEGY



Short-term outcomes

Short-term outcome	Measure	Outcome 2020-2021 12 months to end June
Taranaki has a diverse and vibrant events portfolio	Number of events across Taranaki that Venture Taranaki has supported	31: Page 23
	Number of annual Major Events in Taranaki (as defined in the Regional Events Strategy)	9: Page 23
	Diversified portfolio of events as defined in the Regional Events Strategy	Achieved: Page 23
	Number of meetings, incentives, conferences and exhibitions held in Taranaki annually	51: Page 23
People choose to visit Taranaki	Annual visitor guest nights (Commercial accommodation)	Regional Intelligence Dashboard
	Visitor spend in Taranaki	Taranaki Trends Winter 2020 page 36-39
Talent is attracted to, grown and retained in Taranaki	Working age population %	64% Infometrics 2020
	Working age population #	76,780 Infometrics 2020
	Population # (and projections from Census)	124,600 Infometrics 2020
	Population growth rate % (and projections from Census)	1.5% Infometrics 2020
	People living in Taranaki who were not residing in region 5 years prior	Taranaki Trends Winter 2020 page 5
	Net growth in international migrants to the region	Taranaki Trends Winter 2020 page 5

IMPACT STRATEGY



Medium-term outcomes

Medium-term outcome	Measure	Outcome 2020-2021 12 months to end June
Enterprises, including Māori enterprise, start, grow, relocate and succeed in Taranaki	Number of enterprises that begin trading following VT support	78%: Client Satisfaction Survey page 5
	Number of enterprises who have increased their revenue in the year following Venture Taranaki interaction	22%: Page 25
	Number of enterprises who have increased their staff numbers one year following Venture Taranaki interaction	19%: Page 25
	# of enterprise 'births' and 'deaths' -annual change	Taranaki Trends Winter 2021 page 45
	Number of Māori enterprises registered in Taranaki	1239 (8%): Page 16
An increase in the number of meaningful, secure and well-paid jobs	# people employed in highly skilled; skilled; semi-skilled and low-skilled jobs	Infometrics regional profile 2020
	% people employed in highly skilled; skilled; semi-skilled and low-skilled jobs	Infometrics regional profile 2020
	Employment by occupation of target occupations	Infometrics regional profile 2020
	NEET Rate (Not in employment training etc)	Taranaki Trends Winter 2021 page 14
	Employment rate; unemployment rate; participation rate	Taranaki Trends Winter 2021 page 17-18
	Median Incomes -households and personal	Infometrics regional profile 2020
	Number and growth of employment of those identifying as Māori in Taranaki	9,758 (2.1% growth): Page 16
	Skill levels of those identifying as Maori in Taranaki	Page 16
Increased tourism spending	Tourism spend in Taranaki	Taranaki Trends Winter 2021 page 36-39
	Retail spend in Taranaki -\$ and % growth	Taranaki Trends Winter 2021 page 29-34
Confidence in Taranaki and its economy	Confidence in Taranaki and its economy	Taranaki Business Survey June 2021 page 4-9

Coming up next quarter

- Auckland Food Show
- Niche Sectors report and action planning
- Power to X report and action planning
- Branching Out Trees event and other value chain opportunities progressed
- Jan Rotmans, international transitions expert: Taranaki session
- Visitor Futures product development and drive journeys
- Regional Skills Leadership Group - handover co-chair and progressing Taranaki workforce development plan
- Regional Strategy communications and continued progress



venture
T A R A N A K I
Te Puna Umanga

Trends

Winter 2021

Taranaki Facts & Figures



venture
TARANAKI
Te Puna Umanga

An initiative of
New Plymouth
District Council.

Taranaki is back in the #1 spot for GDP per capita

Median house price in New Plymouth tops \$600,000

Unemployment is up to 6.3% in Taranaki

Youth NEET rates have dropped down to the lowest since 2017

Welcome

Taranaki Trends is produced by Venture Taranaki as a 6-monthly economic snapshot of our region. As such, it provides a range of metrics, represented as digestible charts and graphs, to help inform the region's leadership, enterprises and investors.

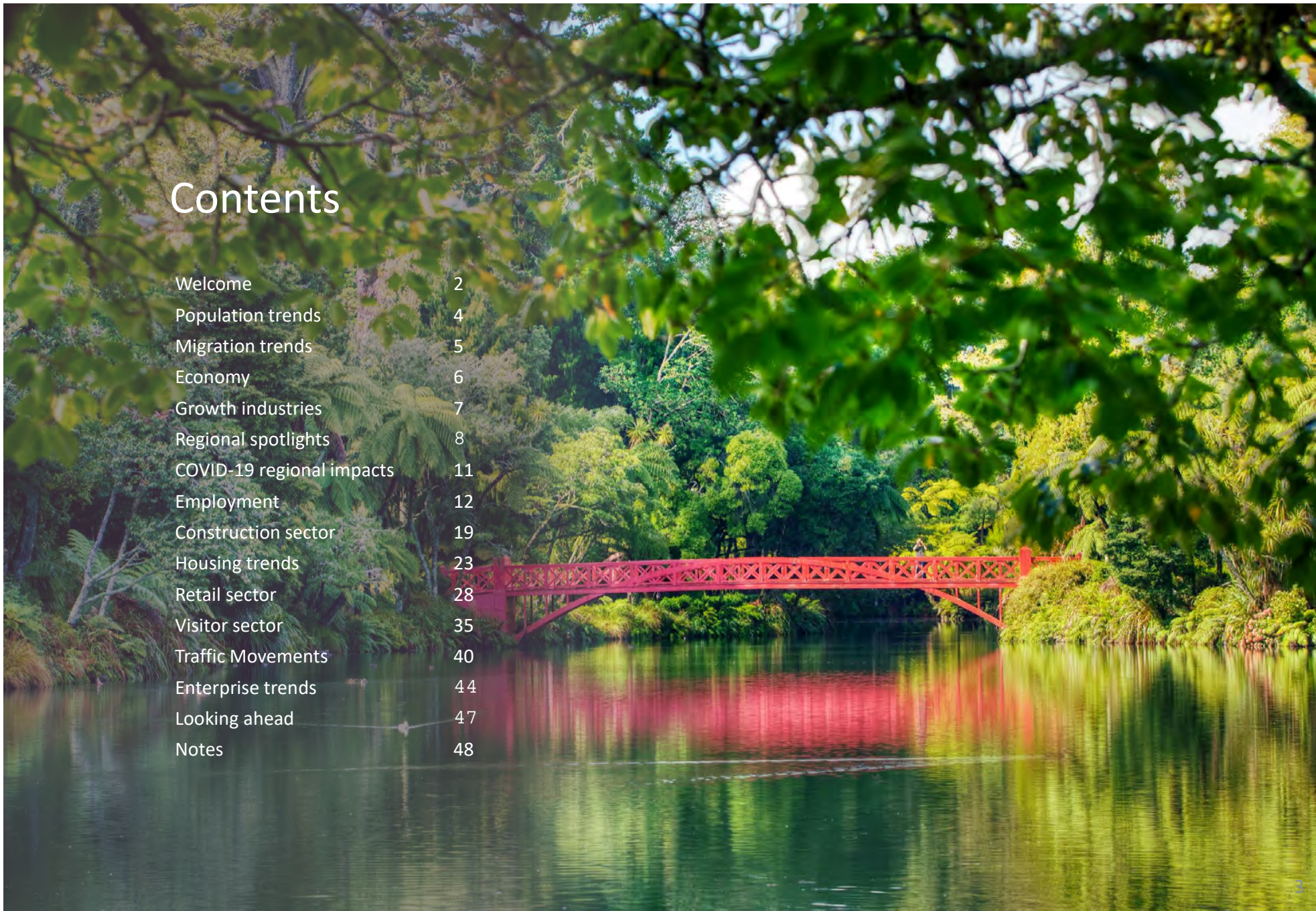
The key focus of this publication lies with tracking our regional economy as we move past the immediacy and lockdown impacts of 2020 and into the possibilities of 2021 and beyond.

This edition also explores some of the medium-term impacts from the COVID-19 pandemic, a year on from the Level 4 lockdown in 2020; particularly around employment, industry growth, mobility and living standards.

This latest edition of *Taranaki Trends* places a spotlight on our regional GDP and continues our series of township profiles from around the maunga. While our region has the highest GDP per capita in Aotearoa, we also have significant inequity issues, with high child poverty rates and significant disparities among our communities.

Justine Gilliland
Chief Executive

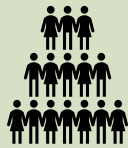
Photo credit: Laura Warren



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Population





New Zealand population¹:
5,107,700




Taranaki population:
124,600



Taranaki Māori population:
25,700

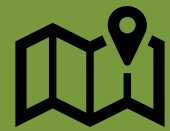
Males: 62,200  Females: 62,400 



New Plymouth District
population: 86,100



Stratford District
population: 9,880

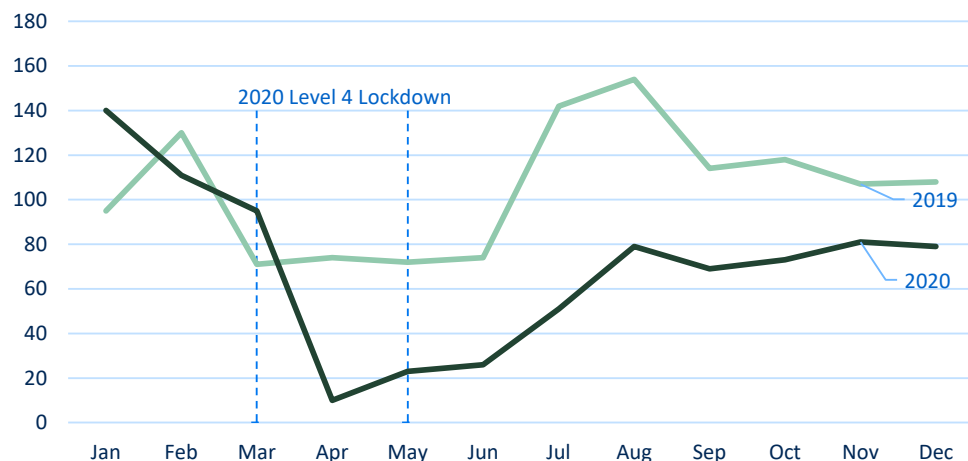


South Taranaki District
population: 28,700

*Numbers relate to supporting notes at end of this document
Source: Population - Stats NZ estimate 2020
Māori population - Infometrics 2020*

Permanent and long-term migration to Taranaki

Comparison Across Years of International Permanent Migration to Taranaki



This graph indicates permanent and long-term international arrivals into Taranaki.

To be counted in this data set people must be arriving for a stay of 12 months or more, or be New Zealanders returning after an absence of 12 months or more.

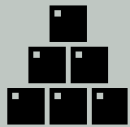
During the April 2020 COVID-19 level lockdown there was a sharp decline in permanent migration to Taranaki, mostly felt in the New Plymouth District. These numbers began recovering around June 2020.

Migration into Taranaki is yet to see permanent migration numbers that hit the highs of 2019 and early 2020. Taranaki and the rest of New Zealand are feeling the impact of this decrease in international migration through labour shortages in industries such as nursing, food production/farming and construction. As COVID-19 vaccines begin to roll out globally in 2021, we expect the number of permanent international arrivals to continue to recover.



Source: Statistics NZ

Economy – Gross Domestic Product



New Zealand GDP:
\$323B (+5.4%)



Taranaki GDP:
\$9.5B (+5.1%)

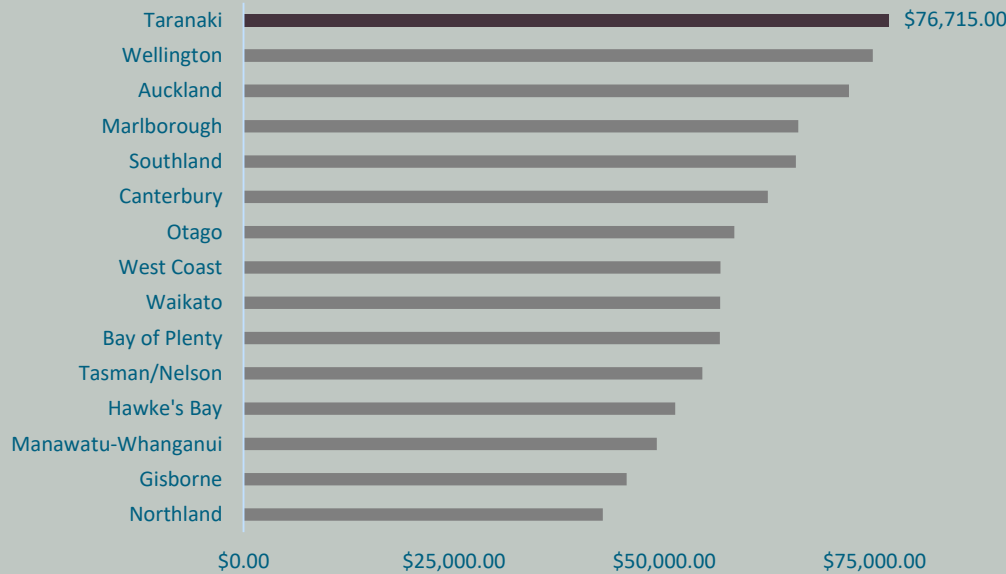
In 2020, Taranaki’s GDP increased 5.1 percent, which was slightly below the national average of 5.4 percent. This was mainly driven by food and fibre production and processing, and the energy sector. The increase was partially offset by a slowdown in primary manufacturing.²



Taranaki businesses:
15,540

In 2020, Taranaki once again experienced the highest GDP per capita in New Zealand. This is driven by our high-productivity energy and food/agriculture industries. Taranaki has claimed the number one spot for GDP per capita in New Zealand since 2001, with the exception of only four years (2004-2006 & 2017) when Wellington took the number one spot.

GDP per capita (YE March 2020)



Taranaki’s Top 3 GDP Industries:



Forestry, Fishing,
and Mining:
\$1,750M



Primary
Manufacturing:
\$980M

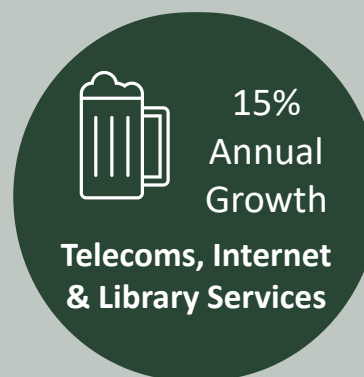
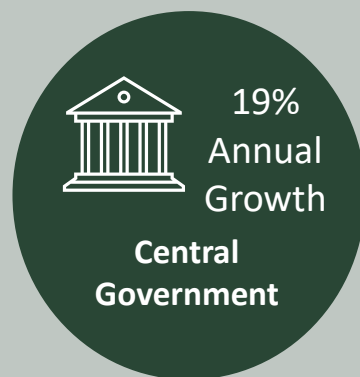


Agriculture:
\$817M

Source: Statistics NZ 2020

Taranaki's fastest growing industries:

Taranaki's beverage manufacturing sector took a huge leap forward in 2020, growing from a \$2 Million industry in 2019 to a \$10 Million industry in 2020 (GDP). This growth can be credited to the hard work of many local operators such as Mike's Brewery, Forgotten 43, Shining Peak and the Three Sisters brewery.²



Taranaki's largest industry categories by business units:



Taranaki export GDP:
\$2.8B (+5.8%)

Taranaki's Top 3 exports:



Mining:
\$750.7M



Dairy:
\$716.2M



Meat:
\$357.5M

Source: Infometrics, 2020

7

Regional Spotlight: Ōakura



Population: 1,539
Median age: 41.7
Māori median age: 21.4



Most popular occupation: Professionals
Median income*: \$40,400
Employed full-time: 49.7%
Unemployed: 2.1%



Born in New Zealand: 75.8%
Māori ethnic group: 10.3%
Te reo Māori speakers: 2.3%
NZ Sign Language: 0.2%



No qualifications held:** 12.4%
Studying full-time: 24.8%
Studying part-time: 5.1%



Occupied private dwellings: 82.3%
Live in owned or partly owned home: 53.2%
Median weekly rent: \$390

* Median income received is the total before-tax income of a person (aged 15 years and over), in the 12 months ended 31 March 2018.

** This data set only includes those aged 15 years and over

Source: Statistics NZ, Census 2018 8

Regional Spotlight: Stratford Central



Population: 2,061

Median age: 42

Māori median age: 21.1



Most popular occupation: Labourers

Median income*: \$26,100

Employed full-time: 43.9%

Unemployed: 3.6%



Born in New Zealand: 88.3%

Māori ethnic group: 16.2%

Te reo Māori speakers: 2.2%

NZ Sign Language: 0.2%



No qualifications held**: 33.4%

Studying full-time: 18.3%

Studying part-time: 3.1%



Occupied private dwellings: 92.7

Live in owned or partly owned home: 59.5%

Median weekly rent: \$240

* Median income received is the total before-tax income of a person (aged 15 years and over), in the 12 months ended 31 March 2018.

** This data set only includes those aged 15 years and over

Regional Spotlight: Pātea



Population: 1,1191
Median age: 46.7
Māori median age: 31.7



Most popular occupation: Labourers
Median income*: \$19,500
Employed full-time: 31.5%
Unemployed: 7.1%



Born in New Zealand: 92.1%
Māori ethnic group: 49.1%
Te reo Māori speakers: 14.1%
NZ Sign Language: 1.3%



No qualifications held:** 39%
Studying full-time: 16.9%
Studying part-time: 1.8%



Occupied private dwellings: 88.4%
Live in owned or partly owned home: 55.4%
Median weekly rent: \$150

* Median income received is the total before-tax income of a person (aged 15 years and over), in the 12 months ended 31 March 2018.

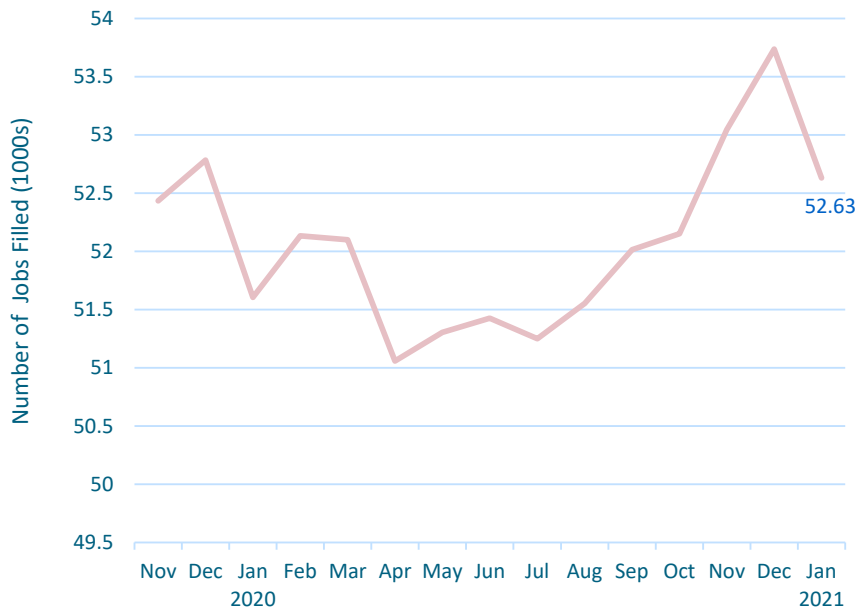
** This data set only includes those aged 15 years and over.

COVID-19 regional impacts



Employment

Jobs filled in Taranaki



There were on average 51,948 filled jobs in Taranaki in 2020. Taranaki experienced its lowest level of employment in April due to the level 4 COVID-19 lockdown at 51,059 jobs.

Taranaki has responded to COVID-19 well in terms of keeping levels of employment high. During the peak of the holiday season in December 2020 there were 952 more jobs filled than in December 2019.³

36% of Jobs in Taranaki are highly skilled

16.3% of workers are Māori

47% of workers are female

Top Employers in Taranaki:

Dairy Farming
3,221 Jobs

Cheese & Dairy Manufacturing
1,796 Jobs

Grocery Stores
1,624 Jobs

Source: Stats NZ 13

Taranaki NEET Rates

Youth (15-24 years) not in employment, education or training

Taranaki experienced a peak in NEET rates during 2019, however this dropped back down over 2020, and is now in line with the national average.

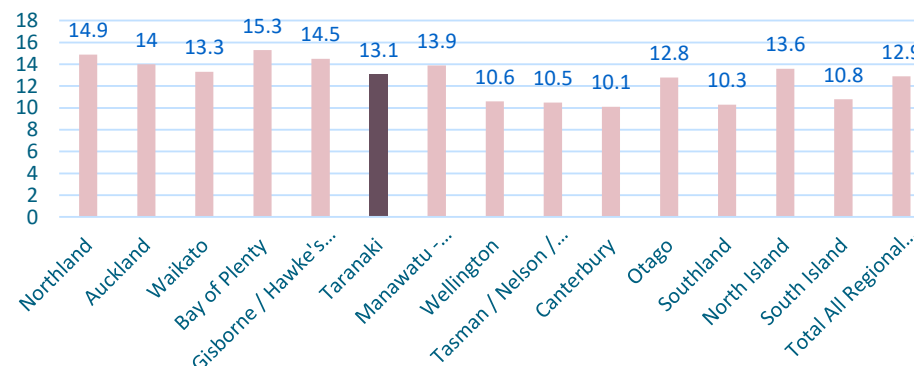
NEET rates changes each year as those at the top turn 25 and a fresh cohort turn 15 and join the demographic. It is likely that more young people chose to stay in education due to the uncertain economic climate over 2020.

Another reason for the drop in NEETs for Taranaki may be an increase in availability of apprenticeship schemes.

The Taranaki NEET rate for people aged 15-19 years is 8.8% and those 20-24 years is 18.1%.

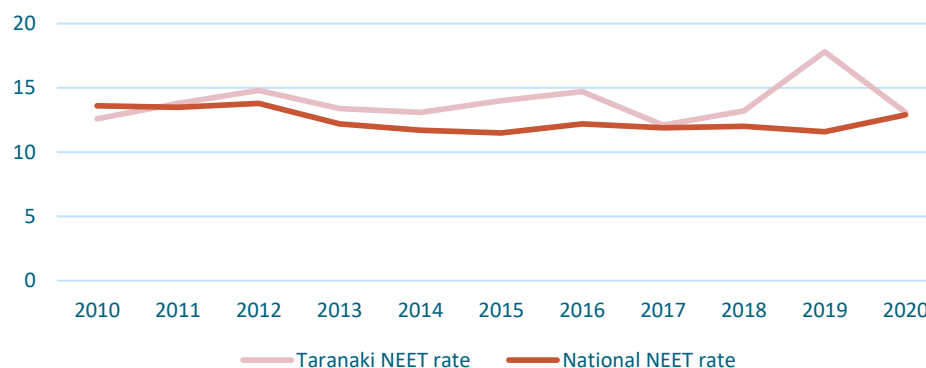
*Not in Education, Employment or Training ⁴

Youth NEET rates (YE-Dec 2020)



Taranaki vs NZ NEET rates

Taranaki and National NEET Rate (YE-Dec 2020)



Source: Statistics NZ

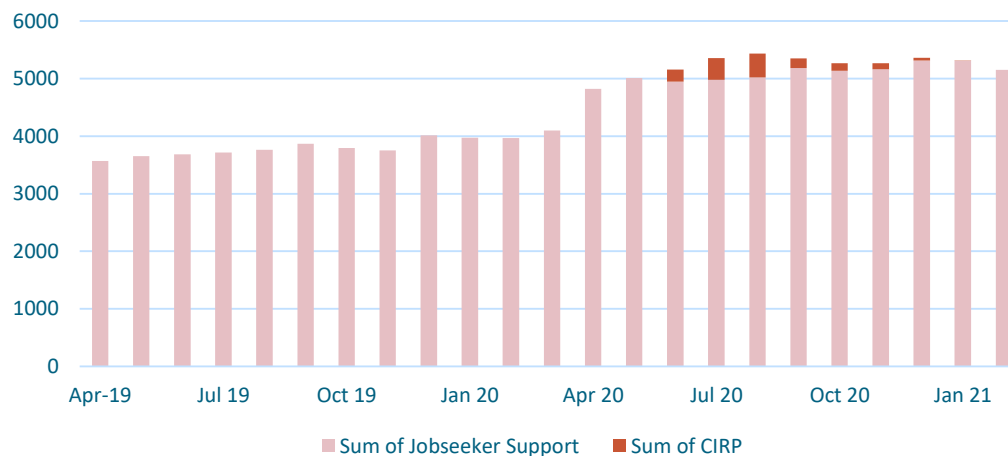
Taranaki Jobseeker support

There were 1,188 more people on Jobseeker support in February 2021 (5154 people), compared to February 2020 (3966 people). This represents a 30% increase.

The number of people on CIRP support decreased steadily since its peak in August 2020, and this programme is now complete.

Whilst the CIRP payments provided important relief for people losing their jobs due to COVID-19, most have now transferred to Jobseeker support. Jobseeker numbers remain significantly higher than in the 12 months prior to the pandemic.

Taranaki Jobseeker and COVID-19 Income Relief Payment (CIRP) Recipients



In February 2021, there were 5,154 people in Taranaki on Jobseeker support

COVID-19 Income Relief Payment (CIRP) - People who lost their job between 1 March 2020 and 30 October 2020 were able to apply for CIRP from 8 June until 13 November 2020 and receive payments for up to 12 weeks. The numbers reported are of those eligible, aged 16 years and older. These payments are now complete, and this benefit is no longer available.

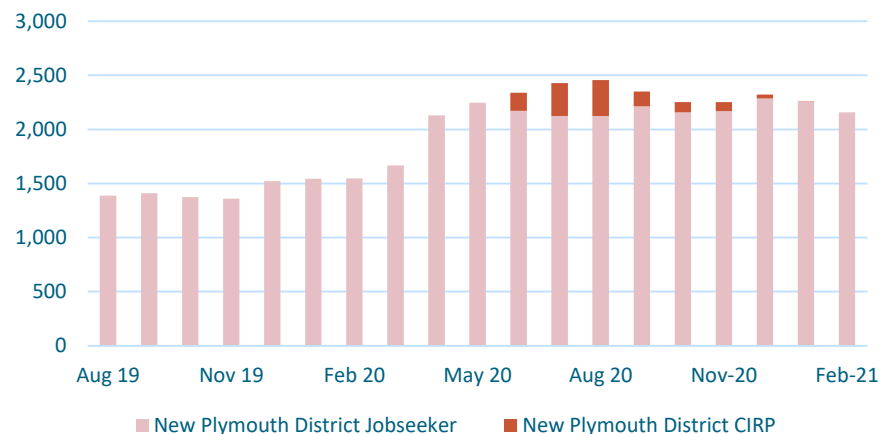
Source: Ministry of Social Development

Taranaki Jobseeker support – by district

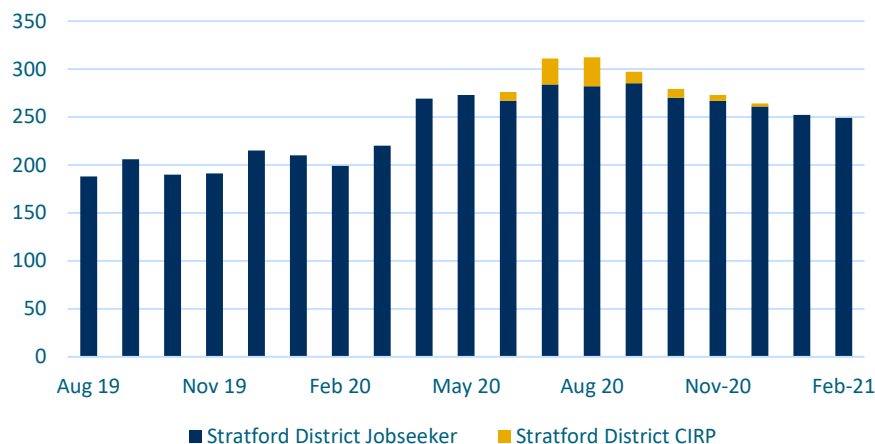
In Taranaki, 7.2% of the working-age population received this support in February 2021, compared to an average of 6.9% across all regions in New Zealand.

Throughout the region, the number of people on Jobseeker support is up 39% in the New Plymouth district, 25% in Stratford district and 30% in the South Taranaki district, compared to February 2020. This excludes those on the CIRP.

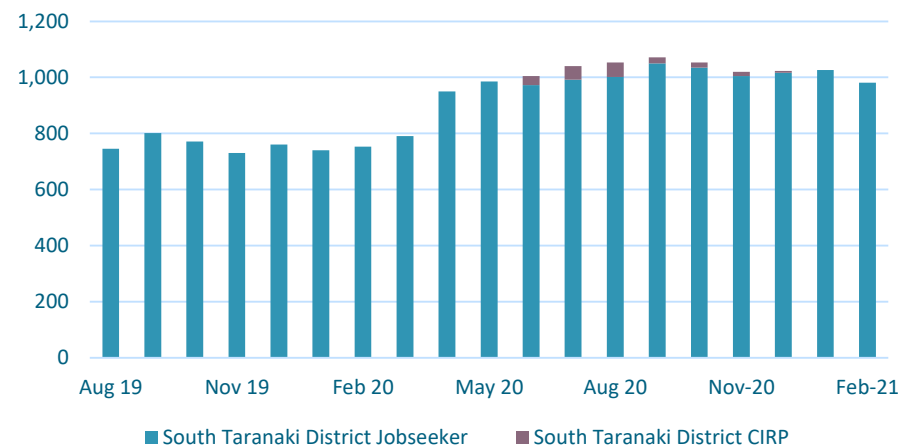
New Plymouth District



Stratford District



South Taranaki District

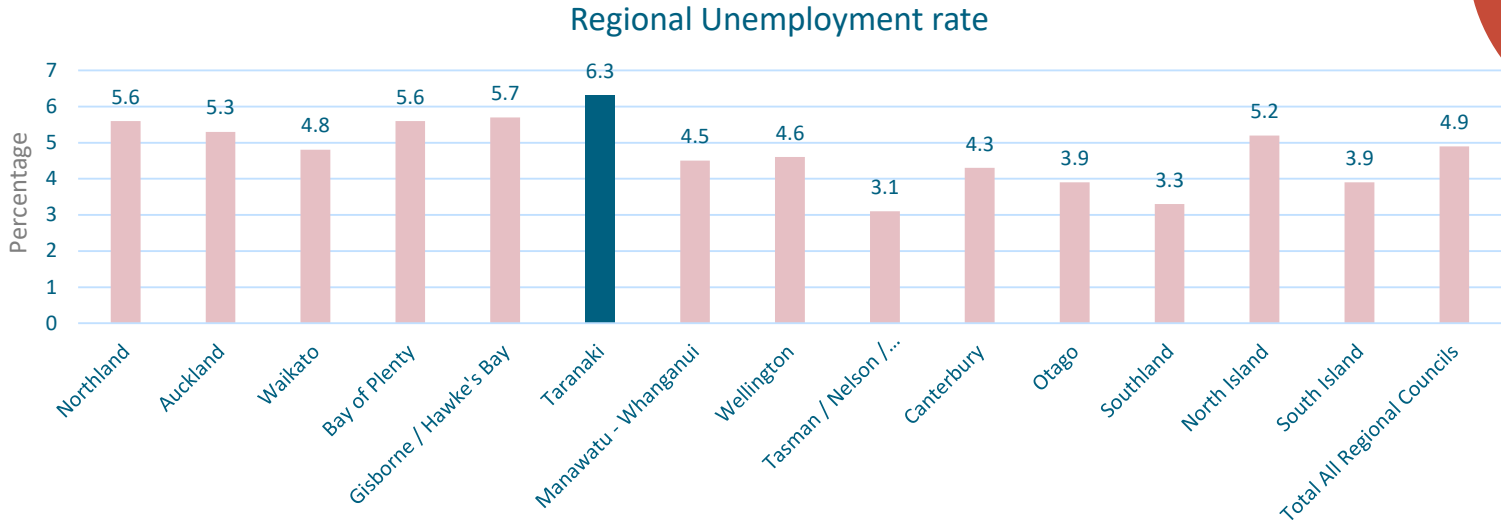


Source: Ministry of Social Development 16

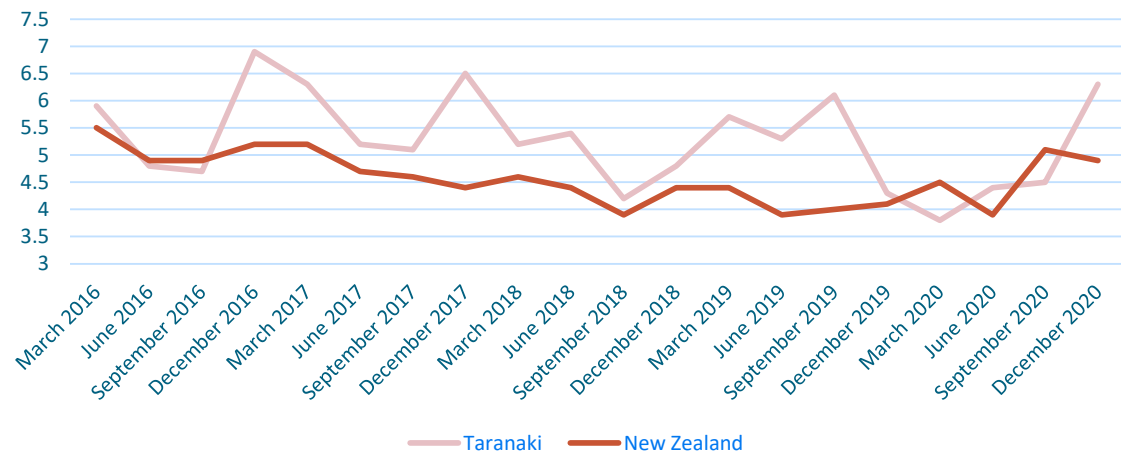
Unemployment within Taranaki

Regional unemployment rates (quarter ending December 2020)

Taranaki's unemployment rate at December 2020 was 6.3%



Unemployment rates in Taranaki



At the end of June 2020, unemployment in Taranaki was at 4.4%, and this had increased to 6.3% for the year ending December 2020. The national unemployment rate for the year ending June 2020 was 3.9% and was up to 4.9% for the year ending December 2020. ⁵

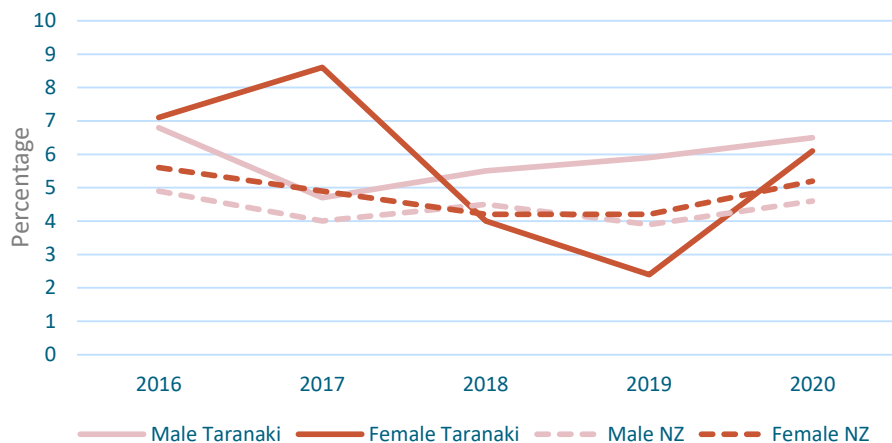
Source: Statistics NZ

Unemployment within Taranaki

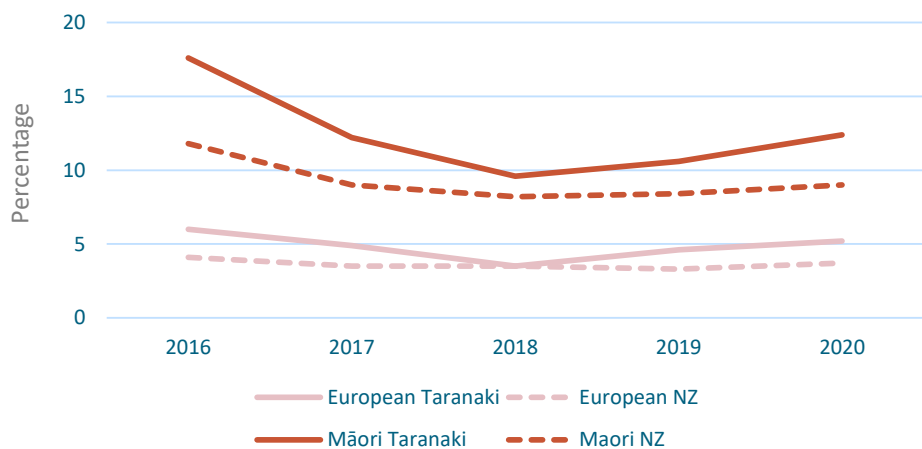
Regional unemployment rates (quarter ending December 2020)

Unemployment rates for women and Māori have increased steeply over the 12 months to year end December 2020

Unemployment by gender - Taranaki vs. NZ



Unemployment by ethnicity - Taranaki vs. NZ



Unemployment rates for women have traditionally been higher than for men, however in 2019 the rate for women in Taranaki dropped to a low of 2.4% (compared to 5.9% for men). It has risen sharply since December 2019 and now sits at 6.1% (compared to 6.5% for men).

Unemployment for women across New Zealand remains consistently higher than the rate for men.

Unemployment levels for Māori in Taranaki fell steadily between 2015-2018 but rose again from 2018 and are currently at 12.4%, compared to 9% for Māori nationally.

Unemployment rates for men and people of European descent generally remain steady, and relatively low. ⁵

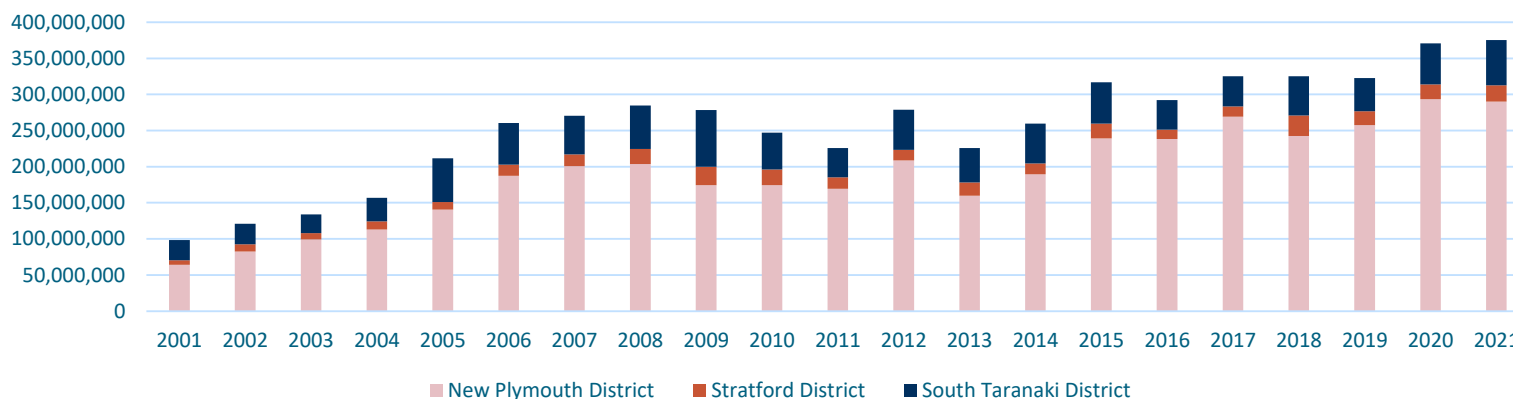
Source: Statistics NZ



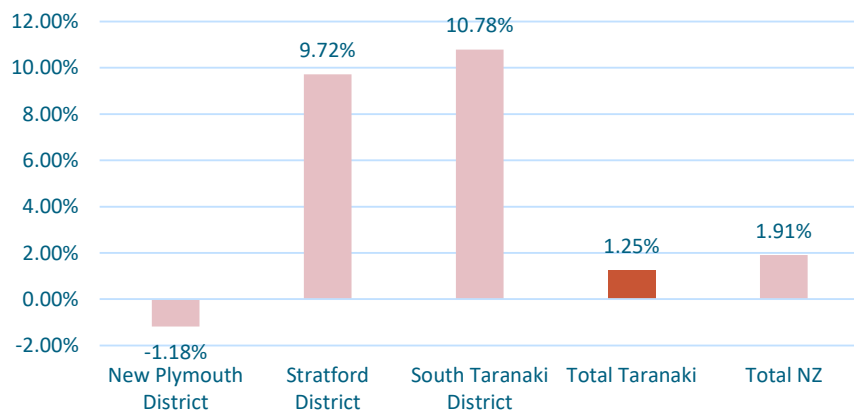
Construction

Construction in Taranaki

Total value of building consents issued in Taranaki: \$375,470,362 YE Feb 2021



Percentage change in total consents value YE February 2021 vs February 2020



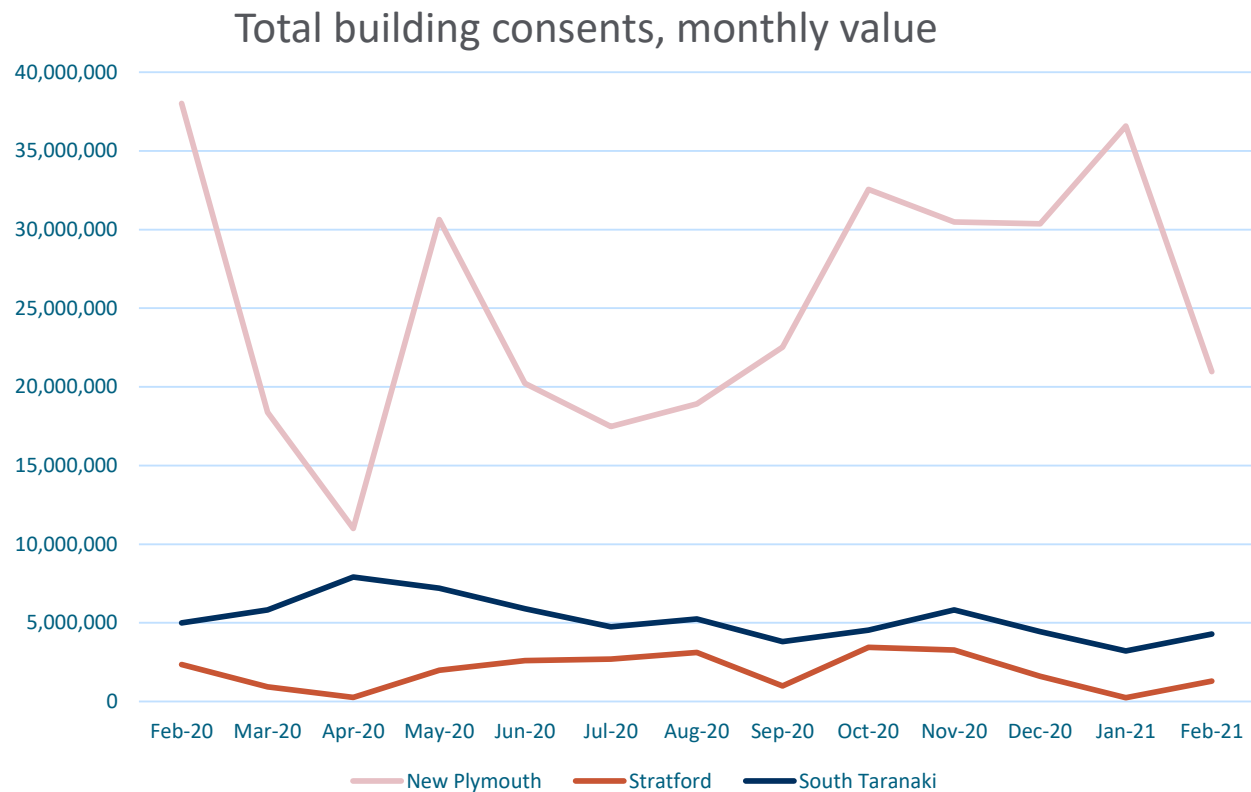
The total value of all building consents processed in Taranaki in the 12 months ending July 2020 (\$375,470,362) is up 1.25% compared to the 12 months ending February 2020 (\$370,826,479).

Consents in New Plymouth district were down slightly, while South Taranaki and Stratford both recorded significant increases in consents issued.

Total value of consents for the whole of New Zealand increased by 1.9% over the same period.

Value of building consents in Taranaki

Taranaki region: \$ 375,470,362 YE Feb 2021

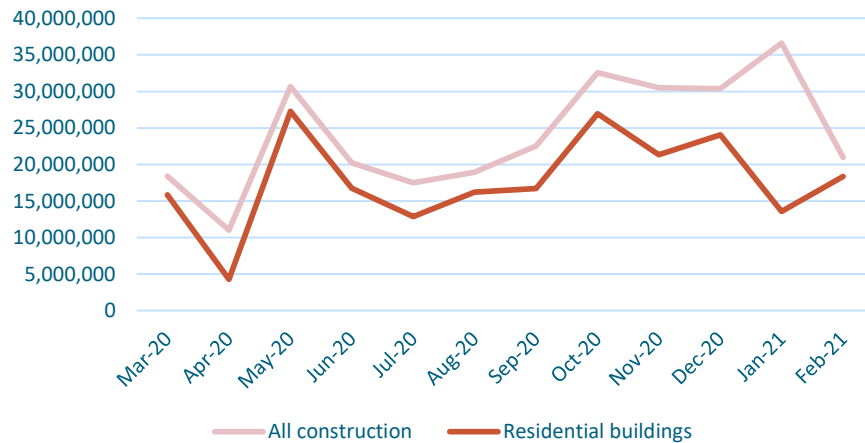


New Plymouth district accounts for 77% of all building consents processed in the region, Stratford district accounts for 6% and the remaining 17% were processed in the South Taranaki district.

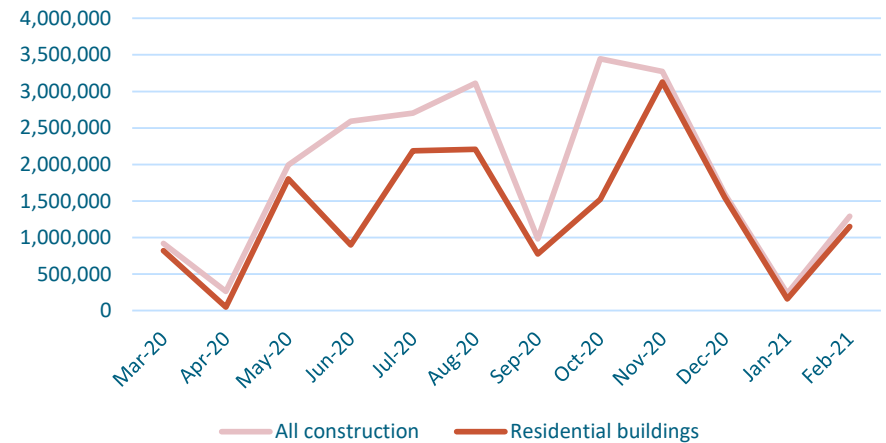
Value of residential vs all construction YE February 2021

By Territorial Authority

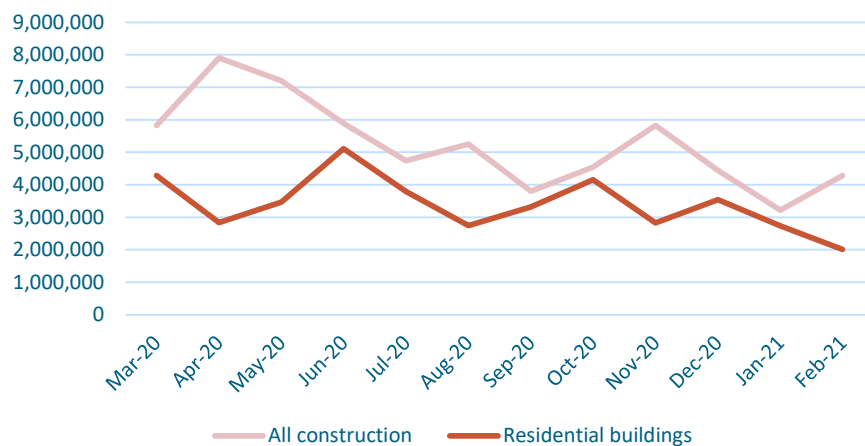
New Plymouth Building Consents



Stratford Building Consents



South Taranaki Building Consents



New Plymouth district experienced a lull in consents towards the middle of 2020, followed by an increase. All consents were down in the early part of 2021, but residential slightly up.

Stratford district experienced a notable dip in consents over September 2020, with another dip in activity during January, which may simply be a slowdown over the holiday period.

South Taranaki building consents have been fairly steady but trending downward over the year.

Source: Statistics NZ



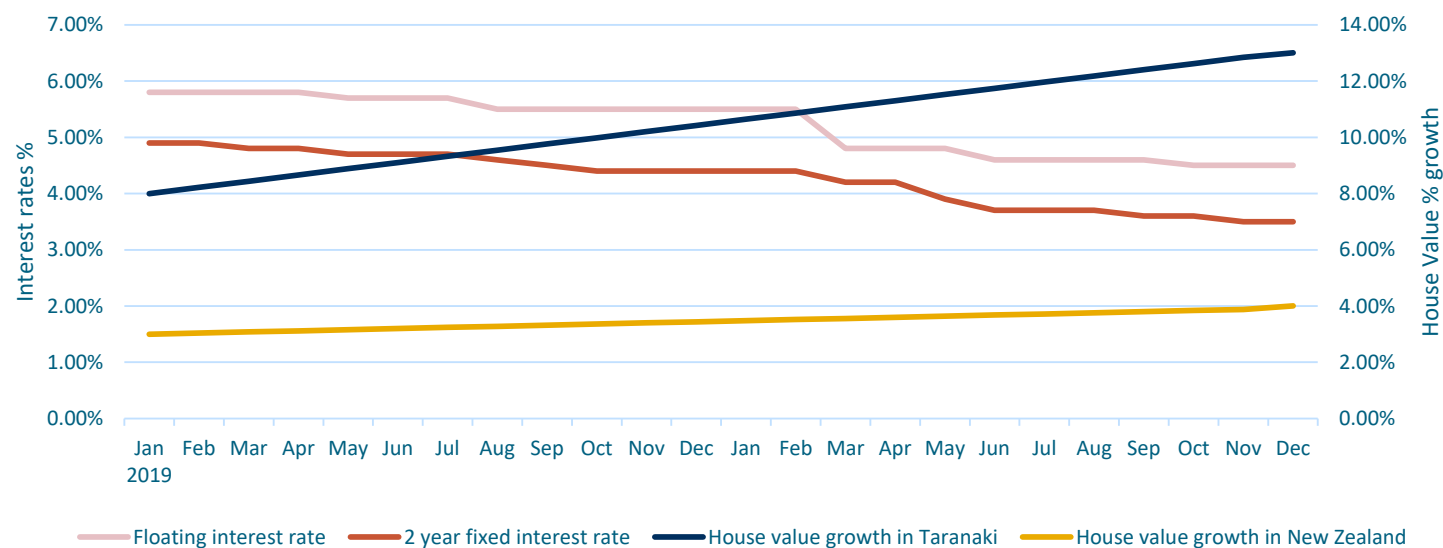
Housing

Interest rates & housing value

Date	House prices % change (NZ wide) ⁶	House prices % change (Taranaki) ⁶
2019	7.8%	2.8%
2020	12.9%	4.2%
2021*	22.8%	26.2%

Date	Floating rate	2 year fixed rate
Jan 2020	5.5%	4.4%
June 2020	4.6%	3.7%
December 2020	4.5%	3.5%
February 2021	4.5%	3.5%

Comparison of Mortgage Rates and House Values in 2019-2020

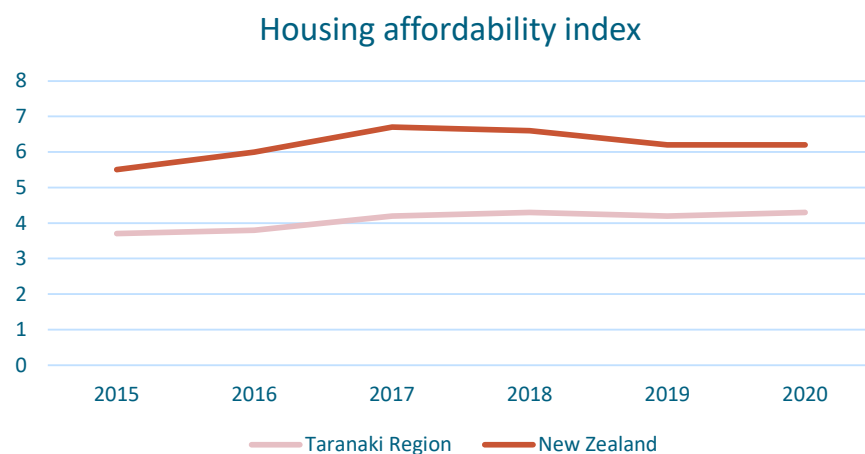


*YoY as at Feb 21

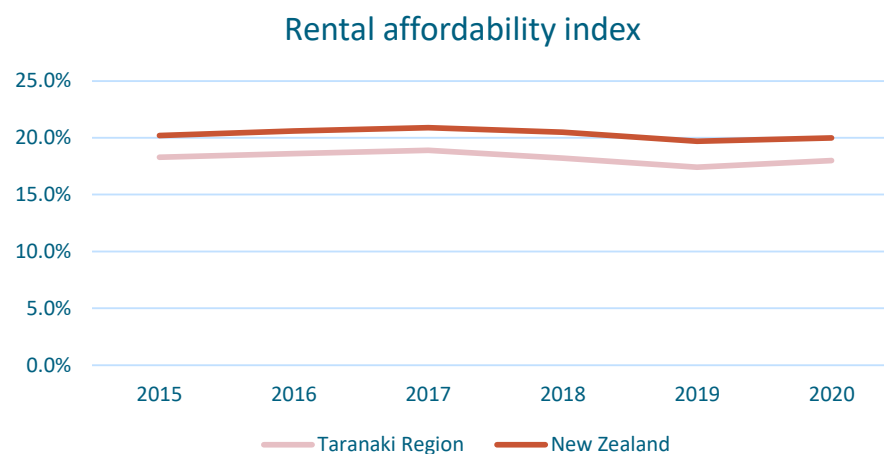
Source – RNBZ 2020 & infometrics 2020 24

Housing affordability

Despite relatively lower house price to income ratios than the rest of NZ, rental affordability in Taranaki is similar to the NZ mean. Housing affordability, as indicated in the chart below, is more favourable in Taranaki.



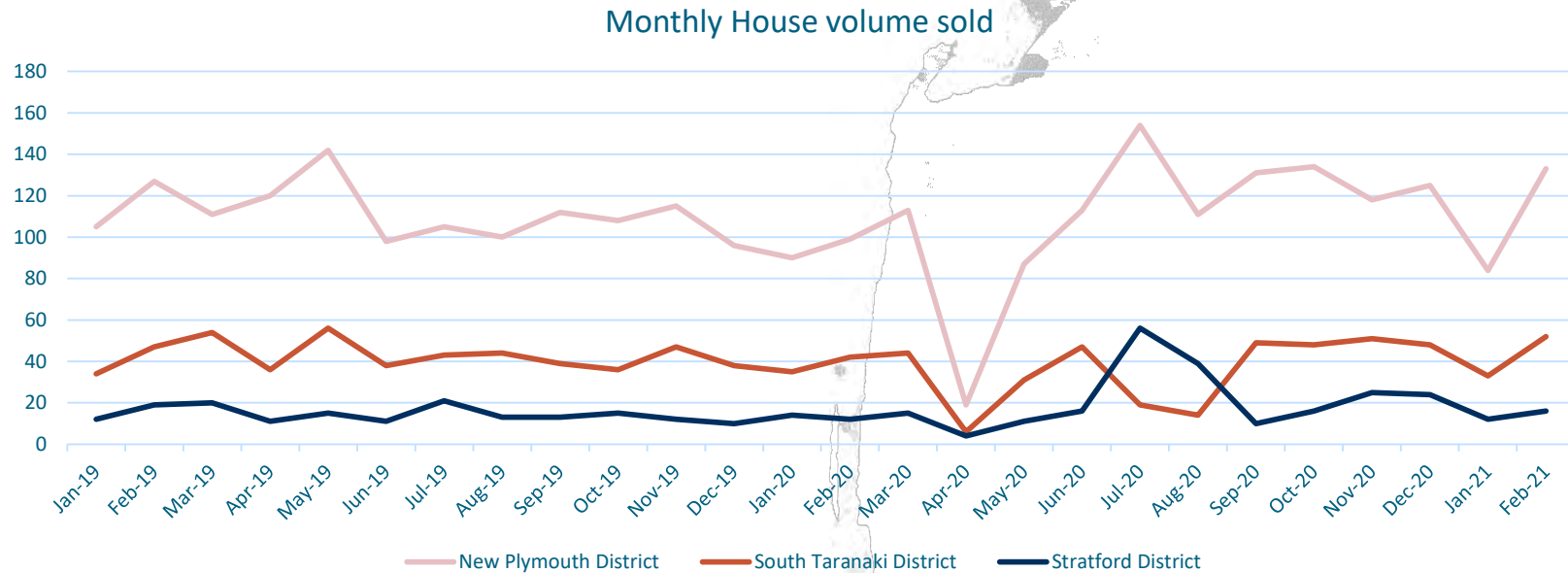
The housing affordability index is the ratio of the average current house value to average household income. A higher ratio, therefore, suggests that median houses cost a greater multiple of typical incomes, which indicates lower housing affordability.⁷



The rental affordability index is the ratio of average weekly rent to average household income. A higher ratio, therefore, suggests that average rents cost a greater multiple of typical incomes, which indicates lower rental affordability.⁷

Source – RNBZ 2020 & infometrics 2020 25

House volumes sold in Taranaki



Median house prices in Taranaki region increased 26.2% annually in February 2021 to \$520,000, a record equal with January 2021.

The number of properties sold in February increased 31.4% from the same time last year. There are plenty of purchasers in the market looking for quality properties, including investors, and open homes have continued to be busy across the region.

Listings for the region were up 0.5% annually, but high sales volumes and low listings have resulted in a -29.4% decrease in available stock for the region. This shortage of available properties has placed upward pressure on prices and meant that properties are selling quickly when they do reach the market. Median days to sell are at their lowest level for a February month since records began, at 21 days.

- Bindi Norwell REINZ CEO

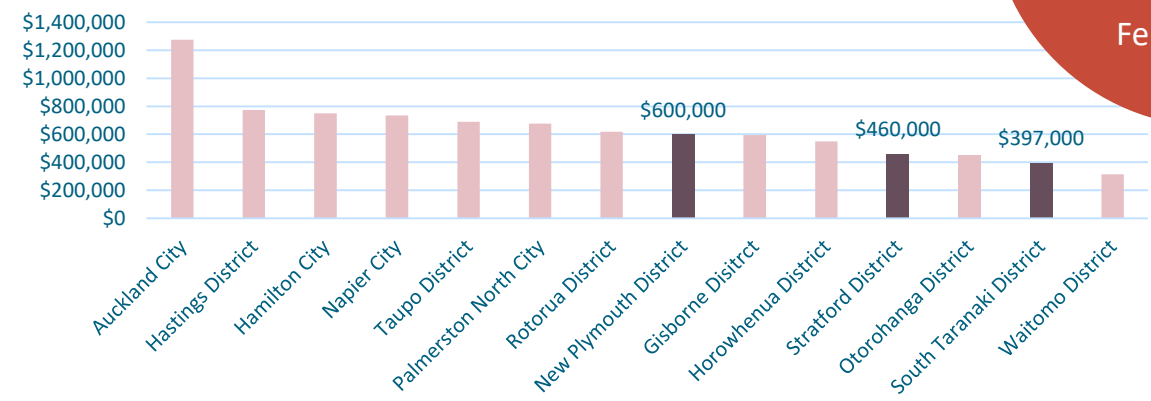
Median price of houses sold in Taranaki

House prices have also remained buoyant. The region saw median house prices reach \$520,000 with Stratford district achieving a median price of \$460,000.

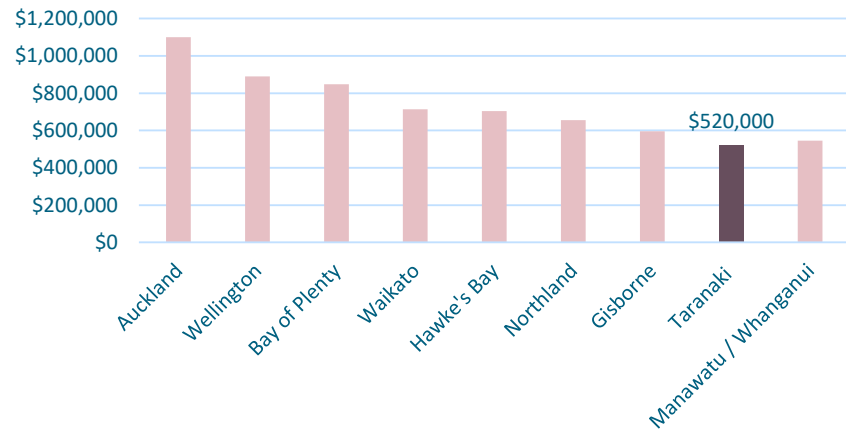
The value of houses in Taranaki increased across the board. House prices increased by 35.3% in Stratford, 34.6% in South Taranaki and 14.3% in New Plymouth district.

The national median house price for the month of February was \$780,000 – up 22.8% on February 2020

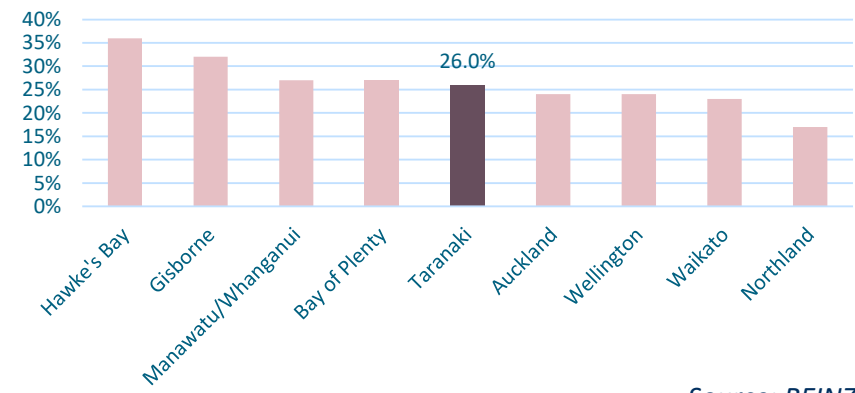
Median price – February 2021



Median price per region - February 2021



Median price percentage change - Feb 2021 vs. Feb 2020

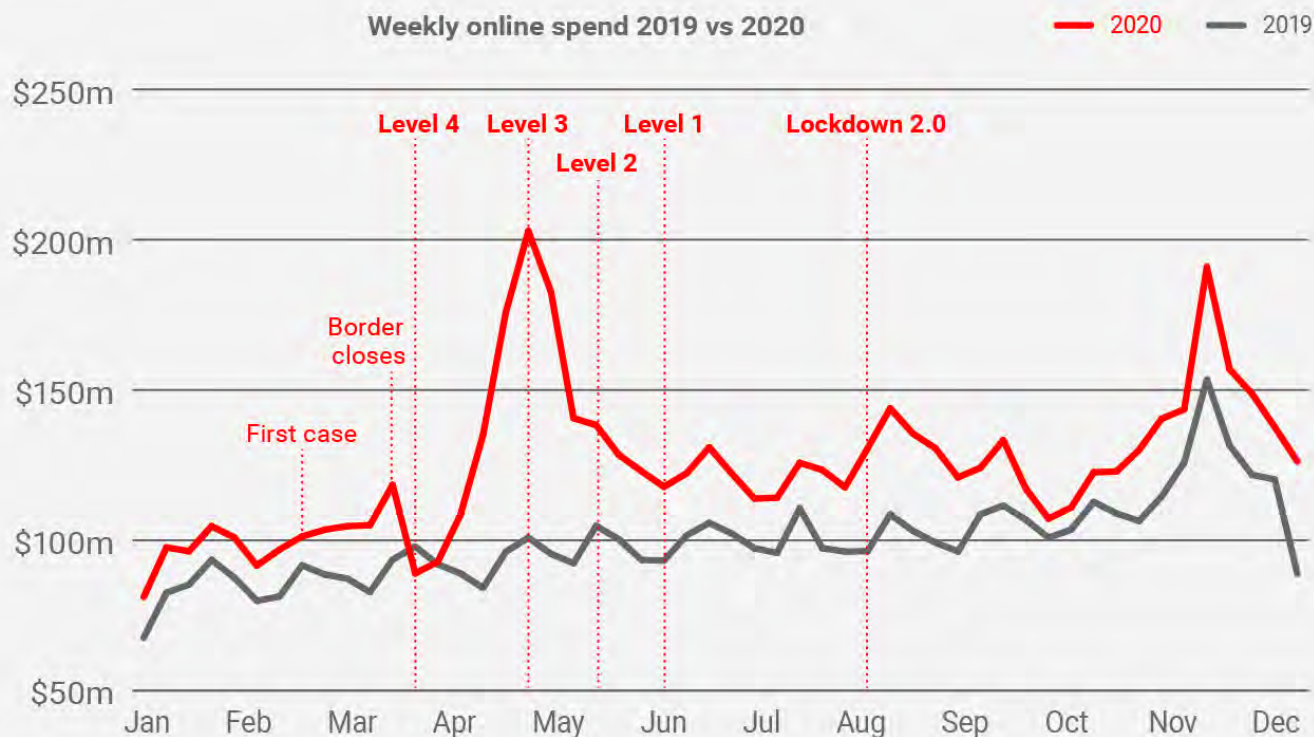


Source: REINZ



Retail

Retail: Online Spending



While some brick-and-mortar retail stores have struggled due to the impacts of COVID-19, online spending in New Zealand hit an all-time high with a 30% increase in spending between January and June 2020 when compared to the same period in 2019. After an initial peak during the level 3 lockdown online spending levels remained strong throughout the rest of 2020. The October – December quarter finished the year off strong with a \$1.5 Billion increase of online spending from 2019. Online spending in November was specifically high due to big sales numbers on Singles Day, Black Friday and Cyber Monday.

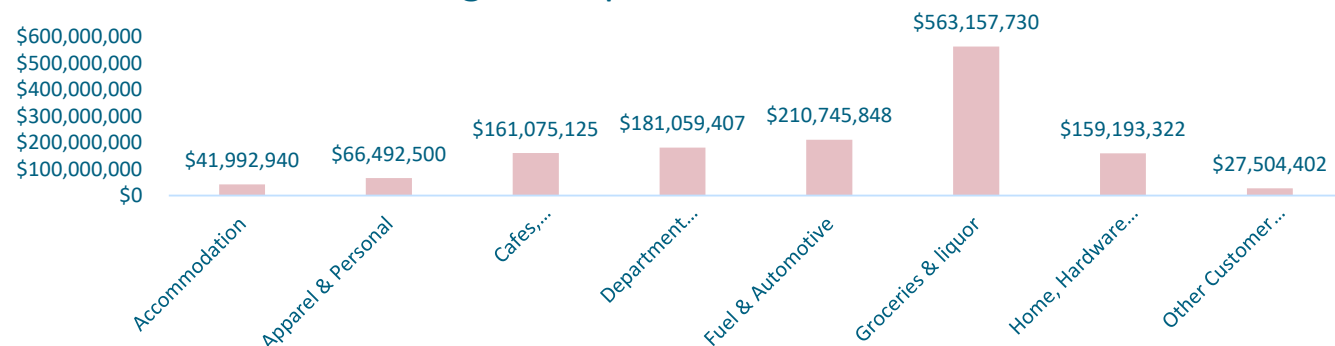
Source: NZ Post eCommerce Spotlight Hub

30

Retail: Taranaki regional barometer

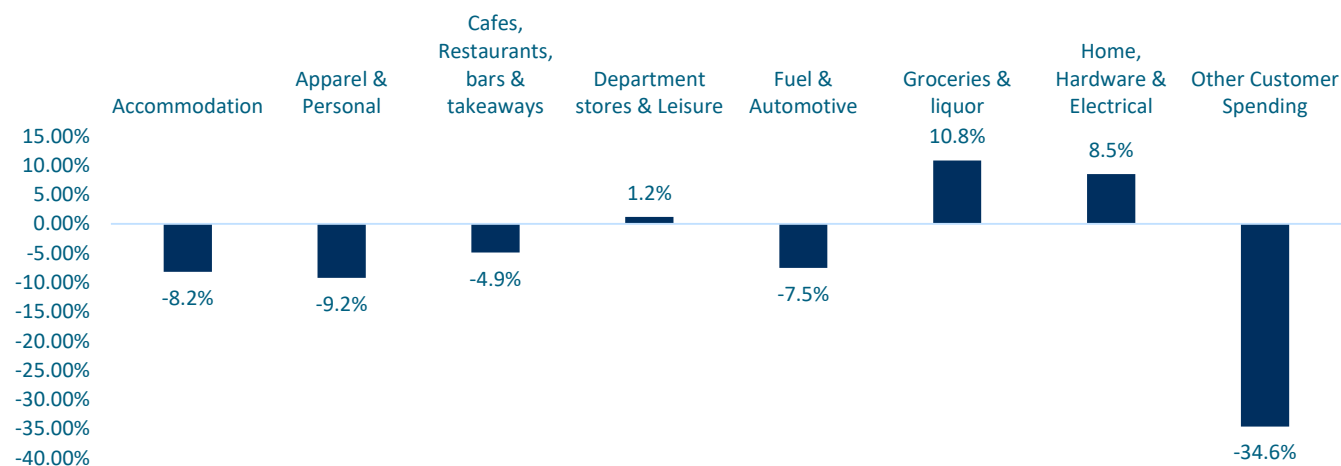
12 months ending December 2020 compared to December 2019

Total Regional Spend YE December 2020



Total retail spend within Taranaki for the year ending December: **\$1,411,221,275** +1.4%

Percentage change in regional spend YE December 2020

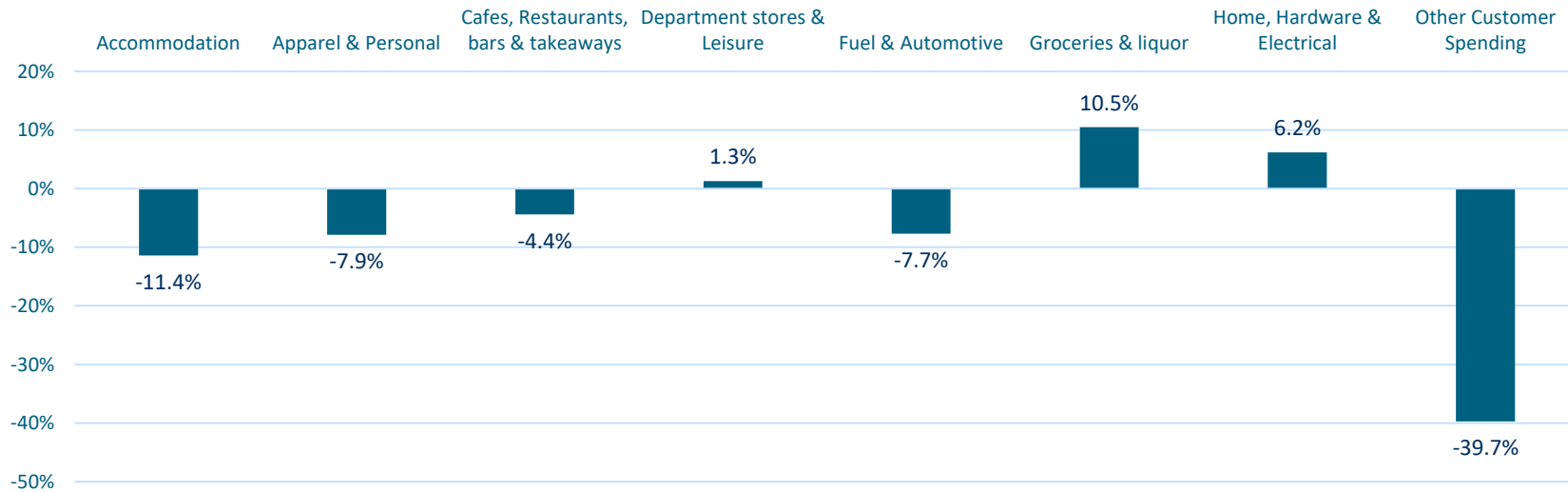


NB: total spend includes a COVID aggregation which is not reflected in the categories analysed.²

Retail: New Plymouth district barometer

12 months ending December 2020 compared to December 2019

New Plymouth district percentage change in district spend year-ending December 2020



Retail spend within district:
\$1,057,744,782

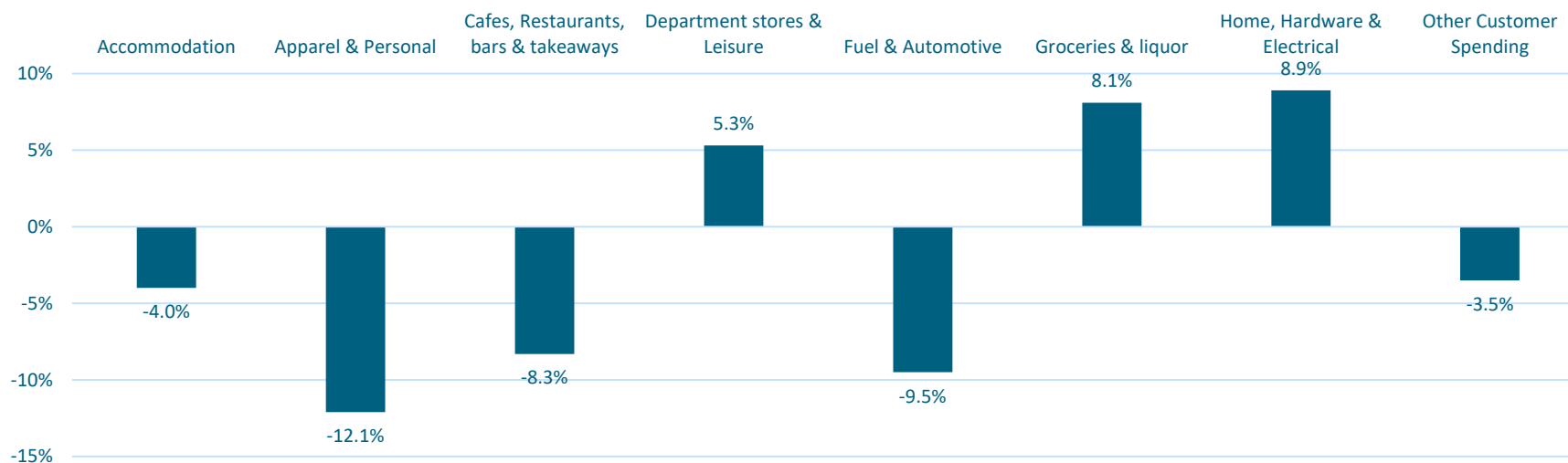
- +0.6%: Change in spend
- 5.2%: Change in number of transactions
- +6.1%: Change in average transaction value
- \$45.30: Average transaction value

Source: MarketView

Retail: Stratford district barometer

12 months ending December 2020 compared to December 2019

Stratford district percentage change in spend year-ending December 2020



Retail spend within district: \$110,943,852

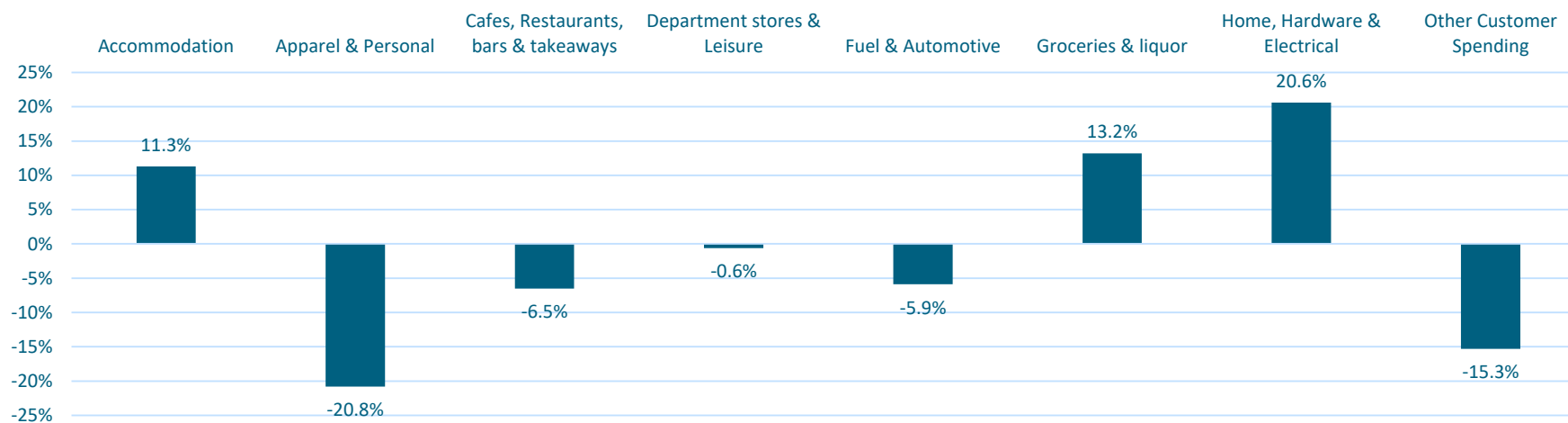
+1.1%: Change in spend
 -6.4%: Change in number of transactions
 8.0%: Change in average transaction value
 \$45.89: Average transaction value

Source: MarketView 33

Retail: South Taranaki district barometer

12 months ending December 2020 compared to December 2019

South Taranaki district percentage change in district spend year-ending December 2020



Retail spend within district: \$242,532,641

- 4.8%: Change in spend
- 4.0%: Change in number of transactions
- 9.2%: Change in average transaction value
- \$41.73: Average transaction value

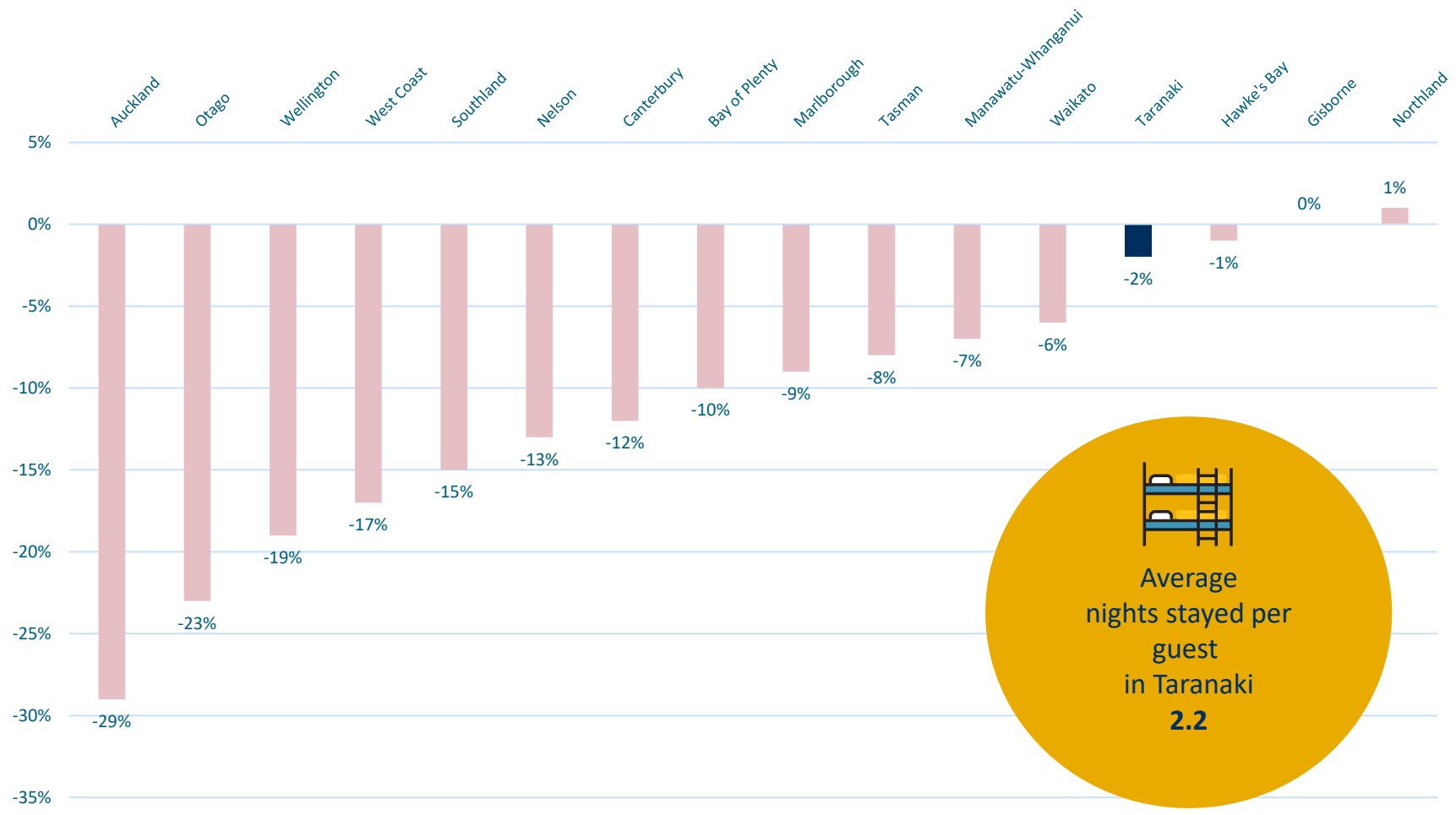
Source: MarketView 34



Visitor

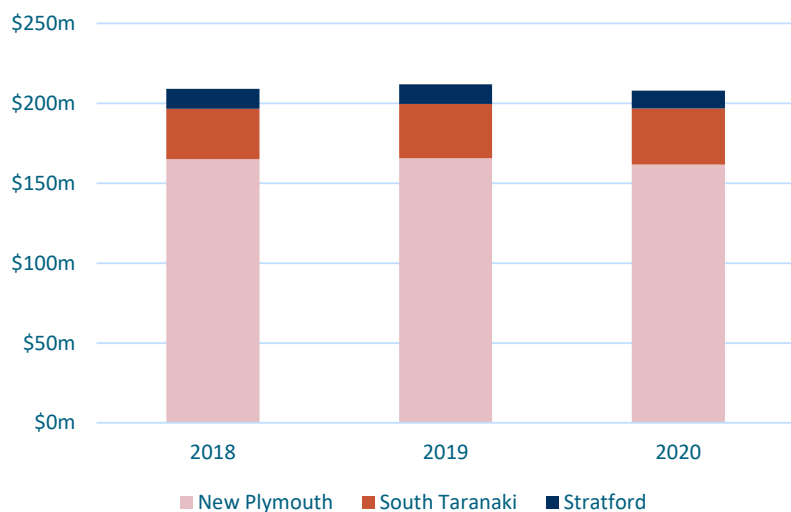
Visitor spend by region

Percentage change in total spend – YE December 2020



Visitor spend by district

Annual visitor spend in Taranaki 2018-2020

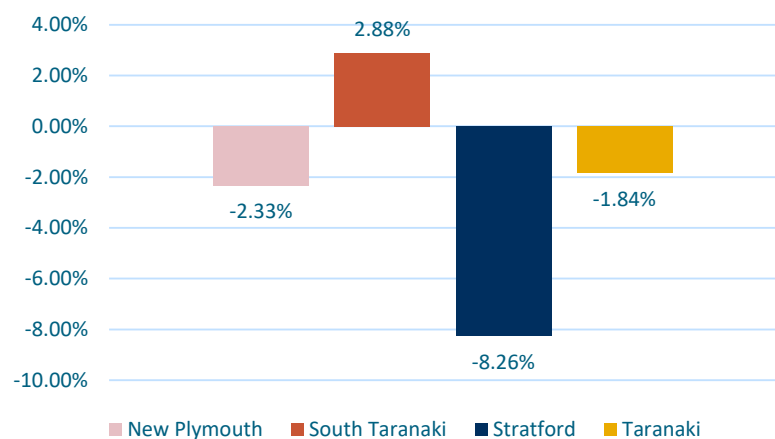


The Tourism Electronic Card Transactions (TECTs) have been established by MBIE as an interim replacement for the MRTes. Due to complications from COVID-19, the MRTes are no longer useable.

The TECTs instead aim to present the measured electronic card transactions (ECT) attributable to tourism. The TECT data is provided by Marketview, who use a base of ECT spending from the Paymark network (approximately 70 per cent of total ECT spend) to estimate total ECT spend.

For more information about TECT and the methodology used, [click here](#).⁹

Visitor spend percentage change – year ending Dec 2020



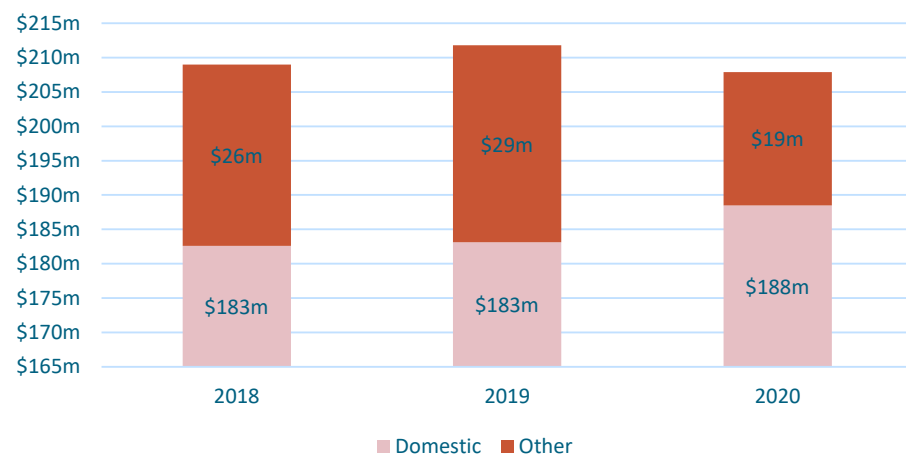
Visitor spend increased by 2.9% in South Taranaki, while decreasing in other parts of the region, most notably in Stratford by 8.26%.

The smaller sample size in Stratford, particularly with the switch to TECT measures, means this percentage change should be interpreted with caution. Raw figures show Stratford has lost approximately \$1m in tourism dollars, compared with a loss of \$4m in New Plymouth and a gain of \$1m in South Taranaki.

Visitor spend by product

Domestic and Other visitor spend 2018-2020

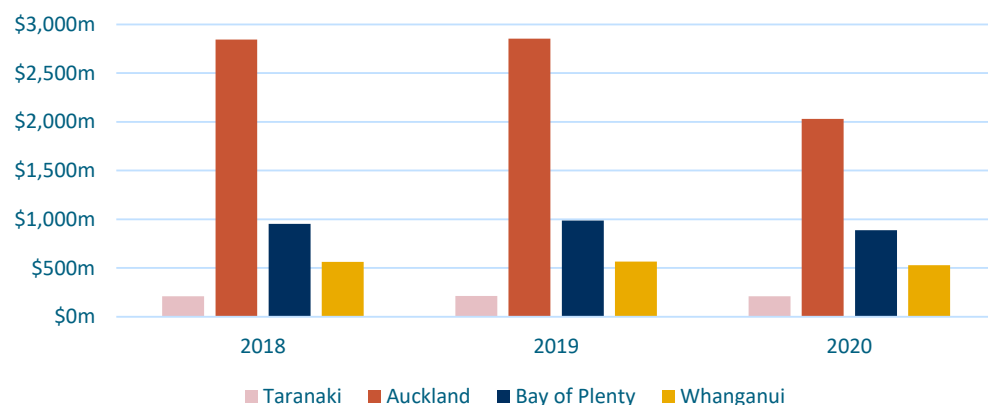
Visitor spend in Taranaki (\$millions)



Despite borders being closed for most of 2020, there is still a notable international visitor spend (noted in the data as 'other'). This is because the spend is based on card transactions from cards issued outside New Zealand. This is likely to include long-term visitors, migrant workers, international students and other non-residents based in New Zealand during 2020.

As can be seen in the breakdown of international vs domestic spend, the loss of international spend has been mitigated to a large extent in Taranaki by increases in domestic spend.

Total visitor spend by region (\$millions)

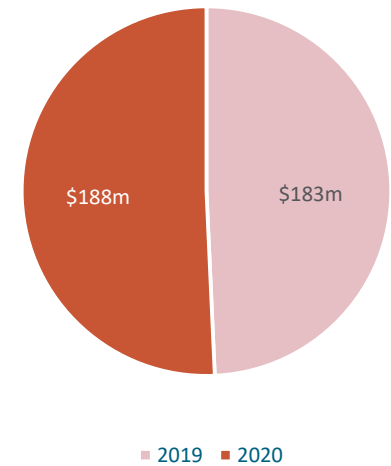
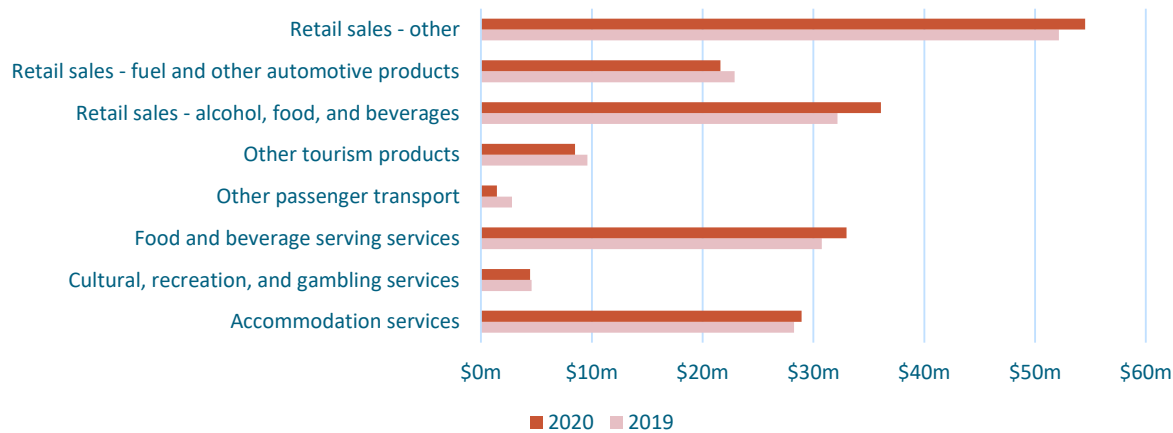


Total guest nights in commercial accommodation in Taranaki during January 2021
121,300

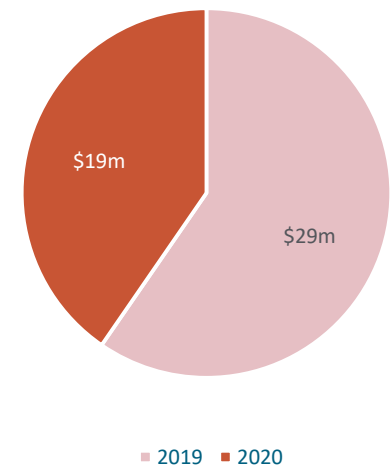
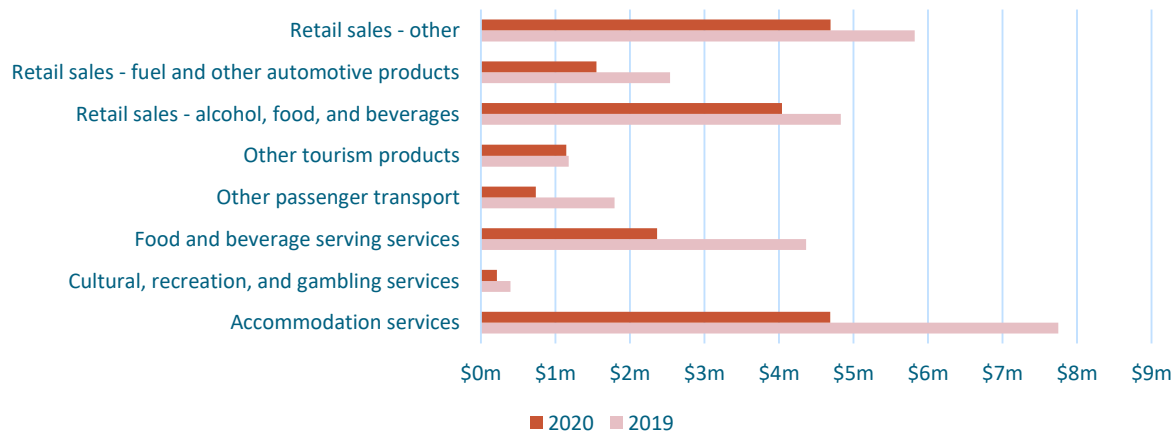
Visitor spend by product

International and domestic visitor spend 2018-2020

Domestic visitor spend in Taranaki by product



Other visitor spend in Taranaki by product ⁹



Source: MBIE TECT

Transport Movements

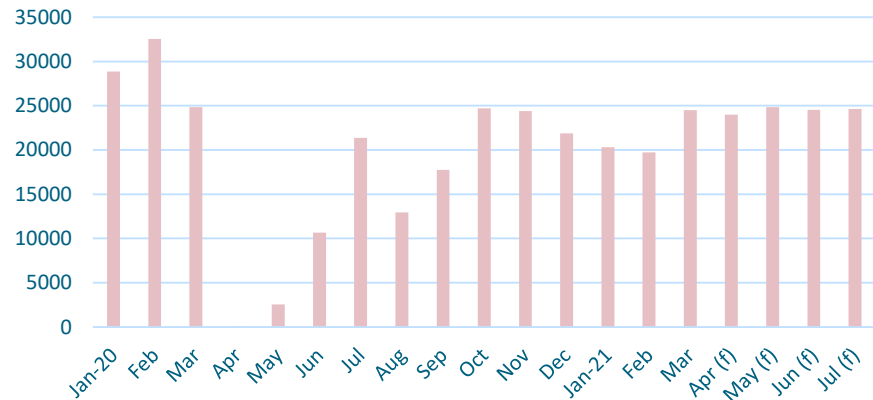


New Plymouth Airport

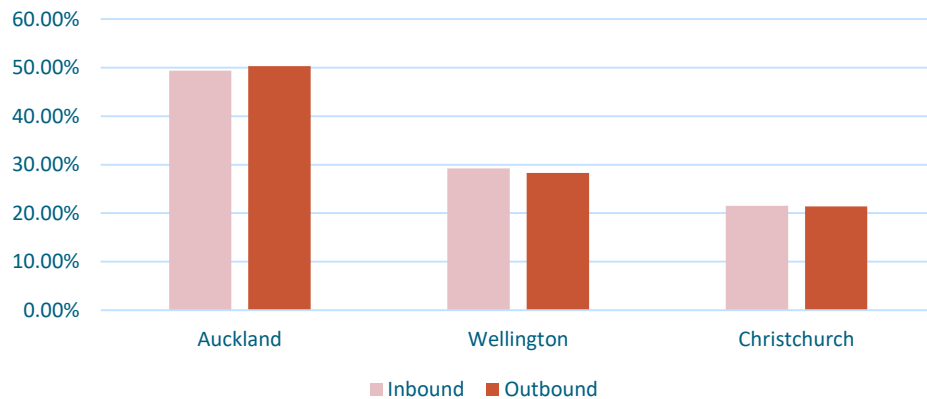
Traffic through the New Plymouth Airport has not quite reached the pre COVID-19 numbers, however from October onwards there has been a consistent number of passengers.

With travel increasingly becoming safer and a Trans-Tasman travel bubble approved for late April, the number of passenger movements through New Plymouth Airport is forecasted to remain at a healthy level.

Monthly passenger movements through New Plymouth Airport



Where travellers through New Plymouth Airport are going / coming from (June 2020 – March 2021)



With very little international travel being feasible in 2020, New Zealanders have been encouraged to visit our own back yard. The majority of travelers outbound from New Plymouth went to Auckland (50.3%), followed by Wellington (28.3%) and lastly Christchurch (21.4%).

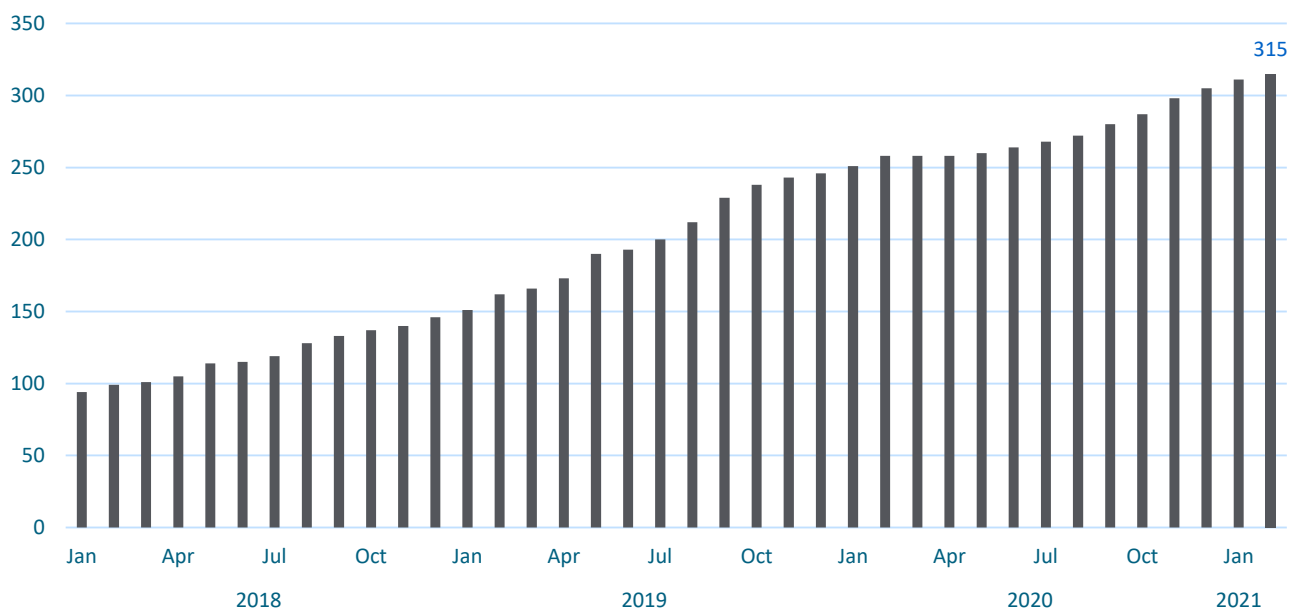
Heavy traffic flows – Taranaki region



Heavy Traffic flows have increased towards the tail end of 2020. Before September 2020, the heavy traffic flow rating hadn't surpassed the 100 mark since March 2020. However, after this date we have only been below this benchmark during the Christmas and New Years periods.

Heavy traffic flows source: NZTA and Infometrics: an index of heavy traffic flows passing monitored sites within a defined location/area, averaged over 7 days and indexed to 1 February 2020.

Electric Vehicle registrations in Taranaki



As advised by many global experts and New Zealand's own Climate Change Commission, electric vehicles (EVs) are very quickly becoming the new normal in the car world. The Climate Change Commission draft advice predicts that in 2035 petrol and diesel prices will increase by up to 30 cents and the total cost of travel, including petrol and vehicle maintenance will continue to rise for an average household. Its draft advice estimates that by 2035, 40% of the entire light vehicle passenger fleet will need to be electric to meet New Zealand's climate change targets.

In Taranaki there has been a steady growth in EV and Hybrid registrations with 315 as of February 2021, however this is approximately only 0.3% of the total light vehicle fleet in Taranaki*.

**Based on MoT total fleet numbers for 2019*

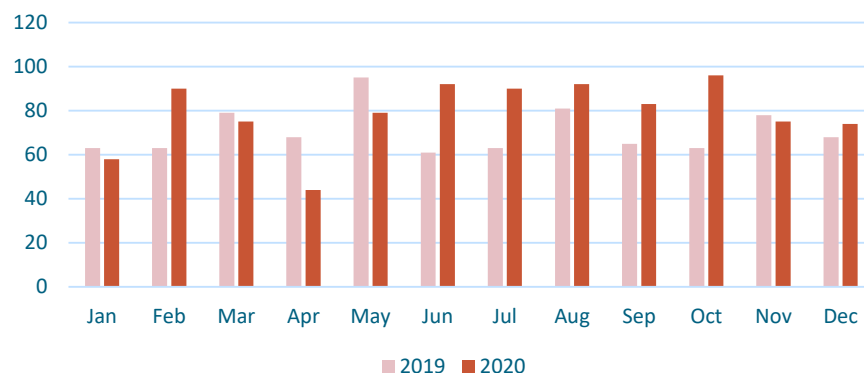
Source: Ministry of Transport



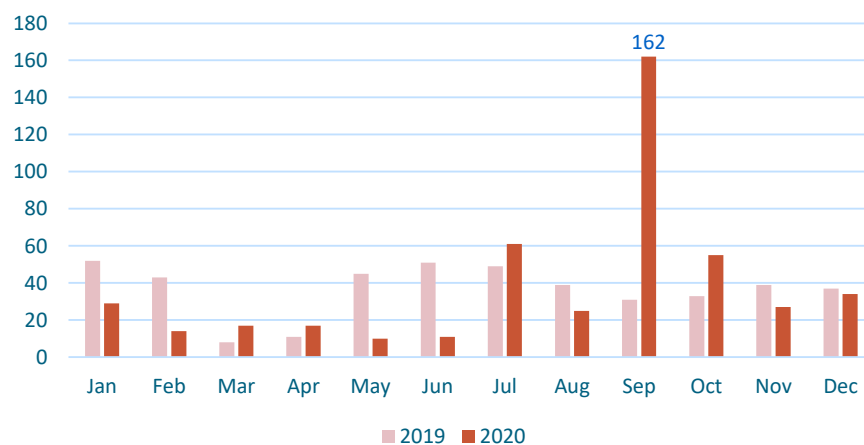
Enterprise

New Businesses registered in Taranaki

New Businesses Added to Company Register



Businesses Removed from Company Register



- Entrepreneurship remained healthy in Taranaki throughout 2020, with 245 new businesses added to the company register in the December quarter. For the year as a whole, Taranaki had 948 new businesses, an increase of over 100 businesses when comparing to 2019.
- Between October and December 2020 new businesses came in a range of different industries, with most being Rental, Hiring and Real Estate Services (14.8%), followed by Financial and Insurance Services (13.9%) and Construction Businesses (13.5%).
- Flow on impacts from COVID-19 caused 2020 to be a more difficult year than anticipated for many of Taranaki's Businesses. However, while overall in 2020, Taranaki saw the closure of 462 businesses, this was only 24 more than the 438 businesses removed from the companies register in 2019. The number of businesses that closed in Taranaki was lower than the New Zealand average.
- As had been anticipated, business deaths spiked to their highest in September (162 closures) immediately following the end of some aspects of the government's extraordinary support, including 'safe harbour' protection for directors of businesses facing liquidity problems.

Source: Benje Patterson – People and Places 45

Venture Taranaki startup clinics

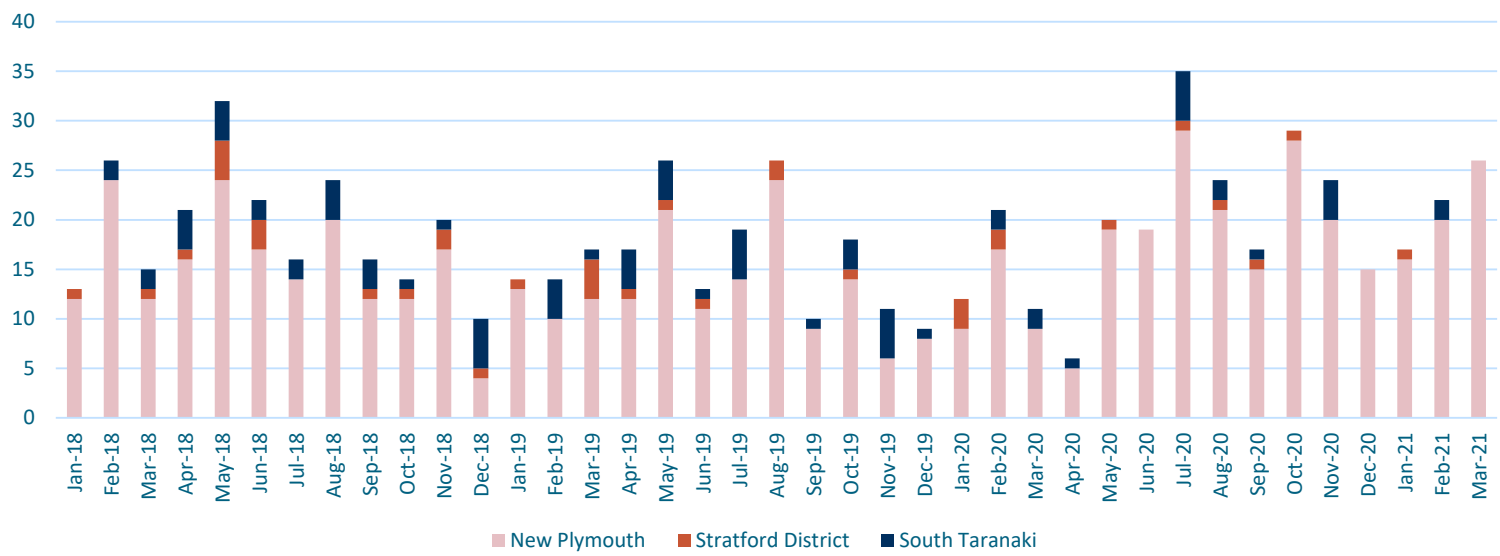
Startup clinic attendance up 48% on March 2020

Attendance at Venture Taranaki’s free startup clinics increased by 48% for the quarter ending March 2021 compared to the same period in 2020.

Attendance reached an all-time high in July 2020, with 35 people attending clinics throughout the region (compared to 19 in July 2019).

Clinics continued throughout 2020, including during Level 4 lockdown. These were conducted remotely by advisers working from home.

Startup clinic attendees in Taranaki 2018-2021



Source: Venture Taranaki

Looking ahead

We have been fortunate in that we have not suffered the extremes of some other regional economies, due to the strength of our agriculture and food production industry and because our visitor sector is less exposed to the international market.

Retail spend is rebounding as people support local, and the construction industry is now busy. Our housing market, like others nationally, is running hot. The regional job market, whilst not experiencing the significant levels of unemployment initially feared, is proving a mixed bag. Job seeker registrations remain at heightened levels, and the unemployment rate is up, yet at the same time the job market shows increases in employment and skill shortages in certain industries, such as construction.

As we look ahead, whilst we have strong reasons for positivity, beneath the surface COVID-19 has further extended the inequality gap for our lower socioeconomic communities and families and has compounded impacts on health and housing. Furthermore, as economic activity rekindles, growth is becoming increasingly hampered by global supply chain and logistical disruption, which in turn is disrupting access to products and parts.

With the opening of the Trans-Tasman travel bubble, the visitor market will gradually build. However, beyond COVID-19 there are important broader policy and economic challenges that will come to the fore. These include the shift towards a low-emissions economy, and the Government's response to the final advice due from the Climate Change Commission in May 2021. There are many moving parts which affect our region as we continue to respond in the face of change.



Notes

1. As census surveys are only undertaken every 5 years, population estimates are forecasts made by Statistics New Zealand based on Census data.
2. GDP captures all production within an economy. This includes consumption spending, government spending, investment and exports. All Infometrics GDP and sector statistics are estimates derived from official Statistics New Zealand data.
3. Filled jobs include paid employees measured by business employment data. The difference between the count of filled jobs and paid employees can be attributed to factors like additional jobs held by multiple job holders and jobs filled by employees not within the usual resident population. Total employed persons also include some people who aren't included in the filled job counts, such as employers, self-employed people without employees, and unpaid family workers.
4. NEET Rates account for young people aged 15–24 years who are unemployed (part of the labour force) and not engaged in education or training, and those not in the labour force and not engaged in education or training for many reasons, as a proportion of the total youth working-age population. School leavers and students on long breaks can add to this statistic.
5. Unemployment rates record all people in the working-age population who were without a paid job, available for work, and had either actively sought work in the past four weeks ending with the reference week or had a new job to start within the next four weeks. If someone is without work but no seeking employment, they do not count towards the unemployment rate.
6. Housing values are provided by Infometrics who sources their data from QVNZ. Values given are the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house's price between sales.
7. Housing Affordability uses a different scale to rental affordability as rental affordability is showing average weekly rental payments as a proportion of average weekly income while housing affordability shows the ratio of the average current house value to average household income.
8. Retail data reflects spend by EFTPOS and credit cards in Taranaki retail outlets. Retail outlets reflect the defined categories displayed in these charts. The analysis, commissioned by Venture Taranaki, excludes cash and non-retail outlets.
9. The Tourism Electronic Card Transactions (TECTs) aim to present the measured electronic card transactions (ECT) attributable to tourism but without any attempt to represent the total spend. This method is considered to be the best way to provide spend data to the industry while travel is severely affected by COVID-19 border restrictions. But users need to be aware of the limitations of this approach as this does not account for cash spend or pre-purchase spending. International visitor numbers include anyone who makes ECTs with an international card. This is noted in the data as "Other". This estimated total ECT spend is then filtered for tourism spend by visitors in New Zealand. Domestic tourism spend is classified as spend that is more than 40km outside their usual place of residence.





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TARANAKI BUSINESS SURVEY RESULTS

June 2021

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TARANAKI BUSINESS SURVEY

The Taranaki Business Survey monitors the economic confidence of Taranaki enterprises and canvasses their views on key business issues. It has been undertaken by Venture Taranaki 6-monthly since 1999

The survey is sent to more than 1700 enterprises throughout Taranaki, and includes a cross-section of industry type, location and business size.

Each year we ask standard questions about perception of the current economic state, and confidence for the future. This enables us to compare year-on-year the business confidence and outlook for our region.

For each survey, we also ask some special topic questions, specific to an issue relevant to the business community. The special topics for this survey are **COVID-19 Impacts** and **Budget 2021**.

If you have questions about this survey, please contact Venture Taranaki Business Analyst Jennifer Patterson

Jennifer@venture.org.nz

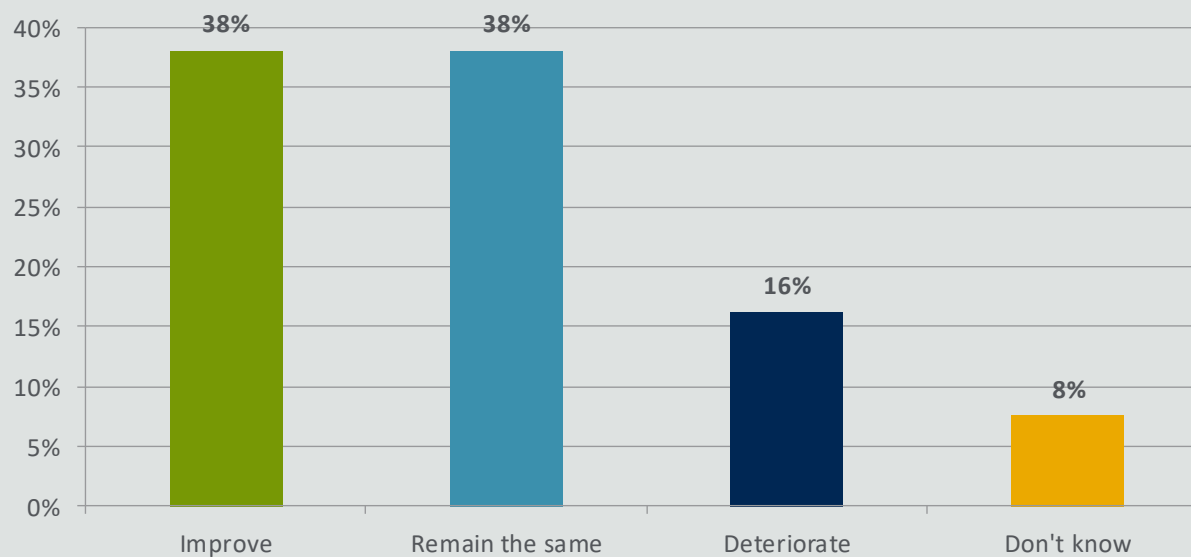




ECONOMIC CONDITIONS

NEW ZEALAND

In the next 12 months, do you expect the general business situation in New Zealand to:

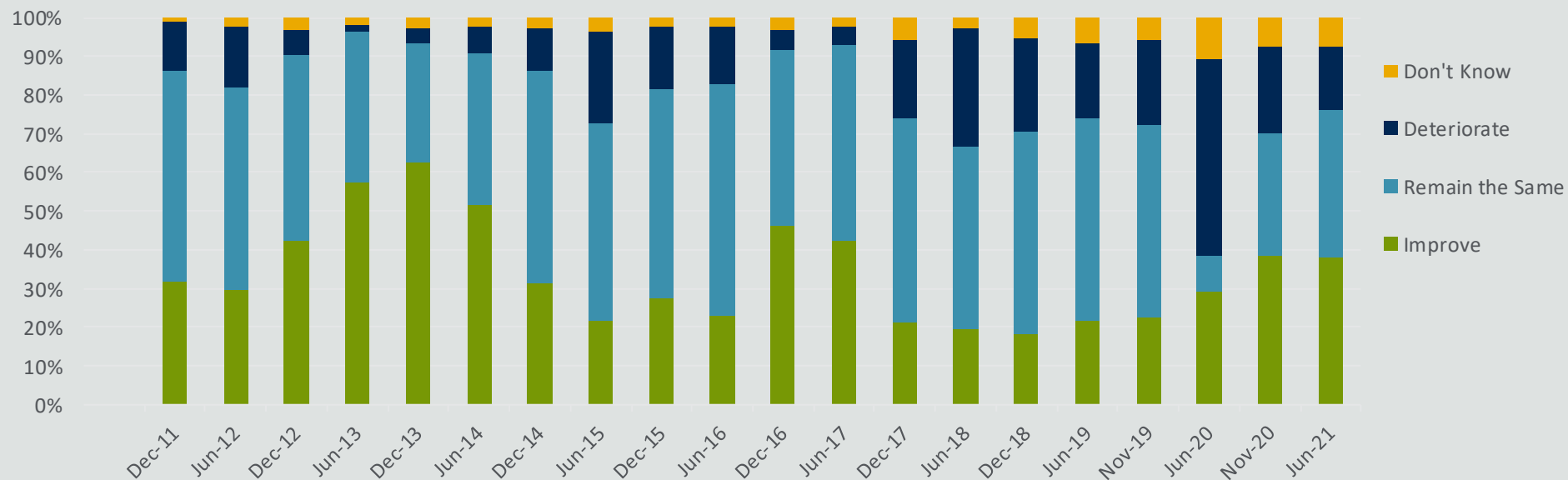


Most respondents expect the national economy to remain stable over the next 12 months.

This is a significant shift from the June 2020 results, which showed only 29.3% of respondents thought NZ's conditions would improve, and 51.2% thought they would deteriorate over the next 12 months.

NEW ZEALAND

In the next 12 months, do you expect the general business situation in New Zealand to:

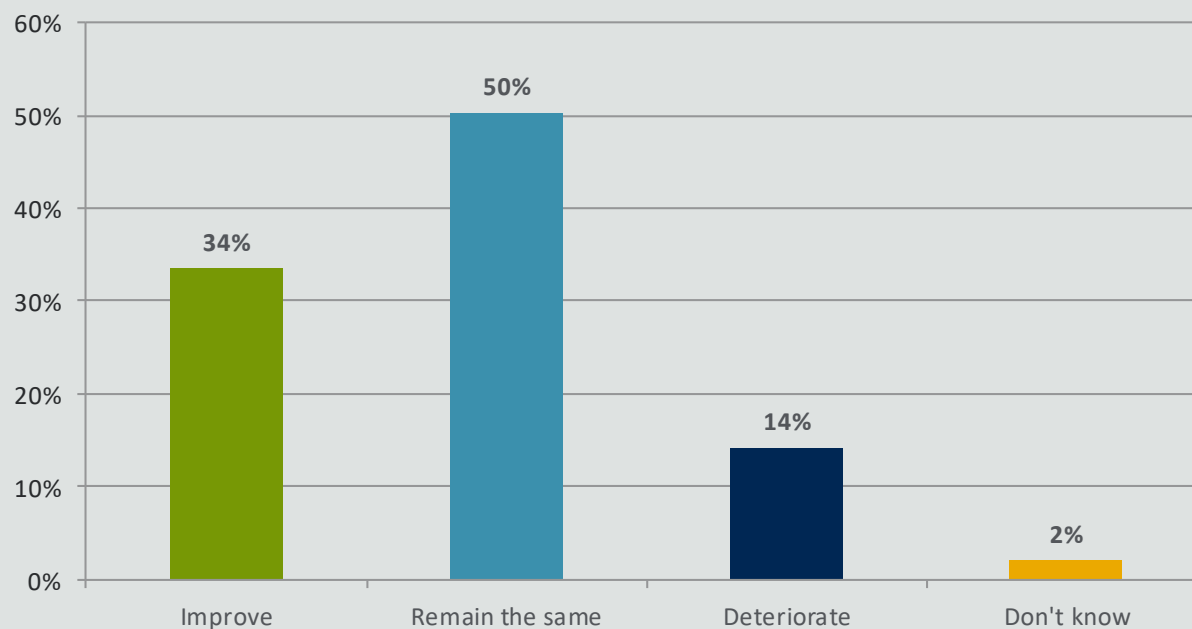


There has been a slight shift in sentiment over the past six months, with fewer respondents anticipating a deterioration in conditions.



INDUSTRY OUTLOOK

In the next 12 months, do you expect business conditions in **your industry sector** in New Zealand to:

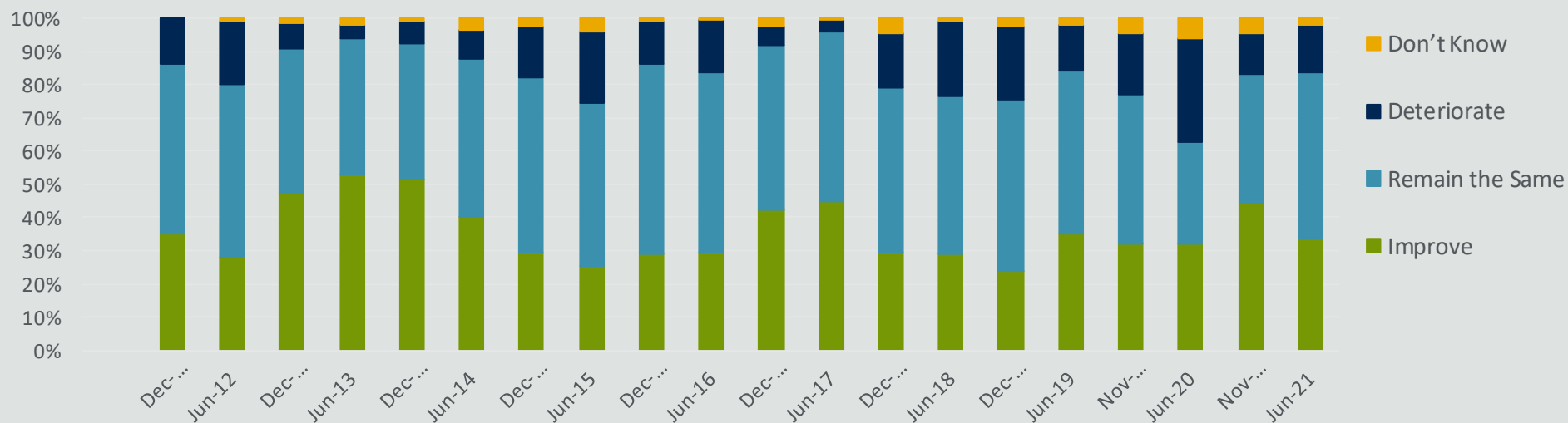


Most respondents expect conditions in their own sector to remain stable over the next 12 months.

This is a significant shift from the June results, which showed only 29.3% of respondents thought NZ's conditions would improve and 51.2% thought they would deteriorate over the next 12 months.

INDUSTRY OUTLOOK

In the next 12 months, do you expect business conditions **in your industry** sector in New Zealand to:

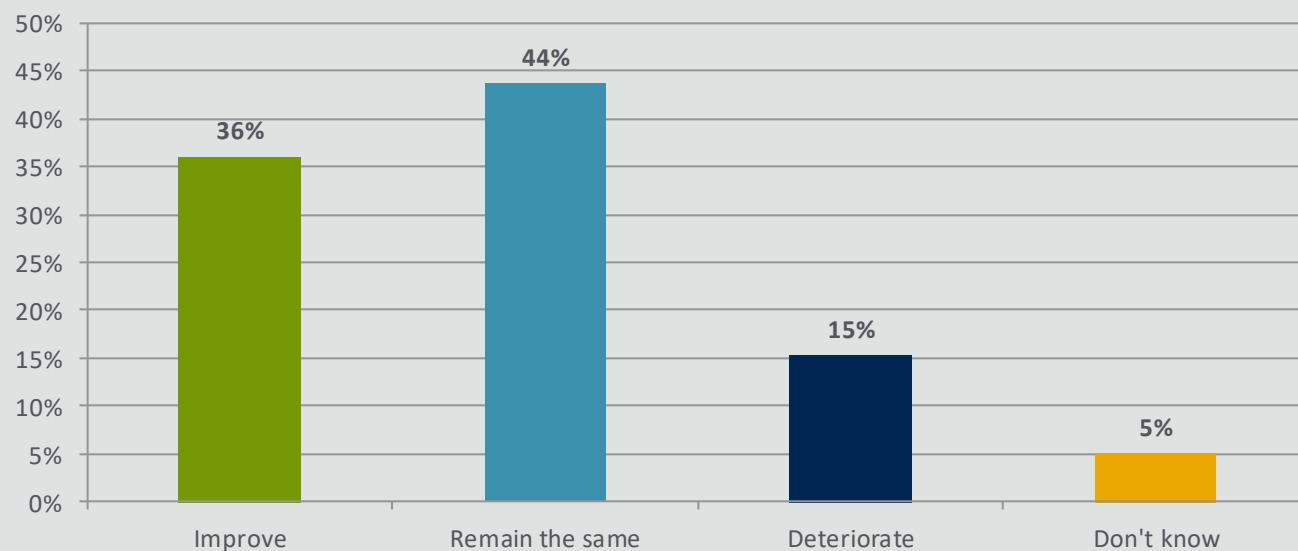


Respondents are feeling mostly optimistic in their views towards their own industry, with most expecting conditions to remain stable compared to earlier in the year.



TARANAKI OUTLOOK

In the next 12 months, do you expect the general business situation
in Taranaki to:



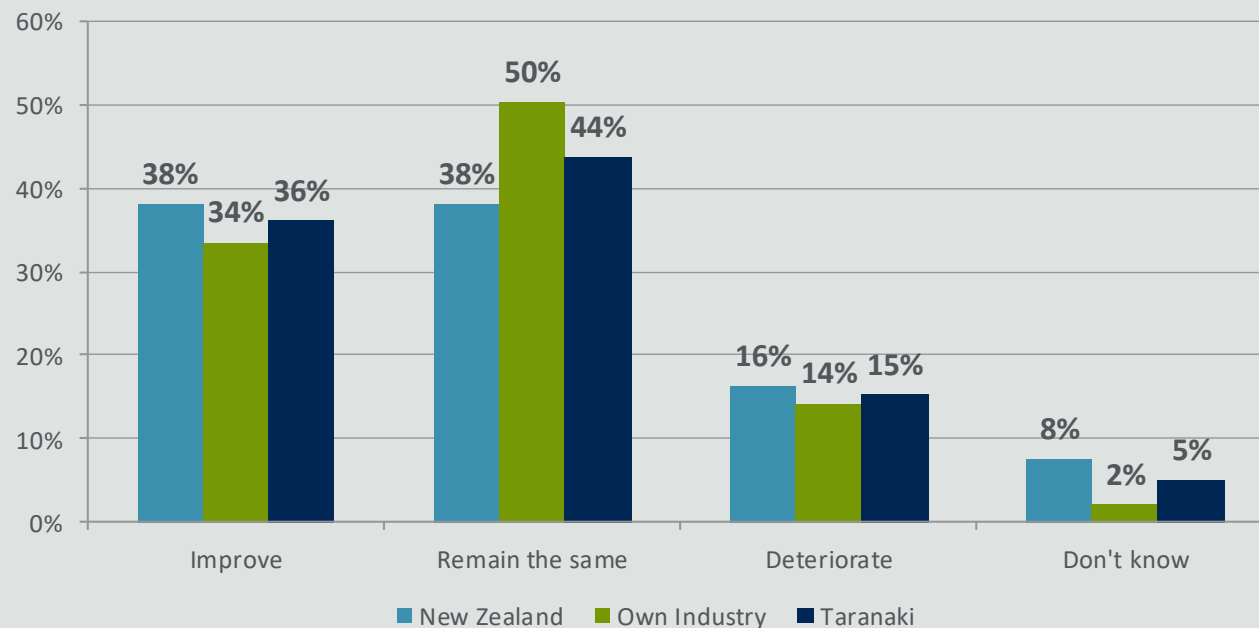
Relatively positive and stable outlook for the Region over the next 12 months.

Last survey showed that only 40% of respondents thought the regional outlook would improve, and 20% thought it would decrease.

Respondents were more certain in June 2021, with 44% thinking things would stay the same, up from 36% six months ago.

NZ VS. INDUSTRY VS. TARANAKI

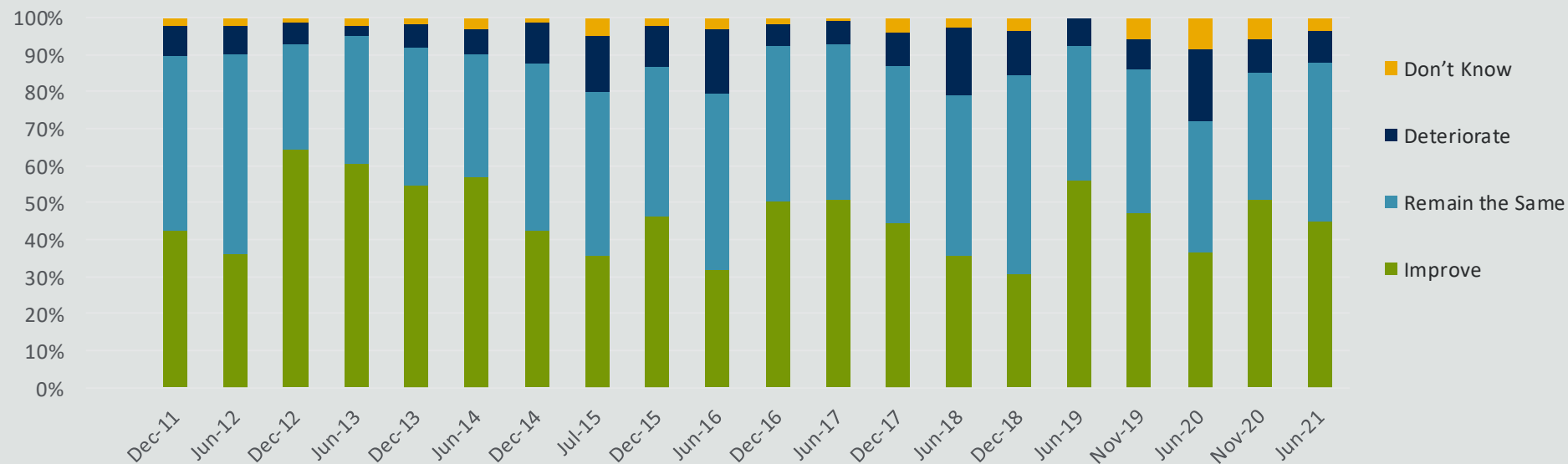
Conditions over the next 12 months



Respondents were feeling mostly positive towards the national, regional and their own industry's economic outlook, and expecting greater stability than the prior 6 months.

SALES FORECAST

In the next 6 months, do you expect your company sales/customer levels/bookings to:

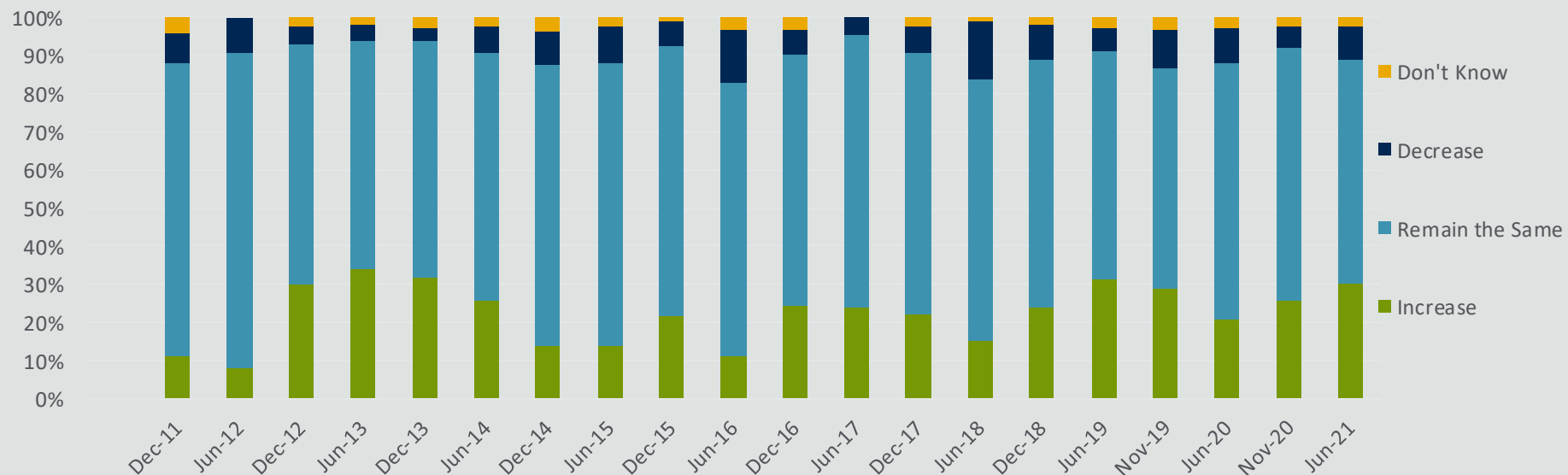


The sales forecast also shows an expectation of stability for the next six months, with more respondent expecting sales to stay the same (43%), compared to 34% of respondents in November 2020.



EMPLOYEE NUMBERS IN THE NEXT 6 MONTHS

In the next 6 months, do you expect employee numbers in your business to:

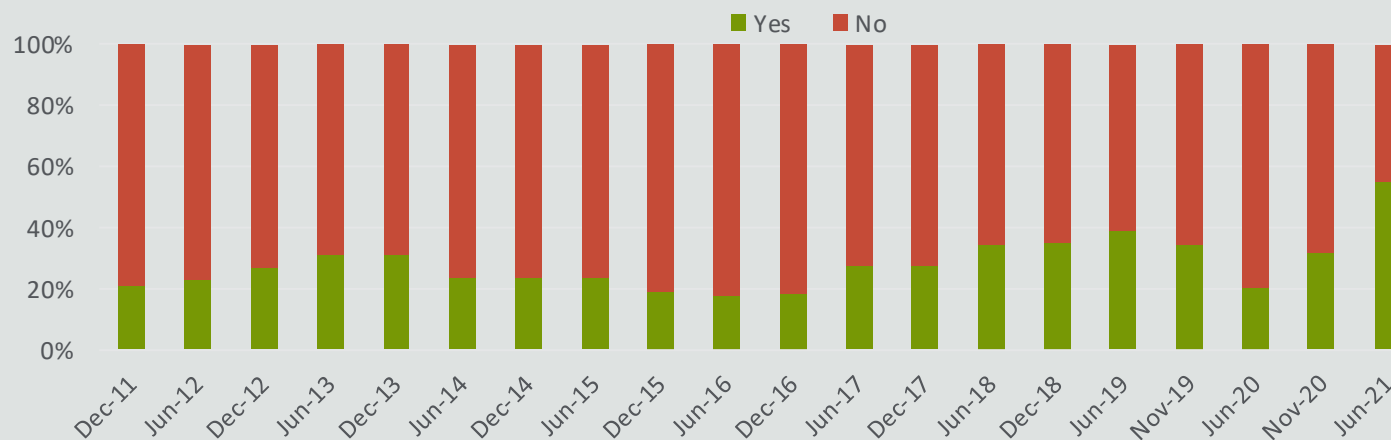


58% of enterprises anticipate no changes to staffing levels. From the last survey we are seeing confidence begin to return when it comes to increasing staffing numbers in the next six months. 30% of enterprises now anticipate increases in employee numbers compared to 26%



SKILLS SHORTAGE OR DIFFICULTY HIRING?

Are you experiencing any significant skill shortages and/or difficulties recruiting appropriate staff?



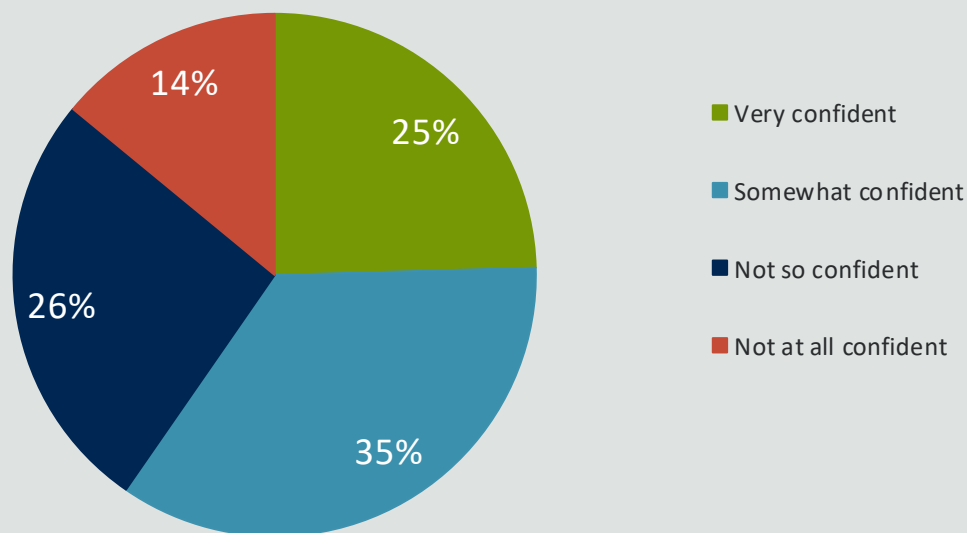
Of those currently recruiting staff, 45% are experiencing difficulty*.

*This question was offered to only those respondents who answered "increase" to Question 5 (in the next 6 months, do you expect employee numbers in your business to...). In previous surveys, all respondents have been offered this question. For this reason, the increase shown in the graph may not be a true comparison with previous surveys.



SKILLS SHORTAGE OR DIFFICULTY HIRING?

Given the recent reductions in migrant numbers, how confident are you that the New Zealand labour force can fill your needs?



60% of Taranaki enterprises that are looking for more staff are confident they can find people in New Zealand to fill their needs.

SKILLS SHORTAGE COMMENTS

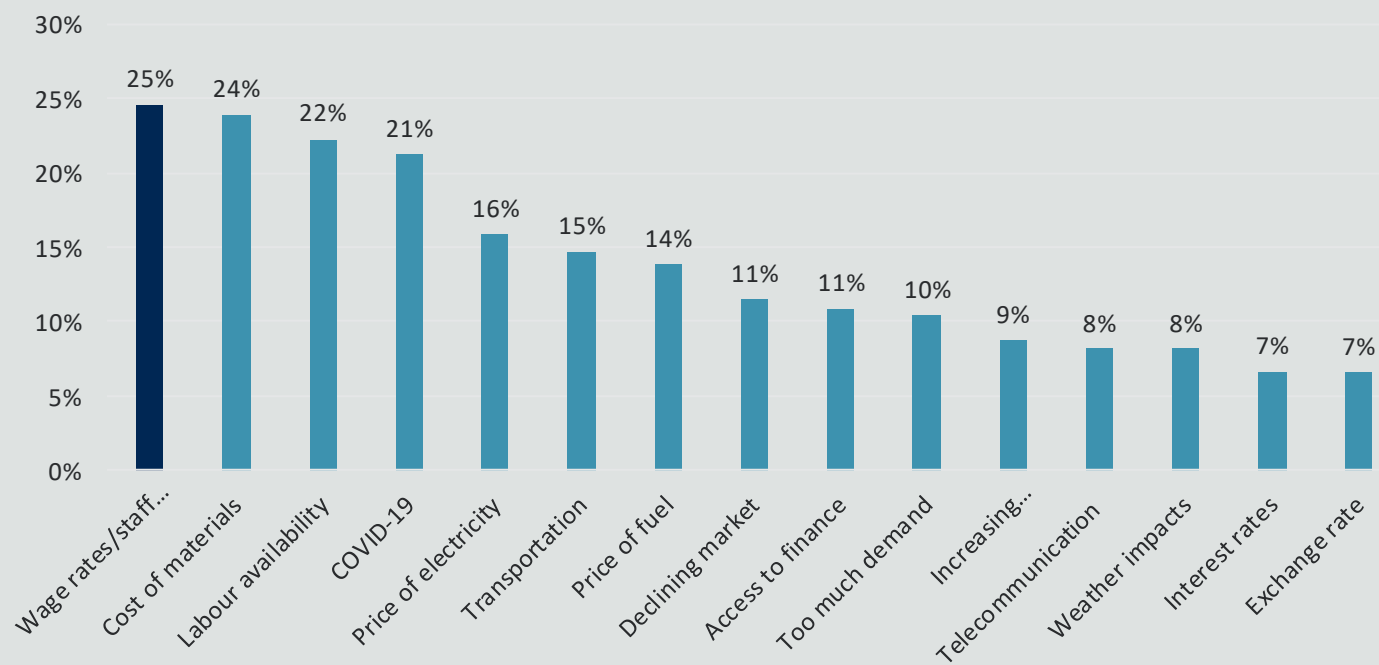
- Some respondents expressed concern about not being able to find highly skilled and/or specialist workers.
- This includes many types of high skilled workers, including marketing specialists, designers, software developers and engineers.
- Finding hospitality workers and trade workers were also common themes.

"We have staff shortages and are having a hard time finding people who want to work. We have offered contracts to three people - One lasted one day and resigned, another decided not to take the job and we are hoping the third will work out."

"Skills in marketing and web development are a constant struggle as people don't want to move to the region and those in it that we have interviewed are not skilled enough or don't want to move."

TARANAKI BUSINESS CONCERNS

Issues that are of most concern to Taranaki enterprises

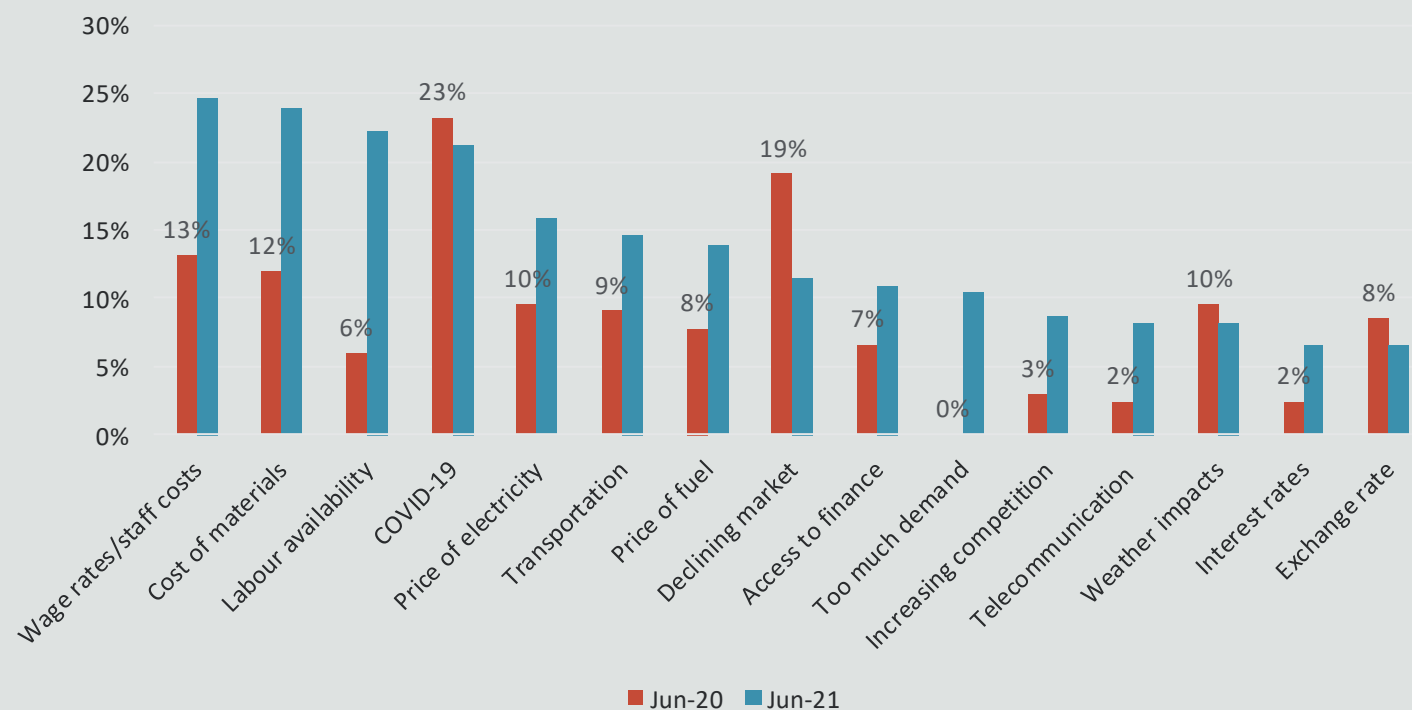


Wage rates, cost of materials and Labour availability are the three biggest concerns for Taranaki enterprise.

COVID-19 remains a significant concern.

TARANAKI BUSINESS CONCERNS

Issues that are of most concern to Taranaki enterprises



Compared to June 2020, few enterprises are concerned about declining markets.

Concerns are now more spread across a number of issues, rather than just COVID-19.



FACTORS IMPACTING TARANAKI ENTERPRISES

- There are concerns expressed about the rising cost of staff as a result of government changes in sick leave and union/fair pay agreements. Businesses feel they are often unable to increase pay or leave entitlements.
- Worker shortages, including uncertainty for current visas for foreign staff, and skilled workers are a recurring theme.
- Many respondents felt the Government was not taking business needs into account with changes in legislation, and that they are not being consulted.
- This concern also extends to the oil and gas sector. Respondents don't feel that the Government has a good plan for the transition to a low emissions future.
- Lack of visitors from overseas is a concern for some respondents.

Labour shortage
and labour costs

Lack of consultation

Travel
restrictions



FACTORS IMPACTING TARANAKI ENTERPRISES

“Rising costs of staff will cripple small businesses... 10 days sick leave even for part timers doing 16 hours per week? It’s unbelievable...”

“Being an early childhood service, we are always trying to manage at the mercy of government funding without passing too many costs onto our families or having impacts on the quality of our service. This is a constant worry and concern.”

“Concerned that wage rates have increased, and income will decrease if Covid presents itself again. Will there be another wages subsidy, to cover 100% of wages? As I don't think we'll get approval from staff to drop hours again.”

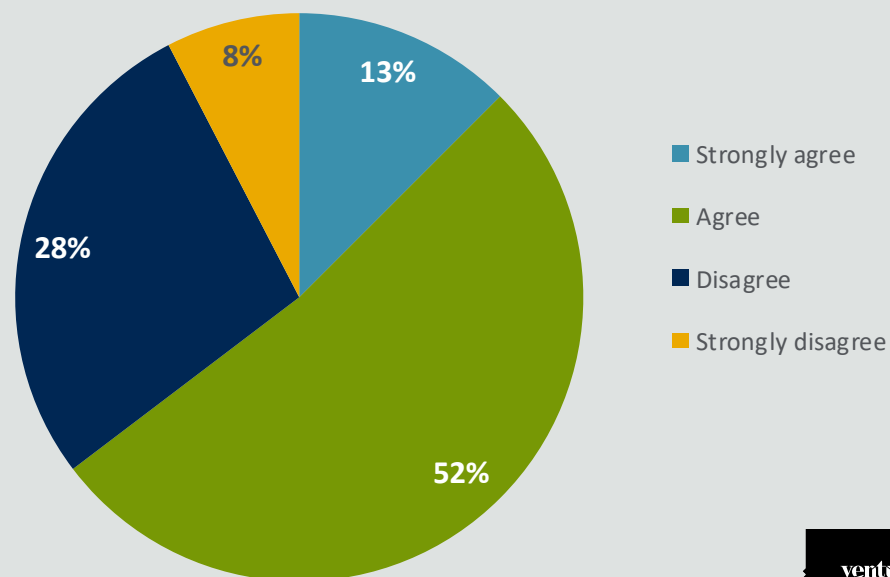
“Demand outstripping supply in building industry, potential issues with supply and cost of materials”

INFRASTRUCTURE

Please rate the following statement:

Taranaki has all the infrastructure required for our enterprise or organisation to flourish:

- Most respondents (65%) consider that Taranaki infrastructure meets their needs, however some expressed concerns about the quality of roads, and the fact that roads are always being worked on.
- There were concerns about not having the required infrastructure to respond to housing demands.
- Lack of public transport was seen as a major obstacle for some respondents.
- Access to broadband in rural areas was a constraint to farmers.
- Lack of cell phone coverage along SH3 was a frustration for some.



INFRASTRUCTURE

"Broadband is still an issue across the region"

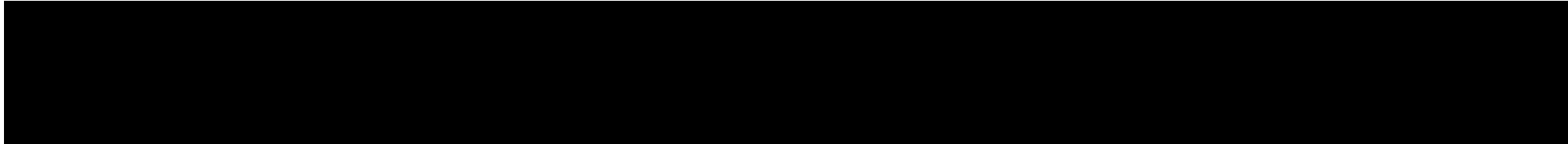
"Cell phone related communications are very poor across many areas of the province. Rail needs upgrading to enable much improved utilization"

"Telecommunications are sorely lacking in rural areas"

Road maintenance seriously needs looking at. Mainly State Highways. They're in a disgraceful condition.

"Public Transport is a major obstacle. Everything is dependent on private motor vehicle"

"Roads are substandard in some areas. Rural sector is getting left behind"

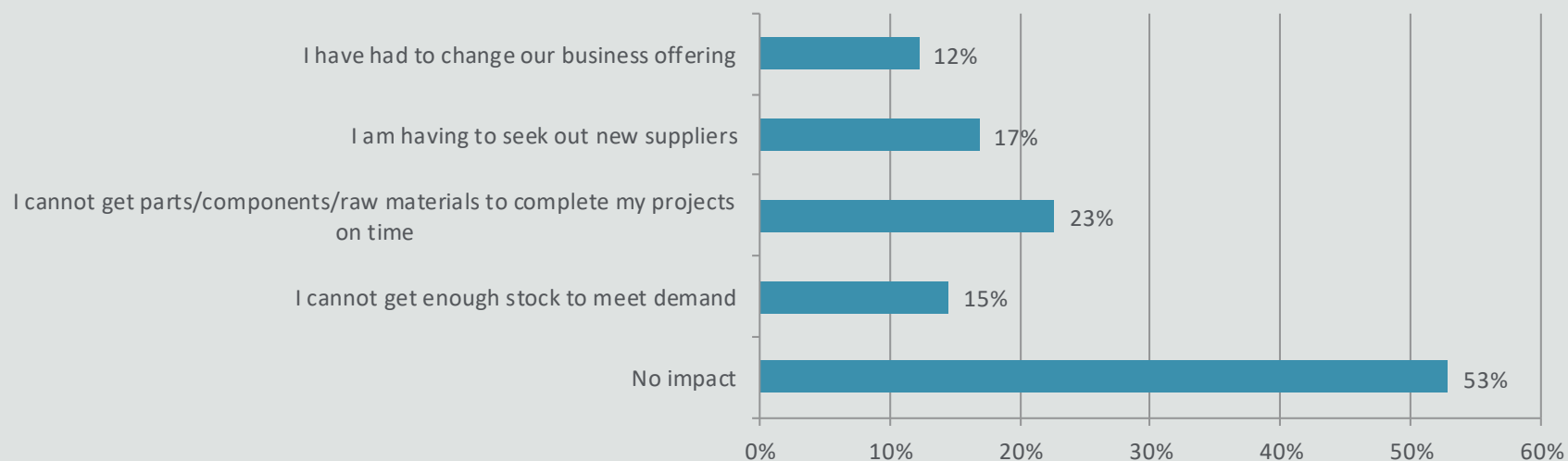


COVID-19 ongoing impacts



SUPPLY CHAIN CONSTRAINTS

To what extent are supply chain issues affecting your ability to complete projects and/or provide goods and services to your customers?



Almost half of all respondents are affected in some way by supply chain issues. Respondents were able to choose more than one option.

SUPPLY CHAIN CONSTRAINTS

- Global supply chain issues are affecting a wide range of Taranaki businesses.
- The building industry is affected, as demand outweighs supply of materials, goods and labour, and is proving to be a massive problem.
- This is also impacting businesses access to packaging, raw materials and IT components. There is little to no stock of new computers/laptops etc.
- Shipping delays are also affecting our exporters.
- Products are costing more as a result, and businesses are having to get more creative around solutions in this area, e.g., sourcing more expensive local materials.

“Manufacturing supply chains too heavily dependent on importing both raw material and finished product - this should be a huge government priority to rebalance manufacturing in NZ”

“We still get what we need. Was always a battle with shipping etc even before covid so no change there”

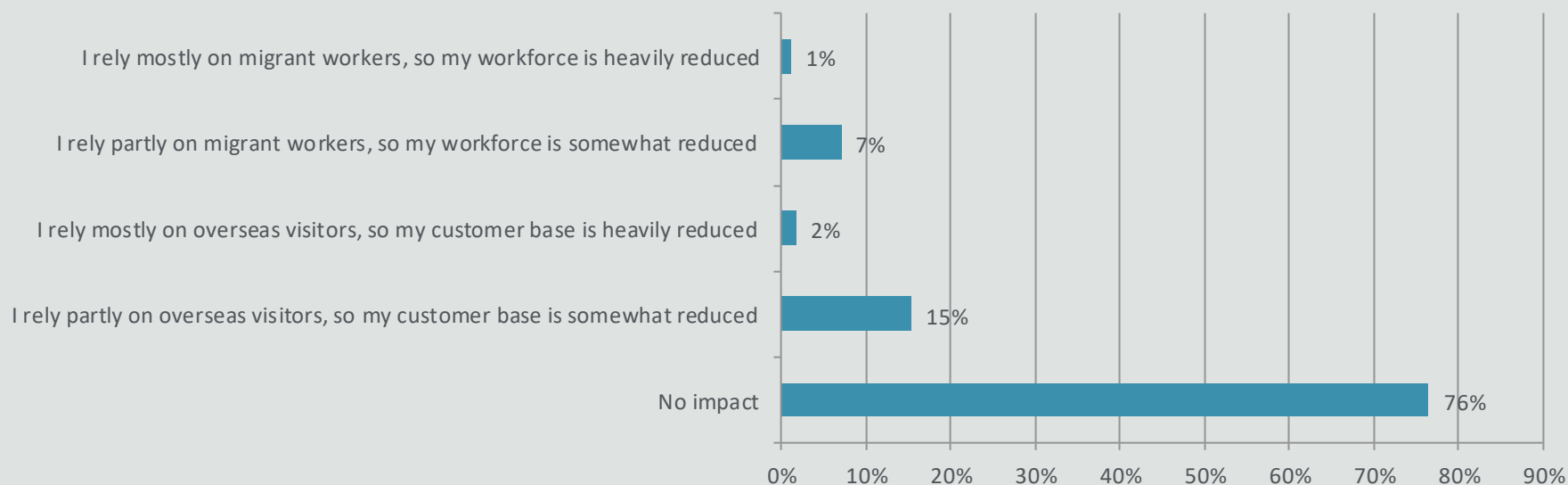
“I’ve had to source local alternatives and pay far closer attention to our offerings. Replacement parts for equipment or new equipment has been difficult to source on occasion”

“Clients are deferring engineering & design work due to significant cost increases in construction (materials and labour).”

“In some instances I have had to improvise and use different products or change our approach”

BORDER CLOSURE CONSTRAINTS

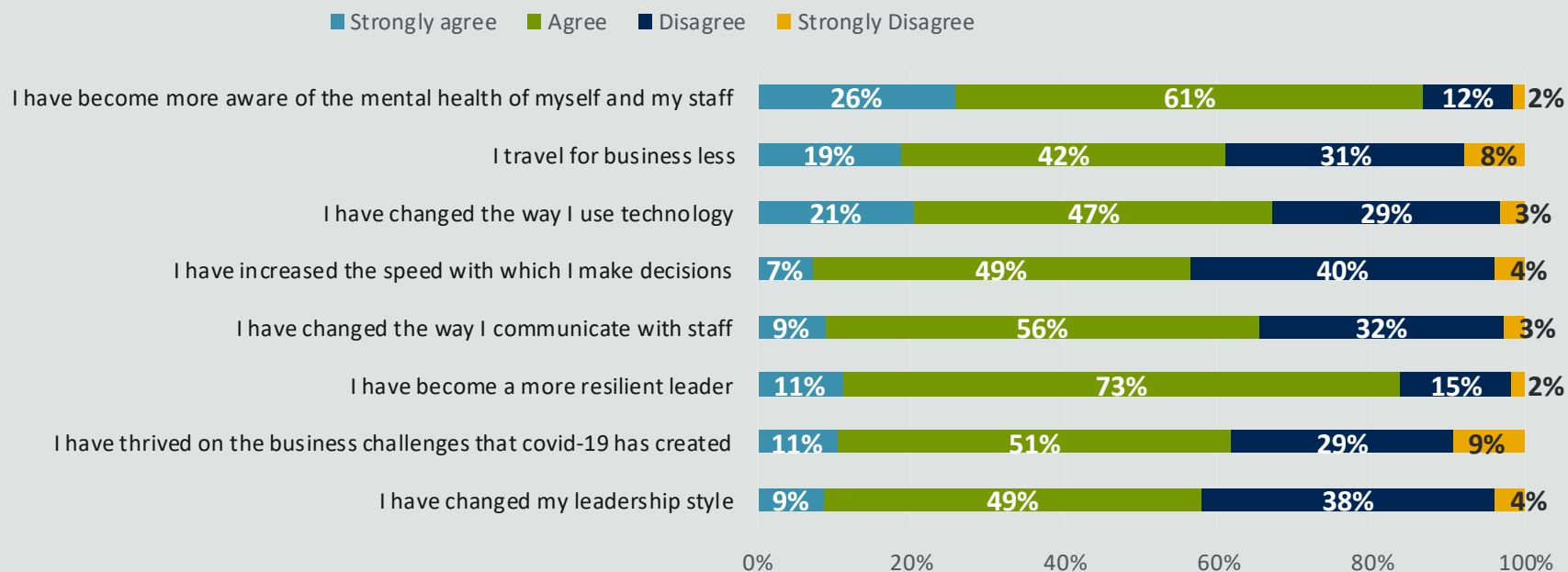
To what extent are border closures affecting your ability to complete projects and/or provide goods and services to your customers?



Border closures are impacting some businesses by making it harder to find migrant workers and making it harder to do international business. However, some businesses have also found that the increase in domestic demand has made up for this.

COVID-19: IMPACTS ON LEADERSHIP

How has COVID-19 affected you as a business owner, manager or leader?



COVID-19: IMPACTS ON LEADERSHIP

How has COVID-19 affected you as a business owner, manager or leader?

87% of respondents agreed that they had become more aware of mental health issues for themselves and their staff as a result of COVID-19. 84% agreed that they had become more resilient leaders. Every statement in this question received agreement from more than 50% of respondents.

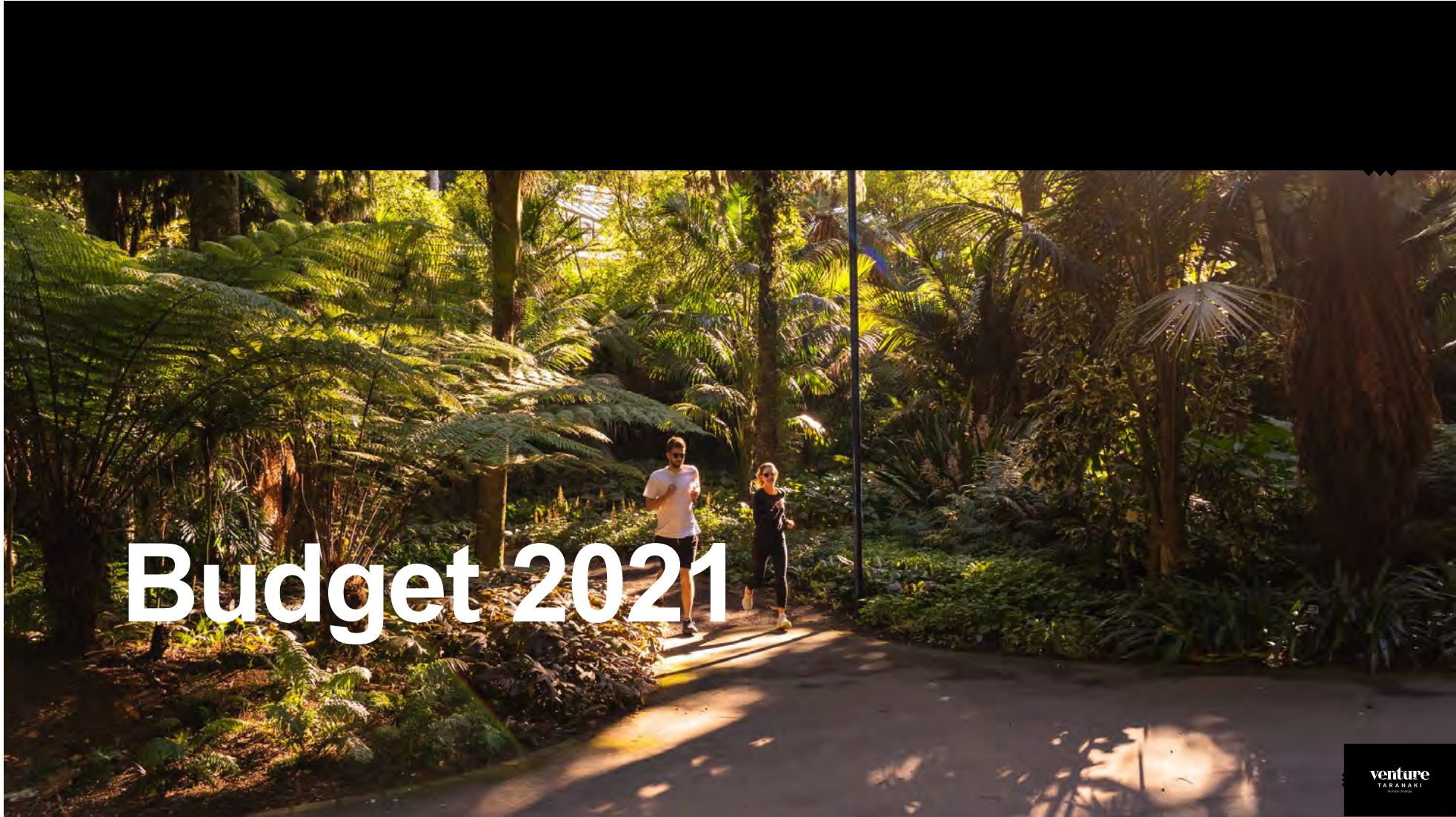
- The results indicate COVID has changed the way we work.
- Many respondents are focusing on mental health support more than ever before.
- Some businesses feel like their staff have become more of a close-knit team as a result.
- Owners have also suggested there should be more support for business owner mental health, not just staff.

“Government initiatives for Covid have been all about employees and not about helping small businesses stay in operation”

“Mental health awareness as a business owner has been huge in the past 12 months, it's very stressful”

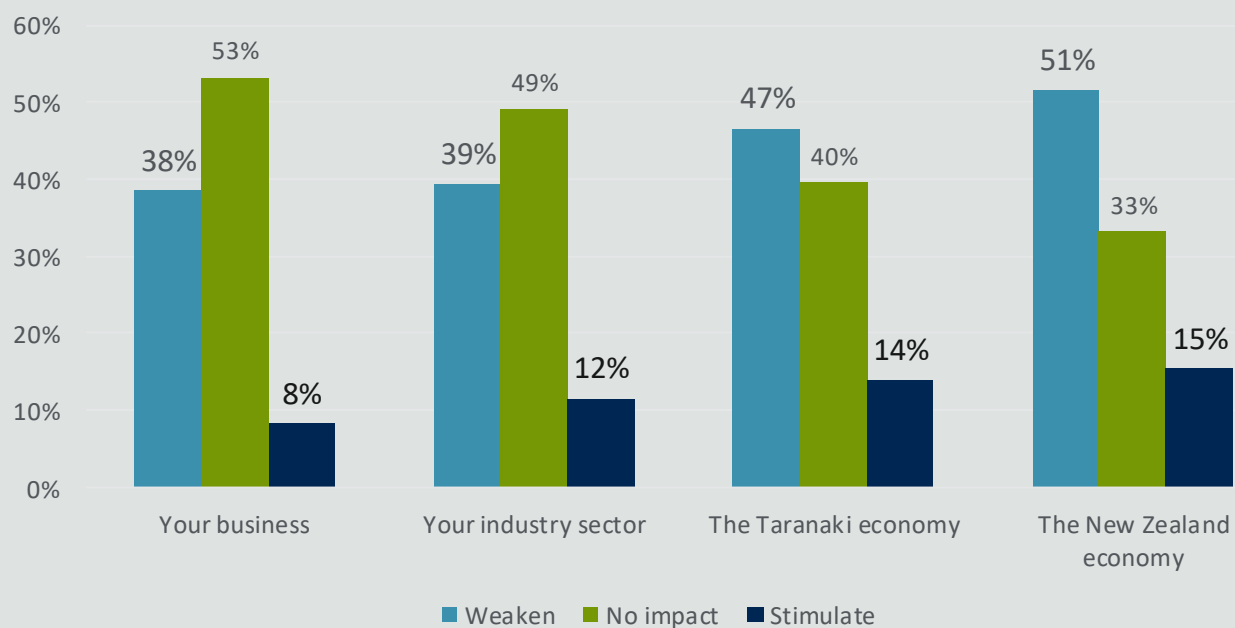
“I have to care more about them than myself - more so than ever before ! It's making me want to get out of business!”

“The reality is COVID has changed the way we work. The impact of the last 15 months are still hidden and wont surface for many years ahead”



IMPACT OF BUDGET 2021 ON TARANAKI ENTERPRISE

What impact do you think the 2021 budget will have on...



Most Taranaki enterprises anticipate the 2021 Budget will not affect their own business, however there are concerns that the regional and national economies will be weakened.

COMMENTS

Positive

- Positive responses include budget announcements on climate change funding, healthcare, benefits, improving living standards for the middle and lower class, and housing.
- Many respondents are happy to see more families being supported.

Negative

- Around half said that there is nothing good in the budget and it is bad for business. These Taranaki business owners don't feel supported by the Government.
- A common complaint was there is not enough support for small businesses.
- Some business owners also think that there is not enough being put into our healthcare system.

"Giving more families a chance to be able to provide the basics for their whanau"

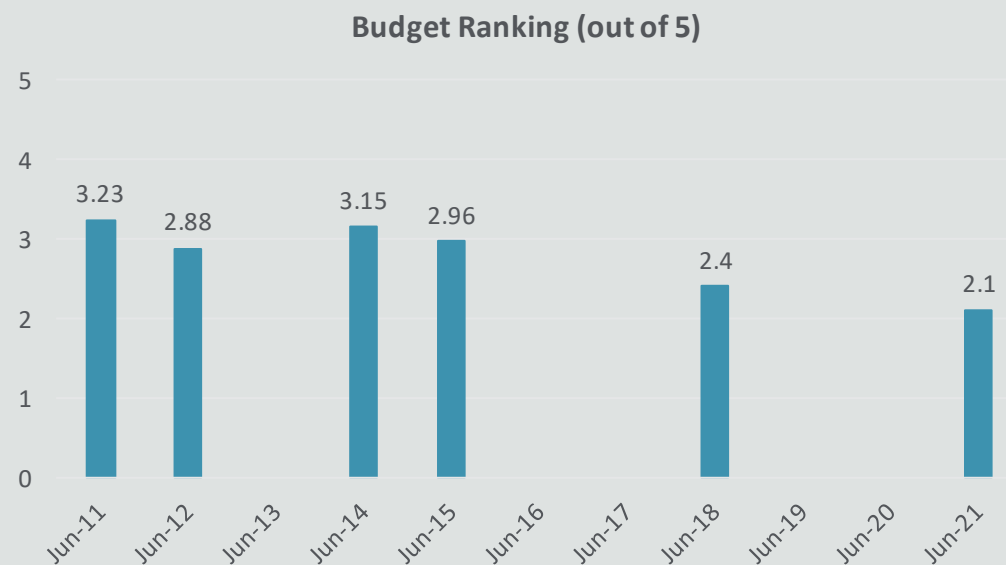
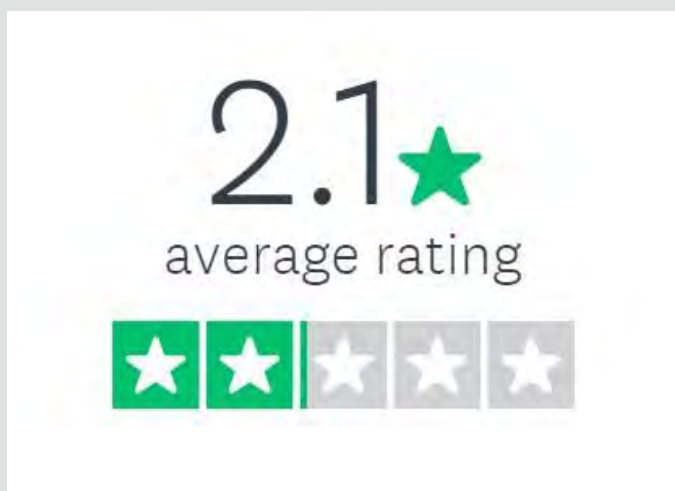
"No support for massive change bought on by regulation in the Primary sector"

"Supporting more people into careers and training to grow our own rather than bring in immigrants"

"Restrictions on farmers and things definitely seem to get tougher and tougher on small businesses particularly re staff. We have to put the cost back onto clients now"

IMPACT OF BUDGET 2021 ON TARANAKI ENTERPRISE

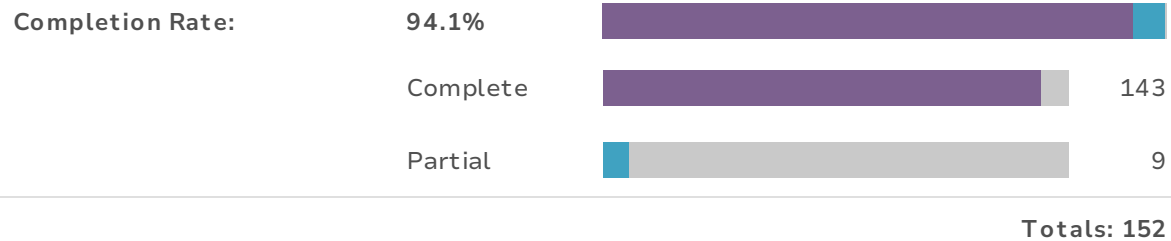
How would you rate the 2021 Budget overall in terms of "business friendliness"?



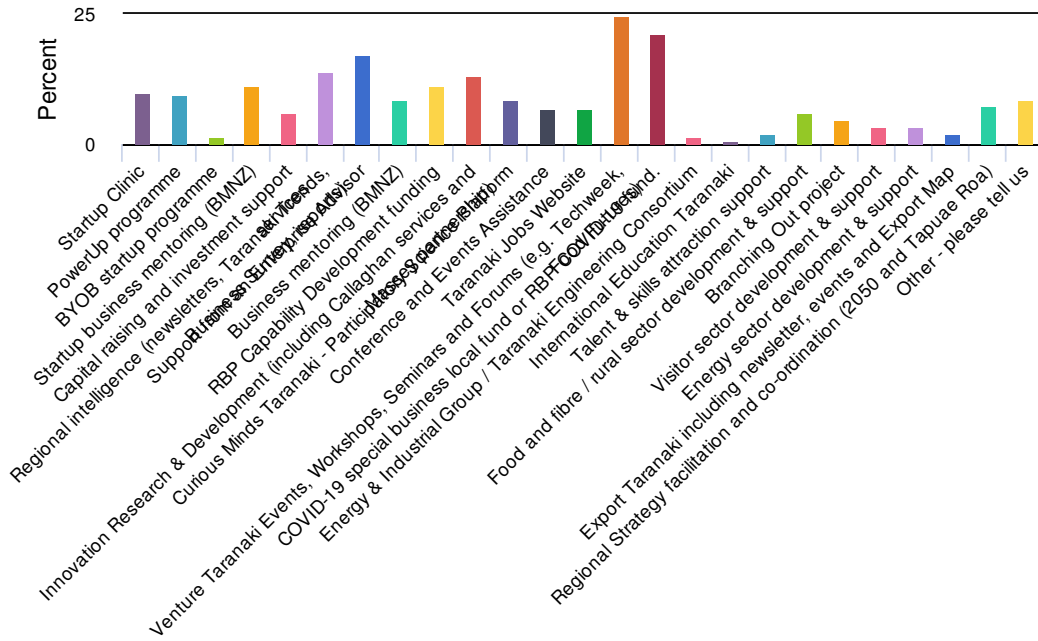


Report for Venture Taranaki Trust Client Satisfaction Survey 2020-2021















Response Counts



1. In the past 12 months, which Venture Taranaki services did you use or engage with? (Please tick all that apply).

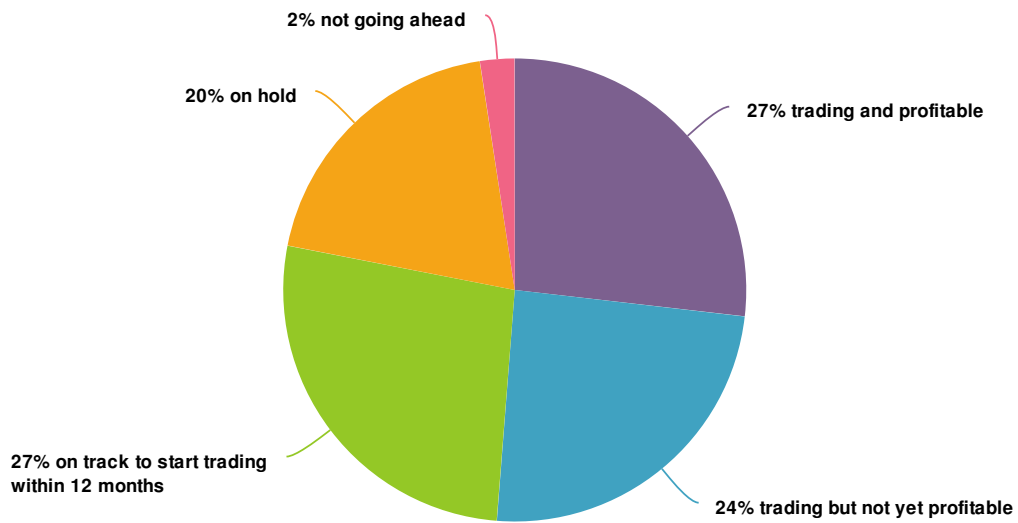


Value	Percent	Responses
Startup Clinic	9.9%	15
PowerUp programme	9.3%	14
Startup business mentoring (BMNZ)	11.3%	17
Capital raising and investment support services	6.0%	9
Regional intelligence (newsletters, Taranaki Trends, Business Survey, reports)	13.9%	21
Support from an Enterprise Advisor	17.2%	26
Business mentoring (BMNZ)	8.6%	13
RBP Capability Development funding	11.3%	17
Innovation Research & Development (including Callaghan services and Massey partnership)	13.2%	20
Curious Minds Taranaki - Participatory Science Platform	8.6%	13
Conference and Events Assistance	6.6%	10

Value		Percent	Responses
Taranaki Jobs Website		6.6%	10
Venture Taranaki Events, Workshops, Seminars and Forums (e.g. Techweek, Food Futures)		24.5%	37
COVID-19 special business local fund or RBP COVID-19 fund.		21.2%	32
Food and fibre / rural sector development & support		6.0%	9
Branching Out project		4.6%	7
Visitor sector development & support		3.3%	5
Energy sector development & support		3.3%	5
Regional Strategy facilitation and co-ordination (2050 and Tapuae Roa)		7.3%	11
Other - please tell us		8.6%	13
BYOB startup programme		1.3%	2
Energy & Industrial Group / Taranaki Engineering Consortium		1.3%	2
International Education Taranaki		0.7%	1
Talent & skills attraction support		2.0%	3
Export Taranaki including newsletter, events and Export Map		2.0%	3

Other - please tell us	Count
Assistance with networking and support of trust vision	1
Booster Voucher	1
Collecting Venture Taranaki Publications for distribution	1
Contacting Peter Boyd re Science Fair Sponsorship	1
Didn't receive a follow up regarding mentoring and other services to help grow my business.	1
Getting the most out of your business and finance	1
Honestly, I don't know which one it is. We got funding for a business mentor.	1
Moberate	1
None	1
Not sure what it was called - was going to be help with social media, online marketing, website	1
We were invited to join Venture Taranaki because we have an apartment which we let out to guests and visitors to New Plymouth and we sometimes get good advice and guidance from yourselves.	1
Where is art?	1
none	1
Totals	13

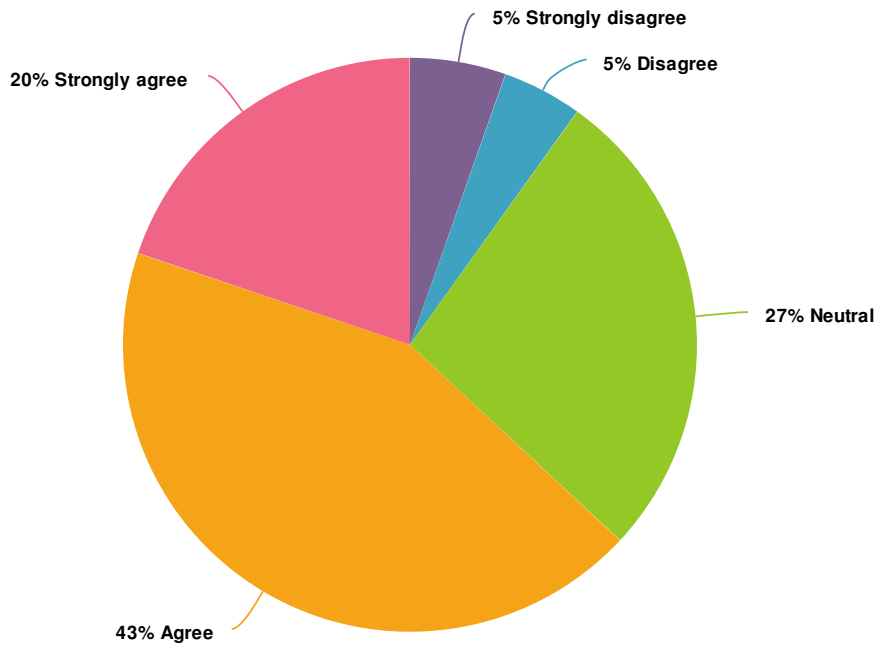
2. My startup business is:



Value	Percent	Responses
trading and profitable	26.8%	11
trading but not yet profitable	24.4%	10
on track to start trading within 12 months	26.8%	11
on hold	19.5%	8
not going ahead	2.4%	1

Totals: 41

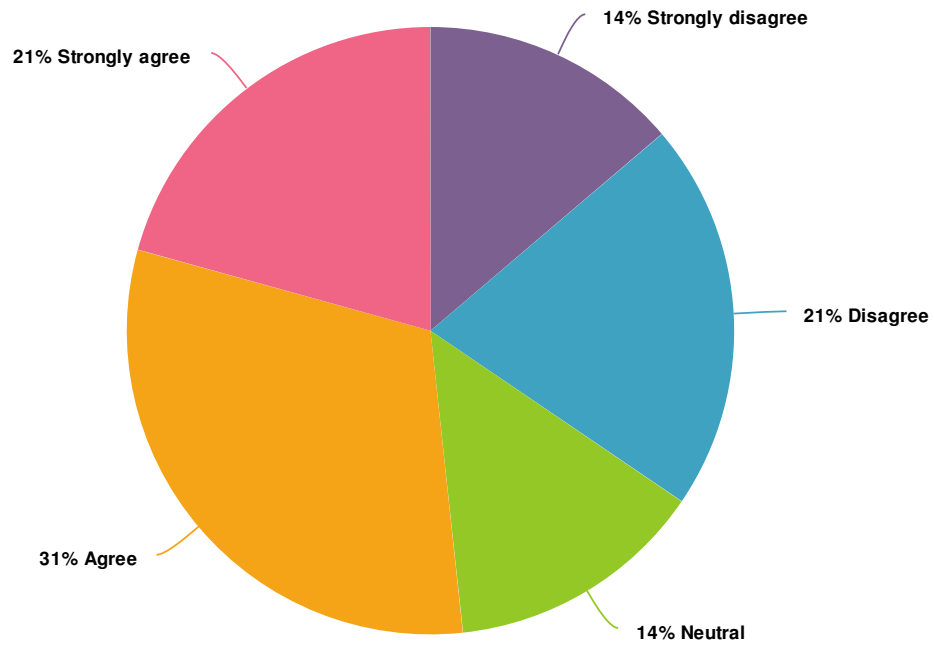
3. Venture Taranaki's enterprise support services have helped us build our skills and improve our capability.



Value		Percent	Responses
Strongly disagree		5.4%	6
Disagree		4.5%	5
Neutral		27.0%	30
Agree		43.2%	48
Strongly agree		19.8%	22

Totals: 111

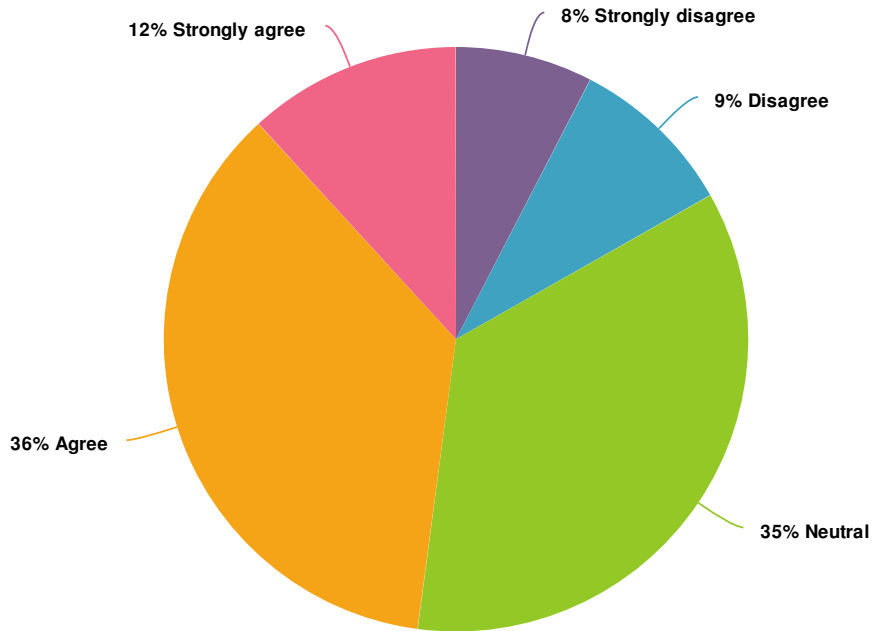
4. Venture Taranaki has helped my enterprise access investment or prepare my business for investment.



Value	Percent	Responses
Strongly disagree	13.8%	4
Disagree	20.7%	6
Neutral	13.8%	4
Agree	31.0%	9
Strongly agree	20.7%	6

Totals: 29

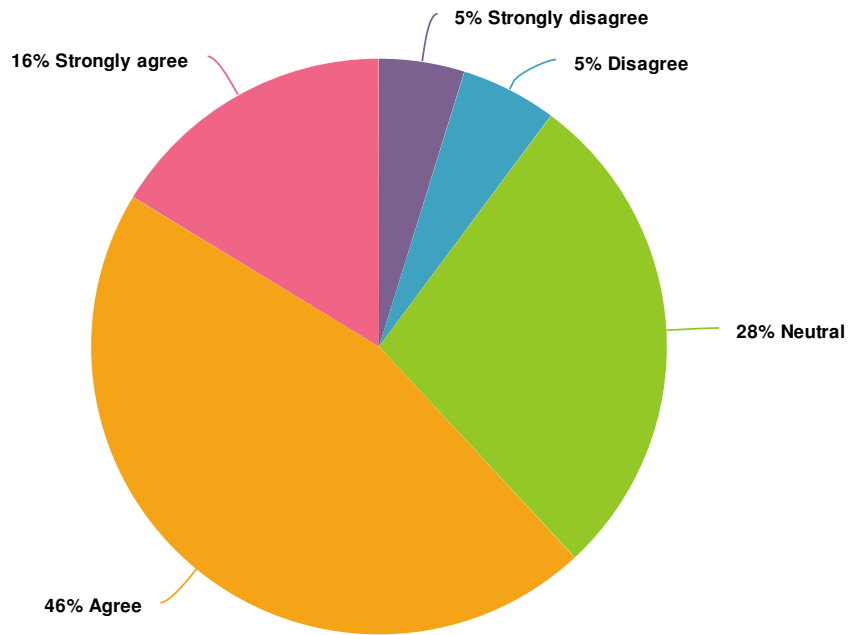
5. Venture Taranaki has helped my enterprise develop new products/services or try new ways of doing things.



Value	Percent	Responses
Strongly disagree	7.6%	9
Disagree	9.2%	11
Neutral	35.3%	42
Agree	36.1%	43
Strongly agree	11.8%	14

Totals: 119

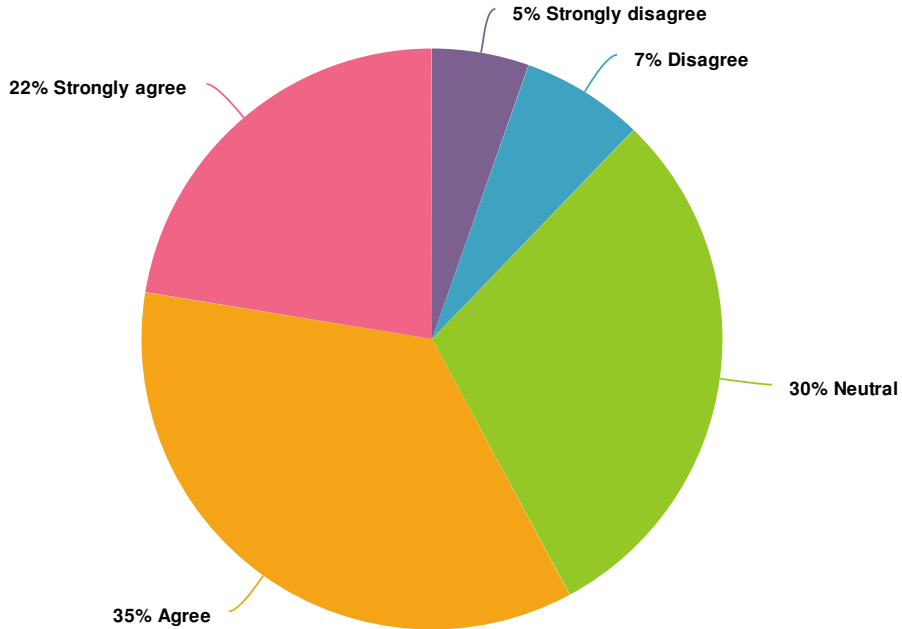
6. I/we feel more confident in my/our enterprise or job following support from Venture Taranaki.



Value	Percent	Responses
Strongly disagree	4.8%	7
Disagree	5.4%	8
Neutral	27.9%	41
Agree	45.6%	67
Strongly agree	16.3%	24

Totals: 147

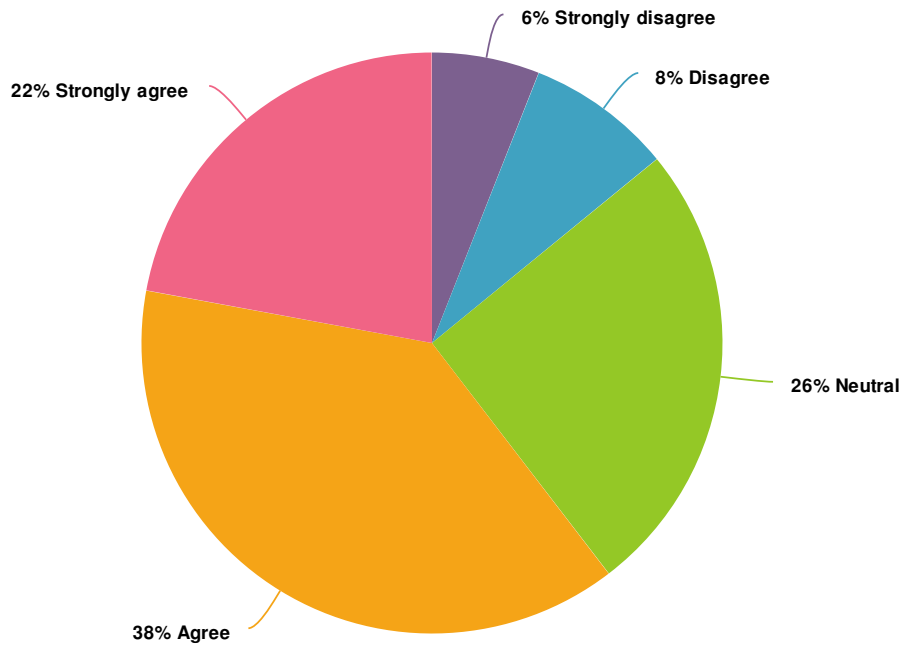
7. My enterprise is in a better position overall as a result of support from Venture Taranaki





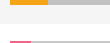


Value	Percent	Responses
Strongly disagree	5.4%	8
Disagree	6.8%	10
Neutral	29.9%	44
Agree	35.4%	52
Strongly agree	22.4%	33

Totals: 147

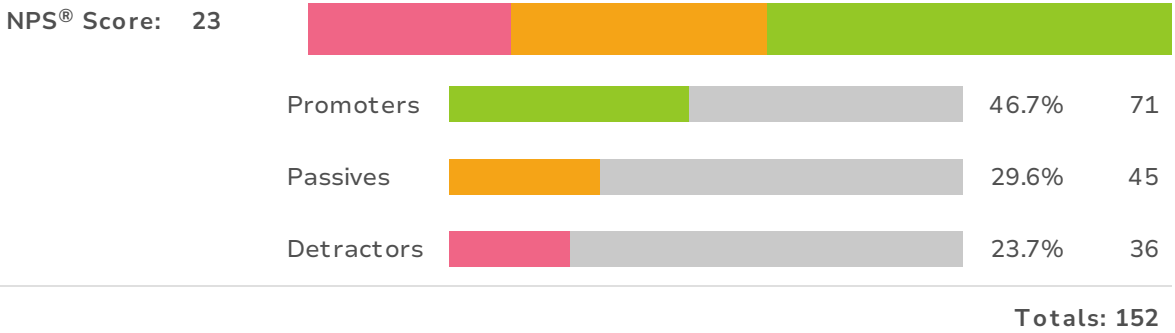
8. I/we have made useful new connections with other people and organisations as a result of support from Venture Taranaki



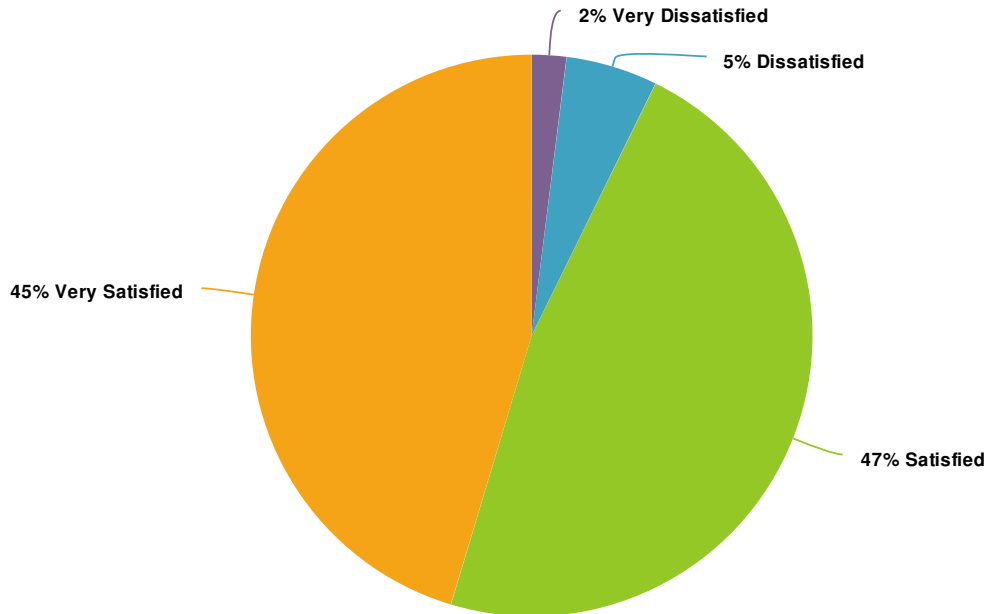
Value		Percent	Responses
Strongly disagree		6.0%	9
Disagree		8.1%	12
Neutral		25.5%	38
Agree		38.3%	57
Strongly agree		22.1%	33

Totals: 149

9. Based on your experience with Venture Taranaki, how likely are you to recommend Venture Taranaki?



10. How satisfied overall were you with Venture Taranaki services and staff?



Value	Percent	Responses
Very Dissatisfied	2.0%	3
Dissatisfied	5.3%	8
Satisfied	47.4%	72
Very Satisfied	45.4%	69

Totals: 152

ResponseID Response

19	We don't use any of there services, as we run our business our way and feel we are successful without there help, also we feel there is to much maori language involved 95% of NZers cant speak or understand it
20	Your leader, Justine Gilliland, has good content in her addresses, but poor delivery. She should take a course in speach craft e.g. Toastmasters.
23	I really appreciated the time I was able to get with Venture Taranaki. Sharon was really awesome to talk with as she was very informative with every aspect of going into business for the first time. I enjoyed her enthusiasm as I didn't feel as intimidated by the pressure of going into business after our meeting.
24	Your leader, Justine Gilliland, has good content in her addresses, but poor delivery. She should take a course in speach craft e.g. Toastmasters.
26	Us mini micro businesses are not taken seriously enough. Not enough support is given to true local products.
27	We haven't dealt with Venture Taranaki a lot, but when we have, the staff we have dealt with have been professional, knowledgeable and very helpful.
29	I've had positive experiences
30	I was given the directions and know how were I need to go.
31	Great team, very helpful and everyone was very honest and down to earth!
33	Nick field has been great to deal with.
34	Zero interaction since last year. After the covid funding. I haven't heard from anyone
35	I found the covid subsidy for marketing to be incredibly valuable.
36	Staff doing the best they can within a very broken framework. Evidence beginning to show of change for the better, but the starting point is incredibly low. Need to equally support free enterprise and stop trying to centrally plan the economics of our future. No one is smart enough to do this well. Massive opportunity for large scale international investment being missed due to lack of domain experience in venture investment.

ResponseID Response

38	The curious minds application process was quite onerous but staff were supportive. Periods of lockdown for COVID -19 have resulted in our project running behind its timeline but again staff have been tolerant and given us some leeway in final reporting times. Our project was conceptualized in Dec 2019 and it has been a full on 20 months but so worthwhile from my perspective. The participatory science platform has helped generate findings were hadnt even thought of a year ago. Communication had always been excellent between first Josh and lately Peter. We are pleased he came to see our project in action. Thanks Venture Taranaki.
39	Maybe smaller groups in the classes so there is more 1 on 1 help available. And maybe make the course a big longer as it is somewhat a lot of information and work cramed in a small timeframe
40	Was good to talk to someone to get the basics right
41	People are nice, but for what they achieve very expensive and surely the money could be spent smarter on more tangible ways to help businesses and targeted growth industries.
43	Vt are like the cheerleaders for business and organisations in taranaki. But more than that, they genuinely care about people.
45	Kayleen and Natacha have been invaluable with regards to supporting myself as a business owner. Many thanks!!!
46	A lot more work could be done to facilitate stuggling schools to get into basic hands on tech and science projects. I.e. help schools identify projects and get teacher relief to dive into some projects withIN already hectic school programs / overload,
52	Zara Ryan is good to deal with. Smart and effective
53	It took a year before I getting a business mentor as no one seemed to be able to find someone with suitable/comparable business experience. When reaching out to VT I was told the person looking after me was no longer with VT. I felt a bit let down, finding out this way as if in the forgotten basket.
57	Though I have not used the services much in the last 12 months, I have previously and they have always been helpful
58	Jo Whyte has been extremely helpful with connecting us to the right people to plan our conference in New Plymouth next year. This service is invaluable.
64	Very happy with the service we have been provided with thank tou

ResponseID Response

65	We met with Natacha who was very friendly, professional and informative. A pleasure to deal with.
66	I don't know how Venture Taranaki has found so many delightful people as its staff - everyone who works there is professionally capable but also they're just lovely people.
68	We have had limited involvement withy Venture Taranaki. We have attended the Hawera office on multiple occasions however are yet to have linked in with the Venture Taranaki representative as the office is regularly closed at the times it is promoted to be open.
69	Your brochures (Parks and Gardens, Museums and Galleries, Walkers Guide, Surf Highway 45, Forgotten World Highway and Insiders Guides) are extremely popular with our visitors and much appreciated by us and them. So usef ul to ensure visitors find out what the region has to offer.
75	Zara particularly has been very helpful to us. We are very thankful for all the help and support provided to us.
78	Jane was super helpful and understood what support we needed.
80	Our interaction with Enterprise Advisor has been to access the voucher capability scheme, therefore our responses only reflect this.
82	The team are amazing, they listen and they care, and they do everything they can to help out.
89	Jo Whyte provided support, ideas and product for a National Conference for the YMCA movement. Her help and advice contributed to the event being a success.
90	Staff are trying their best
95	Staff are very friendly. I find events are often advert too close to the event to allow me to attend.
96	Amazing work guys, we loved our experience!
99	The skills and help I was pointed towards have definitely assisted me getting electronic recognition and a following. I've used media to get my business more widely known and through that process got some unforeseen work.
100	I enjoyed the straight forward honest chat and follow-up with next steps.

ResponseID Response

102	We took advantage of the Internet, Facebook and anything that had to do with getting visitors in our business. We are very happy with the information given in the seminars that we attended and have seen a lot of progress towards our goals. Thank you so much.
105	No feedback
108	There are some great initiatives around the Taranaki Story and hope it can be supported South Taranaki feels to be under represented. Who to go to and engage with. More representation and acknowledgment of parts of the region outside New Plymouth. There was a workshop about co working space in South Taranaki where many from VT attended. But now don't hear from the team or what their support is.
109	My application got overlooked for several weeks but when they got on to it it was done in a couple of days.
110	The VT staff that we have had interactions with are positive and engaging.
111	I've only been to the startup clinic once and it was nice to speak with someone confidentially but at the same time, I was expecting more recommendations on who to be in touch with (more networking aspect through VT's connection and knowledge). It was very helpful to make todo list as there are a couple of things that I couldn't come up with without this session.
113	they have been amazing in helping us work out what we needed to do when my father the owner was suddenly ill. they worked quickly to work out what support and guidance I needed to ensure we didn't go under.
114	It's really far too early to add anything useful I'm afraid. Very early days. Nga mihi Terry Stowers Co-Manager 2021 WITT Taranaki Science & technology Fair
117	Participation waa a great start.
118	You are helpfull but didn't help with the potential investor options information I needed from our presentation. Unfortunately I'm now winding up my business as I've spent too much on helping Taranaki on lots of things, but not myself.
120	Excellent professional support - friendly helpful and patient staff
121	I was not impressed with venture taranaki at all.

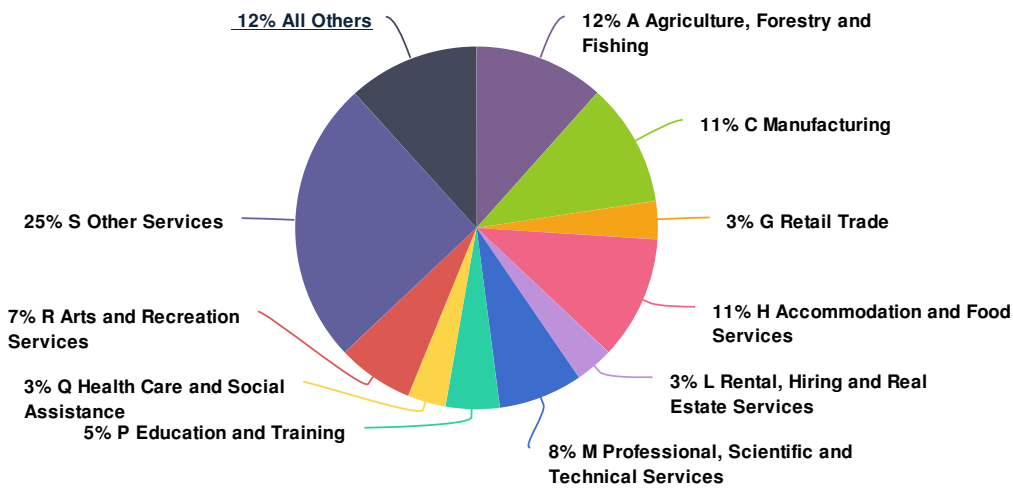
ResponseID Response



















122	I admire the fact that VT continues with gentle persistence in the face of little response. Surveys and such, despite not having much good news to report none the less indicate an interest in one's enterprise and evidence of available support.
125	Venture Taranaki has been helpful and prompt with communication.
128	I found the meetings were very positive but in the end nothing came of discussions.
131	I can honestly say that the modest Booster voucher inspired me to kick off a new biz which looks amazingly good - and it is about 99% focused on selling outside NZ
133	Communication has been excellent. First with Josh and lately with Peter.
134	Great support during Covid around our business and with appreciate the assistance from Jane Moffat with a new branch of our business.
136	Venture Taranaki does so much that is not adequately funded or recognised. Very appreciative of the support given. A difficult region currently to promote anything innovative or step outside the well-trodden path and create diversity, which makes Venture Taranaki's role even more important.
141	I believe it's the best place to be, and I wish I was also considered to be one of the people to come up with a business idea on the start up programme, I wanted to bring cheap ways and methods of electricity, and also not just that, it was a big project, that would be of benefit at large creating employment as well. The project would have been great for the future of the upcoming youths to also learn that electricity is derived from our very own resources. I love venture taranaki and I dream big and keep hope that one day I will be able to meet or be called for other meetings or events that may or might need a planner, I am also a motivational speaker, and I love to tell history, and a very good analyser and I'm also a person who is good at bringing up ideas.
144	Thank you, it's great to know that you are there and "have my back"
145	Zara is amazing and has helped me through a lot since I have joined in January this year.
146	A list of other services and help available would be greatly appreciated. As trying to find what services can help me and it's very difficult to know who to contact and what their role is
148	We were invited to join Venture Taranaki because we have an apartment which we let out to guests and visitors to New Plymouth and we sometimes get good advice and guidance from yourselves.

ResponseID Response

149	Kiaora I met staff at Meetings 2021
152	I am just in the very early stages of the process with the business mentor hence the reason to state neutral as above. I am feeling enthusiastic about this program and the support so far and am feeling more confident with this support that I would be if I were doing this alone.
153	The support we have received is extraordinary and when discussing with other businesses from out of the region seems well above the norm - many thanks to your team
154	One appointment, vague guidance, rushed with not much support network or advice. Wasted time

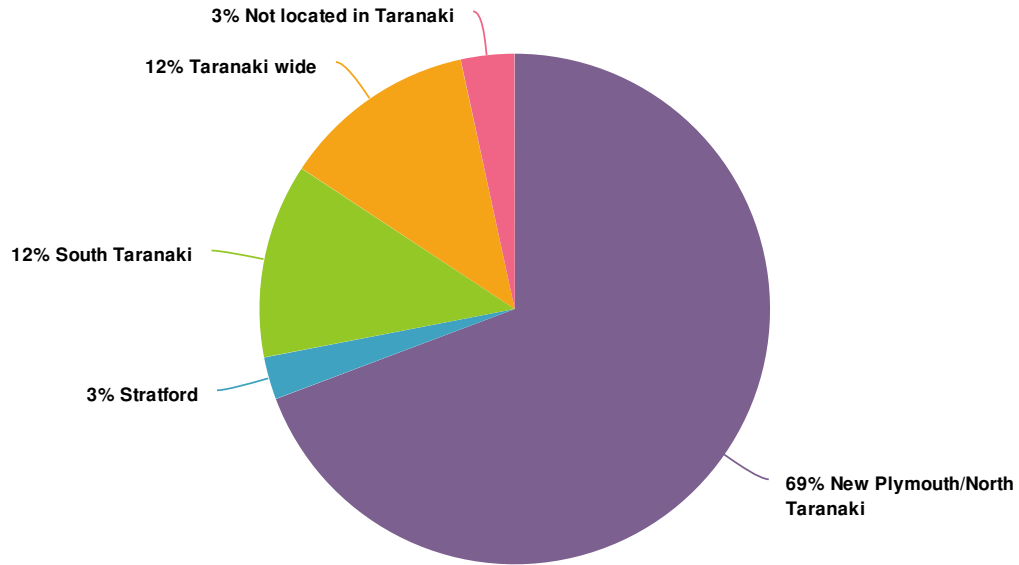
12. Please choose the industry sector that best describes your enterprise or activity:



Value		Percent	Responses
A Agriculture, Forestry and Fishing		11.6%	17
C Manufacturing		11.0%	16
D Electricity, Gas, Water and Waste Services		2.7%	4
E Construction		2.1%	3
F Wholesale Trade		2.7%	4
G Retail Trade		3.4%	5
H Accommodation and Food Services		11.0%	16
I Transport, Postal and Warehousing		0.7%	1
J Information Media and Telecommunications		0.7%	1
K Financial and Insurance Services		1.4%	2
L Rental, Hiring and Real Estate Services		3.4%	5
M Professional, Scientific and Technical Services		7.5%	11
N Administrative and Support Services		0.7%	1
O Public Administration and Safety		0.7%	1
P Education and Training		4.8%	7
Q Health Care and Social Assistance		3.4%	5
R Arts and Recreation Services		6.8%	10
S Other Services		25.3%	37

Totals: 146

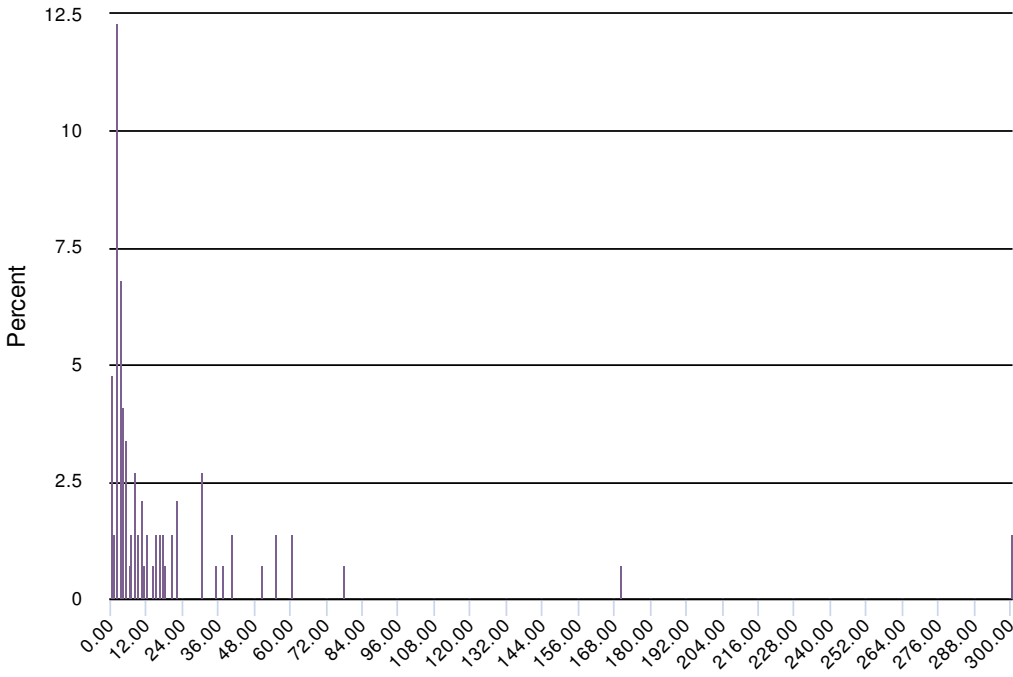
13. In which Taranaki district is your organisation primarily located?



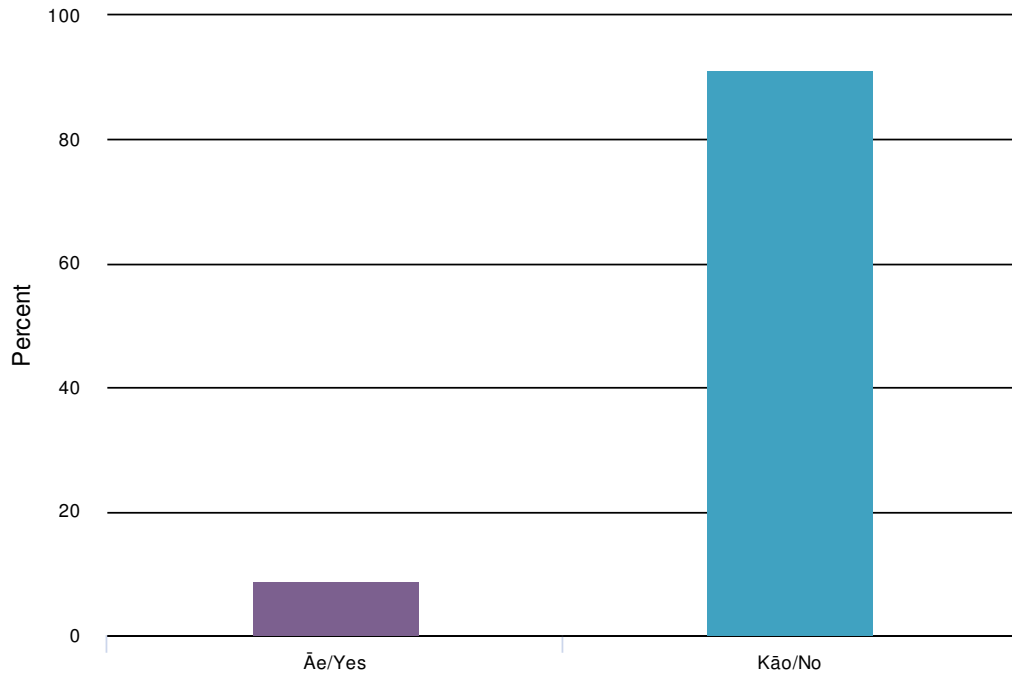
Value	Percent	Responses
New Plymouth/North Taranaki	69.2%	101
Stratford	2.7%	4
South Taranaki	12.3%	18
Taranaki wide	12.3%	18
Not located in Taranaki	3.4%	5

Totals: 146

14. How many people are employed by your organisation, including yourself?



15. Is your activity/enterprise Māori-led and/or kaupapa Māori?



Value	Percent	Responses
Āe/Yes	8.9%	13
Kāo/No	91.1%	133

PAPA RERERANGI I PUKETAPU LTD AND VENTURE TARANAKI TRUST FINAL STATEMENTS OF INTENT FOR THE YEAR TO 30 JUNE 2022

PURPOSE

1. The purpose of this report is to present the final Statements of Intent of Papa Rererangi i Puketapu Ltd and Venture Taranaki Trust for the year to 30 June 2022 and the following two years to Council for noting, as per the Local Government Act 2002.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

2. This report is provided for information purposes only, and has been assessed as being of some importance.

DISCUSSION

3. The Venture Taranaki Trust (VTT) is a Council Controlled Organisation (CCO) responsible for delivering New Plymouth District Council's (NPDC) active economic development initiatives.
 4. Papa Rererangi i Puketapu Ltd (PRIP) is a Council-Controlled Trading Organisation (CCTO) responsible for the operation of the New Plymouth Airport.
 5. The VTT and PRIP Trustees (the Trustees) are required to deliver a draft Statement of Intent (SOI) under the Local Government Act 2002 to NPDC on or before 1 March each year and a final SOI on or before 30 June. This report presents the SOIs for noting.
 6. Executive Management of NPDC has delegated authority for "duties on receipt of statement of intent", including to receive the SOI on behalf of the Council without it being formally considered. However, both draft and final SOI's are reported to the Council to ensure an open and transparent process and provide consistency across the management of CCOs.
 7. The final SOIs have been considered by officers under delegation. The final SOIs clearly articulate the role of VTT and PRIP and their expected activities for the 2021/22 year.
 8. Since the draft SOIs were presented to Council, the final SOIs have been updated with minor changes as well as the following:
-

-
- a) PRIP has updated the sections regarding the new terminal project and the benefits realisation report, capital expenditure proposals, forecast passenger numbers and the forecast financial performance.
 - b) VTT has amended the sections on 2021/22 Investment and Priorities, the NPDC Review of VTT and the Statement of Financial Position. VTT also added a comment on page 7 of the SOI that the monitoring and reporting on the implementation of Tapuae Roa and Taranaki 2050 would occur "as investment allows". Officers believe it has since been clarified that VTT is expected to continue this work for the entire financial year.
9. Schedule 8 of the Local Government Act 2002 "Statements of intent" allows for a CCO to make modifications to their statement of intent during the year if deemed necessary.

NEXT STEPS

10. The final SOIs form the basis of performance reporting to Council. The first quarter 2021/22 reports and Statements of Expectations for VTT and PRIP to develop their 2022/23 SOIs will be considered by the CCOs Committee in December.

FINANCIAL AND RESOURCING IMPLICATIONS

11. There are no financial and resourcing implications. The SOIs have been prepared based on the funding approved in the Long-Term Plan 2021-2031.

IMPLICATIONS ASSESSMENT

12. This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:
- Council staff have delegated authority for any decisions made;
 - Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
 - Council staff have considered how the matter will promote the social, economic, environmental, and cultural well-being of communities in the present and the future.
 - Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
 - Any decisions made are consistent with the Council's plans and policies; and

-
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

APPENDICES

Appendix 1 Papa Rererangi i Puketapu Ltd Statement of Intent 2021/22
(ECM8611906)

Appendix 2 Venture Taranaki Trust Statement of Intent 2021/22 (ECM8611645)

Report Details

Prepared By:	Kathryn Scown (Principal Adviser – Regional Economic Development)
Team:	Strategic Partnerships Group
Approved By:	Kelvin Wright (Deputy Chief Executive)
Ward/Community:	District Wide
Date:	27 August 2021
File Reference:	ECM8612520

-----*End of Report*-----



Papa Rererangi i Puketapu Ltd
New Plymouth Airport

Statement of Intent
for the period 1 July 2021 to 30 June 2024

New Plymouth Airport
PO Box 9022
Bell Block
New Plymouth 4351
Website: www.nplairport.co.nz

1. INTRODUCTION

This Statement of Intent (SOI) is presented by Papa Rererangi i Puketapu Ltd (PRIP) in accordance with the requirements of Section 64(1) of the Local Government Act 2002 (The Act). It represents the objectives, nature and scope of activities to be undertaken and performance targets by which PRIP will be measured.

It covers the three years of operations from 1 July 2021 to 30 June 2024 and supersedes the previous SOI.

1.1 The Local Government Act

The Local Government Act 2002 requires Council Controlled Organisations to:

- Review their SOI prior to the commencement of each financial year
- Have a financial year ending 30 June each year.

Schedule 8 of the Local Government Act 2002 states that the purpose of an SOI is to:

- State publicly the activities and intentions of the Council Controlled Organisation for the year and objectives to which those activities will contribute
- Provide an opportunity for the Council to influence the direction of the organisation
- Provide a basis for accountability of the Directors to the Council for the performance of the organisation.

1.2 Responsibilities

The Aerodrome certification, operation and use are governed by the New Zealand Civil Aviation Authority (CAA). New Plymouth District Council (the Council) is currently the Aerodrome Operator Certificate (AOC) holder. Whilst the Council holds the AOC, PRIP will manage New Plymouth Airport operations on behalf of the Council, will be responsible for ongoing Airport capital development, will be responsible for the maintenance of the Airport assets and core infrastructure and will ensure full operational compliance with the CAA Rule Part 139.

PRIP's primary goal is to operate the Airport on a sustainable commercial basis, to optimise the use of its assets and generate a reasonable return on investment to ensure the ongoing safe and successful operation of the Airport.

1.3 Contact details

Chair
Chief Executive

Philip Cory-Wright
David Scott

Address:

Papa Rererangi i Puketapu Ltd (New Plymouth Airport)
PO Box 9022
Bell Block, New Plymouth 4351

2. PAPA RERERANGI I PUKETAPU LTD (PRIP)

2.1 Establishment of PRIP

In July 2017 the Council established Papa Rererangi i Puketapu Ltd (PRIP) as a Council Controlled Trading Organisation (CCTO) to manage the full operations of New Plymouth Airport. The Council retains ownership of the Airport Company, holds the Aerodrome Operator Certificate and is the sole Shareholder.

2.2 The Organisation

PRIP operates as a standalone company governed by an independent skills-based Board of four Directors, including a Chair, and employs its own Chief Executive and staff. PRIP operates under a SOI agreed to by its Directors and the Council.

The organisation is classed as a semi-commercial investment within the Council's Investment Policy.

PRIP owns the Airport terminal building, aircraft hangars, airside infrastructure, car parking areas, roading and underground utilities. These facilities are sited on land occupied under a long-term lease from the Council, the length of this term determining that the land, for accounting purposes, sits with PRIP as a company asset.

The Airport provides services to allow the safe and efficient facilitation of travellers and freight and, ancillary to this, it leases terminal space and land at the Airport.

PRIP's prime objectives are to:

- operate the Airport in full compliance with the regulations set down by the New Zealand Civil Aviation Authority
- ensure that the business is run on a sustainable commercial basis
- optimise the use of its assets
- generate a reasonable rate of return on investment.

The key to this is to ensure the ongoing safe and successful operation of the Airport, whilst also facilitating the growth of tourism and trade by working collaboratively with key stakeholders to sustainably increase passenger numbers.

In the management of the Airport operations, PRIP has the autonomy to set the following charges at the Airport:

- landing and parking charges from regular passenger air transport services
- fees and associated charges in respect to vehicle parking
- revenue from tenant's leases and rents, licences, concession-based contracts and lessees outgoings
- landing and parking charges from general aviation aircraft.

As landlord, PRIP also has the power to enter into any building or ground lease agreements on Airport land.

The Airport is viewed as an essential infrastructure asset for the District and the Taranaki Region and has a key role to play in the economic performance, growth and development of the area. PRIP will work collaboratively with the following to ensure a combined approach to achieve the region's desired strategic goals.

- New Plymouth District Council
- New Plymouth Partners
- Iwi and Hapu
- Venture Taranaki Trust
- Taranaki Chamber of Commerce
- Other relevant key stakeholders.

3. GOVERNANCE

Governance sits with the Board of Directors of PRIP and the Board is responsible for the strategic and overall direction of the company, laying down solid foundations for management oversight.

The Board employs a Chief Executive who monitors the organisation's performance against pre-established Board criteria and has overall responsibility for implementing PRIP's strategic direction.

The Board has four directors appointed by the Council and meets regularly with the Airport Management to review PRIP's performance and provides quarterly, half yearly and annual business performance reports to the Council.

The current PRIP Directors are:

- Philip Cory-Wright (Chair)
- Shelley Kopu
- Rachel Farrant
- Christopher Myers.

The Deputy Chief Executive of the Council attends Board meetings and acts as an observer but has no voting rights.

Term of appointment

Under Clause 6.4 of the terms of the company Constitution:

"No person may be appointed as a Director for a term of greater than 3 years. Any Director may be reappointed at the expiry of his or her term of appointment, provided that no Director may be appointed for more than 3 consecutive terms."

In November 2020 the Council advised that the tenure of each current Director would be extended to ensure continuity in the current environment and create the ability to rotate two directors every 18 months.

4. MANAGEMENT

Management of PRIP is the responsibility of the Chief Executive who employs a team comprising of an Operations and Safety Security Manager, part-time Operations Officers and two administration / accounting assistants (7.1 total full time equivalent).

The Chief Executive is accountable to the Directors for implementing PRIP's strategic direction, to ensure the ongoing safe and successful operation of the Airport in full compliance with CAA Rule Part 139, and to promote the Airport to the wider Taranaki community.

The Chief Executive is also designated under the Civil Aviation Rule Part 139 as the Chief Executive named on the Aerodrome Operator Certificate.

5. COVID-19 IMPACT

The impacts of the 2020 worldwide Coronavirus pandemic have had a dramatic effect on the global aviation industry with passenger numbers and revenue falling to unprecedented levels both for airlines and airports.

New Plymouth Airport was no exception and, in consultation with Air New Zealand, PRIP originally forecasted that it would take a three-to-four year recovery period before passenger numbers would reach pre COVID-19 levels. However, New Zealand's recovery has been much quicker than expected as compared to other countries and now there is good progress with a vaccine.

For the second half of FY2021, capacity on the Wellington and Christchurch sectors operated from New Plymouth was between 80% and 90% of pre COVID-19 levels, however, the largest volume route between New Plymouth and Auckland suffered due to no international connector traffic. On this sector the recovery has been slower at around 50% to 60% of previous numbers.

On the basis of global vaccines being available and limited international travel resuming during 2021, a return to more or less full capacity is now forecast late FY2022.

Consequently, PRIP has continued to work through various scenarios and has reviewed its economic model over the next three years based on minimising operational expenditure, maximising revenue and maintaining a reduced capital works programme. PRIP will also continue to provide and maintain facilities that are safe, secure and welcoming to all users.

6. RESPONSIBILITY TO THE COUNCIL

6.1 Statement of Intent

In accordance with the Local Government Act 2002, PRIP is required to submit a Statement of Intent (SOI) for the coming financial year to the Council. The SOI sets out PRIP's overall objectives, intentions, financial and other performance targets for the following three years.

A draft SOI is to be submitted to the Council officers by 1 March. The draft SOI will be considered at the Council Controlled Organisation (CCO) Committee in late March and, following feedback from the meeting, the final SOI is to be provided to the Council officers by 30 June.

6.2 Statement of Expectations

As part of the process of establishing the SOI the Council issues a Statement of Expectations (SOE) which guides PRIP's strategic direction and sets out expectations to be addressed in the SOI.

The SOE is developed in accordance with the Local Government Act 2002 Section 64b and includes:

- Specifies how PRIP will conduct its relationship with New Plymouth District Council and the wider district including local Iwi and Hapū
- Requires PRIP to act consistently with the statutory obligations of the Council and the Council's obligations pursuant to agreements with third parties.

6.3 General expectations and reporting

The Board aims to ensure that the Council is informed of all major developments affecting PRIP's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public.

PRIP is aware that New Plymouth Airport operates in a public environment and, as such, will exercise due care and attention in accordance with the company policies and procedures and the Council's sensitive expenditure policy.

PRIP is aware of the statutory obligations of the Council and will act in a manner that is consistent with these and also those pursuant to agreements with third parties, including Iwi and Hapū.

PRIP will continue to build upon the strong relationship with Puketapu Hapū that developed during the Airport Terminal redevelopment and other recent Airport projects. PRIP is aware of future decisions that may impact on local Iwi and Hapū and will ensure an appropriate level of consultation at all times.

PRIP was established to manage New Plymouth Airport operations on a commercial footing, however, any decisions taken by PRIP that directly affect the District will also consider the wider benefits to the community.

Within the constraints as noted above, information will be communicated to the Council through the following:

- Quarterly reporting against the SOI's performance measures and financial forecasts to be provided to the Council Officers for reporting to the CCOs Committee within two months of the end of the quarter.
- Delivery of a half-year report to the Council Officers for reporting to the CCOs Committee within two months of the end of the first six months of the financial year.
- Delivery of a Board-approved annual report with an unqualified Audit Opinion to the Council Officers for reporting to the CCOs Committee within three months of the financial year end. This report to be made available to the public once adopted by the Council.
- Other ad-hoc reports and briefings to inform well in advance of any material or significant events, transactions or other issues that would be considered contentious or attract wide public interest – operating a *"no surprises policy"*.
- Regular meetings between the PRIP Chief Executive and the Council's Deputy Chief Executive to ensure strong communications and alignment between the Council and PRIP.

6.4 Specific expectations

a) New Airport Terminal

The Council approved the new terminal development on the basis of the information presented in a business case presented on 4 April 2017.

The project was successfully completed and the new terminal opened for business on 17 March 2020. However, due to the New Zealand Government's country lockdown in response to the worldwide Coronavirus pandemic, the terminal was closed on 3 April 2020 and remained so until 14 May 2020.

Following an operational utilisation period of 12 months, PRIP undertook a post-project review, including a benefits realisation report, and this report was presented to the Council prior to the end of June 2021.

b) Capital Projects

PRIP will continue to assess the need for future Airport infrastructure redevelopment based on the strategic direction of the company, the recovery following the Coronavirus pandemic and the anticipated growth in Airport use.

In accordance with the company's delegations policy, the Chief Executive has authority to authorise capital expenditure specifically identified within approved budgets up to a limit of \$250,000, however, this is limited to \$25,000 where capital expenditure is not included within an approved budget and only after consultation with the Board.

PRIP will have in place appropriate controls to ensure that projects are based on robust business cases, are appropriately managed, delivered within programme and on budget and will be subject to feasibility studies including:

- Financial and cost benefit analysis
- Consultation and input from Iwi and Hapū
- Feedback from the airlines and Airport stakeholders as appropriate.

Projects of any value will require management to consult with the Board if there is a material impact on Iwi or Hapū or the project is contentious or could attract wide public interest.

For the period of this SOI and as a result of the Coronavirus pandemic, some capital projects have had to be deferred but the remainder that are still under consideration are listed in:

Section 7: CAPITAL EXPENDITURE PROPOSALS.

c) NPDC / PRIP agreements

There are various agreements that have been established between the Council and PRIP for the ongoing operation of the Airport namely:

- Service Level Agreement
- Loan Facility Agreement
- General Security Deed
- Intergroup Asset Transfer
- Deed of Lease of Airport Land.

PRIP will continue to abide by the above agreements, including any variations, in good faith and will report any breaches to the Council officers on a timely basis.

d) Loan Facility agreement

From time to time, PRIP will require a draw-down of funds from the Loan Facility agreement to be able to advance capital projects or meet any shortfall in operational expenditure. As a prerequisite, PRIP will provide Council with an updated quarterly cash flow forecast, including estimated borrowing requirements.

The existing Loan Facility agreement comprises of two tranches:

- Tranche A – the terminal redevelopment
- Tranche B – working capital.

Based on forecast capital expenditure and cash flows, the combined limit of both tranches is expected to be sufficient to meet all of PRIP's cash requirements. However, considering that the terminal redevelopment has now been completed, there is a need to amend the terms of tranche A to ensure the purpose and scope include other capital expenditure projects.

e) Accounting

Following PRIP's FY2018 audit, a recommendation recorded as 'Urgent Priority' was given by Audit New Zealand to:

"Streamline the accounting process – the integration of the Company's accounting functions into that of Council makes for overly complicated transactions with a poor audit trail. A more streamlined accounting process that is standalone would better support the reporting requirements of the Company."

As a result of this recommendation, PRIP sought tenders from local accounting firms to manage the Airport accounts as a standalone operation, separate from Council.

Tandem Group Chartered Accountants was chosen and, utilising Xero accounting software, commenced the following PRIP accounting services from March 2019, realising long-term cost savings as compared to when previously managed by Council.

- Monthly and quarterly reporting to management and the Board
- Preparation of interim and annual financial statements
- Audit liaison (Audit NZ have view access to PRIP's Xero account)
- GST and FBT returns
- Company tax returns
- Companies Office annual returns and updates
- Tax advice
- Financial advice
- Asset management
- Payroll processing (from April 2019)

PRIP also employs a part-time accounts assistant for creditor and debtor invoicing.

There were teething problems, particularly with the transfer of historical financial data from one software system to another and, more recently, the capitalisation of the new terminal building and the write off of the old Airport assets.

However, the whole system is now far more streamlined, allows for effective monthly reporting to the Board and management have real-time accessibility through Xero accounting software. All Airport assets have been condensed and are better categorised, allowing for an effective asset management programme to be implemented.

PRIP continues to outsource PRIP's accounting services to the Tandem Group and will provide Council access to PRIP's Xero accounting software (as offered to Audit New Zealand) for the Council's accounting team in order to streamline integration of PRIP financial information into NPDC's financial reports.

PRIP will present the signed FY2021 audit opinion and audit management report to the CCO Committee on 14 December 2022 and will answer any financial performance queries as and when requested.

f) New Zealand Civil Aviation Authority (CAA) requirements

As holder of the Aerodrome Operator Certificate (AOC), the Council is responsible for meeting all aviation operations and health and safety obligations under CAA Rule Part 139, including the ongoing management of an Airport Safety Management System (SMS).

PRIP has signed an agreement with the Council to manage all of the Airport operations on a day-to-day basis. This agreement has been approved by the CAA. In accordance with the agreement, the PRIP Chief Executive is designated on the AOC as the Aerodrome Chief Executive, having direct accountability to the CAA.

PRIP will keep the Council officers and the CAA informed at all times of any changes in the status of these obligations or any other matters relating to CAA Rule Part 139.

7. CAPITAL EXPENDITURE PROPOSALS

PRIP's focus will be on infrastructure redevelopment within the Airport precinct and airside improvements.

In conjunction with New Plymouth Partners, PRIP will also allocate an annual sum for community sponsorship.

Projects under consideration during the three-year period of this SOI:

	2021/22 \$000	2022/23 \$000	2023/24 \$000
Airport entrance upgrade	1000		
Waste water treatment plant	800		
EV charging stations	100		
Perimeter fence security upgrade	200	200	200
Perimeter track upgrade	50	50	50
Storm water drainage	50	50	50
Terminal aviation security		300	
Car park surfacing		500 ⁽²⁾	500
Water reticulation upgrade		350	250
Apron extension - western side		1000	
Apron extension - eastern side			650
Taxiway and apron surfacing	500 ⁽¹⁾		
Non-aeronautical revenue study	100		
Servicing works for Rental cars	120 ⁽⁴⁾		
Total	2,920	2,450	1,700

Notes

(1) taxiway Resurfacing has been changed to taxiway and apron resurfacing.

This has been bought forward to fy2021/22 which is in line with our runway maintenance programme.

(2) Car Park Surfacing has been pushed back a year. Kept as a place holder but won't be completed in the next financial year.

(3) Community Sponsorship has been removed from the capital budget and added to OPEX.

(4) 120k added for the servicing works required for the rental car ground leases.

It is to be noted that the three-year list of projects and forecast budgets is only provisional at this stage and, depending on the scale of the projects, further Board approval will be subject to feasibility studies and business cases being presented by management.

One key project that has been removed from the capital expenditure list is the main sealed runway extension. This was considered as vital for the long-term sustainability of the Airport and to safeguard the facility for the benefit of the Taranaki region, however, following the downturn in the market from the Coronavirus pandemic and the drawn-out recovery process, the project has been deferred for the time being.

It is anticipated that PRIP will be able to meet the costs of the capital projects from a combination of operational cash flow and further draw-downs from the Loan Facility agreement.

8. OPERATIONS

The Airport is an essential infrastructure transport hub for New Plymouth and the Taranaki region and provides facilities that are safe, efficient and welcoming to all users.

It is essential that PRIP positions the Airport for future aviation growth by close collaboration with the airlines and key stakeholders to facilitate the expansion of tourism, trade and domestic air travel and to play a key role in the economic performance and development of the region.

Prior to the establishment of PRIP, the Airport supported the Taranaki Air Ambulance Trust (TAAT) operations with an exemption from landing charges and PRIP will continue with this arrangement subject to an annual review. Further, the Board of Directors has agreed to continue with an annual sponsorship arrangement with TAAT which will be reviewed in October 2023.

The operational performance of PRIP will be judged against the following measures:

8.1 Operational performance

- Maintain the Airport facilities to avoid any disruption of scheduled commercial flights other than for weather or airline related problems.
- Meet all the operating, maintenance, capital expenditure and interest costs.
- Recovery of the aeronautical portion of Airport operational costs through landing charges.
- Manage New Plymouth Airport in full compliance with the approved operating procedures of the Civil Aviation Authority Rule Part 139.

8.2 Passenger numbers

The figures below are based on the forecast recovery following the Coronavirus pandemic as at 30 June 2021 and do not account for any impact from further lockdown measures that could be enforced by the Government.

*Revised due to August 2021 lockdown.

	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>
	365,000	430,000	449,000

9. FINANCIALS

9.1 Ratio of PRIP's capital to total assets

For the next three years, the ratio of total capital to total tangible assets is expected to be between 0.75:1 and 0.77:1

Total capital includes:

- Retained earnings
- Capital account.

Total tangible assets include:

- Current assets
- Property, plant and equipment.

9.2 Accounting policies

The accounting policies will be consistent with:

- The Financial Reporting Act 1993
- New Zealand Generally Accepted Accounting Principles (NZGAAP)
- Accounting Standards Review Board pronouncements
- PRIP's Accounting Policies stated in pages 15 to 28 of the Annual Financial Statements to 30 June 2020.

9.3 Financial performance

The following outlines PRIP's forecasted financial performance for the three-year period ending 30 June 2024. It assumes passenger recovery following the Coronavirus pandemic continues as planned together with known future aircraft type and size and other proposed commercial activity within the Airport confines.

Financial performance

	2021/22 \$000	2022/23 \$000	2023/24 \$000
Revenue	6,417	7,748	8,300
Expenditure	3,015	3,105	3,200
EBITDA	3,402	4,643	5,100
Depreciation, interest and tax	2,118	2,755	3,099
Net profit after tax	<u>1,284</u>	<u>1,888</u>	<u>2,001</u>

9.4 Forecast statement of financial position

	2021/22 \$000	2022/23 \$000	2023/24 \$000
Assets			
Current assets	1,373	1,400	2,552
Deferred tax asset	-	-	-
Property, plant and equipment	66,072	67,453	67,477
Loan assets	47	38	28
Total assets	<u>67,492</u>	<u>68,890</u>	<u>70,057</u>
Liabilities			
Current liabilities	787	1,081	1,053
Current borrowings	3,796	4,296	4,296
Non-current borrowings	11,300	10,700	9,950
Total liabilities	<u>15,883</u>	<u>16,077</u>	<u>15,299</u>
Total equity	<u>51,609</u>	<u>52,813</u>	<u>54,758</u>

9.5 Commercial value of the organisation

PRIP's total assets are carried at fair value and assessed for impairment annually.

	2020/21 \$000	2019/20 \$000	2018/19 \$000
Land	16,208	16,208	16,208
Infrastructure and buildings (landside)	37,471	35,284	5,183
Runway, taxiways and apron (airside)	9,098	8,988	8,098
Furniture and fittings	1,566	1,466	313
Artwork	581	421	-
Airspresso	640	-	-
IT Equipment	106	-	-
Total	65,669	62,367	29,802

9.6 Profit distribution policy

Following the impact of COVID-19, PRIP will not be in a position to pay dividends for a number of years. However, PRIP is expected to be operating a positive cash flow before CAPEX during the early part of the 2022 financial year.

It is intended that provisions will be made for PRIP to pay a dividend to the Council based on surplus funds once revenue received from Airport operations has met operational requirements and serviced and repaid borrowings.

9.7 Procedures for share acquisitions

Any subscription, purchase or acquisition by PRIP of shares in a company or organisation will be consistent with the objectives of PRIP and will be made in consultation with the Council.

9.8 Information to be provided

PRIP will make the following available to the Council if there are any material changes:

- Information that would normally be available to assess the value of the Council's investment.
- Details of any new developments which would involve a significant movement away from the current activities of the business.
- Information and details on any new developments which have not been covered in the Statement of Intent for the year.

9.9 Accounting designation

PRIP is designated as a Public Benefit Entity for accounting purposes.

Statement of Intent

FOR THE YEAR TO 30 JUNE 2022 AND THE FOLLOWING TWO FINANCIAL YEARS



venture
TARANAKI
Te Puna Umanga

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This document is Venture Taranaki's Statement of Intent for the purposes of the Local Government Act 2002.

Chair's Comment



Mā mua ka kite a muri mā muri ka ora a mua

Venture Taranaki Trust is the regional development agency for the Taranaki region. This Statement of Intent, provided by Venture Taranaki's Board of Trustees to our owner New Plymouth District Council, proposes a number of strategic and tactical interventions for the Trust that will support Taranaki's communities, enterprises and people for the 2021-2022 financial year and beyond.

The basis of this Statement of Intent is Venture Taranaki's Impact Strategy, which was developed in collaboration with our owner, stakeholders, and customers. This Strategy articulates the impact we seek to have within Taranaki and our desired outcomes over the short, medium and long terms. The Impact Strategy is supported by a measurement framework that allows us to track the value we provide in our community and our progress towards achieving our goals.

The ongoing impact of COVID-19 on the global, national and regional economy remains challenging and Venture Taranaki will continue to work closely with its owner and regional stakeholders in actioning Taranaki's 'return to better', leveraging and aligning with our regional strategic vision and priorities. This includes leading the economic strand of the regional recovery with focus on Smart Connected Communities and Enterprises, Food and Fibre Value Acceleration, and Advancing Energy Transition, with an underpinning foundation focused on Vibrancy. These initiatives reflect the priorities of the Taranaki Regional Economic Development Strategy, Tapuae Roa: Make Way for Taranaki, and the Taranaki 2050 Roadmap. The regional recovery provides the opportunity to unify organisations across the region, including local government and iwi, in a common cause. The region's success is dependent on partnership and collaboration across Taranaki and Venture Taranaki is committed to helping enable this work, subject to funding and resourcing.

The Trust's activities will also continue to support the overarching framework established by Tapuae Roa: Make Way for Taranaki, with a focus on the four futures defined in the strategy's Action Plan: Energy Futures, Māori Economy Futures, Food Futures, and Visitor Sector Futures. Subject to investment, this work will be accompanied by the initiatives and outcomes identified through the development of the Taranaki 2050 Roadmap and its associated pathway action plans. The Taranaki 2050 Roadmap has been co-created with our community and sets a clear pathway as Taranaki transitions to a low-emissions economy. The implementation phase of the Roadmap provides a number of investment opportunities across the regional economy. Ongoing resourcing for coordinating and actioning implementation will allow Venture Taranaki to continue to explore the realisation of these opportunities.

Venture Taranaki plays a critical role in helping Taranaki reach its potential. The ongoing support and confidence of our stakeholders Stratford District Council, South Taranaki District Council, and TOI Foundation must be acknowledged, as must the Trust's ongoing partnership with the Ministry of Business, Innovation and Employment. Their co-investment in our work, coupled with the New Plymouth District Council's cornerstone investment, is actively leveraged to secure central government contracts for service as the Taranaki regional business partner. This enables significant investment into research and development interventions with a focus on export markets and into building the capabilities of the people leading our region's small and medium-sized enterprises.

The regional development services that Venture Taranaki provides the people and enterprises of our region are repeatedly acknowledged as best in class. Our challenge remains ensuring we can continue to excel in all our endeavours to promote the Taranaki region as a preferred location to visit, live, learn, work, invest, create, and do business while balancing our abilities to meet increasing demand for our core services and deliver on a growing number of strategic projects and interventions as determined by Tapuae Roa; Taranaki 2050 and the Covid-19 regional recovery.

Venture Taranaki is strongly positioned to support the resilience of our region, our people, families, whanau, businesses and communities, both now and in the future, and this Statement of Intent sets out how we will do that.

Kia hora te marino, kia whakapapa pounamu te moana, kia tere te kārohirohi i mua i tō huarahi

JAMIE TUUTA

Chair, Venture Taranaki Trust

Purpose

In accordance with the Local Government Act 2002, this annual Statement of Intent (SOI):

- publicly states the activities and intentions of Venture Taranaki Trust for the year to 30 June 2022 and the following two financial years, and the objectives to which these activities contribute,
- provides the opportunity for New Plymouth District Council, as shareholder, to influence the direction of Venture Taranaki Trust,
- provides the basis for Venture Taranaki Trust's accountability to its shareholder.

This SOI reflects the strategic direction of Taranaki's regional economic development strategy – Tapuae Roa, Taranaki 2050, and the COVID-19 Regional Recovery Plan.

The content of the Statement of Intent is specified in Schedule 8 of the Local Government Act 2002.

This Statement of Intent is reviewed annually with New Plymouth District Council and spans a three-year horizon.



About Venture Taranaki

Venture Taranaki is a Council Controlled Organisation owned by New Plymouth District Council and is responsible for regional development and promotion activities in New Plymouth and the wider region.

Venture Taranaki is a Trust incorporated under the Charitable Trusts Act 1957 but does not meet the criteria for a registered charity under the *Charities Act 2005*.

TRUST OBJECTIVES

Venture Taranaki's objectives are set out in its founding trust deed and are to:

- Provide leadership and support for the development and implementation of local, regional and national strategies for the creation of a vibrant and prosperous New Plymouth District economy and Taranaki regional economy.
- Facilitate, promote, encourage and support sustainable enterprise growth, investment and employment opportunities in New Plymouth District and the Taranaki region.
- Support the district's commercial enterprises, large and small, mature or start-up, to establish, flourish and prosper.

In carrying out these objectives Venture Taranaki will:

- Be a good employer.
- Recognise the need for Māori to achieve economic

prosperity. The Trust recognises Māori enterprise as having considerable growth potential and will actively seek to engage with Māori.

- Conduct its affairs in accordance with sound business practices.
- Maximise the organisation's value in its own right and for the benefit of the New Plymouth District community by:
 - Winning and fulfilling contracts for service with New Plymouth District Council, South Taranaki District Council, Stratford District Council and other partner organisations.
 - Reviewing the organisation's range of development services to reflect the strategic direction of Taranaki and its changing landscape.
- Be a good corporate citizen and act as a role model by:
 - Acting ethically.
 - Being culturally and environmentally conscious.
 - Complying with legislative requirements.
 - Seeking to ensure, so far as is reasonably practicable, the health and safety of workers and that other people are not put at risk by our work.
- Conduct research and development, and benchmarking to improve its range of services and identify and adopt global best practice standards.



The nature and scope of activities to be undertaken

The nature and scope of the activities to be undertaken by Venture Taranaki are guided by our strategic framework and supporting performance and accountability measures and outcomes, described below.

Venture Taranaki's Strategic Framework

Venture Taranaki (VT) is guided by the vision, outcomes and strategic priorities of New Plymouth District Council as its shareholder. Together with Tapuae Roa – Taranaki's Regional Economic Development Strategy and the Taranaki 2050 Roadmap, these form an integral part of the strategic framework for VT. VT plays a key role in the implementation of Tapuae Roa and its associated Action Plan. Investment from NPDC enables VT to resource leading and/ or facilitating specific actions as well as some co-ordination, monitoring and reporting on progress under the Action Plan. This includes the Māori Economy Future area, working with Ngā Iwi o Taranaki, Hāpu and other Māori organisations.

Another key strategic document for Venture Taranaki and the region is the Taranaki 2050 Roadmap. The Roadmap was co-developed with the Taranaki community and sets twelve transition pathways that will progress the region towards a low emissions future. Action plans for each pathway have been developed and Venture Taranaki had led the preparation of a number of investment proposals for central government to move these action plans into implementation.

Venture Taranaki support for Nga Kaiwhakatere o Taranaki to progress the Tapuae Roa and Taranaki 2050 work programmes is dependent on securing funding for regional strategy activity.

COVID-19 REGIONAL RECOVERY

The ongoing impact of Covid-19 continues to pose challenges for the regional, national and global economy.

Taranaki has a unique opportunity to respond to and recover from the impacts of COVID-19. Venture Taranaki is leading the economic strand of the regional recovery. This includes the actioning of a plan to support the region to lead a green and inclusive recovery in Taranaki, based on enhanced outcomes for our wellbeing, Māori, the climate, and biodiversity. The tactical plan incorporates and integrates actions from Tapuae Roa, the Taranaki 2050 Roadmap, COVID-19 response and the Government's 8 economic shifts, and builds on actions to date (including over 2020/21) in all those areas.

Venture Taranaki will continue to work closely with NPDC and other regional stakeholders to ensure the region's vision is enduring, and economic recovery planning builds on our region's strengths and allows Taranaki to remain agile, collaborative and responsive to opportunities as our communities return to better.

The relationship between the Regional Leadership Group and Venture Taranaki is still to be clarified at the time of writing.

NEW PLYMOUTH DISTRICT COUNCIL'S STRATEGIC FRAMEWORK

New Plymouth District Council's Strategic Framework is set out in the image below.

Vision
Sustainable Lifestyle Capital

Mission
 To provide our people with an innovative and resilient district that restores mauri, protects our environment and supports a successful economic transition, while providing quality infrastructure and leadership through operational excellence

Goals

Partnerships	Delivery	Community	Sustainability	Prosperity
Strengthening a treaty based partnership with tangata whenua and building partnerships with not-for-profit, private enterprise, and government to improve outcomes for all	Understanding and balancing our people's needs and wants through prudent delivery of quality infrastructure and services	Achieving wellbeing through a safe, creative, active and connected community while embracing Te Ao Māori	Nurturing our environment, mitigating our impact and adapting to climate change	Growing a resilient, equitable and sustainable economy where people want to work, live, learn, play and invest across our district



Venture Taranaki Impact Strategy and Performance Framework

Venture Taranaki's Impact Strategy is an outcomes-based framework that articulates the intervention logic between activities delivered by the Trust and desired outcomes for Taranaki over the short, medium, and longer-term. It is a valuable tool in guiding investment and resourcing decisions, prioritising activities, and communicating to stakeholders and the region the value of the activities Venture Taranaki Trust delivers.

The Impact Strategy is supported by a measurement framework that sets out suite of activity measures and indicators which form the basis of Venture Taranaki Trust's accountability and performance reporting.

The Impact Strategy represents a clear understanding Venture Taranaki Trust's activities, impact and performance. It is intended to be a living document and will be revisited and refined over time.

Tapuae Roa's futures and foundations are represented across the Impact Strategy and there are clear and logical links between these and the activities that the Trust delivers. Key themes from the Taranaki 2050 Roadmap are also present in the Strategy. The COVID-19 'return to better' plan also guides priorities across the activities of Venture Taranaki, while retaining the core focus areas and impacts the Trust aims to effect over time.

TAPUAE ROA AND THE IMPACT STRATEGY

Venture Taranaki's Impact Strategy has been developed within the context of needing to embed the strategic direction, goals and actions articulated in Tapuae Roa to ensure activities and desired outcomes are aligned.

The three pillars of Tapuae Roa have been integrated across the Impact Strategy:

- Attractive Lifestyle – reflected in the outcomes related to the natural environment and Taranaki being a great place for living and visiting
- Talented People - reflected in outcomes related to increased business capability, innovation and the attraction, growth and retention of talent in Taranaki.
- Modern, high value economy – reflected in outcomes related to a diverse economy, investment attraction, innovation, business capability and talent.

The Impact Strategy also aligns with the Futures and Foundations of the Tapuae Roa Action Plan which are a core focus of Venture Taranaki's activities. The Four Futures of Energy, Food, Visitor Sector and Māori Economy articulate areas for focused activity. Success in these areas will lead to the following outcomes:

- Taranaki seen as a great place for living and visiting
- Diverse local economy
- Enterprises, including Māori enterprise, start, grow, relocate and succeed in Taranaki
- Public and private sector invest in Taranaki
- Enterprises being connected to realise opportunities for the region

The Four Foundations support the development of the Four Futures: Talent, Enterprise and Innovation; Vibrancy and Liveability; Accessibility and Connectivity; Investment. Success within the Four Foundations will lead to the following outcomes:

- Taranaki seen as a great place to invest
- Taranaki seen as a great place for living and visiting
- Enterprises are connected to realise opportunities for the region
- Innovation is integrated into enterprise
- Taranaki having appropriate infrastructure for enterprise to flourish
- Increased business capability and confidence.

TARANAKI 2050 ROADMAP AND THE IMPACT STRATEGY

The Transition Pathway Action Plans outlined in the Taranaki 2050 Roadmap are also closely aligned with the Impact Strategy. For example, the energy, food and fibre, innovation and tourism pathways align with fostering sector diversification and growth; championing innovation and sustainability and destination readiness and promotion activities outlined in the Impact Strategy. The pathways of people and talent, infrastructure and transport, health and wellbeing and arts are aligned with the Impact Strategy outcomes of talent being attracted to, grown and retained in Taranaki, people choosing to live in Taranaki and Taranaki having appropriate infrastructure for enterprise to flourish.

MEASUREMENT FRAMEWORK

The Impact Strategy is supported by a measurement framework that seeks to measure progress against desired outcomes and impacts to ensure that Venture Taranaki's activities are aligned to its strategic framework (which embeds Tapuae Roa and Taranaki 2050) and delivering value in the region.

Historically, economic development has been focused on performance measurement, which evaluates activities, or direct outputs, such as the number of workshops delivered, meetings held, or number of visitor nights. This approach has sometimes led to a focus on doing the wrong things and fails to tell the story of what the long-term change is.

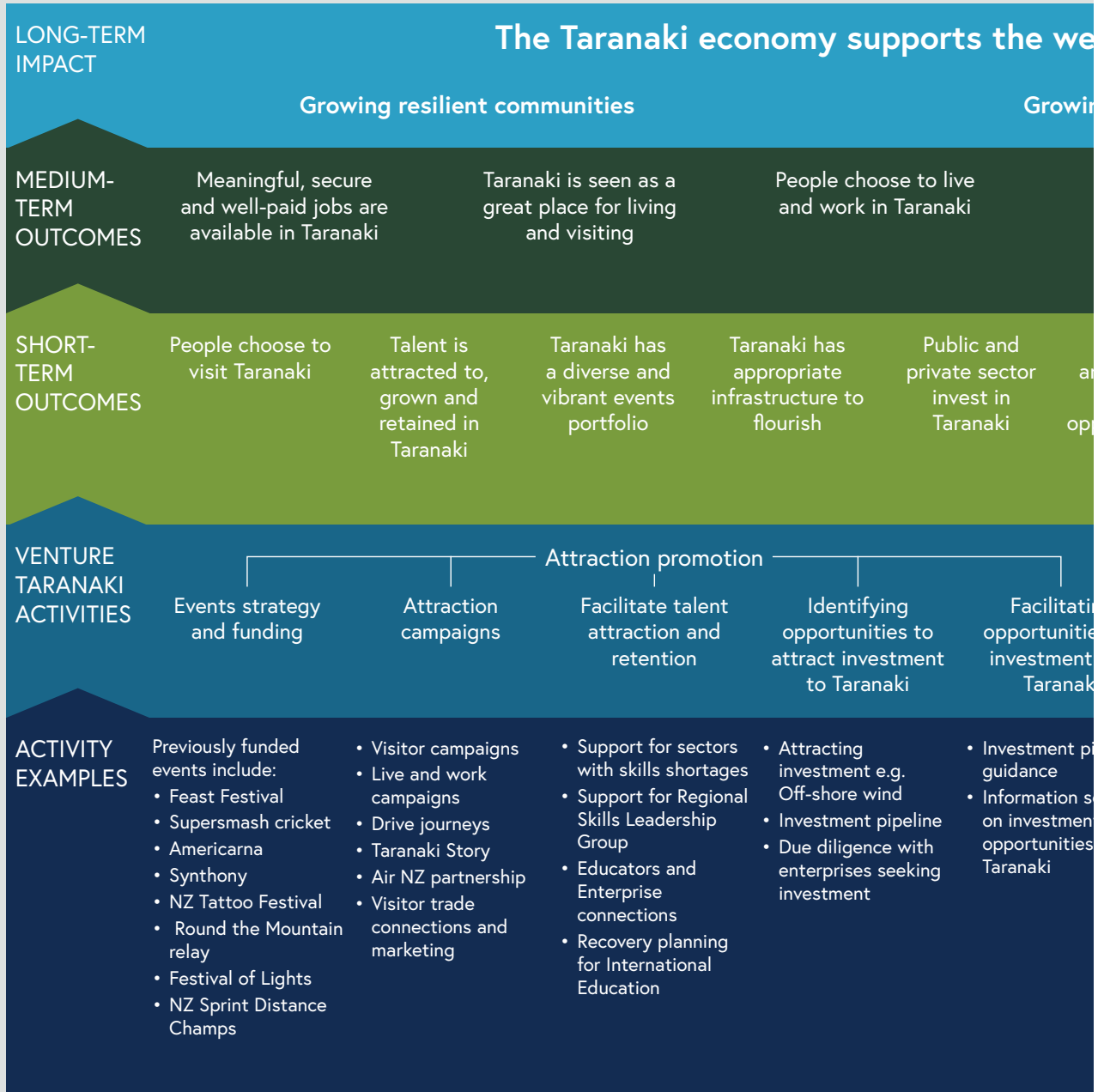
Impact measurement evaluates "outcomes," which are the benefits or changes that are consequences of the program activities and their results.

The Measurement Framework articulates three levels of measures and indicators:

- Performance measures: measure activity to ensure agreed levels of service are delivered
- Short-term outcomes: indicators to track progress against desired outcomes, activities are delivered with the intention of impacting these outcomes
- Medium-term outcomes: indicators to measure outcomes that are anticipated if short-term outcomes are realised.

Venture Taranaki will report against the measures and indicators set out in the Measurement Framework and will continue to also specifically monitor and report on the implementation of Tapuae Roa and Taranaki 2050, as investment allows.

Venture Taranaki Impact Strategy – Linear





Outcome and impact indicators

The Impact Strategy includes a range of indicators that are used to track progress towards the outcomes and impacts described in the top green layer of the Impact Strategy. These are the desired outcomes and impacts that our stakeholders would like to see for the region and also incorporate or reflect relevant measures set out in the Tapuae Roa Action Plan. The indicators are tracked and refined over time, and used to develop baseline data and track trends. These are presented from medium to short-term, followed by our specific organisational performance measures to illustrate the clear link between what our region wants and the activities Venture Taranaki delivers. The outcomes below are not service level performance measures.

MEDIUM-TERM OUTCOMES

The table below sets out indicators for each of the impacts articulated in the Impact Strategy.

Impact Area	Indicator		Data Source
Enterprises, including Māori enterprise, start, grow, relocate and succeed in Taranaki	Number of enterprises that begin trading following VT support	MTO01	Client survey
	Number of enterprises who have increased their revenue in the year following Venture Taranaki interaction	MTO02	Venture Taranaki
	Number of enterprises who have increased their staff numbers one year following Venture Taranaki interaction	MTO03	Venture Taranaki
	# of enterprise 'births' and 'deaths' – annual change	MTO04	Infometrics and Stats NZ
	Number of Māori enterprises registered in Taranaki	MTO05	StatsNZ
An increase in the number of meaningful, secure and well-paid jobs	# people employed in highly skilled; skilled; semi-skilled and low-skilled jobs	MTO06	Infometrics
	% people employed in highly skilled; skilled; semi-skilled and low-skilled jobs	MTO07	Infometrics
	Employment across industry sectors in Taranaki	MTO08	Infometrics
	NEET Rate (Not in employment training etc)	MTO09	Stats NZ
	Employment rate; unemployment rate; participation rate	MTO10	Stats NZ
	Median Incomes – households and personal	MTO11	Infometrics
	Number and growth of employment of those identifying as Māori in Taranaki	MTO12	Infometrics
	Skill levels of those identifying as Māori in Taranaki	MTO13	Infometrics
Taranaki seen as a great place for living and visiting	Covered by outcome indicators above		
People choose to live and work in Taranaki	Covered by outcome indicators above		
Increased tourism spending	Tourism spend in Taranaki	MTO14	
Increased regional spending	Retail spend in Taranaki – \$ and % growth	MTO15	Market View
Taranaki seen as a great place to invest	Covered by outcome indicators above		
Confidence in Taranaki and its economy	Confidence in Taranaki and its economy	MTO16	Annual enterprise survey undertaken by Venture Taranaki

SHORT-TERM OUTCOMES

Outcome	Indicator		Data Source
Public and Private sector invest in Taranaki	% that report increased investment after engagement with VT support	STO01	Client survey
	Funding received as a result of a Venture Taranaki referral	STO07	Client survey
Taranaki has appropriate infrastructure for enterprise to flourish	Enterprises agree that Taranaki has the infrastructure required for them to succeed	STO02	Business Survey
Regional economic intelligence supports decision-making	Views and downloads of reports and regional monitoring updates	STO03	Google Analytics
Diverse local economy	Regional GDP	STO04	Stats NZ
	The spread of Regional Domestic Product across industry sectors	STO05	Infometrics
Increased enterprise capability + confidence	% of enterprises that report Venture Taranaki support has led to increased capability	STO08	Client survey
	% reporting enterprise better positioned as result of interaction with VT	STO09	Client survey
Increased enterprise capability and confidence	% that report improved confidence after engagement with VT support	STO10	Client survey
	% reporting increased connectivity as result of VT interaction	STO11	Client survey
	Net Promoter Score of supported enterprises	STO12	Client survey
	Number of people or enterprises who identify as Māori receiving support from Venture Taranaki	STO13	Client survey
Innovation is integrated into enterprise	% that report increased innovation after engagement with VT support. Innovation is defined as an enterprise developing new products/ services or trying new ways of doing things.	STO14	Client survey
Taranaki has a diverse and vibrant events portfolio	Events that have the potential to attract out of region visitation or national/international profile.	STO15	Venture Taranaki
	Number of annual major events in Taranaki	STO	Venture Taranaki
	Diversified portfolio of events as defined in the Regional Events Strategy	STO19	Venture Taranaki
	Number of meetings, incentives, conferences and exhibitions held in Taranaki annually	STO19A	Venture Taranaki
People choose to visit Taranaki	Annual visitor guest nights (Commercial accommodation) NOTE: current data-set has been discontinued, new indicator/s to be developed	STO20	StatsNZ Infoshare
	Visitor spend in Taranaki	STO21	MBIE
Talent is attracted to, grown and retained in Taranaki	Working age population %	STO22	Census
	Working age population #	STO23	Census
	Population #	STO24	Census
	Population growth rate %	STO25	Census
	People living in Taranaki who were not residing in region 5 years prior	STO26	Census
	Net growth in International migrants to the region	STO27	Infometrics and Stats NZ

Venture Taranaki 2021/22 Performance Measures

The table below sets out the key service level measures for the activities that Venture Taranaki Trust will deliver over the coming year. These directly relate to the activities set out in the blue ring of the Impact Strategy on the previous page and will be reported on over the annual reporting cycle.

Impact area	Activity	Measure	Target	Data Source
Fostering innovation and resilience	Undertaking environmental scans and regional economic monitoring	Number of regional monitoring updates released	KPI03 4	Venture Taranaki
	Championing innovation and sustainability	Number of initiatives targeting or supporting innovation and sustainability.	KPI04 4	Venture Taranaki
	Fostering sector diversification and growth	Number of initiatives targeting sector diversification and growth	KPI05 4	Venture Taranaki
Enterprise support and enablement	Enterprise Connection and Signposting	Number of referrals and connections made by Venture Taranaki staff	KPI06 200	Venture Taranaki
	Enterprise Support	Net Promoter Scores (NPS) on support experience	KPI07 +50 (or greater)	Annual client survey
		Number of support engagements	KPI08 4000	Venture Taranaki
		Breadth of enterprise support activity undertaken (number of different support initiatives)	KPI09 5	Venture Taranaki
Promoting Taranaki as a great place to live, learn, work, invest, create and play	Oversee regional events strategy	Number of engagements with regional events organisers and operators	KPI10 25	Venture Taranaki
	Administer the Major Events Fund	Number of major events funded in accordance with the criteria of NPDC's major events fund	KPI11 4	Venture Taranaki
	Destination Promotion and Attraction	Number of destination promotion and attraction initiatives	KPI12 2	Venture Taranaki
		Number of engagements with visitor industry operators (including local operators, other RTOs, national and international tourism agencies)	KPI13 1000	Venture Taranaki
	Facilitate talent attraction and retention	Number of talent initiatives	KPI14 2	Venture Taranaki
	Identifying and facilitating opportunities for investment into and within Taranaki	Undertaking initiatives to support investment into Taranaki	KPI01 5	Venture Taranaki
		Supporting/facilitating investment enquiries or opportunities into or within Taranaki	KPI02 10	Venture Taranaki

* Engagement is defined as an interaction by staff with an external party and includes meetings, workshops, activity-focussed emails, phone and video-conferencing conversations.

2021/22 investment and priorities

Additional operational investment into Venture Taranaki targeted to Tapuae Roa will allow continued progress in this area, building on the foundation of the work Venture Taranaki was able to deliver in 2020/21 using targeted funding from NPDC. The initiatives that will be progressed with this funding include:

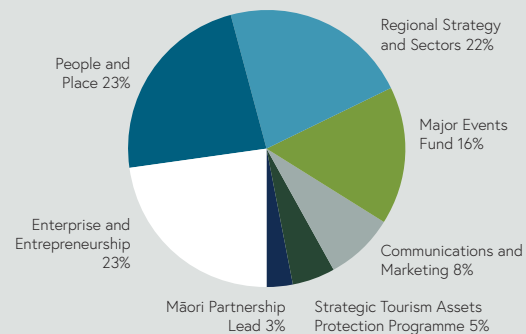
- Continuing the Power-Up programme targeted at growing, connecting and telling the story of Taranaki's entrepreneurship ecosystem (this programme was developed and launched in 2020/21 using targeted Tapuae Roa funding)
- Progressing sector development work, including support for emerging and niche sectors as well as the food and fibre, energy and visitor sectors
- Talent and visitor attraction and retention activities, supporting visitor futures and talent focus areas of Tapuae Roa
- Supporting Māori enterprise and entrepreneurship, in line with Ngā Iwi o Taranaki's Te Aranga Strategy.

INVESTMENT ACROSS ACTIVITY AREAS

Monitoring of investment across activity areas will be included in all performance reports to the Council.

The graph below shows a break-down of Venture Taranaki's revenue across activity areas. Note that this includes all revenue (NPDC and other funding partners such as MBIE, MPI, South Taranaki District Council and Stratford District Council).

2021/2022 Planned Proportional Investment



NPDC investment into Venture Taranaki

The Trust requests the following investment from the New Plymouth District Council (per the Long-term Plan 2021-23)

	Actual 2018-2019	Actual 2019-2020	Actual 2020-2021	Budget 2021-2022	Budget 2022-2023	Budget 2023-2024
Event Fund	\$749,452	\$764,441	\$781,258	\$791,341	\$808,716	\$827,341
Economic Development & Visitor Industry	\$2,161,214	\$2,204,438	\$2,252,936	\$2,282,013	\$2,332,116	\$2,385,827
Tapuae Roa / ED Implementation			\$364,854	\$376,215	\$384,475	\$393,330
Total funding requested	\$3,260,666	\$3,325,879	\$3,399,048	\$3,449,569	\$3,525,307	\$3,606,498

Venture Taranaki's relationship with New Plymouth District Council

Venture Taranaki Trust is committed to a positive and constructive relationship with New Plymouth District Council as its shareholder. The following mechanisms will continue to be used to ensure this relationship enables open and honest sharing of information and supports appropriate performance monitoring and accountability to the Council and the community:

- A shared focus on the development of the district and region, guided by the vision of Tapuae Roa, the Taranaki 2050 Roadmap and regional recovery.
- A shared focus on high quality service delivery guided by the performance measures set out in the SOI.
- Continuing the 'no surprises' approach that Venture Taranaki Trust's relationship with its shareholders is founded upon.
- Six-monthly governance workshops between the Venture Taranaki Trust Board and New Plymouth District Councillors to discuss developments in the economy and Venture Taranaki's progress on the projects and activities in this Statement of Intent.
- Quarterly workshops between Venture Taranaki Trust's Chair, CEO, Senior Management Team and New Plymouth District Councillors to coincide with the quarterly updates to New Plymouth District Council. Venture Taranaki will work with NPDC officers on the content and format of these workshops to ensure they are useful and are aligned to council priorities.
- Quarterly updates will be provided that reflect the Impact Strategy and any other significant projects that Venture Taranaki Trust is responsible for. These updates will include reporting on the delivery of Tapuae Roa and Taranaki 2050 and a high-level breakdown of investment across activity areas, as provided in this Statement of Intent.
- The Impact Strategy will be reported on six-monthly.
- Full financial reporting will continue to be provided on a six-monthly basis via the Interim Financial Report and the Annual Report.
- Regular meetings between Venture Taranaki Trust and New Plymouth District Council CEOs.
- A member of New Plymouth District Council's Executive Leadership Team attending and participating as an advisor at Venture Taranaki Trust Board meetings.
- Venture Taranaki acknowledging the Council as shareholder in branding and external communication, where appropriate.

Venture Taranaki Trust will also provide information to its shareholder that meets the requirement of all relevant statutes, including, the *Charitable Trusts Act 1957*, the *Local Government Act 2002* and the *Financial Reporting Act 2013*, to enable shareholders to make an informed assessment of the organisation's performance, including:

- An annual Statement of Intent in accordance with Section 64 of the *Local Government Act 2002*.
- Half yearly and quarterly reports within two months of the end of the financial first and third quarters and half year in accordance with Section 66 of the *Local Government Act 2002*.
- An annual report within three months of the end of the financial year in accordance with Sections 67, 68 and 69 of the *Local Government Act*.

NPDC REVIEW OF VENTURE TARANAKI

NPDC has recently engaged Henley Hutchings to undertake a review of Venture Taranaki, focused on governance and ownership arrangements. This review will also fulfill the requirements s17A of the *Local Government Act 2002* to regularly review delivery of services. Venture Taranaki has participated in the review and will work with NPDC on findings or recommendations that are made from the review process. As outlined in NPDC's Statement of Expectations, it is anticipated that decisions resulting from the review will be reflected in the 2022/23 Statement of Intent.

The Board of Trustees' Approach to Governance

Governance of Venture Taranaki Trust is the responsibility of the Board of Trustees. Operations of the organisation are the responsibility of the Chief Executive who reports to the Chair of the Board of Trustees.

The primary role of the Board of Trustees is to:

- Approve the allocation of capital and resources to enable the organisation to achieve its objectives in a manner that best serves the economic development needs of New Plymouth District and the Taranaki region.
- Effectively represent and promote the interests of New Plymouth District and the Taranaki community with a view to adding long-term value.
- Direct and supervise the management of the organisation's business affairs including:
 - Establishing goals and strategies
 - Establishing policies for strengthening the performance of the organisation
 - Monitoring performance of management
 - Deciding whatever steps are necessary to protect the organisation's financial position
- Ensuring that financial statements are true and fair, and conform to generally accepted accounting practices
- Ensuring the organisation adheres to high standards of ethics and behaviour
- Ensuring the organisation has appropriate risk management and regulatory compliance policies in place.
- Satisfy itself that the organisation is achieving the organisation's goals
- Familiarise itself with issues of concern to the economic development of New Plymouth District and the broader regional community.
- Evaluate economic, political, social and legal issues that may impact on the performance of the organisation and delivery of its objectives;
- Assess the performance of the Board in accordance with the requirements of the Settlor (New Plymouth District Council).

POLICY FOR THE APPOINTMENT OF TRUSTEES

Trustees are appointed by New Plymouth District Council in accordance with its Appointment and Remuneration of Directors of Council Organisations Policy.

Statement of Accounting Policies

REPORTING ENTITY

Venture Taranaki Trust is a Charitable Trust incorporated in New Zealand under a Trust Deed dated 27 May 1998 and is domiciled in New Zealand. The Trust commenced operations on 1 July 1998.

The Trust is a wholly owned subsidiary of New Plymouth District Council and is a Council Controlled Organisation as defined in Part 1 Section 6 of the *Local Government Act 2002*.

The Trust is a Public Sector Public Benefit Entity (PBE) for financial reporting purposes.

BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The financial statements have been prepared in accordance with Tier 2 Public Sector PBE Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). The financial statements comply with International Public Sector Accounting Standards Reduced Disclosure Regime (IPSAS RDR) and other applicable Financial Reporting Standards as appropriate to Public Sector PBEs.

The Trust is eligible to report in accordance with Tier 2 Public Sector PBE Accounting Standards on the basis that it does not have public accountability and annual expenditure exceeds \$2 million but does not exceed \$30 million.

The Trust is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community and the Trust has been established with a view to supporting that primary objective rather than a financial return.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Revenue

Revenue is measured at fair value.

The specific accounting policies for significant revenue items are explained below:

Government grants

Grants received from the New Plymouth District Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the Trust's trust deed. The Trust also receives other government assistance for specific purposes, and these grants usually contain restrictions on their use.

Council, government, and nongovernment grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Interest income

Interest income is recognised using the effective interest method.

Foreign currency transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rate at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

B. Grant Expenditure

Non-discretionary grants are those grants awarded if the grant meets the specified criteria. They are expensed when an application that meets the specified criteria for the grant has been received. The Trust's non-discretionary grants have no conditions that need to be fulfilled to receive the grant.

Discretionary grants are those grants where the Trust has no obligation to award the grant on receipt of the grant application. For discretionary grants without conditions, the total committed funding is expensed when the grant is approved and the approval has been communicated to the applicant. Discretionary grants with conditions for the delivery of an event are expensed when the grant is approved and the approval has been communicated to the applicant. This is based on the fact that the event is likely to occur and the payment is probable.

C. Leases – Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under an operating lease are recognised as an expense on a straight line basis over the lease term.

D. Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

E. Receivables

Trade and other receivables are initially measured at fair value and subsequently at fair value less any provision for impairment. The amount of impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected which is determined on an analysis of the Trust's losses in previous periods and review of specific debtors.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

Loans to community organisations made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar financial instrument. The difference between the face value and present value of the expected future cash flows of the loan is recognised in the surplus or deficit as a grant expense. The loans are subsequently measured at amortised cost using the effective interest method.

F. Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

G. Intangibles

Software acquisition

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with development and improvements of Venture Taranaki's websites are recognised as an asset when incurred as the websites generate future economic benefits.

Amortisation

Computer software licenses are amortised on a straight-line basis over their estimated useful life of two and a half years. Amortisation begins when the asset is available for use and ceases at the date when the asset is disposed of. The

amortisation charge for each year is recognised in surplus or deficit.

H. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably. In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at its fair value when control over the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are presented net in the surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that service potential associated with the item will flow to the Trust and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised as an expense as they are incurred.

Depreciation

Depreciation is provided on a straight line basis at rates calculated to allocate the assets cost less estimated residual value, over the estimated useful life of the asset.

Major depreciation periods are:

• Leasehold alterations	10 years
• Fixtures and fittings	10 years
• Office equipment	3-10 years
• Motor vehicles	3 years
• Other fixed assets	4-10 years

The residual value and useful life of an asset are reviewed, and adjusted if applicable, at each financial year end.

I. Impairment of property, plant, and equipment and intangible assets

Property, plant, and equipment and intangible assets are reviewed for indicators of impairment as at each balance date. When there is an indicator of impairment, the asset's recoverable amount is estimated. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

J. Trade and other payables

Trade and other payables are stated at cost. Trade and other payables are noninterest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

K. Employee entitlements**Short-term employee entitlements**

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

L. Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in "finance costs".

M. Goods and Services Tax (GST)

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense. The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

N. Income Tax

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments

to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Current and deferred tax is recognised against the surplus or deficit for the period, except to the extent that it relates to a business combination, or to transactions recognised in other comprehensive revenue and expense or directly in equity.

O. Critical accounting estimates and assumptions

In preparing these financial statements, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Forecast financial statements

VENTURE TARANAKI TRUST

Prospective Statement of Financial Position

As at 30 June

	Notes	2022	2023	2024
Assets				
Current assets				
Cash and cash equivalents		380,889	474,351	524,455
Trade and other receivables		269,767	111,169	112,293
Other current assets		50,000	50,000	50,000
<i>Total current assets</i>		700,656	635,520	686,748
Non-current assets				
Intangible assets		35,000	7,000	-
Property, plant and equipment		320,011	331,689	296,809
<i>Total non-current assets</i>		355,011	338,689	296,809
Total Assets		1,055,667	974,209	983,557
Liabilities				
Current Liabilities				
Trade and other payables		171,808	93,081	92,616
Employee entitlements		165,270	163,861	167,138
Other current liabilities		85,509	84,188	90,723
<i>Total current liabilities</i>		422,588	341,130	350,477
Net Assets		633,080	633,080	633,080
Total Equity		633,080	633,080	633,080

VENTURE TARANAKI TRUST

Prospective Statement of Comprehensive Revenue and Expenses

For the year ended 30 June

	Notes	2022	2023	2024
Revenue				
Grant revenue	1	5,135,614	4,220,112	4,308,330
Other revenue		25,335	25,690	26,050
Interest revenue		12,000	12,000	12,000
<i>Total revenue</i>		5,172,949	4,257,802	4,346,380
Expenses				
Personnel costs		2,065,879	2,048,259	2,089,225
Depreciation and amortisation		104,579	120,810	100,880
Operating expenditure		2,147,605	1,163,513	1,157,704
Grants		766,886	837,220	910,571
Trustees fees		88,000	88,000	88,000
<i>Total expenses</i>		5,172,949	4,257,802	4,346,380
Surplus before taxation		0	-	-
Income tax expense		-	-	-
Surplus after taxation		0	-	-
Other comprehensive revenue and expenses		-	-	-
Total comprehensive revenue and expenses		0	-	-

VENTURE TARANAKI TRUST

Prospective Statement of Changes in Equity

For the year ended 30 June

	Notes	2022	2023	2024
Balance at 1 July		633,080	633,080	633,080
Total comprehensive revenue and expense for the year		0	-	-
Balance at 30 June		633,080	633,080	633,080

VENTURE TARANAKI TRUST

Prospective Statement of Cash Flows

For the year ended 30 June

	Notes	2022	2023	2024
Cash flows from operating activities				
Receipts from grants and other income		5,362,583	4,416,400	4,345,256
Payments to suppliers and employees		-5,439,088	-4,217,129	-4,242,688
Goods and services tax (net)		-35,926	12,191	6,535
Net cash flows from operating activities		-112,431	211,462	109,103
Cash flows from investing activities				
Receipts from sales of property, plant and equipment		-	-	-
Purchase of property, plant and equipment and intangible assets		-163,000	-118,000	-59,000
Net cash flows (used in) investment activities		-163,000	-118,000	-59,000
Net decrease/increase in cash and cash equivalents		-275,431	93,462	50,103
Cash and cash equivalents at the beginning of the year		656,320	380,889	474,351
Cash and cash equivalents at the end of the year		380,889	474,351	524,455

Note: Venture Taranaki Trust has nil cash flows from financing activities.



Taranaki's Regional Development Agency

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An initiative of



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

CLOSING KARAKIA

Unuhia, unuhia,	Draw on, draw on
Unuhia i te uru tapu-nui	Draw on the supreme sacredness
Kia wātea, kia māmā te ngākau, te tinana	To clear, to free the heart, the body
Te Wairua i te ara takatū	and the spirit of mankind
Koia rā Rongo whakairihia ake ki runga	Rongo suspended high above us (in heaven)
Kia wātea, kia wātea	To be cleared of obstruction
Ae rā kua wātea	It is cleared
Hau Paimarire	

This karakia is recited to close a hui or event. It takes us from a place of focus and releases us to be clear of all the issues or tensions that may have arisen during the hui. We are now free to get on with other things.