

Fact Sheet on the Northland Regional Council Community Trust

Trading as Enterprise Northland

1.0 Background

The Community Trust was set up by the Northland Regional Council in 1996, because the Regional Council saw the need to promote business development throughout the region, and was not able, by law, to deliver it itself. The Council could however establish a Trust for this purpose. The Trust has a \$12M fund, invested for the benefit of Northlanders. The Trust was set up using the proceeds of the sale of Northland Port Corporation shares by the Northland Regional Council. The Mission Statement of the Community Trust is:

To promote and facilitate sustainable regionally based economic development that will benefit all the people of Northland;

In the interests of tax efficiency, the Community Trust channels its economic development activity primarily through to its subsidiaries: Destination Northland Limited and Enterprise Northland Trust. It makes distributions of income each year to these organisations as well as others as appropriate.

Destination Northland Ltd is Northland's regional tourism organisation. Set up in 1997, it is responsible for destination marketing and visitor promotion. The Enterprise Northland Trust was established in 1999 and works in the area of supporting economic development and sustainable business.

Trustees of the Community Trust meet bi-monthly. Because part of their responsibility is to oversee the prudent management of the Trust fund, as well as to promote business development, Trustees should have sound business skills together with an interest in regional development. Trustees may also be appointed to either of the Trust's subsidiaries.

Trustees receive an annual honorarium of \$11,000.

A diagram of the relationship between the organisations is as follows:



2.0 Trust Deed

According to the Trust Deed, the Community Trust is established “for purposes beneficial for the community, principally in the Northland region, including charitable, cultural, philanthropic, recreational, heritage and other purposes”.

The activities of the Trust are set out in the Deed as follows:

"Activities

4.1 The general activity of the Trust within the scope of its purposes shall be to encourage and promote investment in the development of the Northland Region by providing technical assistance and advice, by performing a co-ordination and advocacy role, and by facilitating access to business finance PROVIDED HOWEVER that such activities are undertaken with a focus on benefits to the community or sectors of the community rather than individual benefit.

4.2 Without limiting clause 4.1 the Trust shall undertake the following activities:

4.2.1 Encouraging –

4.2.1.1 persons engaged or about to be engaged in any industry or commercial activity in the Northland Region;

4.2.1.2 persons engaged in or about to be engaged in such advisory or technical services as the Trustees consider desirable or expedient in the interests of the Northland Region;

4.2.1.3 persons engaged in or about to be engaged in the Northland Region in research or the development and exploitation of inventions and ideas;

4.2.1.4 the promotion of business opportunities available in the Northland Region;

4.2.1.5 the removal of barriers to employment in the Northland Region;

4.2.1.6 the co-ordination of regional and district development and promotion –

that will or are likely to create employment opportunities for the residents of the Northland Region and are likely to be of value to the community and economy of the Northland Region.”

3.0 Criteria for Appointment of Trustees

The criteria for the appointment of Trustees are set out in the Community Trust Deed as follows:

- "R3.1 The Trustees shall be appointed having regard to their expertise and their ability to be impartial in carrying out the purposes of the Trust.
- R3.2 In appointing Trustees, the Northland Regional Council shall also have regard to the desirability of Trustees –
- R3.2.1 having proven analytical business skills; and
 - R3.2.2 being independent in their ability to assist the Northland Region; and
 - R3.2.3 having some expertise in trust operations or regional business development; and
 - R3.2.4 being free from political and other pressures; and
 - R3.2.5 being representative of the geographical area of the three districts in the Northland Region."

The Local Government Act also sets out the criteria for persons unable to hold office as Trustee:

"The following persons shall not be capable of being appointed or re-appointed, or of holding office, as a trustee of a community trust:

- (a) A bankrupt –
 - (i) Who has not obtained a final order of discharge; of
 - (ii) Whose order of discharge has been suspended for a term not yet expired or is subject to a condition not yet fulfilled:
- (b) A person who has been convicted within the last three years of a criminal offence punishable by imprisonment:
- (c) A person who would be subject to an order under section 189 of the Companies Act 1955 but for the repeal of that section:
- (ca) A person to whom an order made under section 199L of the Companies Act 1955 applies (or would apply but for the repeal of that Act) or to whom an order made under section 383 of the Companies Act 1993 applies:
- (d) A mentally disordered person within the meaning of the Mental Health Act 1969:
- (e) Any person who is the subject of an order under the Protection of Personal and Property Rights Act 1988:
- (f) A person who does not reside in the district of the constituting local authority:

- (g) A person who is a member of, or is employed in the service of, or who holds any officer in, -
- (i) The constituting local authority; or
 - (ii) Any other regional council or territorial authority or community board (whichever the case may be) that has jurisdiction over all or part of the district of the constituting local authority.”

4.0 Key Objectives of the Community Trust

The key objectives of the Trust are as follows:

- (1) To implement and facilitate the recommendations from the Strategy for the Sustainable Development of Northland – Update 2007-2017.
- (2) To operate a successful Regional Economic Development Agency, as measured by the key performance indicators outlined in the Annual Statement of Intent.
- (3) To manage the Trust’s investment fund effectively in order to provide income to the Trust and also maintain the capital base.
- (4) To work in partnership with district Economic Development Agencies and their Councils, business and industry sectors, Iwi, central government agencies and other key stakeholders in the Northland economy.

5.0 Enterprise Northland

In 2007 Enterprise Northland facilitated the update of the Strategy for the Sustainable Economic Development of Northland. In brief, the plan identified three developmental priorities:

- Creating an effective growth platform:
 - Delivering secure infrastructure to Northland;
 - Positioning Northland for investment and growth;
 - Establishing a regional process for developing Northland leaders, and
 - Realigning the Northland Intersectoral Forums focus on priority capability development.
- Raising capability:
 - Delivering improved education and skills outcomes;
 - Instilling an enterprise focus in youth at school;
 - Enhancing communities ability to capitalise on development opportunities;
 - Establishing an integrated business growth support process;
 - Increasing governance skills, and
 - Increasing research activity.
- Changing Northland’s economic profile:
 - Intensify sector strategic activity;
 - Encourage and increase inward investment in Northland;
 - Instigate effective positioning of Northland for live, work, and invest.

Enterprise Northland has a key role both as an implementer, and as a facilitator of the Strategy.

Enterprise Northland's Annual Statement of Intent covers activity under the following banners:

- Strong Small/Medium size Enterprises (SMEs), large business investment, key projects, emerging business, strong sectors, Northland's image and brand, connected Maori enterprises, increasing skills base, overarching activities and internal activities.

6.0 Destination Northland Limited

Mission Statement

To assist Northland businesses and communities to maximise and manage the sustainable economic benefits of increased visitor numbers through partnership.

- To increase and manage the growth of visitor numbers to the region;
- To increase visitor nights and expenditure within the region, resulting in positive economic development;
- To assist industry and communities to improve the quality of the visitor experience in Northland, and enhance business profitability;
- To work in partnership with Maori to increase their involvement in tourism throughout Northland;
- To facilitate and assist with the delivery of the key priorities from the Northland Tourism Strategy;
- To assist identification, and encourage the development of viable new visitor products;
- To promote the Twin Coast Discovery Highway concept to encourage a greater regional spread of visitors throughout the region; and
- To encourage new tourism investment from public and private sectors.

Destination Northland's annual business plan sets out the following key objectives for 2007-08:

- To increase the total number of visitors to the region, by an additional 3% by 30 June 2008, targeting the shoulder and low seasons (based on the Commercial Accommodation Monitor). Previous year 3% achieved.
- To increase Northland's market share of visitor nights – currently at 5.42%. Previous year 5.36% achieved.
- To increase funding from Northland District Council's for Destination Northland (to be effective by 1 July 08) reflecting CPI increases.
- To assist in achieving 5% annual growth in the Northland full time accommodation employment from a high season base of 1290 in 2007.

7.0 Next Steps

Due to the expiry during 2007 of the terms of trustees Richard Drake and Jane Hindle and the resignation of Lyn Barnes, the Northland Regional Council is seeking applications from people wishing to fill these vacancies. Retiring trustees may wish to seek re-appointment. Those current trustees whose terms are not expiring are Rawson Wright, Mike Simm, Andrew Britton, William Shepherd and Irene Durham.

In accordance with the Trust Deed, where three or more Trustees are appointed at one time, the Northland Regional Council shall appoint new Trustees for terms of up to three years, ensuring that no more than one third of Trustees terms expire in any one year.

Confidential applications, including a curriculum vitae, should be forwarded by **5.00pm, Tuesday 4 December 2007** to:

The Chief Executive Officer
Northland Regional Council, Private Bag 9021, Whangarei 0110
Phone: 09 438 4639, Fax: 09 438 0012, Mailroom@nrc.govt.nz