



**NorthlandInc**

Growing Northland's Economy

Kia tupu ai te ōhanga o Te Tai Tokerau

# Statement of Intent

2020/21 - 2023/24

# Overview

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## Introduction

Economic Development comprises targeted activities and programmes to increase the prosperity of a place; a community, district or region. A key condition that supports economic development is when communities are viewed as attractive places to live, work and play and generate new economic opportunities for themselves. Inclusive growth is economic growth that is distributed fairly across society and creates opportunities for all - enabling people to have the capabilities they need to live lives of purpose, balance, and meaning. Principles of inclusive and equitable growth have become more critical as we enter a phase of economic recovery in Northland post Covid-19 as this will ensure our collective well-being lifts during recovery and emergence.

The tools or resources we have to improve our prosperity and lift our living standards are grouped into four areas – natural capital, financial and physical capital, social capital, and human capital. This is the framework within which we enable economic development in Northland. We acknowledge that environmental sustainability and climate change are important areas of interest for Council and we will continue to support sustainability and climate change resilience through our activity and actions.

Northland Inc will maintain a strong focus on, and commitment to, Māori economic development. We aim to build meaningful partnerships and collaboration to embed Maori Economic Development outcomes into all of our activity.

## Our Vision

Northland is one of the most prosperous regions in New Zealand delivering employment and business opportunities for locals in a fair and equitable society balancing economic development with sustainable environmental management.

## Our Mission

To strengthen, diversify and grow the Northland economy.

## Objectives 2020-2023

1. Advocate and promote the establishment and development of infrastructure that underpins regional economic growth.
2. Attract, facilitate and support investment opportunities in regionally strategic sectors.
3. Promote Northland as a progressive and positive place to visit, do business and live.
4. Provide and facilitate business support services that enable Northland businesses to grow.
5. Increase innovation and entrepreneurship in Northland.
6. Partner with Māori to develop and implement economic development projects for the benefit of Northland.
7. Support tourism product development and infrastructure as enablers of Northland's tourism sector.

To deliver maximum impact, Northland Inc will prioritise activities in four key areas:

1. Lead the post-Covid economic recovery planning for the region:
  - Work across the region to co-ordinate and lead economic recovery activities

- Develop a long term economic development strategy for the region
  - Provide economic intelligence for the region
2. Investment and Provincial Growth Fund (PGF) - the PGF is a short-term opportunity which needs to be prioritised for maximum impact:
    - Providing leadership to highlight and drive transformational opportunities
    - Collaborating, leading and supporting ongoing work programmes to ensure impact extends past the life of the PGF
  3. Engagement Collaboration and Visibility - increase focus on collaboration for the benefit of the region:
    - Improved visibility of progress and outcomes across the region
    - Delivering business advice effectively across the region to support innovation, capacity and capability development
    - Developing clusters, business networks or associations to leverage Northlands key sectors and comparative advantages
    - Empower, support and partner with Māori organisations and businesses
    - Collaborate to leverage resources and funding
  4. Destination Management and Marketing - Promote the region for visitors, and increase the contribution from visitors through supporting product development and regional dispersal:
    - Aiding the sector to respond to the industry changes imposed by COVID-19 and to coordinate the recovery effort.
    - Improving regional dispersal, length of stay, expenditure and the appeal of off peak travel
    - Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing Plan

## Key Performance Indicators

- ❖ Economic Development Recovery:
  - Development of a long term economic development strategy for the region
- ❖ Investment & PGF
  - 100% of IGR business case decisions are made within 90 days [on hold in 2021 due to funding restrictions arising due to COVID-19]
  - 2 inward delegations hosted (anticipated to be restricted due to COVID-19)
  - Investment recommendations are always accompanied by robust business cases
  - 3 High impact projects are implemented
- ❖ Engagement Collaboration and Visibility
  - 230 unique businesses assisted
  - \$1.0M of NZTE and Callaghan grant funding facilitated
  - 90% of clients Satisfied with service
  - 50 unique Maori businesses assisted
  - \$100,000 of NZTE and Callaghan grant funding facilitated specifically for Maori
  - Orchard occupied at 85%
- ❖ Destination Management and Marketing
  - \$857M visitor spend from target markets, limited to domestic markets at this time
  - \$250,000 industry investment in regional promotion activity
  - \$10M of Equivalent Advertising Value achieved

## Financial information

A summary of financial performance is included below.

Income		\$2,942,817
Expenses		
	Projects	\$720,345
	Operations	\$639,766
	Salaries	\$1,581,746
Net Surplus		\$960



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## 1 Introduction

The Board of Directors of Northland Inc Ltd (Northland Inc) present this Statement of Intent as a public declaration of the activities and intentions of Northland Inc Ltd in accordance with the requirements of Clause 9 of Schedule 8 of the Local Government Act 2002.

Northland Inc is a Company registered under the Companies Act 1993, a reporting entity for the purposes of the Financial Reporting Act 1993. It is a wholly owned subsidiary of Northland Regional Council (NRC) and, by virtue of their right to appoint directors, is a council-controlled organisation as defined under Section 6 of the Local Government Act 2002. It was established by the Northland Regional Council as their preferred method of delivering economic development services to the region.

Accordingly, Northland Inc is Northland's Regional Economic Development Agency and Regional Tourism Organisation. It also forms part of the Government's Regional Business Partner Network (RBP).

Northland Inc is funded by an operational contribution from NRC and is project funded through other public and private agencies, with central government being the next largest contributor. Northland Inc acknowledges that many parts of the Northland economy could use further support, and is committed to identifying partnerships and collaborations that help to increase funding and resources to support economic growth. Notwithstanding our intent to raise additional funding, our budget as presented reflects confirmed funding sources only. As such, for the sake of conservatism, the activities, workstreams and KPIs included in this document assume no additional funding is achieved.

The organisation is governed by a board of seven directors appointed for three years on a rotational basis (or as otherwise specified from time to time by NRC). The Board Chair is elected by the Directors. Operational activity is led by the Chief Executive Officer. Northland Inc currently has no subsidiaries or joint ventures.

This Statement of Intent is the guiding governance tool and terms of reference for Northland Inc and defines the key performance indicators (KPIs) as agreed by NRC. It outlines the Directors' accountabilities to NRC for corporate performance.

Below is further supporting information (to be read in conjunction with that provided above) required to be included within a Statement of Intent.

## 2 Context

Northland Inc works with organisations and institutions in Northland and the public and private sectors with a common purpose to grow, strengthen and diversify Northland's economy.

NRC's 2018 Long-Term Plan (LTP) sets out NRC's objectives, community outcomes, values and areas of focus. Collectively this provides a statement about the direction NRC wishes to take in making a meaningful contribution to the region, and this is relevant for guiding Northland Inc's objectives, approach and activities. Northland Inc and NRC have deliberately aligned their objectives for economic development (see Objectives outlined below).

Northland Inc also has regard to the collective objectives of Northland Forward Together, which outlines shared regional aspirations of the four local authorities which incorporate economic development.

In December 2017 government introduced the Provincial Growth Fund (PGF). It has been a critical Central Government policy that Northland Inc had to respond and adapt to. "The New Zealand Government has allocated three billion dollars over a three-year term to invest in regional economic development through the Provincial Growth Fund (PGF)" (*source: growregions.govt.nz*) The PGF is intended to lift productivity in the provinces and to enhance economic development opportunities. It provides a significant opportunity for Northland economic development interventions to be accelerated and we need to ensure our objectives maximise benefit for Northland communities.

Several other government and local initiatives guide Northland Inc's economic development agenda and long-term context for Northland Inc, including;

- Tai Tokerau Northland Economic Action Plan (Action Plan)
- He Kai Kei Aku Ringa (the Crown-Māori joint strategy for Māori economic development); and
- He Tangata, He Whenua, He Oranga, the Tai Tokerau Māori Growth Strategy developed by the Tai Tokerau Iwi CEOs Consortium.

Northland Inc is committed to the principles of 'Inclusive Growth' which are attracting an increasing focus in Economic Development practice worldwide. Central Government has developed the new Living Standards Framework and well-being measures. These foci are strong policy contexts that will influence what and how Northland Inc works. Northland Inc will continue to develop and support economic development strategies and actions that incorporate the principles of Inclusive Growth and look to provide alignment with the living standards framework as it is developed. We strive to ensure fair and equitable outcomes that balance economic development with sustainable environmental management, and will prioritise economic opportunities which support environmental management and climate change.

Principles of inclusive and equitable growth have become more critical as we enter a phase of economic recovery in Northland post Covid-19 as this will ensure our collective well-being lifts during recovery and emergence.

We acknowledge that environmental sustainability and climate change are strong areas of interest for Council and we will continue to reflect this within our activity and actions.

Northland Inc will maintain a strong focus on, and commitment to, Māori economic development. We aim to build meaningful partnerships and collaboration to embed Maori Economic Development outcomes into all of our activity.

### **3 Nature and scope of activities to be undertaken by Northland Inc**

Northland Inc focusses on the following four work programmes to achieve the organisational objectives:

1. Post Covid Economic Recovery – Lead the economic development recovery planning for the region.
2. Investment and PGF – Leveraging economic growth in the region through the strategic co-ordination, management and allocation of available public and private sector funding, including NRC's Investment and Growth Reserve.
3. Engagement Collaboration and Visibility – Focus on collaboration for the benefit of the region and to continually improve the performance, productivity and profitability of Northland businesses; and

4. Destination Management and Marketing (previously called Regional Tourism Office) – Promoting the region for visitors, and increase the contribution from visitors through supporting product development and regional dispersal.

The latter three work programmes from prior years remain consistent post Covid, however we expect in the short to medium term, some re-orientation of effort may be necessary as economic recovery plans develop. We have added a specific work area in regard to leading recovery planning for the region.

The nature and scope of activities relevant to each work program are listed below.

1. Lead the post-Covid economic recovery planning for the region:
  - Work across the region to co-ordinate and lead the economic recovery activities
  - Provide economic development intelligence
  - Develop a long term economic development strategy for the region
  - Assist with project management and delivery of economic response activities (including PGF funded projects)
  - Maintain a delivery structure for the region (Action Plan)
2. Investment and PGF – Leveraging economic growth in the region through the strategic co-ordination, management and allocation of available public and private sector funding, including the PGF and NRC's Investment and Growth Reserve; promoting the region for investment and supporting the implementation of the Action Plan:
  - Actively supporting and facilitating investment in Regionally Strategic Sectors in the Northland economy
  - Delivering a promotional programme to encourage investment and market development of Northland's strategic growth sectors
  - Leveraging the Investment and Growth Reserve to increase investment into the Northland economy [on hold in 2021 due to funding restrictions arising due to COVID-19]
  - Supporting and facilitating the development of new and enabling infrastructure such as UFB, roads, rail and water
  - Deliver the Extension 350 Programme
3. Engagement Collaboration and Visibility – Collaborate for the benefit of the region and continually improve the performance, productivity and profitability of Northland businesses:
  - Delivering business advice effectively across the region to support innovation, capacity and capability development through incubation services and the Regional Business Partnership; New Zealand Trade & Enterprise, Callaghan Innovation and Business Mentors New Zealand
  - Developing clusters, business networks or associations to take advantage of market development opportunities that leverage Northlands key sectors and comparative advantages
  - Building and sharing specialist knowledge through a business events programme and provide opportunities to access a range of capital support mechanisms for Northland businesses

- Engage and partner with iwi, hapū, marae and the Māori community, central government agencies and other entities supporting Maori Economic Development to advance their aspirations in economic development and enable investment, business growth and completion of economic development projects
  - Work with, advocate for and support Māori businesses with their aspirations for growth
4. Destination Management and Marketing – Promoting the region for visitors, and increase the contribution from visitors through supporting product development and regional dispersal:
- Identifying, and where appropriate, assisting with the development of infrastructure, products, services and sub-regional destinations aiding the sector to respond to the industry changes imposed by COVID-19 and to coordinate the recovery effort.
  - Improving regional dispersal, length of stay, expenditure and the appeal of off peak travel particularly through leverage of the Twin Coast Discovery programme as a region wide development framework for tourism
  - Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing Plan for destination marketing, in alignment with the direction of national tourism organisations and in conjunction with the Northland tourism sector.

In terms of the focus for investment activity, the 'Regionally Strategic Sectors' are:

- Agriculture and Horticulture
- Digital
- Tourism
- Marine

## 4 Performance targets

Key performance indicators are:

Work Programme	How we will measure	2020/21	2021/22	2022/2023
Economic Development Recovery	Development of a long term economic development strategy for the region	Strategy developed	N/A	N/A
Investment and PGF	Percentage of IGR business case decisions (by the Board) made within 90 days of receiving application [on hold in 2021 due to funding restrictions arising due to COVID-19]	N/A	100%	100%
	Number of inward delegations hosted	2	3	3
	Investment recommendations are accompanied by a robust business case	100%	100%	100%
	Number and value of high impact projects that are implemented	3	3	3
Engagement Collaboration and Visibility	Number of unique businesses assisted (by TA and industry)	230		
	Value of NZTE and Callaghan Innovation grant funding facilitated	\$1.0M		
	Client satisfaction (as measured by Net Promoter Score)	90% (NPS 50)		
	Number of unique Māori businesses assisted (by TA and industry)	50	55	60
	Value of NZTE and Callaghan Innovation grant funding facilitated for Māori businesses	\$100,000	\$110,000	\$120,000
	Orchard occupancy rate	85%	85%	85%
Destination Management and Marketing <sup>1</sup>	Visitor spend from target markets	\$857M	\$900M	\$945M
	Value of industry investment in regional promotion activity	\$250,000		
	Equivalent Advertising Value achieved from destination marketing	\$10M		

Note: Northland Inc has prepared a separate supporting document (Appendix B) which explains the rationale and recording methodology behind each of the Key Performance Indicators.

<sup>1</sup> KPI's for this area are based on estimates of the domestic industry spend based on pre-COVID data and are accordingly lower than prior Sol targets.

## 5 Shareholders' funds, distributions and the value of shareholders' investment

Shareholders' funds (being retained surpluses plus share capital) at June 2019 was as follows:

	June 2019
Total Assets \$	1,242,311
Total Liabilities \$	1,108,654
Shareholders' Funds \$	133,657
Shareholders' Funds as % of Total Assets	10%

Northland Inc forecasts small surpluses year-on-year. Accordingly, Shareholders' Funds as % of Total Assets will remain approximately at this level.

Northland Inc is not required to make any distributions to NRC as the shareholder.

The value of the shareholders' investment in Northland Inc is estimated by directors to be equal to current shareholders' funds being \$133,657.

## 6 Governance

The Board will effectively represent and promote the interests of NRC by seeking to fulfil its mandate as described above. The Board will discharge their duties in accordance with Northland Inc's Board Charter.

In undertaking its activities, Northland Inc will seek to:

- Achieve the objectives of NRC, both commercial and non-commercial as specified in this Statement of Intent;
- Demonstrate ethical and good behaviour in dealing with all parties;
- Achieve active partnerships with Māori, and other key stakeholders within the region, promoting effective communication where appropriate;
- Comply with all relevant legislative requirements, including those relating to the principles of the Treaty of Waitangi;
- Maintain an open and transparent approach to decision-making with NRC while respecting the need for commercially sensitive information to be protected;
- Be a good employer; and
- Exhibit social and environmental responsibility.

The Board will adopt the following approach to its fiduciary responsibilities to ensure good governance:

- Prepare a 3-year SOI setting out its strategic goals for agreement with NRC, as shareholder;
- Establish a clear business plan which reflects the agreed SOI;

- Establish a clear performance framework and job description for the Chief Executive Officer;
- Approval of detailed operating, capital and cashflow budgets;
- Attend regular meetings to review performance and progress towards set objectives and budgets; and
- Operation of appropriate Board subcommittees to appropriately manage Risk, Compliance, Remuneration and Board performance.

The Board believes regular communication with NRC is important to ensure good governance. The Board and Chief Executive will use their best endeavours to communicate in a regular and timely manner and ensure that matters are raised so there will be 'no surprises'. Established processes will be maintained to ensure regular contact between the Board, management and NRC, and informal meetings will be encouraged to ensure regular communication flows regarding matters of mutual interest.

## 7 Accounting policies

The accounting policies that have been adopted are detailed in the company's latest audited financial statements. A copy is included as **Appendix A**.

## 8 Information to be provided to the Shareholders

Directors will formally report progress against the SOI to NRC quarterly via a written report submitted within six weeks of the end of the 1<sup>st</sup> and 3<sup>rd</sup> quarters, and attendance at a Council meeting thereafter as per the NRC schedule.

In compliance with Section 66 of the Local Government Act 2002 the Directors will, within two months after the end of the first half of each financial year, deliver to NRC an unaudited half year report containing:

- a Statement of Performance, Position and Cash flow as at the half year balance date
- financial forecasts for the full year and comparison to approved budgets
- commentary on progress to meeting performance targets and the expected year end position.

In accordance with Clause 2 of Schedule 8 the Directors will deliver a draft SOI to NRC as the shareholder by 1<sup>st</sup> March of each year for the subsequent three-year period.

In accordance with Clause 3 of Schedule 8 the Directors will deliver a Board approved SOI to NRC as the shareholder on or before the 30<sup>th</sup> June of each year.

In compliance with Section 67 of Part 5 the Directors will, within three months of the end of the financial year, deliver to NRC an audited Annual Report which meets the requirements of Section 68 and Section 69 of Part 5. In addition, the Annual Report is to contain a declaration by the Board as to the compliance with the Act and specifically that the requirements of Schedule 8 have been met.

## **9 New entries, acquisitions and sales**

Directors may not create any new legal entity, acquire shares or any equity interest in any existing legal entity or sell any interest held by Northland Inc without the specific approval of the NRC as the shareholder.

## **10 Activities for which local authority funding is sought**

Northland Inc reserves the right to seek compensation from time to time for the necessity to provide any service required by the NRC where funding has not been previously agreed.

## **11 Any other matters**

Northland Inc can request NRC hold a confidential Council meeting for discussion about commercially sensitive matters, subject to this request meeting the requirements of section 7(2) of the Local Government Official Information and Meetings Act 1987. Any report submitted by Northland Inc for NRC's formal consideration needs to be accompanied by advice to Council from NRC's Chief Executive.

## 12 Financial information

A prospective statement of financial performance is included below.

<b>NORTHLAND INC Forecast Prospective Statement of Financial Performance</b>				
<b>Income</b>	<b>20/21 Forecast</b>	<b>21/22 Forecast</b>	<b>22/23 Forecast</b>	<b>Notes</b>
NRC Funding	\$ 1,365,266	1,395,302	1,361,327	
Orchard Income	\$ 144,420	144,420	144,420	
NZTE & Callaghan	\$ 339,531	339,531	339,531	
WDC	\$ 105,000	105,000	105,000	
KDC Kai Hub	\$ 143,600	-	-	
NIF	\$ 59,000	59,000	59,000	
FNDC	\$ -	-	-	
KDC	\$ -	-	-	
I&GR Project Development Fund	\$ -	300,000	300,000	1
Extended Regional Promotions (NRC)	\$ 200,000	-	-	2
Extension 350 Project (NRC)	\$ 100,000	32,600	-	
DMM Website Income	\$ 27,000	27,000	27,000	
International Marketing Group	\$ 37,500	37,500	37,500	
Extension 350 Partner funding	\$ 346,500	211,700	-	
MBIE (Action Plan TTNEAP)	\$ 50,000	-	-	3
Creative HQ	\$ 25,000	-	-	
<b>Total income</b>	<b>\$ 2,942,817</b>	<b>2,652,053</b>	<b>2,373,778</b>	<b>4</b>
<b>Project Expenses</b>				
NIF	\$ 60,000	60,000	60,000	
I&GR Project Development Fund	\$ -	300,000	300,000	
Extension 350 Project Delivery	\$ 298,725	155,220	-	
Business Grow RPB Delivery	\$ 98,620	30,000	30,000	
<b>Total Project Expense</b>	<b>\$ 457,345</b>	<b>545,220</b>	<b>390,000</b>	
<b>Activity Expenses</b>				
Destinational Management & Marketing	\$ 147,000	147,000	147,000	
MED	\$ 109,000	109,000	109,000	
The Orchard	\$ 7,000	-	-	
<b>Total Project Expense</b>	<b>\$ 263,000</b>	<b>256,000</b>	<b>256,000</b>	
<b>Salaries &amp; Overheads</b>				
Salaries	\$ 1,581,746	1,237,171	1,160,246	
Overheads	\$ 639,766	613,326	566,770	
<b>Total Salaries &amp; Overheads</b>	<b>\$ 2,221,512</b>	<b>1,850,497</b>	<b>1,727,016</b>	
<b>Total Expenses</b>	<b>\$ 2,941,857</b>	<b>2,651,717</b>	<b>2,373,016</b>	<b>5</b>
<b>Total Net Surplus</b>	<b>\$ 960</b>	<b>336</b>	<b>762</b>	
Notes 20/21:		Notes 21/22 & 22/23:		
1 - NRC Project Development funding ceased for year		1- Assuming NRC Project Development funding reinstate		
2 - Final year of Extended Regional Promotions funding		4 - Only confirmed funding has been included		
3- Action Plan funding ceases Sept 20 in accordance		5 - Resources & activity reduced to align with		
4 - Only confirmed funding has been included		funding levels		

## Appendix A: Northland Inc Accounting Policies

### 1. Statement of Accounting Policies

#### ***BASIS OF PREPARATION***

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

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and is not large. The entity transitioned to PBE Standard Tier 2 from 1st July 2016.

The financial statements have been prepared in accordance with the Local Government Act 2002, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP"). [LGA. 111].

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

#### ***CHANGES IN ACCOUNTING POLICIES***

Previously adopted Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). The impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

## Appendix B: Supporting Information for Northland Inc Statement of Intent

### Introduction

The Statement of Intent for Northland Inc contains Key Performance Indicators (KPI's). The rationale for choosing the KPI's and the method in which these indicators are reported on is not always clear, and therefore this document provides more detail around the KPI and the method of reporting.

### Rationale

KPI's need to have a solid rationale, clear line of site back to the activities of Northland Inc, be simple to understand and be measurable. The KPI's within the Statement of Intent are a mixture of Inputs, Outputs and Outcomes. Some are under the direct control of Northland Inc and some are influenced by Northland Inc activity. It is important to have a least one indicator for each work programme area and where possible a mixture of the different type of indicators. A brief explanation of the rationale for each KPI is provided below.

### KPI's

The KPI's are as follows:

(Note these have been numbered for ease of reference within this document)

1. Post Covid Economic Recovery
  - a. Development of a long term economic development strategy for the region
2. Investment and PGF
  - a. Percentage of IGR business case approvals (by the Board) made within 90 days of receiving application
  - b. Number of inward delegations hosted
  - c. Investment recommendations are accompanied by a robust business case
  - d. Number and value of high impact projects that are implemented
3. Engagement Collaboration and Visibility
  - a. Number of unique businesses assisted (by TA and industry)
  - b. Value of NZTE and Callaghan Innovation grant funding facilitated
  - c. Client satisfaction (as measured by Net Promoter Score)
  - d. Number of unique Māori businesses assisted (by TA and industry)
  - e. Value of NZTE and Callaghan Innovation grant funding facilitated for Māori businesses
  - f. Orchard occupancy rate
4. Regional promotion and tourism
  - a. Visitor spend from target markets
  - b. Value of industry investment in regional promotion activity
  - c. Equivalent Advertising Value achieved from destination marketing

### Rationale and Methodology for Individual KPI's

- 1.a Rationale: Outcome measure – indicates the region has a long term strategy in place and Northland Inc is central that development and delivery process.

Methodology: long term strategy document completed.

- 2.a Rationale: Output measure – indicates the efficiency within which the project management office receives, processes and outputs work.
- Methodology: Evidence for KPI is Northland Inc Board minutes.
- 2.b Rationale: Input measure – indicates that the region is attractive for inward investment. Suggests that the Landing Pad and regional promotion activity are functioning.
- Methodology: Evidence for KPI is the number of meetings held and details of attendees.
- Inward delegation is a reference to an expression of interest from a reputable company (national or international) who is interesting in investing in the region. The KPI is achieved when Northland Inc participates in the hosting (meeting) of the company's representatives (delegates). Note that often Chinese delegates are hosted jointly with Councils as this is the preferred way to establish a relationship with Chinese culture.
- 2.c Rationale: Outcome measure – measures the quality of the project management office procedures and assessment.
- Methodology: Evidence for KPI is Northland Inc board minutes recording decision to recommend investment (either to Council for the Investment and Growth Reserve or to another investment fund). Note that this KPI is intended to include applications to the Provincial Growth Fund that Northland Inc supports. Evidence of robust business case is that no further work is required on the business case to make a decision.
- 2.d Rationale: Outcome measure – ensures the work area is aligned with the vision and mission.
- Methodology: High Impact projects are projects that are likely to make a significant contribution to their sector in one or more of the following areas: employment, training, GDP, household income, sector strength diversity, research and development. All projects are assessed using standardised internal processes to understand the potential impact/contribution.
- 3.a Rationale: Input measure – measures the volume of work being generated and processed.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is presented by TLA and industry.
- 3.b Rationale: Output measure – provides evidence that the engagements in the previous KPI are resulting in positive activity.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. (Recommended that the annual report include comparison against other similar regions)
- 3.c Rationale: Outcome measure – independent verification that the services within this work programme are of success.
- Methodology: A widely used customer loyalty or satisfaction metric used to measure success across NZTE services. It is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others.
- 3.d Rationale: Input measure – measures the volume of work being generated and processed.
- Methodology: Evidence for KPI is recorded in Northland Inc's CRM database. Breakdown of data is to be presented by TLA and industry.

- 3.e Rationale: Output measure – provides evidence that the engagements in the previous KPI are resulting in positive activity.

Methodology: Evidence for KPI is recorded in Northland Inc's CRM database.

- 3.f Rationale: Outcome measure – indicates the level of support within the Economic Development sector in Whangarei for the Orchard co-working space.

Methodology: Orchard occupancy rate is based on the percentage hours per week that desk space is occupied for, using a 40 hr working week as standard. Northland Inc and the Chamber of Commerce (both being tenants in the Orchard space) are not included in this calculation.

- 4.a Rationale: Outcome measure – indicates sector wide trends and indicates if the Regional Promotion and Tourism work programme area is achieving change (although not suggesting a direct link)

Methodology: Visitor spend is recorded through the MBIE monthly regional tourism expenditure estimates. Target markets are Domestic.

- 4.b Rationale: Input measure - Indicates industry support for the work programme area.

Methodology: Evidence for KPI is recorded through direct payments to Northland Inc for joint marketing activity undertaken and/or payments made to contracted companies for website, media, print material.

- 4.c Rationale: Output measure – indicates direct value add from work programme activity

Methodology: Equivalent Advertising Value is calculated using standard methods utilised in the public relations and communications industries. These methods measure the size of the coverage gained, its placement and calculates what the equivalent amount of space would cost.