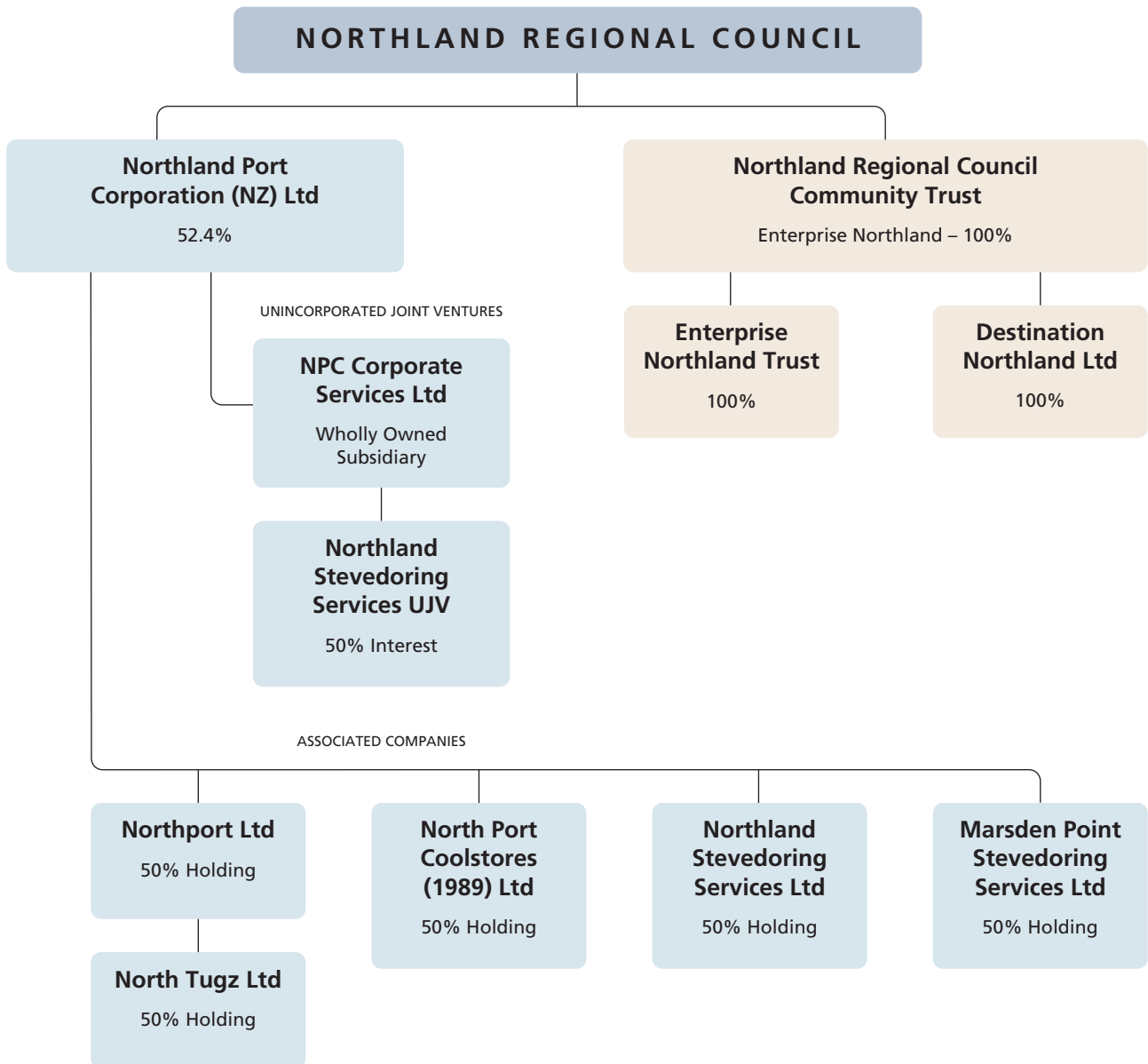


council entities

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group structure



Northland Port Corporation (NZ) Ltd

Port Ownership

The Northland Regional Council owns 53.61% (22.1 million shares) of the issued capital of the Northland Port Corporation (NZ) Ltd, which is presently 41,300,651 ordinary shares of 25 cents each. The balance of shares is held by the public and all shares are listed on the New Zealand Stock Exchange.

The Council reviews its shareholding in the company during the triennial review of its strategic plan.

There are six directors of the Northland Port Corporation (NZ) Ltd. Two directors retire by rotation each year. The following are the directors confirmed at the 2008 Annual General Meeting of shareholders:

- Mr G E Vazey, Chairman
- Mr M R Gross
- Mr R J McKay
- Mr I C Walker
- Mr M C Farnsworth
- Ms Susan Huria
- Mr David Keys
- Mr Colin Mitten

Company Operations

Over the last few years the Company has rationalised its operations and is now essentially an investment company Northport Ltd operates a deep water port facility at Marsden Point.

North Port Coolstores (1989) Ltd operates a coolstore at Port Whāngārei. Marsden Cove Ltd is currently undertaking marina and residential waterway development in the Marsden Bay area.

The Company also owns approximately 180 hectares of industrially zoned land in the Marsden Point area which is being progressively developed for industry and utilises the port at Marsden Point.

Company Financial Data

As a listed company, the Northland Port Corporation (NZ) Ltd is not required to publish a Statement of Corporate Intent nor provide budget estimates to the Council, its major shareholder. The corporation is exempt from the Council Controlled Organisations provisions of the Local Government Act 2002.

Company	Holding	Main Activity
Northport Ltd	50.0%	Port operating company
Northland Stevedoring Services Ltd	50.0%	Stevedores
North Port Coolstores (1989) Ltd	50.0%	Coolstore operators
Marsden Point Stevedoring Services Ltd	50.0%	Non-trading



Northland Regional Council Community Trust

The Northland Regional Council established a Community Trust in 1996 to encourage and promote sustainable economic development for the benefit of the people of Northland. Trading as 'Enterprise Northland', the Trust has continued to implement the recommendations made in the 2002 Strategy for the Sustainable Economic Development of Northland. This strategy has been updated to cover the period from 2007 to 2011. The Trust's capital (\$10.1M at June 2010) was originally provided from the profit on the Council's sale of 10 million shares in Northland Port Corporation (NZ) Ltd in 1992, plus retained earnings and losses, to date.

The Trust's activities are governed by a Trust Deed which is reviewed every five years. (It was last reviewed in June 2006.) There are currently four independent Trustees (following the resignation of the NRC representatives) and a Chief Executive Officer.

Key objectives of the Trust for the 12 months covered by this report are:

- to implement and facilitate the recommendations from the Strategy for the Sustainable Development of Northland;
- to operate a successful Regional Economic Development Agency;
- to manage the investment fund effectively in order to provide income to the Trust; and
- to work in partnership with Councils, business and industry sectors, iwi, Central Government agencies and other key stakeholders in the Northland economy.

The general activity of the Trust, as defined in Section 4 of the Trust Deed, 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 rather than individual benefit. Recommendations from the 2008/09 review have been implemented with the separation of ENT and DNL as two operating units under General Managers.

Enterprise Northland

In accordance with the requirements of the Local Government Act 2002, Enterprise Northland prepares an annual Statement of Intent outlining its objectives and performance standards for the coming year's activities. The core areas of activity are linked to the updated Sustainable Economic Development of Northland 2007 – 2011 and are detailed in the Statement of Intent, these include:

- Optimising Northland's gains from Rugby World Cup 2011.
- Developing tourism, primary processing and aquaculture sectors as a priority to raise their contributions towards regional GDP.
- Inwards investment attraction to key sectors.
- Positioning Northland.



- Deliver the Enterprise 4 Education programmes.
- Assisting Northland communities develop projects that will both retain and increase employment in the short and long term.

Destination Northland Limited

Destination Northland's mission is to assist Northland businesses and communities to maximise and manage the sustainable economic benefits of increased visitor numbers through partnership. Northland like many other parts of New Zealand has been challenged by the global recession and difficult domestic trading conditions effecting tourism.

Despite these trading conditions, Northland visitor nights have increased by 3.1% for the 12 months to 30-6-2010 being 60% above the New Zealand average of 1.9%. This increase came from a 1.5% growth in domestic nights & 5.5% international. International visitor nights now account for 40% of the regions total, compared to 35%, 12 months ago. With International visitors staying for nearly 4 nights (double domestic) this is a target growth area for Destination Northland

Destination Northland has achieved a significantly increased level of domestic and international media exposure through a wide range of initiatives. It has also targeted the Australian market to maximise the additional Government investment in that area.

The complete re development and branding of northlandnz.com was a major project during the last year with the new site coming online in March 2009.

Private sector industry support continues to be positive for Destination Northland Ltd, with \$1 million of both cash and in kind support being confirmed for joint marketing in the 2009-2010 year.

The Destination Northland Annual Business Plan forms the basis of quarterly reports to the Community Trust and the Northland Regional Council.

council controlled organisations

Northland Regional Council Community Trust (trading as Enterprise Northland)

Level of Service: The level of Service is established in the Trust's Annual Statement of Intent.

Performance Measures and Targets year ending 30 June 2010

Activity 1: 2011 Rugby World Cup

1. 2011 Rugby World Cup.	
Performance Measures and Targets	Actual Service Performance to 30 June 2010
<p>a. Commence a series of programmes to ensure Northland is in a position to secure as a minimum the estimated \$27.7 million (Howarth HTL 2008 economic impact report) economic benefit from the 2011 Rugby World Cup.</p> <p>Northland 2011 group formed and Enterprise Northland charged to undertake specific actions from the project plan:</p> <ul style="list-style-type: none"> – Co-ordination/Liaison; – Team hosting/match days and festivals; – Visitor programme; – Business ready and inward investment. • Marketing Plan completed and buy in from stakeholders. • Contact with all official Overseas Travel Agent's selected by IMG & Rugby Tourism & Hospitality, training visits, email campaign, hosting, material, to influence OTA's programmes. • Festival plan around the whole event, hiring event co-ordinator, draft events programme in place & framework ongoing coordination liaison with (potential) event festival organisers & NZ 2011 Festival Office. • Co-ordinate task forces. • Engage four Northland businesses with the Kea project. • Business Club MOU agreed. 	<p>Achieved. Plan and budget was approved Nov 2009.</p> <p>Achieved. 18 out of 20 Official Agents have given positive indications that Northland destinations will be included in their itineraries and packages.</p> <p>Achieved. December 2009: Festival Co-ordinator contracted. March 2010: Detailed plan completed for "non match" activities, including festivals, inwards investment and business facilitation. Connection formed with NZ 2011 Festival Office.</p> <p>Achieved. All task forces have met and started project planning.</p> <p>Achieved. Four Northland businesses with the KEA programme – web casts on Pass-it-on site, companies engaged in process.</p> <p>Achieved. Business Club MOU agreed by all parties concerned May 2010.</p>

council controlled organisations

Activity 2 Enterprise Education

2. Enterprise Education.	
Performance Measures and Targets	Actual Service Performance to 30 June 2010
<p>a. Continue to deliver the Enterprise 4 Education programmes, and also develop a plan to transition the operation over to Ministry of Education for funding.</p> <p>Continue to foster the understanding of Enterprise 4 Education programmes with Students & Teaches, encouraging new uptake and the use of the Video Conferencing unit as a learning tool.</p> <p>Facilitate the release of the Education and Enterprise: Learning at the Interface" Report".</p> <p>E4E migrated to interim alternative funder for remains of Calendar year 2010.</p> <p>Lobby Central Government to fund E4E programmes.</p> <ul style="list-style-type: none"> • Increase in student /teacher understanding of E4E activities through targeted communications with Student/Teachers. • Deliver ten Professional Development sessions to teachers and ten student led Video Conference communications. • Engage five schools in a school based sustainable Student Forums. Minutes of school forum circulated. • Make available to stakeholders and discussion groups. • Establish a link with Top Energy Youth Trust to carry E4E from 1 July 2010. • Target Ministry of Education E4E director directly. 	<p>Achieved.</p> <p>Feedback through discussion with teacher/students and senior managers to the operational E4E/YES team lead them to believe a greater understanding was fostered (no hard data available).</p> <p>Not achieved.</p> <p>Delivered four teacher and six student sessions. With the change of focus on looking for sustainable funding and to ensure we did not set expectations we couldn't meet we did not deliver the planned sessions.</p> <p>Not achieved.</p> <p>Engaged four schools. Minutes circulated to Regional Co-ordinator. With the change of focus on looking for sustainable funding and to ensure we did not set expectations we couldn't meet we did not deliver the planned forums.</p> <p>Achieved.</p> <p>The Report is in the public arena March 2010.</p> <p>Achieved.</p> <p>Top Energy agreement 1 July – 30 December 2010. TE Youth Trust will provide six months funding for formation of Northland Youth Development Trust scheduled to be registered Sept 2010.</p> <p>Achieved.</p> <p>Met with Ministry of Education E4E director they supported the programme but unable to fund as not core focus.</p>

council controlled organisations

Activity 3 Regional Marketing

3. Regional Marketing.	
Performance Measures and Targets	Actual Service Performance to 30 June 2010
<p>a. Increase the economic return from visitors measured by:</p> <p>Maintaining market share of all visitor nights and 3% increase in visitor expenditure market share above June 2009 numbers.</p> <ul style="list-style-type: none"> To grow Northland market share of visitor nights from 5.05% to 5.10%. To grow the shoulder season by 4% to 600,000 Visitor Nights in commercial accommodation (CAM). Increase domestic media coverage by 5% over 2008-2009 value of \$354,523. To increase the percentage of Northland International. Visitor Nights from current 27% to 30%. Northlandnz.com is the leading site for the promotion of Northland and acts as a portal for those interested in the region as a place to work, live and play. To maintain the existing funding base of \$960,000 from the private sector for co-operative joint marketing with Destination Northland. Initiate and drive two new business case studies for major new tourism development projects which will generate increased visitor expenditure. Visitor expenditure market share from Statistics NZ report. 	<p>Achieved. Source Statistics NZ CAM report. Market share increased from 5.04% to 5.10%.</p> <p>Not achieved. Shoulder season target not achieved, as higher growth occurred in peak months due to very good weather. 2% growth.</p> <p>Achieved. Value determined on advertising value. +12% \$69,439.</p> <p>Achieved. Northland International growth three times greater than domestic, source Stats NZ CAM report. 40% International.</p> <p>Achieved. Source Goggle reports. Northlandnz.com completely upgraded. Unique Visit +8.8%. Page Views +7.0%.</p> <p>Achieved. Funding tracked by monthly accounts and in kind report. \$999,000 (cash \$500,000).</p> <p>Achieved. Final Business case completed April 2010. Bay of Islands expanded conference study completed, funding options underway.</p> <p>Achieved. FNDC acknowledgement. Assisted FNDC with cycleway study.</p> <p>Not achieved. Data not available until Oct 10, this result will appear in DNL quarterly reporting to the NRC.</p>
<p>b. 3% increase in Australian visitor night market share above June 2009 numbers.</p> <ul style="list-style-type: none"> Form an Australian Trade Marketing Group and put together marketing plan and secure minimum 30 members. 	<p>Achieved. Data not available. Evidence suggests that much of the 5.5% international growth is accounted for by the Australian market.</p> <p>Achieved. Result 34 members.</p>

council controlled organisations

Activity 4 Economic Development

4. Economic Development.	
Performance Measures and Targets	Actual Service Performance to 30 June 2010
<p>a. Focusing on developing tourism, primary processing and aquaculture sectors as a priority to raise their contributions towards regional GDP.</p> <p>Inward Investment</p> <ul style="list-style-type: none"> Engage services of investment specialist. Implement Angel network. Feasibility for local venture capital. Develop and implement inward investment targeting programme. <p>Beef Farming</p> <ul style="list-style-type: none"> Secure commitment from Beef Profit Partnership to participate in scoping study. Develop and distribute a formal RFP to relevant consultancies. Select appropriate consultancy and sign off on final proposal to carry out the project. Carry out scoping project. <p>Aquaculture</p> <ul style="list-style-type: none"> Reengage industry group. <p>Marine MRI</p> <ul style="list-style-type: none"> Deliver to NZTE agreed milestones. <p>West Coast Tourism</p> <ul style="list-style-type: none"> Establish consultation group. Complete study of commercial potentials. 	<p>Achieved. Specialised secured and contract agreed October 2009.</p> <p>Achieved. Network in place through internal party. Enterprise Northland providing capital placements at larger end.</p> <p>Not Achieved. Late appointment of contractor lessened priority. Discussion paper completed.</p> <p>Achieved. Tactical plan agreed and sub contractors in place with TLAs November 2009.</p> <p>Achieved. Scoping study completed and presented back to group in March 2010.</p> <p>Not Achieved. Awaiting clarity on regulation front before proceeding. Initial discussions, working on equity placement into aquaculture.</p> <p>Achieved. Project quarterly annual reporting signed off by NZTE. Continued funding to project through recession, ability to negotiate variations to milestones as required.</p> <p>Achieved. Group establishes early 2010 as adjunct of Experience Hokianga.</p> <p>Achieved. Skyway pre-feasibility completed with Te Roroa May 2010.</p>

council controlled organisations

Activity 4 Economic Development continued

4. Economic Development.	
Performance Measures and Targets	Actual Service Performance to 30 June 2010
<p>b. Assisting Northland communities develop projects that will both retain and increase employment in the short and long term.</p> <p>Far North Manuka Honey Industry development.</p> <ul style="list-style-type: none"> • Honey school operational. • Initial scoping for honey extraction facilities/lab. • Land identification. • Medium term facilities scoped. <p>Identify community entities able to develop commercial activities.</p> <ul style="list-style-type: none"> • Identify and assist at least 10 entities. 	<p>Achieved. Opened February 2010, 17 students.</p> <p>Achieved. Specs determined.</p> <p>Achieved. A number of parcels of land appraised for potential. Discussions with FNDC.</p> <p>Achieved. Discussion with Telford relocation of school facilities.</p> <p>Achieved. Report outlining impact of programme and current status of entities – Venture Consulting. At least 10 entities assisted with planning and implementation of business ventures. Includes Maori, social organisations and business collectives.</p>
<p>c. Continue to assist in the development and future implementation of the Northland Growth Strategy.</p> <ul style="list-style-type: none"> • Participate as requested by NRC. • Deliver Economic sub plan. 	<p>Achieved. Participated in numerous discussions and forums.</p> <p>Achieved. Plan completed by September 2009.</p>



Putting Northland first

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