



Matua Saltmarsh, Tauranga

STATEMENT OF INTENT

2023-2024 TO 2025-2026

TĀPOI TE MOANANUI Ā TOI | TOURISM BAY OF PLENTY

(WESTERN BAY OF PLENTY TOURISM AND VISITORS TRUST)



Our Regional Brand Story

KO MĀTOU WAAHI HE NGĀKAU PAI, HE
TAKUTAI HAUMAKO RAWA, HE WAAHI PITO
MATA.

HE WAAHI AWHINA O NGĀ AHUREA
TUAKIRI KĀTOA. KO TE WAIRUA
MĀHORAHORA O TE TANGATA HE ORITE KI
TE PARITANGA HUANGĀ PAI O TE WHENUA.

HE WAAHI HURANGA – KO TĀ MĀTOU
PŪMANAWATANGA, TE MOTUHAKETANGA
ME TE WHAKAARO MURAMURA E
HONOHONO ANA MĀTOU KI TE AO.

HE TAURANGA MAI. HE TAURANGA ATU.

TE MOANANUI Ā TOI – HE WAAHI MŌU.

OURS IS A PLACE OF POSITIVE ENERGY; A
RICH COASTAL PARADISE BLESSED WITH
RAW POTENTIAL.

WHERE CULTURES EMBRACE
AND THE NATURAL GENEROSITY
OF OUR PEOPLE IS AS ABUNDANT AS OUR
FERTILE LAND AND OPEN SEAS.

A PLACE OF DISCOVERY –
OUR INGENUITY, DETERMINATION
AND BOLD THINKING CONNECT
US TO THE WORLD.

A LANDING PLACE. A LAUNCH PAD.

THE COASTAL BAY OF PLENTY –
A PLACE FOR YOU.



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1. Purpose of Statement of Intent

In accordance with section 64 of the Local Government Act 2002 and the Local Government Amendment Act 2019, this annual Statement of Intent (SOI) publicly states the activities and intentions of the Western Bay of Plenty Tourism and Visitors Trust (Tourism Bay of Plenty) for the next three years. This SOI sets out Tourism Bay of Plenty's strategic framework, activities, and performance measures, as the basis of organisational accountability.

Tourism Bay of Plenty (TBOP) acknowledges the Enduring Statement of Expectations (ESE) and Letter of Expectation (LOE) from Tauranga City Council and Western Bay of Plenty District Council. These articulate the focus areas for TBOP that will contribute to advancing the Western Bay of Plenty's economic prosperity.

2. About Tourism Bay of Plenty

TBOP is incorporated under the Charitable Trusts Act (1957) and is a not-for-profit entity established to promote and manage the Western Bay of Plenty sub-region (WBOP; Western Bay) as a visitor and tourist destination. TBOP is a Council Controlled Organisation (CCO) and is accountable to Tauranga City Council (TCC), Western Bay of Plenty District Council (WBOPDC) through separate Letters of Expectation. TBOP is also accountable to Whakatāne District Council (WDC) by a separate Letter of Intent. This collective region is known as Te Moananui ā Toi | the Coastal Bay of Plenty.



3. Objectives of Tourism Bay of Plenty

TBOP's purpose, as described in its Trust Deed, is to promote the economic welfare and development of the Western Bay of Plenty region and its citizens through destination marketing, management and any other activity which impacts on that region as a visitor destination. TBOP is also responsible for providing visitor information services in the region.

TBOP's role as a Destination Management Organisation (DMO) is to lead, advocate, and coordinate a cohesive, collaborative, and balanced approach to the promotion and management of the region. This is a partnership approach and requires valued engagement with the community, businesses, iwi, and stakeholder councils in order to enhance the visitor experience.

3.1 Alignment with Tauranga City Council's Community Outcomes

TCC have made a commitment to "put the community at the heart of everything we do" and to create a vibrant city. The *Our Direction Tauranga 2050* [document](#) provides Council's strategic framework which informs our community outcomes, guides decision making and supports our overarching [City Vision](#), *Together we can*.

As per TCC's Letter of Expectations, TBOP will ensure its activity contributes to the following three TCC community outcomes, which align with the three pillars of council's City Vision:

- **We value and protect our environment and prioritise nature:**

Tauranga is a city that values our natural environment and outdoor lifestyle, and actively works to protect and enhance it.

- **We are inclusive and lift each other up:**

Tauranga is a city that recognises and promotes partnership with tangata whenua, values culture and diversity, and where people of all ages and backgrounds feel included.

- **We recognise we are an integral part of the wider Bay of Plenty region and upper North Island:**

Tauranga is a well-connected city which makes a significant contribution to the social, economic, cultural and environmental wellbeing of the region. It is a vibrant city where we fuel possibility by fostering creativity, innovation, celebrating arts and culture and empowering change makers to create a vibrant city.

3.2 Alignment with Western Bay of Plenty's Focus

WBOPDC desires to have economic wellbeing integrated with environmental, social and cultural wellbeing. WBOPDC value TBOP's destination management plan that has regenerative tourism at its core. In particular, council support that regenerative tourism aims to:

- Have net benefit across the environment.
- Improve residents' quality of life.
- Elevate Te Ao Māori.
- Add value to the economy.



3.3 Principal Objectives

TBOP takes the lead role in the sustainable growth of the visitor economy and destination management of Te Moananui ā Toi | the Coastal Bay of Plenty. TBOP's purpose is to 'connect and enrich people and place through tourism'. As such, our principal objectives are to:

1. Provide leadership for the regeneration of the Tauranga and Western Bay of Plenty tourism sector following the COVID-19 pandemic.
2. Help manage and promote the reputation of Tauranga and the wider coastal region nationally and internationally, to increase attractiveness.
3. Create, identify, and support opportunities for tourism to have positive economic, social, cultural, and environmental outcomes for the region and residents.
4. Share positive visitor sector stories to engage the community and demonstrate the value of tourism to local residents.
5. Provide leadership, advocacy, and engagement across the visitor economy, including areas such as events, cruise, conferencing, destination management, marketing, and storytelling.
6. Participate in conversations and subsequent workstreams with councils regarding the development of their strategic directions. This includes, contributing to Long-Term Plan conversations, the Te Manawataki o Te Papa project, and other similar council projects or reviews.
7. Ensure the TBOP business continuity plan is up-to-date and includes contingency strategies, including any legislative responsibilities for keeping safe while providing services that support the wellbeing of our community.



3.4 Operating Principles

TBOP will adhere to the 'Council Group' operating principles whereby:

- We deliver value for our communities through prudent financial management, ensuring we plan and provide affordable fit-for-purpose services.
- Sustainability and resilience underpin our decision making and service delivery, protecting the future of our city.
- We work in partnership with tangata whenua, our communities, sub-regional stakeholders, and central Government.
- We manage the balance between the social, economic, cultural, and environmental wellbeing of our communities.
- We listen to our communities and make transparent, evidence-based decisions.

TBOP is committed to employee wellbeing. As part of this, TBOP will continue to pay all staff the Living Wage as a minimum.



4. Approach to Governance

TBOP is a CCO of the Tauranga City and Western Bay of Plenty District Councils. The TBOP Board and management are committed to ensuring the organisation meets recommended best practice governance principles and maintains the highest ethical standards, as outlined in the ESE.

The TBOP Board of Trustees is appointed by the Councils to govern and direct TBOP's activities. The Board is accountable to the Councils for the financial and non-financial performance of TBOP. The Board works collaboratively with the Councils to ensure a bilateral "no surprises" relationship.

For transparency, TBOP will continue to publish up-to-date information online about what it does and how it operates. The resources page on our website can be found here: <https://www.bayofplentynz.com/media-and-resources/resources/>

4.1 The Role of the Tourism Bay of Plenty Board of Trustees

The Board of Trustees is responsible for the direction of TBOP. In accordance with the ESE, this responsibility includes:

- Acting in accordance with the Trust Deed.
- Developing and overseeing TBOP's Visitor Economy Strategy 2018-2028 (VES).
- Advocating on behalf of TBOP with key stakeholders.
- Approving Annual Plans, budgets and the Statement of Intent (SOI).
- Maintaining Enterprise Risk and Health and Safety systems, policies and controls.
- Monitoring financial performance and achievement of key initiatives and SOI objectives.
- Appointing and monitoring the performance and remuneration of the General Manager (GM).
- Ensuring the integrity of management information systems and policies.
- Assessing business opportunities and business risks.
- Ensuring TBOP policies enable a healthy organisational culture and staff engagement.
- Complying with relevant law.
- Ensuring TBOP exhibits a sense of social and environmental responsibility.
- Reporting to the councils.
- Following the decision-making guidelines in the ESE and the TCC Appointment of Directors to Council Organisations Policy and the Significance and Engagement Policies.

The Trustees operate under the TBOP Code of Conduct and the Tauranga City Council Code of Conduct for Directors Appointed by Council-to-Council Organisations.

The Trustees delegate the day-to-day operation of TBOP to the General Manager (GM) of TBOP who reports to the Board.



4.2 Tourism Bay of Plenty Trustees

As of 28 February 2023, the TBOP Board comprises the following trustees:

- Laurissa Cooney (Chairperson)
- Russ Browne (Deputy Chairperson)
- Gwendoline Keel
- Jason Hill
- Clare Swallow
- Charlie Rahiri

In April 2023, Laurissa Cooney and Gwendoline Keel's terms will conclude. The recruitment process to fill these positions is underway.

On 1 May 2022, Suki Xiao was appointed as an intern to the TBOP Board through the Tauranga City Council Board Intern Programme for Council Controlled Organisations (CCOs). This appointment will be effective until 30 April 2023.

4.3 Communication Protocol

The Chairperson, Board members and officers of TBOP will adhere to the following communication protocols with the councils, in addition to the formal reporting requirements:

- Regular governance to governance meetings with Council's Commissioners.
- Presentations of the Six-Month Report and Annual Report to both Councils
- Two-way dialogue and consideration of the councils' strategic priorities and objectives.
- A bilateral 'no-surprises' approach to governance and management of the organisation.
- Consultation prior to external release of any significant changes and/or developments.
- Early notification and collaboration on key matters of risk or reputation.
- Appraise the performance of the TBOP Board of Trustees at a minimum of every two years, alternating annually between a Board led review and a council led review.
- Inform any substantive engagement with central Government and/or external agencies.
- Acknowledge our relationship with councils and use of logos where appropriate.

4.4 Statement of Intent

The draft SOI for the ensuing financial year will be provided by TBOP to the councils by 1 March each year. Feedback from the Councils will be considered by 1 May and the final SOI will be provided by 30 June each year.

The draft SOI provides a three-year view which is consistent with the ESE and identifies:

- Indicative rolling three-year forecast of performance and position.
- Identification of any significant intended expenditure.
- Any likely requests for increased levels of funding from councils.
- Key actions or initiatives to deliver on the objectives of TBOP.
- Upcoming challenges, risks, and opportunities for TBOP.



5. Nature and Scope of Activities

TBOP's purpose:

To connect and enrich people and place through tourism.

TBOP's growing role as a Destination Management Organisation requires it to *lead, advocate* and *coordinate* the visitor economy, while considering environmental, social, and cultural interests. We also need to ensure we preserve the region's unique identity and that our visitor-related development is cognisant of the interests of local residents and iwi.

Lead	Advocate	Coordinate
<ul style="list-style-type: none">•Lead the sustainable growth of the tourism sector, for the benefit of our community.	<ul style="list-style-type: none">•Manage, develop and plan growth, taking into consideration social, environmental and cultural interests.	<ul style="list-style-type: none">•Work with public, private and Iwi led organisations as a key collaborator in order to make the region a more regenerative, compelling and attractive visitor destination.

Destination management is an ongoing process that requires destinations to plan for the future. It brings together different stakeholders in a collaborative manner to achieve the common goal to which they are all committed, developing a well-managed, sustainable destination for locals and visitors alike. This requires inclusive and coordinated leadership. Destination management needs to engage residents, tourism enterprises, businesses, Māori/iwi/hapū, Regional Tourism Organisations, Economic Development Organisations, Tourism New Zealand, and local/regional and central government as appropriate. To be successful, we require the support of our local councils.

To ensure effective planning for population and urban growth, councils can provide opportunities for TBOP to actively contribute their expertise and knowledge of the tourism industry and economic development. This will help to ensure effective destination management of the region going forward.

As part of this, TBOP commits to liaising with the appropriate teams at both councils to better understand the destination opportunities they have already identified, such as Tauranga city centre, Mount Maunganui, TECT Park and other recreational reserves, walking trails, cycling trails, and more.

5.1 Areas of Activity

This section covers activities TBOP will undertake across Tauranga City and Western Bay of Plenty District only. Activity will be apportioned per territorial authority area based on funding unless otherwise specified, or if the activity is deemed to have regional benefit, or there are extenuating circumstances that would require upweighting. Activity undertaken for Whakatāne District is project-based and limited to direct funding received.

Note that in the previous financial year (2022-23) all activity was amplified by MBIE STAPP and TSRR funding. As such, while similar activity will be undertaken in 2023-24, the quantity or level of activity is likely to be reduced.

Destination Marketing Activity

Across the Western Bay (Tauranga City and Western Bay of Plenty combined)

MARKETING

Market the destination domestically and internationally through relevant channels and to target markets. Including:

- Combined domestic and local campaign.
- Targeted Australian marketing activity.
- UK and USA activity with partner organisations.
- Media hosting.

PR AND STORYTELLING

Share good news stories with the local community to demonstrate the value of tourism.

CYCLE TRAILS PROMOTION

Promote cycle trails in the Western Bay area:

- Through digital channels
- Annual update of Western Bay cycle trails booklet, printing and distribution

Tauranga City Activity

MAJOR EVENTS PROMOTION

Partner with TCC in the implementation of the Tauranga Events Actions and Investment Plan, providing destination management and promotion services for major events within TBOP's resource parameters.

TBOP and TCC Events Team are currently determining the scope of TBOP deliverables related to major events (as of 28 February 2023).

Western Bay of Plenty District Activity

MAJOR EVENTS PROMOTION

Support major events in the Western Bay of Plenty with promotional opportunities where appropriate.

Destination Management Activity

Across the Western Bay (Tauranga City and Western Bay of Plenty combined)

SUPPORT TOURISM OPERATORS

Help new and existing operators to enhance their offering by supporting the provision, access to, and engagement of suitable training and upskilling opportunities. This includes resilience building, environmental sustainability, and digital marketing,

Note some of this is covered by The Green Room | Te Rūma Kākāriki, primarily funded by Toi Moana Bay of Plenty Regional Council.

WALKWAYS AND CYCLEWAYS

Support the development of tourism ventures that make use of this infrastructure.

FLAVOURS OF PLENTY

Grow the profile of the region as a foodie destination through:

- Promote the region's foodscape through paid and owned marketing channels.
- Engage with the foodie ecosystem via the Flavours of Plenty eDM.
- Support the continuation of the Flavours of Plenty Festival

Note, growing the festival and increasing opportunities for tourism operators, eateries, producers and growers to be involved will require additional funding. We'll be looking to transition the Festival to an independent entity by July 2025.

ELEVATE MĀORI CULTURAL TOURISM OFFERING

- Support new and existing Māori cultural operators and developments to provide authentic cultural experiences to visitors.
- Expand the cultural storytelling app to include the wider Western Bay.

PLACEMAKING

Support potential and new tourism developments to enhance the local tourism offering. Including:

- Omanawa Falls.
- Cultural cycle trail from TECT Park to the coast.

Other opportunities will be considered on an ad hoc basis and may require additional resource.

INSIGHTS

Measure the impact of the tourism industry across the four wellbeing areas (where data are available) and use information to inform actions.

CRUISE

Continue to manage the cruise sector and work to enhance the benefits it brings to the local community.

Tauranga City Activity

PLACEMAKING

Support regional development and initiatives that support tourism, such as the Tauranga Harbour Ferry, Te Manawataki o Te Papa, and the Mount Spatial Plan.

BUSINESS EVENTS

Partner with TCC in the implementation of the Tauranga Events Actions and Investment Plan, facilitating the growth of business events.



6. Ratio of Funds to Assets

6.1 Ratio of Consolidated Funds

If the Trust is wound up everything reverts to the Councils (to be held in trust for similar purposes). TBOP intends to keep the equity ratio equal to or above 0.5:1.0. The ratio is calculated as: equity divided by total assets.

Note that the expected reduction in reserves in 2023-24 (to make up for the decrease in funding) may result in TBOP not meeting this intention.

7. Accounting Policies

Financial statements will be prepared in accordance with Tier 2 Public Benefit Entity Accounting Standards. The accounting policies that have been adopted are detailed in the Tourism Bay of Plenty Annual Report.

7.1 Asset Management

TBOP will prepare and implement Asset Management Plans for all assets where relevant.

7.2 Transactions Between Related Parties

Transactions between the councils and TBOP will be conducted on a wholly commercial basis.

8. Performance Targets for Western Bay (Tauranga and Western Bay of Plenty combined)

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	BASELINE (JUNE 2023) <small>Where relevant baseline information will be updated in final SOI.</small>	TARGET BY JUNE 2024	TARGET BY JUNE 2025*	TARGET BY JUNE 2026*
ECONOMIC Wellbeing	Grow the value of tourism to the Western Bay economy.	Trends in visitor spending via electronic card transactions.	Direct Partnered Indirect	Marketview Tourism Dashboard. <i>Note: may change to MBIE visitor spend data, depending on best source available at the time.</i>	In the year ending January 2023, total visitor spending in Western Bay was up 3% compared to the year ending January 2022.	Increased visitor spend in the Western Bay compared to YE June 2023.	Increased visitor spend in the Western Bay compared to YE June 2024.	Increased visitor spend in the Western Bay compared to YE June 2025.
SOCIAL Wellbeing	Enhance the value of tourism to our community (according to the community).	Resident's sentiment towards tourism. Measured by the percentage of residents who agree that tourism has a positive impact on their community. Residents provide a rating of 1 to 10, where 1 is strongly disagree and 10 is strongly agree.	Direct Partnered Indirect	Residents' satisfaction surveys conducted by the respective Councils.	Tauranga City community: 59% agree of residents agree. <small>Jul-Dec 2022 Representing scores of 7 to 10</small> Western Bay of Plenty District community: 68% of residents agree. <small>Jul-Dec 2022 Representing scores of 6 to 10</small>	Improved the positive perception and impact of tourism on the community. Measured by a minimum of 60% of Tauranga residents and 69% of Western Bay of Plenty District residents agreeing that tourism has made a positive impact.	Annual improvement of 2%.	Annual improvement of 2%.
CULTURAL Wellbeing	Improving the cultural wellbeing of the community through tourism.	Facilitation of programmes that elevate the Māori cultural tourism proposition in the Western Bay region	Direct Partnered	TBOP Six-Month and Annual Reports.	Developed cultural storytelling and wayfinding app for residents and visitors to Tauranga City.	Expanded app to include wider Western Bay region content and product offerings.	Supported a minimum of 2 Māori tourism operators to connect their experience offering to the app platform.	Reviewed and updated TBOP's brand story to ensure alignment across the cultural narratives and messaging included in the app.
ENVIRONMENTAL Wellbeing	Improving the environmental wellbeing of the region through environmental sustainability and regeneration projects.	Number of industry focused environmental sustainability and regeneration initiatives facilitated or enabled by TBOP.	Direct Partnered	Programme reports.	A total of 20 tourism or hospitality businesses in the Western Bay have implemented sustainability initiatives in their businesses and improved their sustainability literacy having completed The Green Room programme.	Provided training for 20 Western Bay visitor sector organisations to learn how to measure and reduce the carbon footprint of their organisation.	Key opportunities identified with to work on climate change mitigation and adaptation projects relating to tourism (and connecting with the Tauranga Climate Change AIP where relevant).	Key actions and programmes are in place that build on climate change mitigation and adaptation progress related to tourism (and connecting with the Tauranga Climate Change AIP where relevant).
TBOP ORGANISATION Wellbeing	Enhance TBOP's ability to achieve its goals through high staff engagement.	TBOP staff engagement.	Direct	Employee engagement survey.	Employee Engagement score: 63%. <small>May 2022 (Note next iteration of survey to be undertaken in April 2023 with result to be updated for final SOI.)</small>	Employee Engagement score of at least 70%.	Employee Engagement score of at least 75%.	Employee Engagement score of at least 75%.



FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	BASELINE (JUNE 2023) <small>Where relevant baseline information will be updated in final SOI.</small>	TARGET BY JUNE 2024	TARGET BY JUNE 2025*	TARGET BY JUNE 2026*
DESTINATION MANAGEMENT	Elevate the region's cycling proposition	Develop, update and promote informative material on cycle trail options in the Western Bay.	Direct Partnered	Council's feedback.	First iteration of Western Bay (Tauranga and Western Bay of Plenty) cycle trails booklet successfully produced.	Cycle trails booklet updated with new trails, supported by an initial print run and digital deployment. Support the development of tourism ventures that make use of this experience.	Cycle trails booklet updated with new trails, supported by an initial print run and digital deployment. Support the development of tourism ventures that make use of this experience.	Cycle trails booklet updated. Western Bay becoming known as a destination for cycling within New Zealand.
	Build operator capability to enhance the quality of the region's tourism offering	Provide opportunities for Western Bay operators to train or upskill in sales, marketing and trade capability areas and gaining, retaining or achieving higher Qualmark rated certification.	Direct Partnered Indirect	Capability programme report.	Provided 1-on-1 digital marketing training to 10 tourism businesses.	Operators supported to engaged in capability building programmes with a minimum of three additional operators being endorsed with Qualmark certification.	Operators supported to engaged in capability building programmes with a minimum of five additional operators being endorsed with Qualmark certification.	Operators supported to engaged in capability building programmes with a minimum of five additional operators being endorsed with Qualmark certification.
	Coordinate activity that attracts key business events to the Western Bay region	Facilitate leads and bids for business events in the region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Facilitated 17 leads or bids for business events in the region and won 4.	Facilitated 20 leads or bids for business events in the region and won 5.	Facilitated 25 leads or bids for business events in the region and won 7.	Facilitated 30 leads or bids for business events in the region and won 10.
DESTINATION MARKETING	Elevate the region's food story and proposition	Promote and support the delivery of the Coastal Bay of Plenty region Flavours of Plenty Festival to draw visitors to the region.	Direct Partnered	Festival delivery.	Successful coordination, delivery and promotion of the Flavours of Plenty Festival in March/April 2023, with a percentage of event tickets sold to people out-of-region (percentage to be updated in final version of SOI).	Promotion of the Flavours of Plenty Festival to key visitor markets has resulted in a 5% increase in out-of-region ticketholders compared to the previous year.	TBOP's foundation support of the Flavours of Plenty Festival results in the formation of an independent entity (similar to Wellington on a Plate).	Continued TBOP support of Flavours of Plenty via key visitor marketing channels reaffirms the festival as a signature DNA™ event for the region.
	Promotion of the Western Bay region to key target markets (cultural explorers, surf & beach lovers, outdoor adventurers, and eco-travellers)	Annual development and delivery of marketing campaigns that incorporate our key DNA™ pillars that reach and convert the travel intentions of our target markets to visit, stay and spend in the region.	Direct Partnered	Campaign collateral.	Focusing on social and other key digital channels, TBOP takes a partnership approach to trade marketing, and critically assesses the value of media famils to ensure ROI and value for money.	Deliver an updated domestic marketing campaign that incorporates the destination's DNA™ elements and is focused on the target markets.	Review previous campaign results and deliver an updated/renewed domestic marketing campaign that incorporates the destination's DNA™ converting the travel intentions of our target markets to visit, stay and spend in the region.	Annual review and delivery of relevant campaign and related PR activity that incorporates our DNA™ pillars and converts the travel intentions of our key target markets to visit, stay and spend in the region.

*TBOP's ability to meet the goals for 2024-25 and 2025-26 is dependent on funding.



9. Expected Shareholder Distributions

TBOP is not expected to make profits; any surplus funds remaining from the annual operations of TBOP shall be carried forward to the ensuing year to continue to meet the primary objectives of TBOP.

10. Financial and Non-Financial Reporting

10.1 Financial Performance Targets and Measures

- Gross revenue is consistent with the agreed budget.
- Expenditure is managed within the agreed budget.
- Working capital ratio of no less than 1 (excluding current portion of term debt).
- Equity to assets ratio is reported on (equity divided by total assets).
- No debt is to be raised to finance operating expenses.

10.2 Reporting

TBOP has adopted 30 June as its balance date.

10.2.1.1 Six Month Report

By 28 February each year, the Trustees shall deliver to the councils an unaudited report containing the following information in respect of the six months under review:

- Statement of Financial Performance, disclosing revenue and expenditure and comparative prior period and budget figures.
- Statement of Financial Position.
- Progress towards Non-Financial Performance Targets.
- A commentary on the financial and non-financial results for the first six months and a forecast of these results for the full year.

10.2.1.2 Annual Report

By 31 August each year, the Trustees shall deliver to the councils a draft Annual Report, and by 30 September a final version of the Annual Report which will include audited financial statements (dependent on Audit New Zealand timeframes), in respect to the previous financial year, and containing the following information:

- Chairperson's and GM's reports.
- Audited financial statements for that financial year including Statement of Financial Performance, Statement of Financial Position and Changes in Equity.
- Notes to the financial statements including accounting policies.
- Service Delivery Report summarising TBOP's performance against the SOI strategic priorities.
- Independent Auditor's report on the financial statements and non-financial performance measures.



11. Activities for Compensation

11.1 Funding Principles

There are six high-level funding principles:

- As a general principle, TCC and WBOPDC will provide ongoing funding to TBOP as a contribution towards operational expenses.
- The role of the councils is to hold TBOP accountable for the use of funds provided by TCC/WBOPDC, which will ideally be consistent with the councils' strategies.
- TBOP is encouraged to seek funding opportunities from the private sector and central government in order to maximise the best outcomes for the organisation and the region.
- The TBOP Board must be empowered with sufficient flexibility to determine the best use and allocation of funding to meet required levels of service to the community and visitors.
- TBOP is expected to meet the approved annual budget.
- Any net surpluses are to be disclosed through Six Month and Annual Reports.

11.2 Approach to Funding

TBOP receives an operating grant from both councils for the purpose of marketing and managing the destination. The operating grant is set through the Long-Term Plan (LTP) process, with the contribution from each council updated annually in line with the Consumer Price Index (CPI) when TBOP creates its budgets for the coming year.

Council funding for additional operating grants and ad hoc new capital projects is to be assessed on a case-by-case basis through the LTP or the Annual Plan process.



11.3 Compensation from Local Authorities

TCC and WBOPDC intends to purchase services from TBOP over the long term and agrees to the level of funding on a rolling three-year basis aligned to the three-year Business Plan of TBOP.

The services for the next three years are currently forecast as per the table below.

Funder	2023-2024	2024-2025	2025-2026
TCC	\$1,630,326	\$1,443,574	\$1,504,612
TCC (VIC, including cruise)	\$527,650	\$542,949	\$558,697
TCC Total	\$2,157,976	\$1,986,523	\$2,063,309
WBOPDC Total*	\$238,960	\$246,129	\$253,513
TOTAL	\$2,396,936	\$2,232,652	\$2,316,822

*Western Bay of Plenty District Council figures include an estimated 3% CPI increase.

The payments will be made quarterly in advance on receipt of a GST invoice, with payments one and two each being 30% of the annual sum, and payments three and four each being 20% of the annual sum.

WESTERN BAY OF PLENTY TOURISM & VISITORS TRUST

BUDGET	2023/24	2024/25	2025/26
	\$	\$	\$
Revenue			
Funding - Tauranga City Council	2,157,976	1,986,523	2,063,309
Funding - Western BOP District Council (cpi to be confirmed)	238,960	246,129	253,513
Funding - Whakatane District Council (cpi to be confirmed)	86,520	89,116	91,789
Funding - BOP Regional Council	60,000	0	0
Retail Gross Profit	8,000	8,000	8,000
Other Revenue (includes industry contributions)	129,000	129,000	129,000
Total Revenue	2,680,456	2,458,768	2,545,611
Less Expenditure			
Operating & Marketing	783,320	806,820	831,024
Administration & Overheads	590,936	608,664	626,924
Employee Expenses	1,623,000	1,671,690	1,721,841
Depreciation & Amortisation	58,200	58,200	58,200
Total Expenditure	3,055,456	3,145,374	3,237,989
Surplus/(Deficit)	-375,000	-686,606	-692,378

Note that the deficit is a result of the reduced TCC Airport funding.

We have reserves to cover the deficit for 2024 but not 2025 or 2026.

The reduction in reserves may result in not meeting our equity ratio kpi of .5 as per SOI 6.1 Ratio of Funds to assets.

Any extra funding obtained from other sources will likely be project based and not replace operational funding.

We have estimated CPI increases on funding and costs of 3%



12. Estimated Value of Tourism Bay of Plenty

The TBOP Board estimate that the commercial value of the shareholders' investment in TBOP is represented by the net assets of TBOP. This value is calculated from total assets less liabilities.

13. Significant Decisions

In accordance with the TCC Significance and Engagement Policy, TBOP will not undertake any activity of a nature or scope not provided for in this SOI without prior approval of the Councils. Specifically, prior approval would be required for TBOP to:

- form any subsidiary entity.
- purchase shares in any other entity.
- dispose of any significant assets e.g. land or buildings.
- purchase any significant assets e.g. land or buildings.
- seek partnering solutions that involve the dilution of assets or the commitment of councils.

14. Termination

If any party wishes to terminate this three-year rolling arrangement due to non-performance or any other substantive reason within the control of either of the parties:

- the party may give written notice to the other party specifying the issue and if possible requiring remedy within twenty-eight (28) days, and/or
- mediation is set to investigate any remedy of the issue, and/or
- if the issue is unable to be remedied to the party's satisfaction, the party must give written notice of its intention to terminate this arrangement from a date being not less than one year commencing the forthcoming 1 July (that is, the secondary party must have at least one full financial year's notice commencing on 1 July and ending on 30 June).

15. Signed by

Chairperson
Laurissa Cooney
Tourism Bay of Plenty

General Manager
Oscar Nathan
Tourism Bay of Plenty



16. Glossary of Terms

CCO	Council Controlled Organisation
COVID-19	Coronavirus disease
CPI	Consumer Price Index
ESE	Enduring Statement of Expectations
GM	General Manager
GST	Goods and Services Tax
LOE	Letter of Expectation
MBIE	Ministry of Business, Innovation and Employment
SOI	Statement of Intent
TBOP	Tourism Bay of Plenty
TCC	Tauranga City Council
VES	Tourism Bay of Plenty's Visitor Economy Strategy 2018-2028
VIC	Visitor Information Centre
WBOP	Western Bay of Plenty sub-region
WBOPDC	Western Bay of Plenty District Council
WDC	Whakatāne District Council
YE	Year end

'Western Bay' refers to the area of Western Bay of Plenty and Tauranga City combined.