



# **ATTACHMENTS**

**Ordinary Council meeting  
Separate Attachments 1**

**Monday, 14 August 2023**



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# Statement of Intent

## 2023/2024

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## 1. Foreword

I have pleasure, on behalf of Bay Venues Limited (Bay Venues), to present our Statement of Intent (SOI) for the 2023/2024 year. This document outlines Bay Venues strategic approach to meeting Council's expectation of 'putting the community at the heart of everything we do'.

As Tauranga City Council's (TCC) largest Council Controlled Organisation (CCO), Bay Venues plays a significant role in contributing to the wellbeing of the people of Tauranga Moana. We are the kaitiaki of the city's strategic network of community facilities and aspire to provide the best venues for the Bay of Plenty. Our facilities and the experiences we provide, enhance the quality of life for residents of, and visitors to, Tauranga Moana and the wider Bay of Plenty.

This SOI is presented in accordance with the requirement of Section 64 (i) of the Local Government Act 2002 and incorporates the expectations of TCC as outlined in the revised Enduring Statement of Expectations adopted in December 2018 along with the annual Letter of Expectations dated 28 November 2022. It outlines Bay Venues objectives, nature and scope of activities undertaken, and the performance targets by which we will be measured for the year 1 July 2023 to 30 June 2024.

The last three years have presented an incredibly challenging trading environment for Bay Venues not only highlighted by the Covid pandemic, but also managing high inflation, staffing challenges, aging venues and a rapidly growing population. However, despite these challenges Bay Venues remains fully committed to delivering exceptional outcomes to the people of Tauranga Moana.

FY23 has been another difficult year financially, although we did see activity (and increased revenue) start to return to pre-Covid levels towards the end of 2022. Many costs outside our control have increased significantly over the past two years, which together with an existing constrained capacity in our venues, has limited our ability to host more activity and grow revenue and margin.

We had a significant budget deficit for FY22 of \$2.9m (significantly down against an original breakeven budget due to Covid impacts) and have budgeted a deficit of \$1.7m at FY23 year end.

To improve the financial sustainability of the business going forward we are looking at increasing our negative margin user fees over time to a national benchmark position (currently our fees are around 30% below other facilities around the country) and focusing on managing our costs where possible. Notwithstanding this, we will require increased operating funding from council to reduce our deficit to zero. The organisation's finances will also be presented in a transparent and easy to understand format.

The new Board that was appointed in July 2021 is now hitting its straps and with a refreshed management team and re-focused strategy in place, we are confident that the business is well positioned to deliver on our communities and TCC's expectations.

The upcoming Long Term Plan is a critical juncture to ensure that we ramp up our investment to look after our existing community facilities and also plan and deliver overdue investment in new facilities to cater for population growth.

We wish to consolidate our position as TCC's strategic partner in the provision of community facilities and look ahead to projects like the Baypark Master Plan implementation and Memorial Park as key opportunities to both benefit the community and grow the business.

We are pleased that relationships with local Iwi, TCC and other key partners are in good heart and that there is a collective desire to see the city progress as we work together to address challenges and capitalise on opportunities.

We are excited about the future for both Tauranga and Bay Venues and look forward to working with you in the year ahead.



**Simon Clarke**  
Chair  
Bay Venues

## 2. Strategy

### Tauranga City Vision

We acknowledge that TCC's *Our Direction Tauranga 2050* provides the strategic framework for the city and informs the community outcomes under a vision of: **Tauranga, together we can.**

### Community Outcomes

We also acknowledge Council's desire for us to focus on three key Community Outcomes:

- **We have a well-planned city which fuels possibility**
- **We are inclusive and lift each other up**
- **We value and protect our environment and prioritise nature**

### TCC Purpose

We also note TCC's Purpose, **we're here to make Tauranga better**, and will ensure our strategic focus is aligned with this. To achieve our Vision, Mission and Purpose we will work in partnership with TCC and collaborate with a range of partners throughout the wider community.

### TCC Values

**Pono / Integrity** – We do what we say we will do.

**Manaakitanga / Respect** – We listen to all views and show we care.

**Whaia te Tika / Service** – We do the right thing for the community and each other.

**Whanaungatanga / Collaboration** – We work together and create connections.

These values are closely aligned with the new Bay Venues values that are shown on the next page.

































































































































































































































































