

Notice is hereby given that a Meeting of the Policy Review Committee will be held on:

Date: Wednesday, 26 August 2015
Time: 10.30am
Meeting Room: Council Chambers
Venue: 15 Forth Street
Invercargill

Policy Review Committee Agenda

OPEN

MEMBERSHIP

| | |
|--------------------|------------------|
| Chairperson | Rodney Dobson |
| Councillors | Lyall Bailey |
| | Stuart Baird |
| | Brian Dillon |
| | John Douglas |
| | Paul Duffy |
| | Bruce Ford |
| | George Harpur |
| | Julie Keast |
| | Ebel Kremer |
| | Gavin Macpherson |
| | Neil Paterson |
| | Mayor Gary Tong |

IN ATTENDANCE

| | |
|--------------------------|----------------|
| Chief Executive | Steve Ruru |
| Committee Advisor | Debbie Webster |

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Website: www.southlanddc.govt.nz

Full agendas are available on Council's Website
www.southlanddc.govt.nz

Terms of Reference for Policy Review Committee

This committee is a committee of Southland District Council and has responsibility to:

- Review Council policies on a regular basis as to their relevancy and appropriateness.
 - Recommend new policies or changes to existing policies as required.
 - Ascertain the impact of proposed Government legislation on Council policies or activities and make responses/submissions on regional matters, SOEs, etc.
 - Review Asset Management Plans (including the renewal policy) for Council's infrastructural assets such as roading, water and sewage schemes and other Council property.
-

TABLE OF CONTENTS

| ITEM | PAGE |
|------|------|
|------|------|

PROCEDURAL

| | | |
|---|----------------------------|---|
| 1 | Apologies | 5 |
| 2 | Leave of absence | 5 |
| 3 | Conflict of Interest | 5 |
| 4 | Public Forum | 5 |
| 5 | Extraordinary/Urgent Items | 5 |
| 6 | Confirmation of Minutes | 5 |

REPORTS FOR RECOMMENDATION

| | | |
|-----|--|----|
| 7.1 | Action Sheet Report Policy Review Committee meeting 15 July 2015 | 11 |
|-----|--|----|

REPORTS

| | | |
|-----|--|----|
| 8.1 | Report to Policy Review Committee - Venture Southland Community Development Update | 13 |
| 8.2 | 2015 ILT Kidzone Festival Report | 27 |
| 8.3 | Southland Tourism Trade Product Opportunities | 31 |
| 8.4 | Southland Registration of Interest to Ministry of Business, Innovation and Employment - Ultra Fast Broadband 2, Rural Broadband Initiative 2 and Mobile Blackspot Fund | 45 |

1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Committee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) The reason why the item was not on the Agenda, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
 - (i) That item is a minor matter relating to the general business of the local authority; and
 - (ii) The presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) No resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

6 Confirmation of Minutes

6.1 Meeting minutes of Policy Review Committee, 15 July 2015

Policy Review Committee

OPEN MINUTES

Minutes of a meeting of Policy Review Committee held in the Council Chambers, 15 Forth Street, Invercargill on Wednesday, 15 July 2015 at 10.30am.

PRESENT

| | |
|--------------------|--|
| Chairperson | Rodney Dobson Mayor Gary Tong |
| Councillors | Lyall Bailey Stuart Baird Brian Dillon John Douglas Paul Duffy Bruce Ford George Harpur Julie Keast Ebel Kremer Gavin Macpherson Neil Paterson |

IN ATTENDANCE

Chief Executive Steve Ruru, Group Manager Environment and Community Bruce Halligan, Group Manager Services and Assets Ian Marshall, General Manager Policy and Community Rex Capil, Strategy and Policy Manager Susan Cuthbert, Communications and Governance Manager Louise Pagan, Chief Information Officer Damon Campbell, Committee Advisor Debbie Webster.

1 Apologies

An apology for absence was received from Cr Dillon.

Moved Cr Douglas, seconded Cr Baird **and resolved:**

That the Policy Review Committee accept the apology.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

There was public forum.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Moved Cr Harpur, seconded Cr Keast **and resolved:**

That the meeting minutes of the Policy Review Committee, 24 June 2015 be confirmed.

Reports for Resolution

7.1 Venture Southland - Community Development Update

Record No: R/15/6/11127

Venture Southland General Manager Events and Tourism Bobbi Brown and Venture Southland Community Development Planner Julie Russell were in attendance for this item. Mrs Brown noted an error in the report, should read Mararoa Waimea Ward and not Waiau Aparima Ward.

Mrs Brown highlighted the current research and strategies, regional initiatives, local initiative and other projects Venture Southland are currently working on. She noted there was a stake holder meeting for the Cruise Strategy planned for August.

Ms Russell commented she has met with business owners in Athol in particular Stu's Fly Fishing on the Official Partner Programme for the Around The Mountain Cycle Trail and discussed potential ideas for a museum or café. She has also spoken with a business at Five Rivers who are developing a robotic milking shed which will also host a café. The milking shed will be located right on the cycle trail and the farm was a unique tourism product which the trail will help to promote.

Mrs Brown noted the Tourism New Zealand workshop had been held and they are now looking at how best to progress this work. She also noted the Joseph Parker fight scheduled for 1 August 2015 and the promotion around that event. Visits to schools and local boxing clubs are planned. A series of short vignette films are being created to promote Southland events which will be shown during advertising slots on ESPN and the FOX television networks with international coverage.

Mayor Tong queried the LINZ land at Garston being gifted to the School, Mrs Brown to follow up on this.

Resolution

Moved Cr Duffy, seconded Cr Paterson **and resolved that the Policy Review Committee:**

- a) **Receives the report titled “Venture Southland - Community Development Update” dated 29 June 2015.**

Reports for Recommendation

8.1 Community Assistance Policy - Grants and Donations

Record No: R/15/5/8944

Communications and Governance Manager Louise Pagan spoke to the report noting the purpose of the report was to recommend the Community Assistance Policy - Grants and Donations be adopted by Council.

Southland District Council managed its Community Assistance Grants in various ways, with the majority going through the allocations process via the Allocations Committee.

Council had also historically allocated grants and donations to a wide range of community organisations. Some have gone through the Long Term Plan/Annual Plan process while others had become annual allocations through the passage of time. The draft policy sets out the process of allocating grants and donations, describes the types of grants and the criteria for allocating them.

Mrs Pagan noted that two changes to the policy. The first under 4.3 Sport NZ Rural Travel Fund, the last sentence “Total fund available for distribution each year is” to be removed as unnecessary. And 4.5.3 Other Grants the last sentence in the first paragraph should read “ These grants remain within Council responsibilities and are administered by the Governance **and Communications** Manager and other staff.” To include the words in bold.

Cr Baird raised the issue of what happened to applications to the Allocations Committee and Ohai Railway Fund that were received outside the funding rounds. Mr Capil responded this could be looked at, as to how best to manage applications out of funding rounds. Mr Ruru suggested Standing Orders could be amended to include teleconference meetings to deal with the issue. Mrs Pagan mentioned a list would go in First Addition giving the list of scholarships/grants available with opening and closing dates giving the community greater notice of these.

Cr Duffy commented scholarships that go to schools should be presented by the Ward Councillor or a Council representative in order to have recognition the grant has come from the Southland District Council.

Resolution

Moved Cr Duffy, seconded Cr Paterson **and resolved:**

That the Policy Review Committee:

- a) **Receives the report titled “Community Assistance Policy - Grants and Donations” dated 3 July 2015.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Recommend the Community Assistance Policy - Grants and Donations be adopted by Council with the wording changes under 4.3 Sport NZ Rural Travel Fund, the last sentence “Total fund available for distribution each year is” to be removed. And 4.5.3 Other Grants “These grants remain within Council responsibilities and are administered by the Governance and Communications Manager and other staff.” Underlined to be included.**

The meeting closed at 11.01 am

CONFIRMED AS A TRUE AND CORRECT
RECORD AT A MEETING OF THE POLICY
REVIEW COMMITTEE HELD ON 15 JULY 2015

DATE:.....

CHAIRPERSON:.....

Action Sheet Report Policy Review Committee meeting 15 July 2015

Record No: R/15/7/12943
Author: Debbie Webster, Committee Advisor
Approved by:

☐ Decision ☐ Recommendation ☒ Information

Item 7.1

1 Action Sheet Report Policy Review Committee meeting 15 July 2015

Recommendation

That the Policy Review Committee:

- a) Receives the report titled “Action Sheet Report Policy Review Committee meeting 15 July 2015” dated 19 August 2015.
- b) Determines that this matter or decision be recognised not as significant in terms of Section 76 of the Local Government Act 2002.
- c) Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.

Attachments

- A Action Sheet Report Policy Review Committee Meeting [View](#)

Policy Review Committee Action Sheet - Including Public Excluded

Open Action Items

| Author | Due Date | Subject | Notes |
|--------|----------|---------|-------|
| | | | |

Recently Closed Action Items

| Author | Completion Date | Subject | Notes |
|---------------|-----------------|---|--|
| Sheree Marrah | 24/07/2015 | District Rates Modeling | Action completed by: Sheree Marrah Report complete. |
| Sheree Marrah | 24/07/2015 | Draft Revenue and Financing Policy for 2015-25 Long Term Plan | Reminder of request from Cr Douglas to view the format of how the rates assessment notice will look with the proposed changes to compare to current notice •Action completed by: Sheree Marrah Report complete |
| Louise Pagan | 28/07/2015 | Community Assistance Policy - Grants and Donations | Going to Council on 5 August •Action completed by: Louise Pagan Report sent to Council on 5 August 2015 |

r/15/8/14946

Report to Policy Review Committee - Venture Southland Community Development Update

Record No: R/15/7/11569

Author: Juanita Thornton, Community Development Planner

Approved by: Rex Capil, Group Manager, Policy and Community

☐ Decision

☐ Recommendation

☒ Information

Purpose

- 1 The purpose of this report is to update the Southland District Council on Venture Southland community development activities. The accompanying power point presentation provides information about both regional projects and local initiatives.

Recommendation

That the Policy Review Committee:

- a) Receives the report titled “Report to Policy Review Committee - Venture Southland Community Development Update” dated 13 August 2015.

Attachments

- A Venture Southland Community Development Update [View](#)

Item 8.1 Attachment A

Community Development Update 26 August 2015

Juanita Thornton
Community Development Planner

1. Research, Plans and Strategies
2. Local Initiatives – Waihopai/Toetoes Ward

Research, Plans & Strategies

- Southland Cycling Strategy (with Sport Southland)
- Around the Mountains Cycle Trail
- Southland Visitor Strategy
- Volunteer Research
- Declining Population Research
- Southland Heritage Research
- Southern NZ Cruise Destination Strategy

Local Initiatives: Curio Bay Natural Heritage Centre

- Lottery WW1, Environment and Heritage application declined in the first round
- Lottery requested it be re-submitted in next round, and offered to work with Venture Southland on this
- Issue was with DOC and partnership funding wording
- Continuing to work with the South Catlins Charitable Trust on the campground upgrade plans



Local Initiatives: Edendale Community Centre

- Plans have been drawn up to redevelop the Edendale Rugby Club to become a potential multi-purpose Edendale Community Centre
- Pricing has been received, and income vs funding is being explored
- Next stage will be to present back to the Edendale Community for feedback
- Also exploring governance and management options



Venture Southland

Local Initiatives: Wyndham Facilities Review

- Report approved at Council on 5 August.
- Next Step is to do desktop research situation analysis

Local Initiatives: Edendale / Wyndham Pool Rating

- Wyndham District Community Pool Inc reopened the Wyndham Pool in October 2014 for public use
- Then they approached the Wyndham Edendale Community Board in January 2015 requesting financial assistance, potentially by way of a portion of the established Edendale Pool Rate
- Both pools were requested to submit a report relating to their facility, to allow the Board to assess the current situation and request
- Venture Southland presented a report to the Board on 28 July, summarising those reports and presenting potential options moving forward

Local Initiatives: Edendale / Wyndham Pool Rating

Outcome:

- The Board agreed that they wished to financially support the Wyndham Pool, however it was decided to wait until this time next year, when 2 years of actual would be available.
- It was also agreed to look at a donation/financial contribution from ward reserves at the end of next year (30 June) to the Wyndham Pool.



Local Initiatives: Edendale, Wyndham & Brydone Area

Wyndham Museum

- Provided assistance with end of year reporting to the Charities Commission

Brydone Community Centre

- Assisted with completing grant accountability forms
- Providing assistance with launch function
- Providing assistance with a potential information kiosk project

Southland Racers and Trainers Association

- Provided assistance with sponsorship letters of request and letters of request at the end of the season

Edendale Scouts

- Provided assistance exploring funding options
- Assisted with an application to Lottery Regional Community

Local Initiatives: Edendale, Wyndham & Brydone Area

Edendale School

- Provided assistance with seeking Burt Munro approval for the updated school mural

Glenham Tunnel

- Boardwalk completed
- Assisting with drawing up content for the panel

Wyndham War Memorial

- Provided assistance seeking funding for the restoration work and installation of new flood lights

Pine Bush

- Provided assistance securing funding for the memorial plaque to be erected, installation of an information kiosk.
- Working with SDC Graphics and the group to develop information panels

Local Initiatives: Tokanui & The Catlins

Fortrose Foreshore

- Working with SDC Area Engineer and the local community on several beautification projects for this area;
 - Information Panels
 - Welcome Rock
 - Flagpole and plaque
 - Whale pot and plaque

Tokanui Skate Park

- Provided assistance with general project planning advice
- Assisted with completing grant accountability forms

South Catlins Promotions

- Provided assistance with submitting applications to the SDC CIF for a reprint of the South Catlins Heritage Trail Brochure

Local Initiatives: Tokanui & The Catlins

Tokanui Golf Club

- Provided assistance with funding options

Tokanui Memorial Hall

- Provided assistance with exploring funding options
- Will assist in submitting forms to appropriate funders later this year

Freedom Camping and Waikawa

- Involved in supporting the process that SDC, Cr Duffy and Cr Keast were facilitating

Ultra Fast Broadband, Rural Broadband and Mobile Services

- Assisted with the bid to the Ministry of Business, Innovation and Employment
- Great support from the community in terms of letters of support received

Local Initiatives: Gorge Road

Gorge Road CDA

- Oral History Project – continuing to assist with project planning and coordination
- Recreation Reserve – assisted with funding applications for planting projects
- Providing funding assistance with the restoration of the Oteramika War Memorial

Gorge Road Jubilee Committee

- Providing assistance as they explore options for spending their reserves



Local Initiatives: Woodlands

Woodlands CDA

- Working with previous Area Engineer on exploring a walking track in the area

Woodlands Rugby Club

- Offered assistance with funding possibilities for maintenance projects

2015 ILT Kidzone Festival Report

Record No: R/15/8/13673
Author: Sally Hayes, ILT Kidzone Festival Director
Approved by: Rex Capil, Group Manager, Policy and Community

☐ Decision ☐ Recommendation ☒ Information

Purpose

- 1 That the report on the 2015 ILT Kidzone Festival be received.

Executive Summary

- 2 This report provides an insight into the 2015 ILT Kidzone Festival.

Recommendation

That the Policy Review Committee:

- a) **Receives the report titled “2015 ILT Kidzone Festival Report” dated 17 August 2015.**

Content

- 3 Southland’s most popular family event, the ILT Kidzone Festival took place for the 11th time over six days in the July school holidays from Wednesday, 8 July to Monday, 13 July 2015.

PATRONS

- 4 Our patron numbers were once again significantly pleasing with over 11,000 tickets sold for the 2015 festival.

STAFFING

- 5 Pack in, pack out and six days of festival result in the event team being required to work a 12-day stretch. There is a large contribution from Venture Southland staff in many aspects of the festival. On top of the Festival Director another eight staff members from Venture Southland contribute a great deal of time and effort into the setup and running of this festival. This includes staffing, design, marketing, maintenance of equipment, volunteer coordination, ticket issues and cashflow.
- 6 It is important to note that these contributions are vital components of ILT Kidzone, however we still require at least 120 volunteers a day to ensure all the activities are fully operational throughout the festival.

FEEDBACK

- 7 The 2015 ILT Kidzone Festival has again been well supported by the Southland community and further abroad. A survey was emailed to patrons at the conclusion of the festival in which they were able to leave a comment which best described their experience at ILT Kidzone. Some of the comments are outlined below:

"Absolutely awesome day!! Best thing was once you had paid for your tickets you didn't have to pay for anything else, you didn't have to say "no" to your kids, they could do everything."

"We look forward to it every year, such a great thing for Southland."

"I think what you offer is unique and a great way to get families to interact together! There is a great balance of boys vs. girls activities. The volunteers are amazing and I think it is a great thing for the young ones to do."

"Absolutely awesome experience. Our children talk about Kidzone all year long and eagerly await the festival each year. We think it is fantastic value for money. The volunteers do an amazing job."

"It is a credit to Invercargill and all the organisers and sponsors that we have such an amazing event to offer!"

(Feedback received via Survey Monkey)

ACCOMMODATION STAYS

- 8 Out of our patrons surveyed, 21% stayed at another location in Invercargill rather than returning home after the festival. For those that stayed at another location in Invercargill, it was a 60/40 split between staying with friends and/or family and another accommodation (eg, motel, hotel, camping) respectively. For the fourth consecutive year, ILT Kidzone partnered with the Ascot Park Hotel to offer a package deal of accommodation and ILT Kidzone tickets. The uptake of this package continues to be popular with patrons attending the festival from out of town.

MARKETING

- 9 Our main marketing tool for ILT Kidzone is the official ILT Kidzone Festival Programme. 15,000 programmes (A5, 16 pages) are printed and distributed to primary schools and childcare facilities throughout Invercargill, Southland, Gore and Fiordland.
- 10 Other marketing collateral included advertising with The Southland Times via a home page take over on the Stuff website; promotions with local radio stations - The Hits and More FM; our ILT Kidzone Facebook page; street banners and street flags located on Esk, Don and Dee Streets.
- 11 We utilised our in-house photography skills and partnered with Videocopter to create high quality imagery and promotional film clips of this event. These clips can be viewed on You Tube by searching 'ILT Kidzone 2015'.
- 12 We are fortunate to have a great relationship with the media around this festival, so ILT Kidzone was covered extensively in The Southland Times, as well as being featured in The Southland Express, The Eye and The Ensign.

FINANCIALS

- 13 ILT Kidzone works on a breakeven budget of around \$300,000. The majority of the festival's income, aside from ticket sales, comes from our community funders and grants such as the Invercargill Licensing Trust, ILT Foundation, Community Trust of Southland, ICC Events

Fund, Lotteries, SDC Community Initiatives Fund, ICC Creative Communities Scheme, SDC Creative Communities Scheme and The Southern Trust. We have a fantastic team of corporate sponsors - Macaulay Mazda, H&J Smith, Mitre 10 Mega Invercargill, Distinction Hotels, Spotlight, PORSE and McIntyre Dick & Partners - who sponsor the event in a variety of ways from naming right sponsorship to being part of our business partnership programme. There are so many local organisations that support ILT Kidzone in so many ways.

WASTE MANAGEMENT

- 14 A Waste Management Plan was once again implemented at ILT Kidzone for the fourth consecutive year. The ILT Kidzone Management Team took full responsibility for the initiative, along with some guidance from WasteNet. Venture Southland worked with the Invercargill Environment Centre at the festival.

VOLUNTEERS

- 15 We had a fantastic team of over 200 volunteers register to assist with this year's ILT Kidzone. This year's volunteers were of a very high calibre and so much positive feedback has been received. Our volunteer numbers ensured all activities and stations were fully operational, however we were very short with volunteers on both the Saturday and Sunday of the festival - this may be due to other work commitments and/or sport commitments. We once again ran training sessions in specific areas prior to the event. A face painting and hairdo lesson was held one evening, prior to the event. ILT Kidzone also worked with Radio Southland to provide volunteers with the opportunity to spend time at Radio Southland and learn how to broadcast. It is definitely worth building on these opportunities for next year.

CONCLUSION / SUMMARY

- 16 Based on the feedback and the current evaluation of the financials we believe that the 2015 ILT Kidzone Festival was a success and will continue to be an iconic and popular Southland event.
- 17 Planning for the 2016 festival is underway for Wednesday, 13 July - Monday, 18 July 2015.



Attachments

There are no attachments for this report.

Southland Tourism Trade Product Opportunities

Record No: R/15/8/14315

Author: Bobbi Brown, Group Manager Tourism, Events and Community

Approved by: Rex Capil, Group Manager, Policy and Community

☐ Decision

☐ Recommendation

☒ Information

Purpose

- 1 This report details the current situation regarding a lack of commercial tourism product in Southland and seeks agreement to work together on identifying and advancing product development opportunities.

Executive Summary

- 2 The report sets out what is happening in tourism, and in particular Southland, with its key characteristics and challenges. It describes the importance of having unique selling points and the need for a regional approach in regards to maximising the opportunities of tourism.

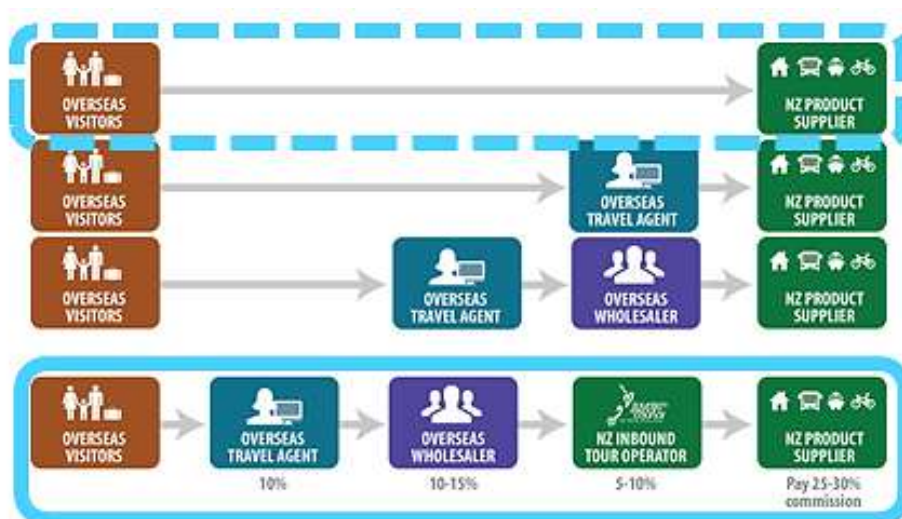
Recommendation

That the Policy Review Committee:

- a) **Receives the report titled “Southland Tourism Trade Product Opportunities” dated 13 August 2015.**

Background

- 3 On 6 July 2015, delegates from Tourism New Zealand (Industry Relations Manager Paul Yeo, Trade Development Manager, Paul Trowell and Product Development Manager Kim Cormack) in collaboration with the Venture Southland tourism team presented to Councillors and Executive Leadership teams from Southland, Gore and Invercargill Councils (18 representatives).
- 4 The objectives of this presentation were to gain a further understanding of:
 - The Southland tourism situation including key characteristics and challenges
 - What 'trade' is & its importance within the tourism industry
 - The importance of 'unique selling points'
 - The need for a regional approach in regards to maximising the opportunities of tourism
- 5 Paul Yeo commenced the meeting discussing the significance of the industry, with over \$24 billion being earned annually. Furthermore tourism is forecast to continue its growth to be the largest export industry for the country (surpassing dairy). Mr Yeo stressed the importance of coordinated regional representation through activities such regional tourism organisations (such as Venture Southland and Destination Fiordland), international marketing alliances (such as Pure Southland Land – Southland, Clutha, Dunedin and Waitaki) and recognised visitor information services (such as the i-SITE network and Qualmark accreditation process).
- 6 Tourism New Zealand is active in international marketing with three major activities:
 - Marketing (advertising and promotion)
 - Public Relations
 - Trade
- 7 The importance of trade activity was stressed by Tourism New Zealand, as this is a proven method to increase both the value and development of tourism to a country/region. The tourism trade channel involves tourism product (e.g. attractions/activities that charge a fee) being sold around the world by different travel agents, wholesalers and inbound operators through their brochures, itineraries and tours.



Note variance between non-trade channels (top) and trade channels (three below). With the use of trade the level of distribution is increased significantly.

- 8 This provides the opportunity for a tourist attraction to reach customers that they would not otherwise be able to access; can create another specific market for the business and can receive more attention from international media. This is enabled by paying a commission (a proportion of their sale price) to the trade channel only if they sell an entry to their attraction.

Southland Tourism Insights

- 9 The Venture Southland tourism team then presented some key insights into the performance of tourism in the region, key points being:
- 3rd largest GDP contributor - \$380 million in 2014
 - Domestic tourism worth \$232 million (particularly from South Island regions and North Island major populations)
 - International tourism worth \$157 million (major markets being Australia, USA, UK and Germany)
 - Employs 1 in 10 employees in region
 - Experienced tourism activity growth between 4% and 17% over the last 12 months
- 10 The key reasons/motives for visiting Southland include:
- Visiting friends and relatives
 - Business travel
 - Special interest travel (e.g. tramping, hunting, fishing, cycling, birding, racing, photography)
 - Leisure destination (e.g. Stewart Island, Invercargill, The Catlins, Gore District)
 - Leisure touring (e.g. South Island road trips, the Southern Scenic Route)
 - Event attendees (e.g. sports tournaments, cultural events)
- 11 The major marketing propositions of Southland revolve around the “The New Zealand we all dream of” where Southland allows access to environments and people that remain unique (unlike many ubiquitous destinations). Key messages (such as imagery and editorial) focus specifically on facets such as:
- Recreation (lifestyle and special interest)
 - Scenery, landscapes and wildlife (national parks, southern coast, penguins/kiwis/tuatara, Aurora Australis etc)
 - People, heritage and industry (Maori/European colonisation, personalities, transportation, agriculture and manufacturing etc)
 - Food (wild and farmed seafood, farmed produce, processed/manufactured foods and beverages)
 - Events (that celebrate all the above)
- 12 It was noted that Southland still has a relatively infant industry in comparison to other regions of New Zealand. This means that the tourism industry is still growing and is subject to “teething problems” such as inconsistency in demand and supply. This provides significant opportunity for the growth of the region. Some of these infancy challenges include:
- Extreme seasonality with large peaks and troughs in visitation
 - Strong competition from more developed regions

- Travellers with limited money, time and awareness of Southland
- Operators are still developing standard product and business expectations that appeal to visitors (such as opening periods, staffing, investment, quality standards, and industry marketing standards)
- Points of difference are not commercialised for economic return (e.g. The Catlins, Bluff Oysters, heritage, scenery)
- Lack of commercial product (trade attraction/activity)

Commercial Tourism Attractions/Activities

- 13 The lack of commercially driven attractions, which operate as trade products, impacts the ability to expand and develop within trade marketing channels. This was highlighted with Southland having fewer than 20 commissionable attractions/activities as an entire region (with Queenstown having over 180, Fiordland 45 and Dunedin 45). With this limited number many trade contacts (both inbound and wholesale businesses who sell regions and products within international markets) have advised that while they find Southland an attractive destination, they are not able to include Southland as a key product proposition in their itineraries, tours and brochures. This is because they are unable to earn the same amount of money as when in other destinations (including local destinations of Queenstown, Fiordland and Dunedin). Fortunately Southland does boast a number of accommodation providers who work with Trade; however these are secondary motivations to activities and attractions of a region.
- 14 This challenge faces every developing destination, and four cases exemplified how different stakeholders have successfully built products to provide commercially oriented attractions to their regions. These in turn have assisted in attracting both trade and consumer customers creating consistent employment, visitor activity, increasing length of stay and basically compelling reasons to visit. The case studies included details around the Blue Penguin Colony in Oamaru (a Council driven operation), Olveston House Dunedin (operated by a Charitable Trust with Council support), Cadbury World Dunedin (privately operated) and Whale Watch Kaikoura (operated by iwi). Please see attachment to this report.
- 15 All of these case studies demonstrated the following characteristics which contribute to their success:
- Unique proposition (based on a natural or cultural heritage)
 - Economically significant commercially viable products (all charging commissionable entry fees generating between \$600, 000 to over \$11 million pa)
 - Part of a cluster of attractions/activities with close proximity to other products
 - With hub & spoke or chain models of visitor distribution
 - Experientially oriented with interaction, multi-sensory and educational components
 - Diversification of revenue
 - Different levels of products/prices (including tours, hospitality and retail)
 - Flexible operations to suit requirements of different customer markets
 - Support of community
- 16 Currently in Southland, while there are over 130 visitor attractions/activities in the region, commercial tourism attractions/activities are limited to clusters in:
- Stewart Island (7) – guided tours & walks, charters,
 - Western Southland (3) – jet boat/boat cruises, guided walks

- Invercargill (1) – guided tours
- Northern Southland (3) – cycling, fishing tours
- Gore District (2) – fishing and outdoors guiding

17 Note that Queenstown boasts more than 180, while both Fiordland and Dunedin both have 45 respectively.



18 Invercargill is soon to benefit from the opening of the Bill Richardson Transport World, which has been devised as a commercial attraction and has been developed to ensure it can work with trade channels. This however is not a silver bullet, and challenges will continue to remain to leverage the most out of this and other attractions in the region.

19 Similarly the developments in Northern Southland (current attractions such as the Around the Mountains Cycle Trail and Welcome Rock Trails; and proposed attractions such as the Eyre Estate Dairy Experience and the Athol Fish Story) and The Catlins (such as the Natural Heritage Centre) show promise to develop further the attraction based experiences in the region. Important to the development is the consideration of commercial and community needs, which need not be mutually exclusive.

20 Discussion then moved to possible developments for future commercial products in Southland that fulfil the need to develop products unique and sustainable for Southland. Opportunities were identified around Southland's current strengths, with some suggestions including:

- Bluff Oysters (most searched online product from international markets) – oyster centre, bar & restaurant, factory tours, shucking demonstrations, giant oyster etc
- Andersons Park – historic home tours (like Larnach's Castle/Olveston House), agriculture heritage
- Wildlife – Penguin tours at Curio Bay, sustainable shark diving, Kakapo and Tuatara
- Hokonui heritage precinct – guided tours through Moonshine, Art Gallery, Croydon Aircraft (and flights)
- Natural Heritage – Geology, Prehistoric New Zealand
- Agriculture – dairy/sheep farming experiences, farm stay networks (retirees)
- Regional Outdoor Art – enhancing tourism products
- Transport Heritage – regional packages
- Coastal vistas – hot pools with a view, luxury accommodation/hospitality

Developing Commercial Attractions/Activities in Southland

- 21 To advance these discussions Venture Southland has a number of activities in progress or proposed.

2016-2020 Southland Visitor Strategy

- 22 Firstly the development of the 2016-2020 Southland Visitor Strategy includes a key objective of developing enhanced experiences that provide economic and social opportunities for the community of Southland. This strategy will be developed in a consultative manner with a variety of stakeholders in the Southland community. The key principles of product development (as outlined with success characteristics) will be used to reinforce the process of experience enhancement.
- 23 The development of this Strategy will begin soon and will be completed by March 2016. It will include and reference other strategies and sector investigation relating to Fiordland, cruise, cycling, telecommunications and sub regions such as The Catlins and Stewart Island.

Council Consultation

- 24 The second initiative is scheduled meetings with each of the Councils to examine the opportunities that exist within their authority and examine the best process to advance opportunities. These opportunities may be a variety of relationship, ownership and funding models between public and private entities identified (including Department of Conservation, Iwi, Council, charitable trusts, Ministry of Business, Innovation and Employment). Furthermore Venture Southland is committed to providing advice, support and introductions for Council developments that have a visitor context.

Industry Consultation and Education

- 25 The third initiative is a scheduled educational programme with existing and prospective operators. The content of this programme includes the introduction of trade channels and one-to-one mentoring in developing trade propositions.

Tourism Product Development Proposals

- 26 Through Venture Southland's tourism product development role (and wider tourism, business and community development teams) this intends to identify and foster the development of commercial business ventures (integrating learning's' from Council and industry consultation). This potentially includes the development of options' strategies and business case plans for future development.

Identification of Tourism Cluster Zones

- 27 Working with stakeholders, it is proposed that key zones are identified to focus tourism product development in (and to complement other community initiatives and infrastructure provision). Potentially these tourism cluster zones would include a minimum of three commercial attractions/activities that would be supported by other community recreational opportunities and hospitality/accommodation functions. Through the definition of these it is proposed it can assist in:

Increasing regional guest nights (length of stay and expenditure) through creation of sub-regional destinations

Encouraging repeat visitation to the region (to marketed attractions they become aware of but were unable to visit)

Using the hub and spoke or chain model where visitors can visit one or more spokes/links during their visit.

- 28 To facilitate this, Venture Southland would implement a programme of cluster zone audits and strategies to identify opportunities for the variety of stakeholders (including existing industry, entrepreneurs, diversification of other industry, Council, promotions and community groups). This is proposed to focus on a minimum of one cluster zone per annum.

Attachments

- A Venture Southland tourism trade product case studies [View](#)

TOURISM TRADE PRODUCT CASE STUDIES

Presented at the Tourism Workshop 6 July 2015 by Hannah Whyte

Introduction

Included here is a brief summary of four examples of New Zealand trade product that are working well in other regions. This is no way suggesting these should be developed in Southland, rather food for thought on the potential development for the region. First up, Southland does have a different visitor model to the regions we have listed as they have different economic and tourism drivers. Approximate visitor numbers per annum:

- Southland – 500,000 visitors p.a.
- Fiordland – 500,000 visitors p.a.
- Dunedin – 2,000,000 visitors p.a.
- Waitaki – 500,000 visitors p.a.
- Kaikoura – 500,000 visitors p.a.

The listed activities introduced here highlight how these products, all of which have different ownership models, have adapted and developed their product to work within a commercial tourism environment. A key theme amongst all of them is that they have developed multi-sensory, memorable experiences that are unique in their own way, that contribute significantly to their local economies. This summary will highlight their strengths, particularly from a trade perspective, but also how these products have all capitalised on their regions natural strengths.



Blue Penguin Colony, Oamaru

This has been a fairly significant development within the Waitaki region and has had a noticeable impact upon the region's tourism landscape. This was once an old quarry that ceased working in the late 1970s that was considered a regional eyesore. In 1992 the decision was made to delegate the area a protected breeding zone for the Blue Penguin. From this early point the space was managed by a team of volunteers. However, in 1997 this all changed when the publicly funded Waitaki Development Board took over the management of the colony.

From this point, the development of the Blue Penguin tourism experience was in motion. It took a few years to develop the product and it is understood that a few million dollars were invested. However, today the operation is fully self-funding, generating an approximate 30% profit increase

each year. Thirteen permanent staff are directly employed, plus other seasonal and senior management staff. Visitor numbers have grown significantly from around 35,000 in 2006 to a rough average of 80,000 total people today. They had just under 60,000 ticketed visitors alone this last financial year.

Aiding this growth is the colony's transition from a 'gold coin entry product' to a multi layered experience which offers both strong retail and a range of tour offerings. Standard adult rates range from a \$10 entry fee during the day, with a basic adult evening viewing of \$28 per person, to a \$40 adult premium evening viewing.

Crucially, trade has been able to work with this product and the colony now receives approximately 20,000 inbound tour visitors per year (as a direct result of working with trade channels). Nearly all trade itineraries into the region include the colony and because the premium evening experience works well within the trade space, this has encouraged the need for an overnight stay in Oamaru. Wonderfully, all profits are redistributed into district development, which includes further work at the colony and tourism project development around the Oamaru harbour.

When asked why this product has been such a success, the colony stated:

"Because it is unrivalled. There are only two facilities (Oamaru and Phillip Island) in the world that provide this experience and both are quite different; we have invested heavily in research of our specific penguin population, and this alone has raised the international reputation and profile of the organisation. We have emphasised ecological work, and are gold certified in both Qualmark and Earthcheck, as well as being carbon neutral. We have provided an individualised experience, close to town, built on natural wildlife interaction. This has been well received"

To sum it up the colony's key strengths are:

- It's uniqueness – it's the only place in New Zealand (and nearly the world), offering an experience like this.
- Capitalised on its strengths which was the abundance of little blue penguins.
- In conjunction with product development, they have transitioned from a gold coin donation and created a commercial product that can work with the independent traveller and trade
- It offers a small range of experiences and price points, including an evening experience, which encourages an overnight stay in the area
- It's located close to the centre of town
- Ongoing commitment and support from the local community
- Because of all of this it now generates substantial profit increases which support further tourism development in the region.

This has consequentially assisted in development of the Waitaki region, particularly Oamaru which now boasts a cluster of attractions that include SteamPunk HQ, the Heritage Precinct, and a variety boutique art, food and beverage purveyors.



Olveston House, Dunedin

Within trade marketing channels, Dunedin has a strong product portfolio and this allows the city to be marketed as a two night stay. The impacts commissionable product have on length of stay are significant. The more commissionable product a region has, the longer you can advocate visitors stay (within the trade marketing space). As a rule, a standard Dunedin itinerary includes – half day travel time – afternoon activities (city based), full day nature tours on the peninsula, 2nd overnight in Dunedin and a half day morning activity (city based again on the third).

Olveston House fits into this product portfolio well. It opened in 1967 and is today managed by a Charitable Trust which includes public funding from the Dunedin City Council. Over the years they have developed this product to work for both the Dunedin community and visitors to the region. Currently Olveston House welcomes over 30,000 visitors and has a total revenue exceeding \$600,000 per annum.

First off - it's one of the only period homes in New Zealand to showcase its unique history and offer tour experiences. It's a low impact activity – which basically means anyone can do it. The facilities are open for 364 days of the year from 9am - 5pm and, every day, six one hour tours are hosted by a number of contracted staff. All tours are hosted in English, but they have options available for foreign languages if the group size is large enough.

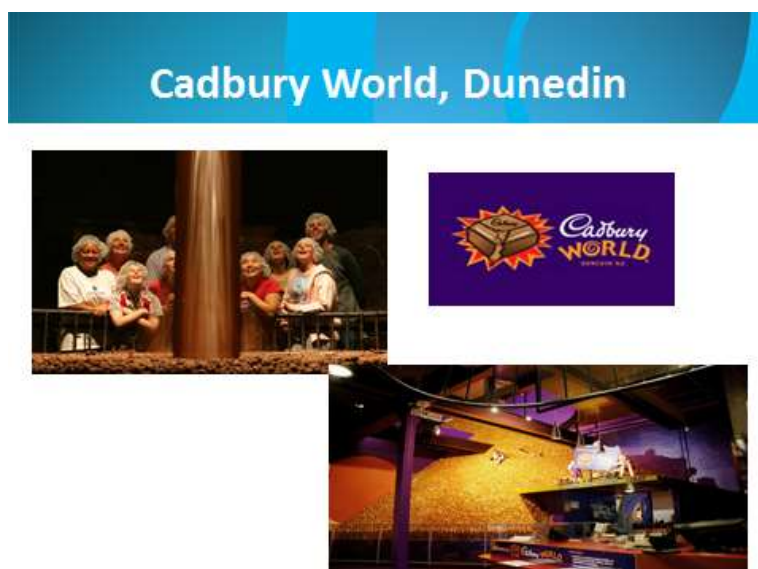
Tour prices range from \$15 to \$20 per person and Dunedin residents get a special rate of \$15 per person. You must take part in a tour if you would like to experience the interior space of Olveston House and entry to the gardens and gift shop are free. Outside of this they host numerous special interest tours, local's days and private events.

Again, Olveston House works with trade and due to the fact it is low impact and has a number of guides, it can cater for both large and smaller groups. As part of this package, trade can choose to just participate in the tour but they offer an “add-on” of morning tea where requested. The length of the tour is important to note when considering trade, as on its own, Olveston House isn't the strongest product proposition in Dunedin – meaning that on its own it wouldn't be something that people travel specifically to Dunedin for.

However, when combined with other products in the area it compliments well. Its short one hour tours and regular departure times allow it the flexibility to be packaged into a range of itineraries easily.

Key strengths:

- They have developed an attraction they already had - to work for Dunedin residents, independent travellers and trade.
- You can't experience the internal space of Olveston House without a tour which allows the product to draw an income.
- Offers a flexible tour offering with regular departures. These regular departures and short tour times allow it to be built into itineraries with other Dunedin products.
- On its own the Olveston product might not usually be strong enough to specifically attract visitors – however, combined with others, the product compliments existing trade offerings in Dunedin. As there are a few available (and more opportunity to make money) Dunedin is an appealing as a destination within the trade marketing space.



Cadbury World

Cadbury World is another Dunedin tourism success story. As a private enterprise it opened its commercial tours in 2003. The attraction showcases Dunedin's industrial history which incorporates a unique savour component but it also displays their industrial heritage strongly. This attraction is unique to Dunedin, however it really is just a factory, but it is the only working chocolate factory in the world which allows patrons and guests behind the scenes.

Of course the product is naturally strong due to its links to an iconic brand, but they have exploited every possible revenue stream. They have done this by inviting people into their factory via tours and by the establishment of events such as the Cadbury Chocolate Carnival. In terms of visitor figures, the factory now receives over 125,000 visitors per year.

Again in order to visit the factory you must take part in a tour. Tours start from \$2 to \$22 per person and include family pass rates. These tours and activities run 7 days a week with three tour options

available – 75 minutes, 45 minutes and 10 minutes. Approximate revenue is estimated to be around \$1,500,000 for tours and over \$400,000 per year in gift shop sales. This brings their total revenue on average to around \$2,000,000.

Again they work with trade. They have a variety of tours (different time, aspects of factory and prices) on the same premise as Olvestons'. When working with trade (including cruise ships), they will also customise their tours and product offerings. This means they are flexible and are willing to develop their product to work best with the needs or interests of the visiting party - or they are willing to offer a tour that is slightly unique from their standard product.

Key strengths:

- They have developed and maximised every possible revenue stream their product could offer through manufacturing, tours, retail and events.
- Again like Olveston, you can't experience Cadbury World without a tour which generates an income for the product and they offer flexible tour offering with regular departures which means again they can work with trade and be built into itineraries with other Dunedin products.
- They are flexible and prepared to customise, meaning their product is a popular choice with visitor groups including the Cruise Ship market and partnering with other tourist attractions such as the Speight's Brewery tours.



Whale Watch Kaikoura

Kaikoura offers a number of nature and wildlife based attractions. One of their most famous regional products is Whale Watch Kaikoura. This product was opened in 1987 and is an lwi managed and operated attraction. It's very unique to Kaikoura and strongly showcases their region's history, culture and ecology. It would be considered one of, if not, the most iconic marine nature attraction in New Zealand.

Annually it receives around 100,000 visitors per year. Tour prices range from \$60 - \$145 per person and generally revenue is around the \$11 million mark. Obviously the attraction of whales is a huge draw card, but beyond this, one of the product's key strengths is that it's very interactive and has

strong interpretation throughout. Throughout the tour you learn (through various mediums like video and commentary) about the unique importance of the area, why whales choose to live there etc. So strong are these interpretation aspects that you have had a great experience before you even see the whales.

Another key strength that works for the product and the region is that they are prepared to package their product well and work with other complimentary products. Packaging your product strategically with others is a useful tool when working in tourism. Generally speaking, it allows companies to broaden their marketing appeal, but because they are offering a great deal, it can give them an advantage over their competitors. The package they use is called the 'Kaikoura Marine Combo' i.e: Air Whale Watch Experience, Sea Whale Watch Experience and a Dolphin Viewing Experience. Experience sells for \$396 per person. From a trade perspective this is also great as it allows on average an \$80 commission per guest – so there is motivation to book.

A key advantage of this tour from a regional perspective is that in order to do it, they recommend you stay in Kaikoura for two nights – which helps with increasing their length of stay.

Key strengths:

- Play to your strengths, use your natural and cultural heritage
- Strong interpretive and interactive aspects to their product – which enhances the experience. This allows the visitor to gain a strong understanding of the product before they even see the main attraction.
- Not only do they work with trade they have also packaged their product. Note that “packaging” works well within the independent and trade space. However, increases marketing appeal and competitive advantage.

What's going well in Southland in the Trade Space

In the last year we have seen very positive progress and development within the region.

Cycling product has seen great progression with the development of two new products: Around the Mountains and Welcome Rock Trails in Northern Southland. What's great with these two trails, is that they are totally different products and will have completely different markets. One being cycle trail cyclists and the second focussing on mountain biking / hiking.

Positively for the region they both have commercial components and have developed sophisticated and professional marketing platforms. Their introduction has consequently added to investigation of further product development of attractions such as a Fish Museum at Athol, Dairy Experience at Five Rivers to complement resurgence in local accommodation and hospitality.

The Humpridge Track in Western Southland has demonstrated simple packaging to appeal to a variety of markets (such as guided Sherpa walk and, jet boat/helicopter piggybacks). Some Stewart Island operators have adopted packages deals such as the Stewart Island Multi-Saver and Birding Bonanza (includes an Ulva Island Tour, Pelagic Bird Spotting and Kiwi Spotting).

Not the silver bullet for Invercargill but it's a wonderful advancement is Transport World. A key strength of this activity is that it will be centrally located, a multi-layered product and generally the overall experience will not be too time consuming. It is worth noting that this is the first time Invercargill will have an all-weather, commercial tourism product that is commissionable. Entry and tours will be offered daily and will range from \$25 - \$90 per person.

Experiences such as Tussock Country Glamping provide a new direction and opportunity for the region as they offer “experiential accommodation”. It’s still as fairly unique experience and it’s rare to find throughout the South Island. Positively for areas like The Catlins, Tussock Country Glamping have the ability and flexibility to set up sites in places like Curio Bay. This has been well received by some trade contacts who have been searching for accommodation that can cater for that slightly higher level.

Opportunities exist here in Southland – we have complementary attractions for a genuine Southern New Zealand experience. For example activities like Transport World will appeal to people who enjoy the Croydon Aircraft Museum or the Burt Munro story. Curio Bay and its wildlife and geology complement the Tuatara and Stewart Island. Our unique heritage is embellished with our variety of outstanding foods. These opportunities do need development – particularly so they can work from a trade perspective, as this is a recognised method (ask Dunedin and Oamaru) to ensure that community gets a sustainable return from their unique character.

Southland Registration of Interest to Ministry of Business, Innovation and Employment - Ultra Fast Broadband 2, Rural Broadband Initiative 2 and Mobile Blackspot Fund

Record No: R/15/8/13374

Author: Stephen Canny, Group Manager Enterprise & Strategic Projects

Approved by: Rex Capil, Group Manager, Policy and Community

☐ Decision

☐ Recommendation

☒ Information

SUMMARY OF REPORT

1. Venture Southland prepared and submitted on 10 July 2015 a response to the Government's Request for Proposal for the Rural Broadband (RBI) 2, Ultra Fast Broadband (UFB) 2 and Mobile Blackspot Fund (MBSF). The report provides an overview of the state of internet and mobile telecommunications revealed through the consultation process and the two bids submitted.

REPORT

2. Ministry of Business, Innovation and Employment (MBIE) has asked for Registration of Interest from all Local Authorities for the second stage of Ultra Fast Broadband (UFB2), the second stage of the Rural Broadband Initiative (RBI2) and the new Mobile Blackspot Fund, to be submitted 10 July 2015.
3. The Government has set aside the following funds for this project:
 - UFB2 - \$152 million to \$210 million
 - RB1 - \$100 million
 - Mobile Blackspot Fund - \$50 million
4. The Mayors and Chief Executives of Invercargill City Council, Southland District Council and Gore District Council have all agreed that a joint Southland bid is an appropriate response and asked Venture Southland to coordinate this bid. All three Councils have agreed to support the project by facilitating public awareness, access to Infrastructure planning and Consent information.

Internet and Mobile Services in Southland

5. An overview of the consultation process is outlined in the Preamble to the Compliant Bid and the key findings are outlined in the Executive Summary of the Compliant Bid, both of which are attached.
6. There are significant technical and operational issues which need to be addressed in Southland:
 - Basic phone services are failing in some areas with serious health and safety issues where 111 cannot be reached. In some areas like the Wyndham vicinity landlines are failing due to copper degradation; at the same time there is no mobile coverage so

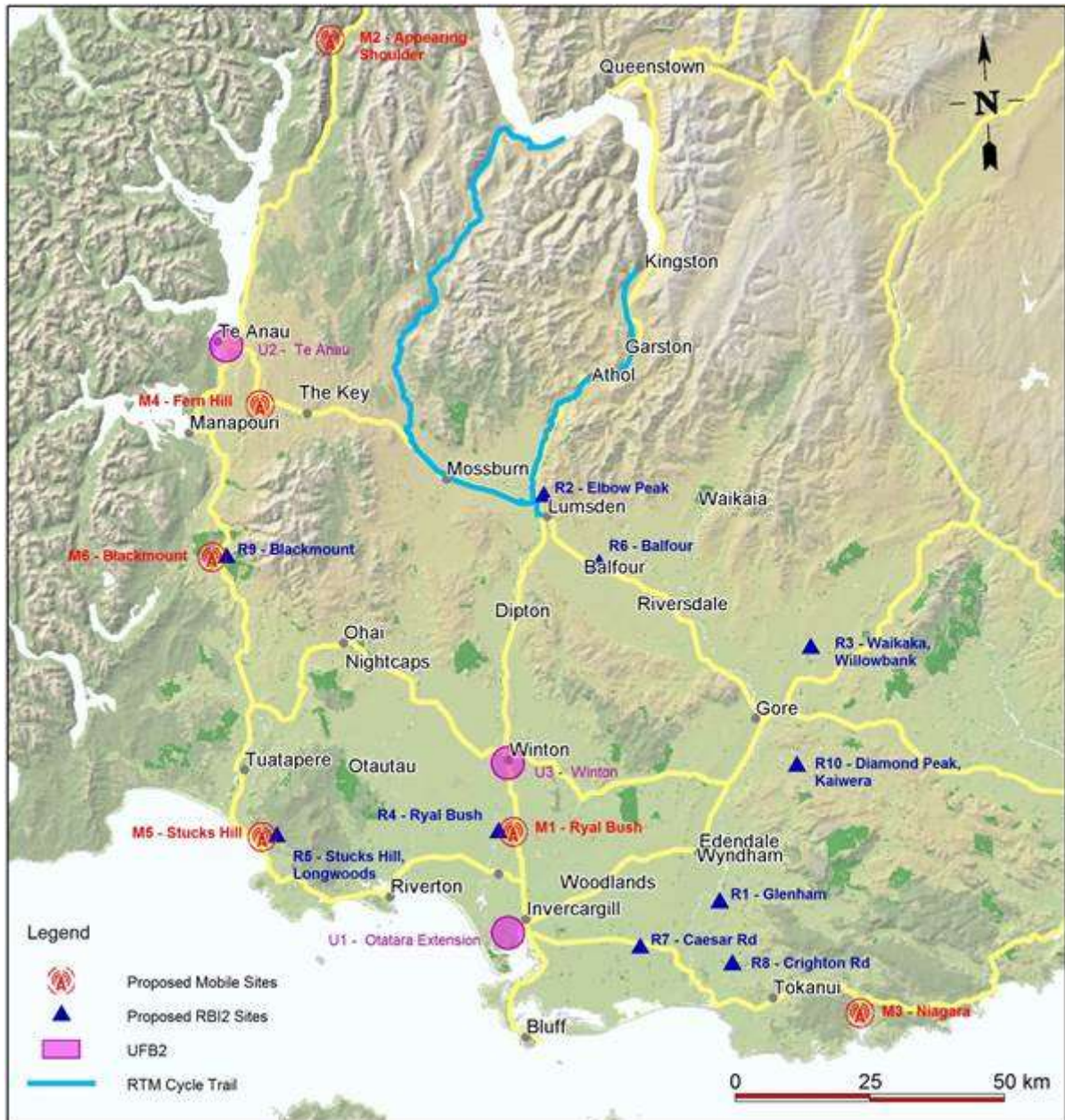
residents are being left without any way to communicate in the event of an emergency.

- Mobile coverage across Southland's State Highway network, as measured in early May by Opus, does not reflect official network coverage reports provided by the Telecommunication companies. Many areas are without service. Business travellers and tourists are frequently left without service even in areas where coverage is available due to the lack of provision for roaming across networks.
- Take up of Ultra Fast Broadband where it is available in Invercargill is low in part due to confusion over how to access services – 75% are aware of UFB; 45% would like to access fibre but don't know how. This is compounded by reports from businesses and others of long delays before connection and poor service which appears to be linked to the complex relationship between Spark, Vodafone, Chorus and their sub-contractors.
- Rural satisfaction with Internet is low – 39% of people in rural areas believe their internet is slow or unreliable. Satisfaction with RBI is even lower – only 4% of people have noticed any improvement in their service. This is not surprising when the service requirements laid out in the contract Vodafone has with Central Government are considered. The basic requirement is only 40 – 45 kbps average speed within a 15 minute period. This speed is only a little faster than dial up. User comments report experiences in line with this, with some saying that dial up was more reliable.
- There is widespread frustration due to poor information provided to customers. Many in rural areas know that schools have received fibre or that fibre has been laid down highway adjacent to their property and do not understand why they cannot access this service. The way in which cable was laid means that this is not possible. Customers in both rural and urban areas report that they cannot get response to faults or are experiencing poor service, with providers such as Spark and Vodafone giving feedback that the issue is with Chorus. Chorus does not respond to retail customer queries; indeed it is nearly impossible to find a number on which to contact them.
- It is Venture Southland's conclusion that there is a need for a strategic plan and unified advocacy to improve services in the Southland region which includes:
 - Critical appraisal of the future network architectures and network development strategy that are being proposed for the region and funded via the 'UFB2/ RBI2/ MOBILE BLACKSPOT FUND'
 - Adoption of contemporary (2015) network performance standards
 - Independent verification of network coverage and performance
 - Deployment of wireless and mobile technologies which are contemporary 'standards based' and support a future proofed technology migration and integration pathways
 - Mandated roaming across Mobile networks
 - Completion of RBI1 and UFB1 commitments to 2015 standards
 - Review and update of existing service contracts to reflect the points raised in items 1 – 5 above.

Registrations of Interest

7. Comprehensive Registrations of Interest (ROI) were completed on 8 July. The ROI was made up of two main parts; a 600 page Compliant Bid and a 100 page Alternative Bid which was submitted as a companion document.

8. Key defining features of the Compliant Bid and the Alternative Bid is as follows:
- **The Compliant Bid:** focuses on a commitment to improving services in Southland as well as development of new Fibre optic cable services, Wireless Broadband and additional Mobile services within a central government lead framework and process.
 - **The Alternative Bid:** focuses on a regionally lead deployment of services focused on a strategic investment in the enduring elements of the broadband and mobile infrastructure. It promotes the continual deployment of region-wide fibre optic cable; to replace the aging copper network and investment in hilltop towers; both of which are 50year plus pieces of infrastructure. This approach will provide an enduring infrastructure platform for the future which will not require further investment for many decades.
9. Both bids promote seamless mobile service roaming in the rural areas of Southland as well as a priority commitment to the completion of the Rural Broadband Initiative and Urban Fibre Network deployment as part of Phase 1 deployment commitment announced in 2013. The ROI bids also promote improvement in services in the areas shown below.
10. Investment is proposed for the following sites (Please refer to the location map on the following page):
- Urban Fibre UFB2:
1. Otatara
 2. Te Anau
 3. Winton
- Rural Broadband RBI2:
1. Glenham (Catlins)
 2. Elbow Peak (Lumsden)
 3. Waikaka
 4. Ryal Bush
 5. Stucks Road (Longwoods)
 6. Balfour
 7. Caesar Road (Kapuka)
 8. Crighton Road (Catlins)
 9. Blackmount
 10. Diamond Peak (Kaiwera)
- Mobile Black Spots MBSF:
1. Ryal Bush (State Highway 6)
 2. Appearing Shoulder (Milford Road, State Highway 94)
 3. Niagara (Southern Scenic Route)
 4. Fern Hill (State Highway 94)
 5. Stucks Road (State Highway 99)
 6. Blackmount (State Highway 99)



11. Letters of support were provided by the following:

- SDC – Gary Tong (Mayor), Steve Ruru (CEO)
- ICC – Tim Shadbolt (Mayor), Richard King (CEO)
- GDC – Tracy Hicks (Mayor), Stephen Parry (CEO)
- Sarah Dowie – Member of Parliament for Invercargill
- Todd Barclay - Member of Parliament for Clutha-Southland
- Ria Bond – NZ First List Member of Parliament based in Invercargill

Community Support Letters

12. Over 90 letters of support were received from residents and businesses throughout the region.

13. Venture Southland staff wish to acknowledge the tremendous support and the positive collaboration that has been received from local politicians, businesses, residents, land owners and Councils towards the preparation of the Registration of Interest and it is hoped that this region-wide effort and the quality of the technical submission is recognised by the MBIE review team.
14. Venture Southland is currently reviewing and updating the operative Southland Digital Strategy to reflect the feedback that has been received from the ROI consultation and digital survey processes. It is expected that this review work will be completed by the 28th of August 2015.
15. It is suggested that Venture Southland convene a Regional Steering Group made up of Council, community and business representatives, to oversee the further development of the project once the overall process and timeframes are known. The proposed make-up of the Steering Group; if supported would be the subject of a future report to the Joint Committee.
16. Further updates will be provided as the bid evaluation process advances.

Recommendation

That the Policy Review Committee:

- a) **Receives the report titled “Southland Registration of Interest to Ministry of Business, Innovation and Employment - Ultra Fast Broadband 2, Rural Broadband Initiative 2 and Mobile Blackspot Fund” dated 19 August 2015.**

Attachments

- A Compliant Bid - Preamble and Executive Summary and Alternative Bid - Executive Summary [View](#)

Appendix 1

Southland Registration of Interest – Support Ultra Fast Broadband 2, Rural Broadband Initiative 2 and Mobile Blackspot Fund

Preamble

Southland is a geographically diverse region, encompassing 12% of New Zealand's landmass. With 2.4% of the population, Southland Industry produces 15% of New Zealand's tradable exports. The region's productive capacity rests on the land and value-added production; farmers and other rural businesses need access to fast and reliable internet and mobile services in order to continue to grow productivity and retain competitiveness within a fast changing global economy. In 2013-2014 Southland's economy grew by 11%, the highest rise in GDP within New Zealand, representing an addition of \$550 million to the local economy and cementing its position as a leading export region. Southland has the highest employment and participation rates in the country and an aging workforce. To retain our young people and attract skilled workers to Southland, connectivity to global culture and family and friends around the world is essential.

Venture Southland, in its role of promoting economic and community development for the Southland region, has prepared this Registration of Interest on behalf of Southland District Council, Invercargill City Council and Gore District Council.

Venture Southland has been involved in telecommunications work since the design of the Whole of Community Broadband initiative in 2000 which led to the rollout of 32 transmission towers across the region as part of a public-private partnership. This provided a lifeline to rural residents and business people giving them access to what was at the time leading edge technology. However as data demands have grown the existing options are no longer serving the needs of the community. In preparing the ROI we have consulted widely with the local community:

- The three Territorial Local Authorities through Mayoral forums, Shared Services, Emergency Management and Venture Southland's Joint Committee
- Consultation with local communities at proposed sites through Venture Southland's Community Team. Letters of support are included within the supporting documentation for each site
- The Southland Mobile and Internet Survey 2015 which was open to all residents of Southland. 720 businesses and residents responses were analysed and informed the bid. Many of their comments are included within the supporting documentation
- Over 80 businesses were consulted at a Digital Enablement Workshop organised by Venture Southland in partnership with NZTE.

We have also drawn on the technical knowledge which Venture Southland has developed through managing a range of other contracts and projects in the communications sector, including the initial scoping and design for the Invercargill Urban Fibre Network and the management of contracts with the European Space Agency, Planet Labs and Rocket Labs for Space Tracking Services from the Awarua Ground Station.

Venture Southland has longstanding relationships with many organisations with a role to play in ensuring that community provision of broadband is a success. We have commitment of support from Woosh to allow the use of any of their sites which are useful to the rollout of RBI2. Southland can benefit from this infrastructure which was initially installed to provide good coverage across our rural communities and can be used to site new technology. Teamtalk has also provided support for the Southland ROI. PowerNet will support use of power pole infrastructure of UFB2 should this be the preferred solution.^[1]

^[1] All commercial agreements in principle and subject to contract negotiation.

Venture Southland believes that we have presented site proposals which represent both good solutions for our communities and value for money.

Further technical expertise has been contracted from Tony van Horik of Advanced Technology Solutions Ltd who undertook a review of Southland's current broadband infrastructure. His findings reinforce the feedback we have had from residents in many rural areas who are reporting that RBI1 has had significant limitations. Only 4% of respondents to the Southland Internet and Mobile Services say they have seen any improvement in service from RBI1. The contractual obligations on Vodafone for the delivery of RBI1 only require a very basic level of service which is no longer keeping pace with technological development and the requirements of today's business environment. While this is of concern to a wide range of community members it is of particular concern to the many rural businesses which report that none of the options available to them (Xtra Dial up, Woosh or Farmside satellite) are meeting their needs. They are struggling to keep pace even with basic administration and cannot make use of the opportunities for efficiency and innovation gains presented by agricultural software designed to support herd health, effluent and shed management all of which require live data upload. Southland has over 900 dairy farms and business efficiency is ever more important as the industry manages the fluctuation in commodity prices.

Mapping of the service coverage on Southland's State Highways on both the Vodafone and Spark networks was undertaken on Venture Southland's behalf by Opus consultants. This data reveals many blackspots and poor signal areas and has informed our selection of proposed sites for inclusion under the Mobile Blackspot Fund. We propose that roaming between the mobile networks should be mandated as this would be more capital efficient and would eliminate many of the coverage challenges and needs to be implemented as a priority, alongside investment in new infrastructure. It is not efficient that so many business people have to carry phones on both major networks and that local people and tourists alike have to weigh up which network is most likely to meet their needs.

The research we have undertaken and commissioned as part of the preparation for this ROI has given a much clearer picture of the state of services across the region. As a result we have prepared this ROI but also an alternative proposal for a technological solution which we believe will deliver a more satisfactory future proofed option that builds on existing infrastructure.

Having consulted widely Venture Southland is of the opinion that RBI1 has failed to drive effective improvement in the delivery of rural broadband services which, many customers have been told, has been capped to limit the number of customers to 100. The Vodafone contract stipulates minimum performance speeds which are equivalent to those expected from a 2000 dial up service. It is therefore not surprising to see these concerns being reflected in the customer feedback.

The other issue that is being clearly articulated is that the incumbent (pre RBI) broadband network investors in Southland are of the opinion that the RBI as well as not being effective has seriously undermined both the previous private sector and Government sector funding and has been a disincentive for applying new capital to network improvements.

Whatever the outcome of the proposed RBI2, UFB2 and MBSF project, Venture Southland recommends that serious consideration be given to:

1. The critical appraisal of the proposed network architecture and network development strategy
2. The adoption of 2015 network performance standards
3. That network coverage and performance be independently verified as part of site acceptance testing
4. That the wireless and mobile technologies being deployed are contemporary standards based and support a future proofed technology integration pathway
5. That roaming across Mobile networks be mandated
6. That the existing service contracts be reviewed and updated to reflect the points raised in items 1 – 5 above.

Venture Southland's long commitment to the promotion of world standard telecommunications services for the region is reflected in the 2008 Digital Strategy which was prepared for the region. This strategy is currently being reviewed and updated and will be submitted as part of this ROI process by the September deadline. In our role as NZTE and Callaghan Innovation Regional Business Partner we have been supporting businesses with their challenges in connecting to fibre and have organised training events to help up skill businesses in the latest use of cloud, apps and other online software. This work dovetails with our successful business efficiency, productivity and skill development programmes which are highly dependent on businesses being able to take advantage of the opportunities presented by world class telecommunications technology. All three TLAs and Venture Southland are committed to continuing to raise awareness of the benefits of broadband to encourage both uptake of new service offerings and how to maximise the benefits these services offer to communities and businesses.

The following registration of interest has been developed under the terms of the MBIE call for registrations of interest and has been formulated following an extensive evaluation of the opportunity. In addition to the work contained within this ROI, Venture Southland and regional stakeholders have also evaluated the long term needs of the region and these are articulated as a separate proposal in a companion document.

Executive Summary

Investment is proposed for the following sites (Please refer to the location map on the following page):

UFB2:

1. Otatara
2. Te Anau
3. Winton

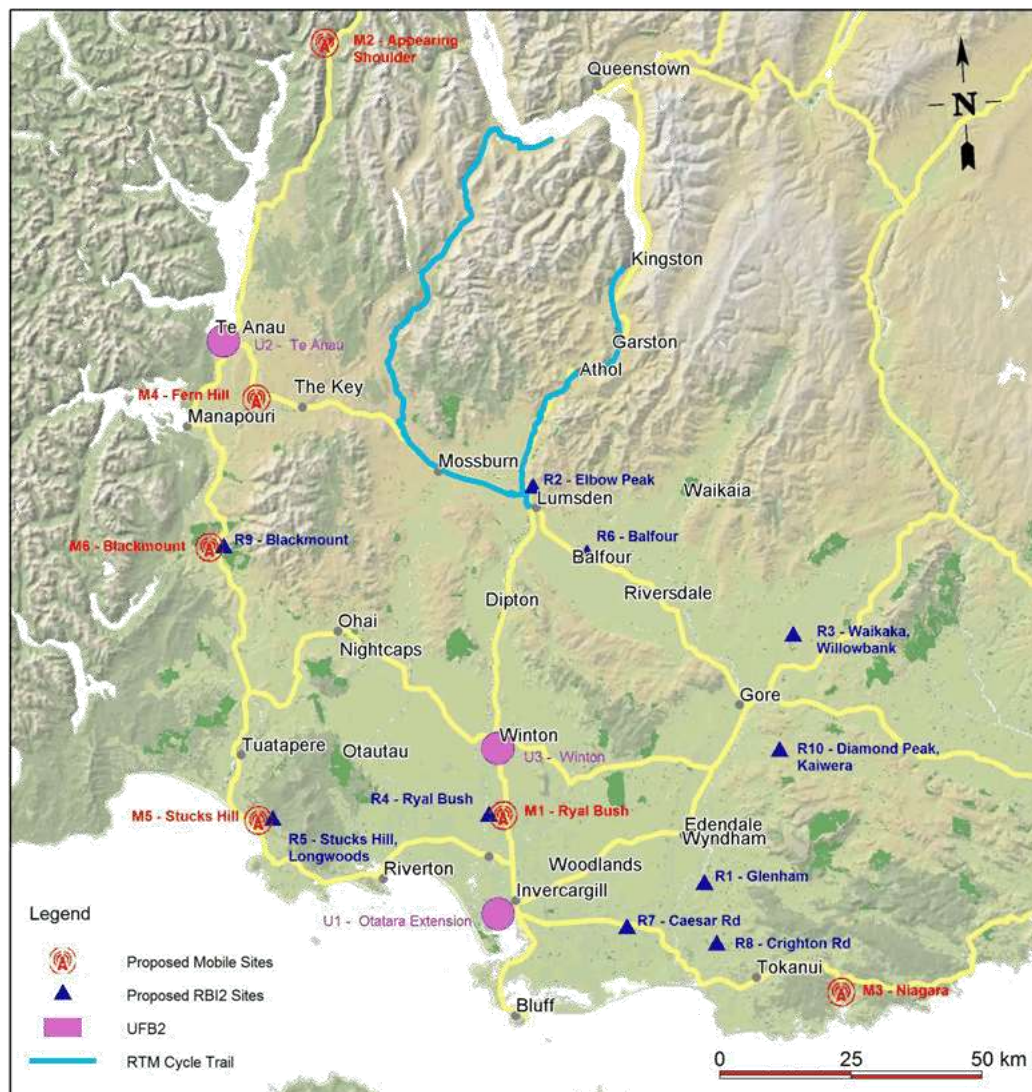
MBSF:

1. Ryal Bush (State Highway 6)
2. Appearing Shoulder (Milford Road, State Highway 94)
3. Niagara (Southern Scenic Route)
4. Fern Hill (State Highway 94)
5. Stucks Road (State Highway 99)

Location Map

RBI2:

1. Glenham (Catlins)
2. Elbow Peak (Lumsden)
3. Waikaka
4. Ryal Bush
5. Stucks Road (Longwoods)
6. Balfour
7. Caesar Road (Kapuka)
8. Crighton Road (Catlins)
9. Blackmount



10. Diamond Peak (Kaiwera)

These sites have been selected after undertaking detailed field analysis, community consultation and review of the impact of RBI and UFB on the region, the key findings of which are outlined below.

Venture Southland commissioned Advanced Technology Solutions Ltd to complete the Southland Region Broadband Review. The conclusions and recommendations of this report, produced by internationally recognised telecommunications expert, Tony van Horik, are outlined below.

Conclusions:

1. Southland has historically been above the New Zealand average for the take up of broadband services and (barring current UFB) this trend is continuing -especially in the rural areas. It is clear, however, that with the increased availability of, and dependency on internet based services, customer expectations are rapidly increasing and survey results show that more than 40% of users are dissatisfied with the performance of their service. A large proportion of users claim that the service is "unusable" during peak times. This is true for rural areas in particular.
2. While the uptake of mobile technology (internet and mobile phones) is at least on par with the rest of New Zealand, it is evident that the quality of the services provided throughout Southland is significantly below requirements with close to 50% of users regularly experiencing problems that impact their business and personal lives.
3. With the opening up of telecommunication competition that included infrastructure, the Government has created an environment where markets with perceived low returns, such as Southland, are being largely ignored for major investment. In the past 20 years, any significant investment in telecommunications infrastructure has only come about as a direct result of subsidies, lobbying, and intervention from local and central government. Without this continued intervention, the quality of telecommunication services in Southland will continue to fall behind the rest of the country and growth opportunities will be hindered..
4. Over the past 10 years, Venture Southland has proven itself to be a worthy partner with central government and telecommunications providers for the enhancement of services in Southland. (No other Territorial Authority has been as successful in this). This organisation has a good understanding of the needs of the region and has been a worthy advocate for the people and industries of Southland. A partnership with this organisation is essential for extracting the most benefit from any further investment by both central government and service providers.
5. Southland continues to be a powerhouse for agriculture and tourism and there are significant indirect economic benefits to New Zealand to further grow these industries through the availability of ubiquitous, fit for purposes, telecommunications services. For this reason, the strategy by central government for attending to high population areas first must be modified to benefit these highly productive industries. A more targeted approach is therefore required to gain maximum benefit for any further infrastructure investments.

Mobile Voice Services

1. While less than 1% of Southland residences do not have a mobile phone, 47% rural residents and 39% urban residents regularly experience mobile coverage problems which significantly impacts their lives. This clearly indicates that while mobile phone penetration is high, the coverage provided is significantly below requirements.
2. With only minor exceptions, much of the existing mobile network infrastructure and subsequent coverage areas are duplicated in Southland. The proliferation of duplicate/overlapping mobile network infrastructure by Vodafone and Spark in low population density areas needs to be reassessed with a view to sharing of that infrastructure, especially where that infrastructure is being subsidised by government. Competition requiring duplication of infrastructure does not appear to be serving the Southland region well in low population density areas and creates a disincentive for suppliers to invest. With more revenue on offer through roaming arrangements, there will be a greater incentive to invest in marginal areas.

3. It is clear that large areas of Southland have little to no mobile phone coverage. With limited funds, a targeted approach is required to achieve the greatest impact (economic and social benefit) for key industry sectors. Any further builds of infrastructure should therefore be undertaken in consultation with the local economic development agency. Venture Southland has identified three high priority areas for the expansion on mobile services which cover main arterial routes, tourist areas and farms.

Rural Broadband Programme

1. Without a quantitative analysis of end user performance, it is difficult to determine whether or not a supplier has met its contractual service provision obligation under the RBI programme. The Venture Southland survey however, does create sufficient concern for further investigation regarding the performance and capacity of the this network. Vodafone states that the network performance is "managed carefully", but much more transparency is required as to how this is done and what the results are.
2. The cellular network (including data) is by its nature a contestable network and there are no guaranteed performance levels. It is not possible to prioritise data services to fixed mobile RBI customers and the loading on a cell site will vary greatly during the course of a day and over the peak tourist season. This appears to contradict the Government's requirements under the RBI contract.
3. Irrespective of whether or not the RBI contractual connection performance has been achieved, the fixed cellular connection specification for minimum throughput needs to be reviewed as it currently appears inadequate to cope with modern Internet services and customer expectations.
4. There are reports that in some locations cell sites have reached their capacity for fixed Internet connections under the RBI programme. While this has been stated by some Vodafone resellers and installers, it has not been stated by Vodafone and its position is that there is no hard limit on the number of RBI connections to its sites.
5. Venture Southland is planning to undertake a co-ordinated Internet speed test survey in various areas to get quantitative data on service quality. The results of these tests should be used to check against service provider obligations where government contracts are in place and inform further investment.
6. Vodafone has plans to upgrade its RBI sites to LTE (no dates given) but this is again will only service as a stop-gap measure for high end non-mobile users and have limited geographic coverage. A modem change will be required for RBI connections to make use of this higher performing LTE service.

Ultra Fast Broadband Programme

1. The current UFB programme will result in nearly 17,300 residences being able to access fibre broadband services in Invercargill, Gore and Mataura by June 2016 (Gore doesn't start until August 2017). To date, around 13,000 residences in Invercargill have access with around 1,300 connections made.
2. The take-up rate of 10.4% is below the national average of 12.8%. This lower than average uptake is seen as the result of; (1) fewer retailers in the region selling the service, and (2) lack of public awareness, promotion and information regarding the services on offer. There has also been feedback from some businesses of difficulty and delays in getting fibre installed.

Recommendations

1. Preparation of a joint Long Term Strategic Plan for the Development of Telecommunication Services in Southland - to be undertaken jointly by central and local government with assistance from key suppliers (include cost estimates). This should provide a roadmap to a

point where capacity and coverage become non-issues and ensure efficient investment to achieve the greatest benefit for the region in the shortest time possible.

2. Establish a closer relationship and Statement of Works between local councils and suppliers in order to: (1) efficiently overcome council consent requirements; (2) better target infrastructure development for the community priorities; (3) stimulate demand for services; and (4) ensure any new buildings and building sites include telecommunications infrastructure consistent with the Long Term Strategic Plan.
3. That mobile networks be extended into remote areas (where subsidies may be required) by building an "open" single network infrastructure which accepts connections from all national service providers through a "transparent" national roaming agreement (Note: Vodafone already has a selective roaming agreement with 2degrees).
4. It is clear that because of the high level of customer dissatisfaction, expectations of the fixed broadband services are not being met in many areas. Networks are not maintaining pace with the ever increasing demand for Internet based services - especially in the rural areas where dependency on these services is high. Ultimately, therefore, fibre optic cables must be extended further into remote locations and innovative ways of funding and achieving this must be explored by local government with supplier input.
5. It is understood from Vodafone that recent changes have made it possible for emergency services calls ("111") to roam between networks should the handset's home network not be visible. As this is a key issue for road and farm safety and more clarification is required as to the network conditions under which this occurs.
6. With customer service expectation ever increasing, the minimum performance standard for the rural broadband service must be revised. The current "minimum peak" standard has set the minimum performance (average throughput of 45kbps over a 15 minute period) standard too low and is not being actively monitored.
7. An open and transparent method of testing network performance should be established. Network providers must be encouraged to be more open regarding performance issues such that a realistic cost versus performance equation can be established and external assistance provided where appropriate. The involvement of an independent body such as the Telecommunications Commissioner is recommended. Minimum standards must also be revised on a bi-annual basis.
8. Provide further encouragement for private wireless internet providers to share the fibre cable to rural schools in order to upgrade and extend internet access to the local community near the school. (Yrless and VelocityNet in Southland are implementing a small number of projects based on distributed Wi-Fi networks around schools to provide community broadband).
9. Make greater use of the already established remote Woosh Wireless sites to provide higher performance broadband access should be considered.

Venture Southland consulted widely with the community, including through the Southland Internet and Mobile Survey which received responses from 720 residents and businesses from all over the region between March and May 2015.

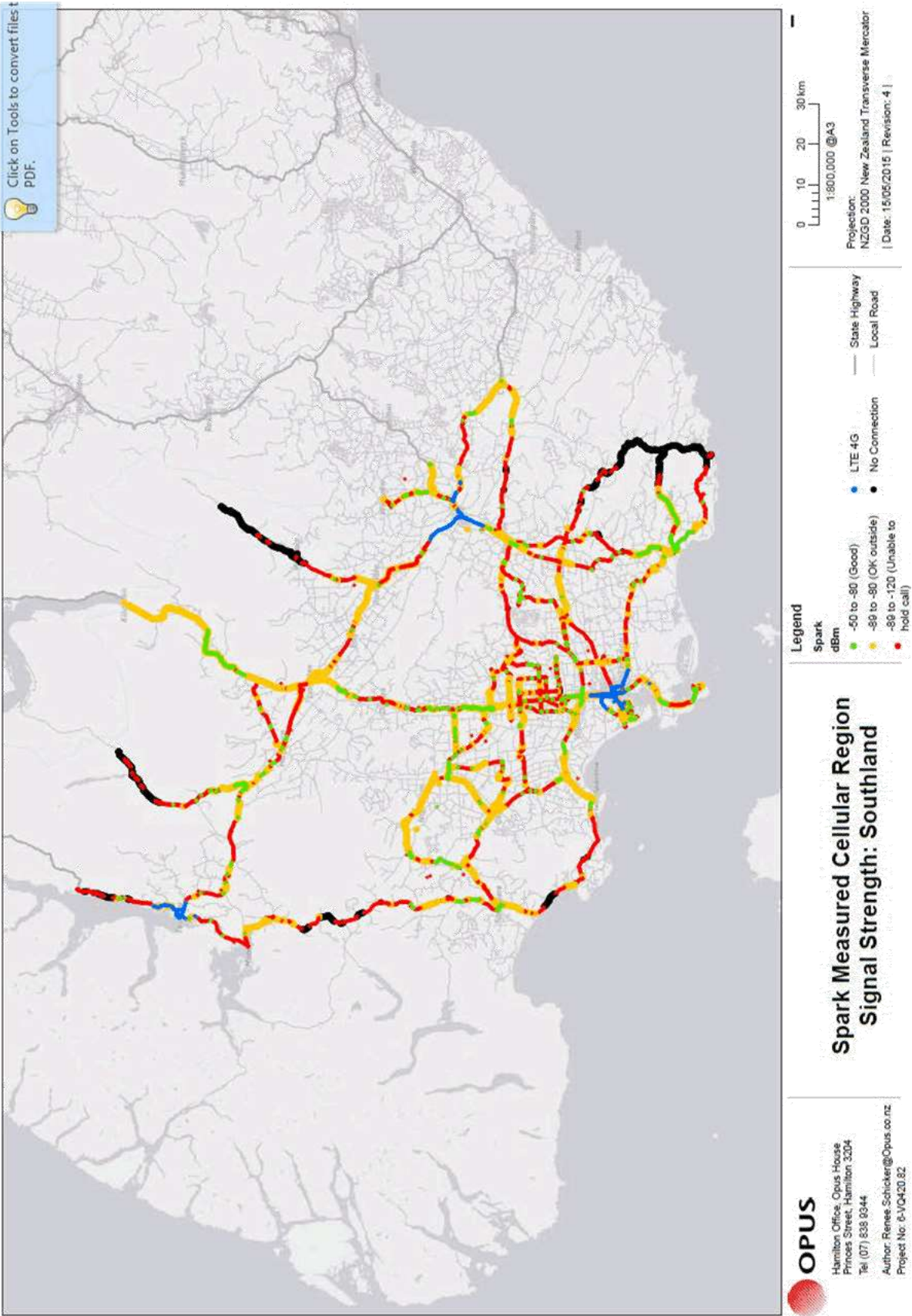
Southland Internet and Mobile Survey Key Findings:

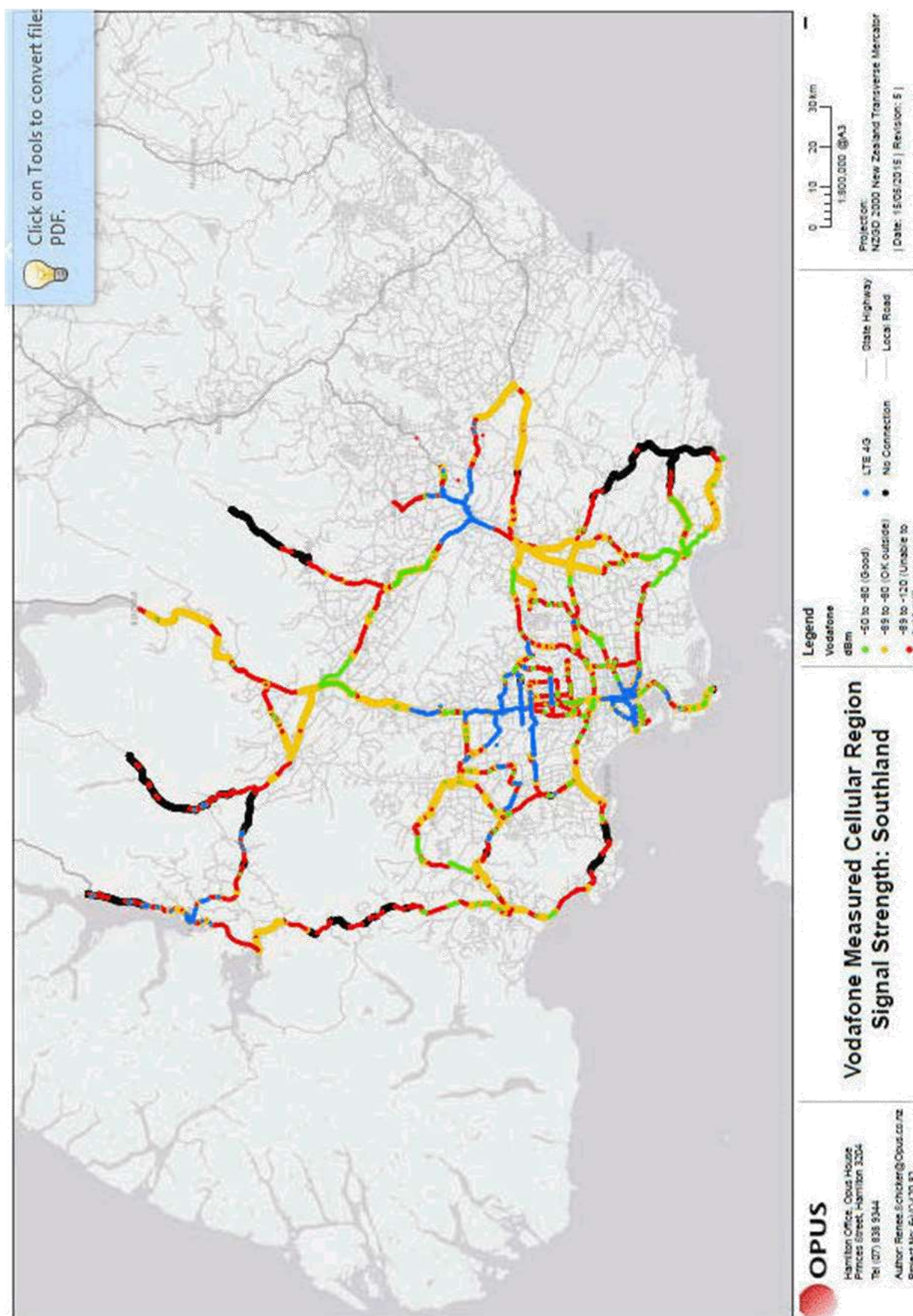
- 47% of rural respondents and 39% of urban respondents report that they or their family regularly experience problems with their mobile coverage which significantly impact on their lives.
- Less than half (48%) of people in rural areas can use their mobile phone in their home, compared to 73% of people in urban areas.
- In rural areas, 50% have heard of the Rural Broadband Initiative but most are unaware of any impact on their service. 4% have noticed any improvement; the same proportion believes their service has actually grown worse.

- Only a third (34%) of people working in agriculture can use their phone at home or work.
- 71% of respondents use their mobile phone to access the internet.
- 39% of people in rural areas and 21% of people in urban areas believe their internet service is slow or unreliable.
- 40% of people in rural areas and 27% of people in urban areas would like to be able to stream video or TV but are unable to.
- 75% of urban respondents are aware of the Ultrafast Broadband Initiative. 45% report that they would like to access the service but don't know how to.
- 83% of businesses are using their home internet connection to run their business: of these, 32% have a very or impossibly slow internet connection.
- 24% of rural businesses and 9% of urban businesses say that the quality of their internet and mobile services is affecting their ability to attract staff.
- 41% of rural businesses and 15% of urban businesses say that their internet service does not meet their needs. An additional 38% of urban businesses and 10% of rural businesses forecast that their internet service will no longer meet their needs at some point within the next two years.

In the first week of May Opus International Consultants undertook field tests of the strength of signal of both the Spark and Vodafone networks on Southland's State Highways and other key transport routes using the latest Samsung S5 handset. The full size A3 maps have been included as a separate attachment to the ROI. Below are images of the overview for the region as a whole showing the widespread black-spots and poor signal areas experienced across the region. The first map shows the Spark Network and the second Vodafone. Black areas indicate no signal, red areas signal so weak that holding a call is challenging. Full size maps and close ups are included in the appendices.

Item 8.4 Attachment A





Item 8.4 Attachment A

About the Southland ROI for the UGB2, RBI2 and MBSF Funds

This document contains analysis for each of the sites where we propose investment. Each section follows the following format:

- Overview of the site, including whether it is a proposed UFB2, RBI2, MBSF or combined RBI/MBSF site.
- Community need and business case for investment
- Technical information about the site, including modelled coverage and existing infrastructure
- Community letters of support for the site

The full text of letters of support, research reports, strategies and other key documents which have informed the development of the ROI can be found in the appendices.

Appendix 2

Proposal for Whole of Community Telecommunications in Southland

Registration of Interest - Support, for the Provision of Integrated Telecommunications Solutions in the Southland Region under the RBI2, UFB2 and MBSF funds

**THIS IS AN ALTERNATIVE REGISTRATION OF INTEREST AND SHOULD BE CONSIDERED
SUBSERVIENT TO VENTURE SOUTHLAND'S COMPLIANT REGISTRATION OF INTEREST THAT HAS
BEEN LODGED SEPARATELY.**

Executive Summary

This proposal strongly recommends a locally managed core telecommunications network investment and programme, focused on the enduring and future-proofed components of those networks. To this end, Southland stakeholders, through Venture Southland, propose the establishment of a pilot programme to deliver an integrated approach to deploying universal and affordable broadband and cellular telecommunications throughout rural Southland with long term benefits. This proposal is consistent with the *Southland Digital Strategy*.

Efforts to modernise New Zealand's telecommunications networks have so far been successful in the cities and largest towns where UFB and commercial fibre-optic cable access will soon be available to all, and 3G – and soon 4G - mobile cellular coverage is nearly complete. The same cannot be said for rural New Zealand, where RBI and private sector investment has, with few exceptions, been successful only in providing fibre-optic cable access to schools and, in Southland, unhelpfully overbuilding an existing 3G broadband wireless network.

The RBI investment has not proven to be useful in Southland primarily because there is no long-term, agreed goal for broadband and cellular service in rural New Zealand. Accordingly, there is no agreed technology roadmap and as a direct consequence it has not been possible to identify the best strategic investment decisions, nor to determine a long term budget commitment.

It is considered that the current separate investment models for UFB, RBI and MBSF are fundamentally flawed as they do not provide an integrated solution with a strategic investment pathway. Despite good intentions, these initiatives have not harnessed local expertise and knowledge to best advantage. At worst, they have seriously undermined existing investment in telecommunications infrastructure, as is now explained.

In Southland, the first round of RBI funding only served to overbuild the Woosh Wireless network that had been completed in 2007 under the Southland Whole of Community Broadband initiative. The Woosh Wireless network provided affordable 3G coverage, allowing some 95% of Southland dwellings to have 1Mbps or better Internet access. As a result of the RBI contract being awarded to subsidise Chorus and, in particular, Vodafone's network expansion, the business case for the planned upgrade of Woosh Wireless' 3G technology to 4G was completely undermined, leaving a \$10M investment by ratepayers, government and private enterprise stranded. Worse, the RBI produced no tangible improvement in broadband service in Southland: a survey with 95% confidence level found that Southlanders could identify no real improvement in their broadband service over the last five years. Analysis of the Vodafone – MBIE RBI contract reveals an absence of meaningful technical metrics for network performance, allowing no contractual remedy to improve the situation.

Venture Southland has had some difficulty in preparing a conforming Registration of Interest for the RBI2, UFB2 and MBSF initiatives as these initiatives ignore voice and data convergence, and the need to establish network architecture that delivers enduring benefits and a robust forward digital pathway at a time when demands for greater bandwidth is rapidly accelerating.

Any forward planning by telcos has had to be second-guessed. It has also been difficult identifying coverage black-spots as it has become apparent that stated wireless RBI performance is overly optimistic and claimed wireless and cellular coverage in many cases is not supported by field testing.

If Southland is to remain an economic powerhouse of New Zealand, fibre-optic broadband access to every farm and dwelling in Southland is required and, simultaneously, ubiquitous LTE mobile telephony and Internet access. An annual network investment of between \$5.5M to \$7.7M over the next 15 years is required to build the networks to provide such service.

Venture Southland proposes a pilot programme to deliver an integrated solution that will deliver marked improvement to Southland broadband and cell phone access through an innovative application of the RBI, UFB and MBSF funding allocations due to Southland. In essence, it is proposed that Venture Southland act as a bulk funder to manage a roll-out of terrestrial Internet and cellular services in the region.

This proposal requires:

- Commitment to the dual objectives of 'Fibre Everywhere' and 'LTE Everywhere' at an affordable price to customers,
- Agreement that a 15 year staged strategic approach is necessary for telecommunications network investment in New Zealand,
- That Venture Southland work in partnership with MBIE and telecommunications network providers to develop an agreed, fully-costed, and integrated technology roadmap,
- That Venture Southland work in partnership with MBIE and telecommunications network providers to award funds to UFB2, RBI2 and MBSF projects in Southland, and oversee their deployment and acceptance testing,
- That the Telecommunication Development Levy is substantially increased, recognising that low-cost urban customers have a duty and reciprocal interest to ensure that more expensive rural customer connections are provided,
- The Telecommunications Development Levy and Government contributions to RBI and UFB awarded to Southland must encourage a network investment of at least \$6M per year, particularly in light of the age of the existing copper network,
- All mobile cellular operators to provide mandatory no-surcharge roaming across their competitors' networks where their own network does not provide good coverage,
- That the delivery of service in Southland be overseen by a local statutory entity and governance group responsible for the oversight of deployment programmes, establishing priorities and providing local accountability,
- That priority be given towards co-investment into the enduring elements of the networks such as towers and fibre-optic deployment as these are effectively 50 years assets and provide long term benefits to local communities,
- That tenders be let regionally for delivery of the services specified.

There is some real urgency in adopting this proposal: the existing underground copper telecommunications network in Southland is starting to reach the end of its design life and given the timescale available to deploy its replacement, work needs to be embarked upon in the near future.

The areas Venture Southland has identified for immediate network augmentation are identified in Venture Southland's complying Rol under the UFB2, RBI2 and MBSF initiative.