

Notice is hereby given that an Ordinary meeting of the Great South Joint Shareholders Committee will be held on:

Date: Friday, 11 October 2024
Time: 9:00 am
Meeting room: Great South, 143 Spey Street, Invercargill
Venue:

Great South Joint Shareholders Committee Agenda OPEN

MEMBERSHIP

Rob Scott, Mayor Southland District Council (Chair)	A class shareholder
Ben Bell, Mayor, Gore District Council	A class shareholder
Nobby Clark, Mayor, Invercargill City Council	A class shareholder
Nicol Horrell, Chair, Environment Southland	A class shareholder
Daryl Haggerty, Acting Chief Executive, Southern Institute of Technology	B class shareholder
Sheree Carey, Chief Executive Officer, Southland Chamber of Commerce	B class shareholder
Mark Paterson, General Manager, Mataura Licensing Trust	B class shareholder
Chris Ramsay, Chief Executive, Invercargill Licensing Trust	B class shareholder
Jackie Flutey, Chief Executive Officer, Community Trust South	Member

Health and safety

Toilets – The location of the toilets will be advised at the meeting.

Evacuation – Should there be an evacuation for any reason please exit via the exits indicated at the venue.

Earthquake – Drop, cover and hold applies in this situation and, if necessary, once the shaking has stopped we will evacuate the building to a safe location.

Phones – Please turn your mobile devices to silent mode.

Recording - These proceedings may be recorded for the purpose of live video, both live streaming and downloading. By remaining in this meeting, you are consenting to being filmed for viewing by the public.

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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

Joint 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 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the Joint 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."

5 Confirmation of Council Minutes

5.1 Meeting minutes of Great South Joint Shareholders Committee, 30 August 2024

Great South Joint Shareholders Committee

OPEN MINUTES

Minutes of a meeting of Great South Joint Shareholders Committee held in the Great South, 143 Spey Street, Invercargill on Friday, 30 August 2024 at 9:00 am. (9:00 – 10:31 am).

MEMBERS PRESENT

A class shareholders

Rob Scott, Mayor Southland District Council (Chair)
Ben Bell, Mayor, Gore District Council (by video link)
Nobby Clark, Mayor, Invercargill City Council
Nicol Horrell, Chair, Environment Southland (9:39 – 10:31 am)

B class shareholders

Sheree Carey, Chief Executive Officer, Southland Chamber of Commerce 9 (by video link)
Chris Ramsay, Chief Executive, Invercargill Licensing Trust
Daryl Haggerty, Acting Chief Executive, Southern Institute of Technology

Member

Jackie Flutey, Chief Executive Officer, Community Trust South

MEMBER APOLOGIES

Nicol Horrell, Chair, Environment Southland (late arrival)

IN ATTENDANCE

Tom Campbell, Deputy Mayor Invercargill City Council
Christine Menzies, Deputy Mayor, Southland District Council
Ian Collier, Board Chair, Great South
Chami Abeysinghe, Chief Executive, Great South
Bobbi Brown, General Manager Regional Strategy, Great South
Kelly Spittle, Regional Projects and Strategy Advisor, Great South
Kerrie Young, Regional Director, Kaianga Ora
Harry Bates, Development Manager, Kaianga Ora
Trudie Hurst, Group Manager Community Engagement and Corporate Services, Invercargill City Council
Patricia Christie, Group Manager Finance and Assurance, Invercargill City Council
Michael Day, Chief Executive, Invercargill City Council
Rachael Millar, Strategy, Policy and Science, Environment Southland
Sam Marshall, Group Manager Customer and Community Wellbeing, Southland District Council
Megan Seator, Policy Advisor, Southland Mayoral Forum
Michal Gray, Democracy Advisor, Southland District Council
Theresa Cavanagh, Intermediate Policy Analyst, Southland District Council

1 Apologies

Apologies for late arrival were received from Chair Horrell.

Moved Mayor Clark, seconded Mayor Bell and resolved that the Great South Joint Shareholders accepts the apologies.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

5 Confirmation of Council Minutes

Resolution

Moved Member Flutey, seconded Mayor Clark **and resolved**

That the Great South Joint Shareholders Committee confirms the minutes of the meeting held on 2 August 2024 as a true and correct record of that meeting.

Reports

7.1 Murihiku Southland Regional Housing Framework and Options

Record No: R/24/8/53487

Bobbie Brown, General Manager Regional Strategy presented the presentation titled "Murihiku Southland Regional Housing Framework & Options".

Mrs Brown advised provided context and background on the need for a regional housing framework. This included highlighting that housing-related issues have been an issue for Southland and national-wide and include matters relating to supply and demand, quality of housing stock, and historic under-investment in public housing. The issue of housing was determined to be a "key enabler" in the Beyond 2025 Southland Regional Plan which led to the subsequent development of the draft Murihiku Housing Action Plan.

Mrs Brown highlighted the role of regional leaders to play a role as leaders, regulators and enablers to address housing challenges. Mrs Brown provided information on a draft regional framework and approach which could include a regional housing charter and a housing group that included local and central government, iwi and Great South.

Chair Horrell joined the meeting at 9:39 pm during discussions.

Resolution

Moved Member Flutey, seconded Mayor Bell **and resolved:**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled “Murihiku Southland Regional Housing Framework and Options”.**
- b) **receives the Murihiku Southland Regional Housing Framework & Options paper.**
- c) **agrees that Great South is to develop the draft charter, draft terms of reference and structure proposal and report back to the next meeting for the committee’s approval.**

7.2 Update on Housing Readiness Project

Record No: R/24/8/53488

Bobbi Brown, GM Regional Strategy, Great South and Kerrie Young, Regional Director and Harry Bates, Development Manager from Kaianga Ora will provided an update on the Housing Development Ready Project that is a joint project of all member Councils and joint funded through Great South and Kaianga Ora.

Resolution

Moved Mayor Scott, seconded Chair Horrell **and resolved:**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled “Update on Housing Readiness Project”.**

7.3 Great South update

Record No: R/24/8/53526

Chami Abeysinghe, Chief Executive, Great South updated the Great South Joint Shareholders Committee on recent activities of Great South.

Resolution

Moved Mayor Scott, seconded Mayor Clark **and resolved**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled “Great South update”.**

7.4 Establishment of Appointments Panel for selection of directors of Great South

Record No: R/24/8/53590

Michal Gray, Democracy Advisor, Southland District Council, presented this report. Ms Gray advised that the purpose of the report is for the Great South Joint Shareholders Committee

to select and establish an appointments panel for the selection of up to two directors for Great South.

Resolution

Moved Member Horrell, seconded Mayor Bell **and resolved**

That the Great South Joint Shareholders Committee:

- a) **receives the report titled “Establishment of Appointments Panel for selection of directors of Great South”.**
- 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) **selects and appoints Mayor Scott and Mayor Clark as representatives of the A class shareholders and Member Carey as representative of the B class shareholders as the Appointments Panel for the selection of suitable candidates as directors of Southland Regional Development Agency Limited (Great South).**
- e) **notes that the Appointments Panel will present the suitable candidates to a subsequent meeting of the Great South Joint Shareholder Committee for approval.**

The meeting concluded at 10:31 pm

CONFIRMED AS A TRUE AND CORRECT RECORD OF A
MEETING OF THE GREAT SOUTH JOINT
SHAREHOLDERS COMMITTEE HELD ON 30 August
2024.

DATE:.....

CHAIRPERSON:.....

6 Public Participation

Notification to speak is required by 12noon at least one clear day before the meeting.
Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732

Great South update and Great South Annual Report 2023-2024

Record no: R/24/10/62826

Author: Michal Gray, Democracy advisor

Approved by: Vibhuti Chopra, Acting chief executive/Group manager strategy and partnerships

☐ Decision

☐ Recommendation

☒ Information

The purpose of this report is for Chami Abeysinghe, Chief Executive, Great South to provide the Great South Joint Shareholders Committee with the update contained in Attachment A and the Great South Annual Report 2023-2024 contained in Attachment B.

Recommendation

That the Great South Joint Shareholders Committee:

- a) receives the report titled “Great South update and Great South Annual Report 2023-2024”.

Attachments

- A Great South Update dated 1 October 2024
- B Great South - Annual Report 2023-24



To The Joint Shareholder Committee
Date 01 October 2024

Great South Report

Author	Chami Abeysinghe, Chief Executive
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General Overview

I am pleased to present our annual report for 2023/24 financial year to the Joint shareholders for your perusal. The annual report was reviewed and adopted by the Great South Audit and Risk committee and then the full Board on 24 September. The final annual report was published on Great South's website on 30 September 2024. We are proud of the group's achievements last year, especially due to the various challenges that were experienced.

I have also presented our 2023/24 full year updates to Invercargill City Council, Gore District Council and Environment Southland. The presentation to Southland District Council is scheduled for later in October.

There certainly has been a flurry of activity and media interest in Southland over the last few weeks. This included media coverage on the pause for Green Hydrogen, the announcement of Fonterra's new UHT Cream plant at Edendale, the Oat Milk Factory not going ahead in Ashburton and the more recently announced cancellation of the Wellington Invercargill direct route by Air NZ.

Some of the key highlights since the last JSC meeting:

- Great South hosted Member of Parliament Hamish Campbell who was visiting Invercargill through Minister Penny Simmonds' office. Hamish is on the Parliament Select Committee for the Environment and is also the Deputy Chairperson for the Health Select Committee. While he was presented with the regional opportunities, and we spoke in detail about our long-term plan, the need for renewable energy and our mahi in the carbon emissions space.
- Bobbi has progressed the work with housing further and we hosted Elena and Sue from Soanes Consulting Ltd that have started their work on Supporting Murihiku Southland to be "Housing Development Ready". This work involves creating customer journey maps and associated insights to understand key pain points, opportunities and challenges of homeowners, builders and developers throughout the building consent and resource consent processes across Southland.

Bobbi has facilitated meetings with ICC, SDC and GDC. The consultants are now working towards mapping the customer journeys.
- Great South is pleased to announce the launch of DISH on 12 November 2024. This is the same day as our AGM but will be held in the afternoon. We hope to have the invitations out to shareholders and the wider community before mid-October.
- Sarah McPherson (RBP) and I attended the breakfast meeting with Hon Andrew Bayly that was organised by the Southland Business Chamber. Later that same day we had Minister Bayly visit Great South where we had an in-depth meeting about the Regional Business Partners programme and Callaghan Innovation.

I was invited to join the Small Business Advisory Group that Minister Bayly is creating, and their inaugural meeting will be held in Auckland on 04 November 2024, which I am scheduled to attend.

Southland Regional Development Agency

143 Spey Street, PO Box 1306, Invercargill 9840, Southland, New Zealand
Phone +64 3 211 1400 Email info@greatsouth.nz

greatsouth.nz

- Ian and I met with Chris Blenkiron from NZAS and following our discussion it was agreed that Great South will evaluate opportunities to support them to celebrate staying in the region for the next 20 years. I will be meeting with Dion Williams from the smelter to progress this further.
- Amie Young and Mark Frood will be presenting a paper on the Murihiku Southland Regional Trails Entity to the Joint Shareholders on 11 October 2024.
- Great South will host a delegation from three EDA's in mid-October for the second stage of the Regional EDA Primary Sector Collaboration Initiative. Bobbi, Kelly, and Steve from our office are involved with this initiative, and they will be showcasing:
 - Dairy Hub
 - SpaceOps NZ
 - South Port
 - Ocean Beach
 - Stewart Island
 - Sanfords

This initiative brings together four economic development agencies (Northland Inc, Venture Taranaki, Venture Timaru, and Great South) from across New Zealand, whose regional economies are underpinned by the primary sector. Collectively we are actively exploring value add opportunities for the sector, to create greater resilience, higher value output, diversified opportunities, and an enduring, low emissions future for our regions. The aim of the initiative is to share insights and learnings into the challenges and opportunities we are all navigating within this sector and the lessons we have learnt while undertaking programmes/projects, with a view to guiding and strengthening the development and delivery of current and future initiatives while reducing unnecessary duplication. By collaborating and showcasing what is happening within our respective regions, it provides an effective means to harness the collective knowledge of regional economic development professionals and utilise it to address increasingly complex issues within the primary sector.

Key points

- **Regional Summit**
 - Megan Seator, Mark Patterson (MBIE) and I have been meeting regularly to organise the Regional Summit with Hon Shane Jones on 15 November 2024.
 - The event will be held at Transport World, and the venue has now been confirmed.
 - Paddy O'Brian has been contacted to be the MC – this is yet to be confirmed.
 - I have spoken to Cyril Gilroy to provide an opening Karakia.
 - Placeholders have gone out to those invited. Final invitation to be sent out next week by MBIE.
 - Suggestions for speakers are being collated now.
- **Upcoming Ministerial Visits**
 - Minister Simeon Brown – 24/25 October
Great South is scheduled to attend a proposed meeting Minister Simeon Brown will have with our Mayoral Forum on Friday 25 October.
- **Upcoming Priorities**
 - Presentation to SDC on 2023/24 financial year – end of year results and achievements.
 - Workshops and/or support to Councils to prepare for the Letter or Expectation to Great South for the 2025/26 financial year.
 - Design and create the draft Statement of Intent 2025/26.

GREAT SOUTH

Southland Regional Development Agency

2023/2024 Annual Report

FOR YEAR END 30 JUNE 2024



COMPANY DIRECTORY

SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED

Trading as Great South
PO Box 1306, Invercargill 9810
(03) 211 1400
www.greatsouth.nz

DIRECTORS

Ian Collier (Chair), Jason Franklin, Jeff Grant, Lucy Griffiths, Maria Pera, Peter Heenan and Rachel Lindsay

REGISTERED OFFICE

Southland Regional Development Agency Limited
143 Spey Street, Invercargill

BANK

Westpac New Zealand Limited

AUDITORS

KPMG (on behalf of the Office of the Auditor General)

SHAREHOLDERS AND MEMBERS

Class A Shareholders

Invercargill City Council
Southland District Council
Gore District Council
Environment Southland

Class B Shareholders

Invercargill Licensing Trust
Mataura Licensing Trust
Southland Business Chamber
Southern Institute of Technology

Members

Community Trust South

LEGAL STATUS

Southland Regional Development Agency Limited ("SRDA") was incorporated in New Zealand on 29 March 2019 under the Companies Act 1993 (NZBN 9429047359185).

COMPANIES OWNED BY SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED

Space Operations New Zealand Limited – 100%
New Zealand Functional Foods Limited – 49%

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Chair’s message

As we reflect on the past year, which has proven to be challenging across multiple business sectors in Murihiku Southland, there have been a number of positive developments that underscore the region’s resilience during a tough economic period. These achievements highlight the dynamic nature of our local economy and set a positive tone for the year ahead.

The recent announcement that Tiwai Point aluminium smelter will remain open until 2044 is a fantastic outcome for the region. The smelter has a far-reaching impact on the local economy and this announcement brings certainty for all that call Murihiku home.

Southland continues to demonstrate resilience and growth, particularly in the primary sector, which remains a cornerstone of New Zealand’s export economy. The announcement of a new Fonterra UHT cream plant that will create 70 jobs is a particularly positive development for our largest industry.

Great South has faced its own set of challenges over the past year, prompting a thorough review of our organisational structure and operations in line with the priorities and expectations set by our shareholders. With this review now complete, we remain committed to delivering on our core objectives, which include:

- Providing local leadership
- Diversifying the regional economy
- Supporting business growth
- Promoting the region
- Advancing environmental sustainability

We are actively exploring diversification opportunities for the region, we know that the continued investment into building a vibrant Invercargill CBD, construction of the new Distinction Hotel, redevelopment of Te Unua Museum of Southland, and the revitalisation of Motupōhue Bluff are all set to enhance the local landscape and drive future visitation and tourism growth.

Great South is proud of our work through our subsidiary business, Space Ops NZ, which has been an integral contributor to the New Zealand space community since 2004. By supporting New Zealand’s only commercial low Earth orbit satellite ground station, Great South is helping to further enhance our region’s role in cutting-edge technology and economic diversification.

I would like to extend my gratitude to our shareholders, our rūnaka partners, the Great South Board, our Chief Executive and the wider Great South team for their support and dedication over the past 12 months. Although the period has been challenging, I am proud of the team’s continued delivery of key agreed outputs.

We look forward to working closely with our shareholders and the wider Murihiku community to progress regional development in the best interests of Southland.



Ian Collier
Great South Board Chair

Mātai ki te Tonga
Te māhirahira a Tamarereti
Whakawhiti Te Moana Tapokapoka a Tawhaki
Ara te Kurakura o Hinenui te pō
Whakahoki ma te hau nui a Rakamaomao
Ki te muramura a Rakitamau
Whitianga Te Ara a Kiwa
Anei te mahi a Tuterakiwhanoa
Ki uta, ngā puna o Rākaihautū
Ki uta, ngā ngahere a Kahukura
Ki tai, ngā mahinga kai a Marokura
Te mana o Murihiku
Auē

Gaze to the south
The curiosity of Tamarereti
Across the great southern ocean of Tawhaki
There are the quivering lights of the Aurora
Return on the great wind Rakamaomao
To the blushing isle of Rakiura
Cross the pathway of Kiwa
Here are the works of Tuterakiwhanoa
Inland are the waters of Rākaihautū
The forests of Kahukura
Return to the bountiful foodbaskets of Marokura
Alas this is Murihiku

Chief Executive’s message

As I reflect on the past year, I am proud of the progress we’ve made at Great South in driving growth and sustainability across Murihiku Southland. Our commitment to regional development continues as we create opportunities for our people, economy, and environment.

Over the past year, we have focused on the implementation of Beyond Southland 2025, a critical framework guiding our region's development. The plan outlines several diversification opportunities and five key enablers. Our team has been working diligently on agreed priorities from the plan, ensuring that each initiative contributes to the long-term success and sustainability of Southland.

A key aspect of the implementation process has been ensuring that decisions are informed by robust data analysis. By leveraging accurate insights into the region's demographics, economy, and environmental conditions, we can develop solutions that address the needs of our communities. Work on data, housing and sustainable energy solutions has already begun to take shape, with several projects now well underway.

Our leadership in sustainability has continued to shine through our Te Ara Toitū programme, which aims to guide Murihiku Southland to become carbon neutral by 2050. We were honoured to be recognised as an Ekos Carbon Conscious Organisation and to receive the Business Sustainability Award at The Grand Business South Awards. These accolades underscore our commitment to fostering a greener future for our region.

Tourism has always been a cornerstone of our economic diversification efforts, and we continue to unlock new opportunities in this sector. The launch of the Murihiku Southland Destination Strategy 2023-2029 is a key driver of sustainable tourism, setting a clear pathway to a regenerative visitor economy.

Our business support and diversification initiatives have also played a pivotal role in driving regional growth. We assisted 250 businesses last year through the RBP and Callaghan Innovation programmes. Partnering with the Southland District Council, we are proud to bring Mayors Taskforce for Jobs to our region. This is a community employment programme, focussed on connecting young Southlanders with employment opportunities. Through our Southland Youth Futures programme, we engaged with high school students from across the region supporting them with career exploration activities. These initiatives reinforce our commitment to developing a skilled and adaptable workforce that support our regional development aspirations.

I want to thank our shareholders, rūnaka partners, local businesses, and the wider community for their unwavering support. Together, we are creating a more vibrant, resilient, and prosperous future for Southland, and I look forward to continuing this journey with you all.



Chami Abeysinghe
Great South Chief Executive

About us

Great South, Southland Regional Development Agency, is responsible for economic development and promotion of Murihiku Southland.

This involves managing Murihiku Southland's Regional Tourism Organisations (RTOs) and central government's Regional Business Partner (RBP) network, as well as delivering a range of events, regional initiatives, and government-funded contracts that pave the way for development. Through the essential support provided to Murihiku Southland, Great South provides a unified voice for the region, establishing a strong platform for regional success and takes strides towards its vision of even better lives through sustainable development.

Great South is a council-controlled organisation, jointly owned by Invercargill City Council, Southland District Council, Gore District Council, Environment Southland, Invercargill Licensing Trust, Maitauru Licensing Trust, Southland Business Chamber, SIT | Te Pūkenga and member organisation Community Trust South.

Established in March 2019, we began full operations in July that year. We receive funding from our shareholding Councils to cover core operational costs as well as contract service delivery funding, from Central Government agencies who contract Great South to perform specific services, as well as from private sector partners.

Great South also owns Space Operations New Zealand Limited, making it a council-controlled trading organisation as defined in section 6 of the Local Government Act 2002. It has its own Board of Directors and CEO and produces its own Statement of Intent.

CONSTITUTION OBJECTIVES

- 1. Achieve the objectives of our shareholders, both commercial and non-commercial
- 2. Be a good employer
- 3. Exhibit a sense of social and environmental responsibility
- 4. Conduct our affairs in accordance with sound business practice

GREAT SOUTH GOVERNANCE

A Board of seven independent directors are responsible for the strategic direction of Great South and the initiatives it is involved with. The Board oversees the business undertaken by Great South in accordance with the Local Government Act 2002, Companies Act 1993, the Company's Constitution and the Statement of Intent.

The Chief Executive is responsible for the day-to-day operations of Great South, including the management of staff and reporting to directors on the performance against set priorities.



Even better lives through sustainable development

Our priorities

▼ Regional leadership

Provide leadership for the region, advocating, planning and representing Murihiku Southland nationally

▼ Support business growth

Support the growth of the business sector in Murihiku Southland

▼ Promote the region

Promote Murihiku Southland as a great place to live, work and visit

▼ Diversify the economy

Investigate and support opportunities to diversify the Murihiku Southland economy

▼ Support environment and climate action

Lead Murihiku Southland towards achieving climate reduction targets

Our vision

Our vision of ‘even better lives through sustainable development’ represents the ambitious goals of the Great South Board, its shareholders and the whole Murihiku Southland region. It speaks to the potential for Murihiku Southland to be recognised as the best place to live, work and play, and the sustainable approach that will be taken to make this happen.

Murihiku Southland has the drive, enthusiasm and leadership needed to establish itself on the world stage as a contemporary, connected and competitive place that is home to ‘even better lives’, and Great South is committed to achieving this vision.

What we value

KAITIAKITANGA

We see ourselves as guardians of this place and are serious about our responsibility to protect our home for future generations. We are committed to ensuring our people and place continue to thrive.

SOUTHLAND PROUD

At the core of every successful region, you will find people who passionately contribute to the growth of the place they call home. Murihiku Southland is no different. We are proud of where we come from and are excited to play a part in helping our region achieve its potential.

SUSTAINABILITY

Our natural environment is unique, attracting people from all over the world. We're realistic about our future and know that adopting a sustainable approach, from both an environmental and longevity perspective, is fundamental for the future success of this region.

HERITAGE

We have a long and rich history. It is this history that has led us to where we are today and, as we move forward, we will continue to recognise and pay respect to our heritage and the journey we have taken so far.

BEING REAL

We embrace the region's strong entrepreneurial spirit where, if you can dream it, you can do it. We're not about the flashy stuff, we're real, down to earth, and committed to making great things happen.

QUALITY OVER QUANTITY

We focus on doing a smaller number of things well, rather than spreading ourselves too thinly. The nature of our involvement may vary across different regional initiatives, but we will at all times be committed to the development of the place we call home.

COMMUNITY SUPPORT

We know that it is only with the support of our communities that we will achieve our ambitious goals. We're committed to working together to develop a vibrant, diverse and thriving region, providing our communities with a strong foundation for the future.

SHAREHOLDER CONFIDENCE

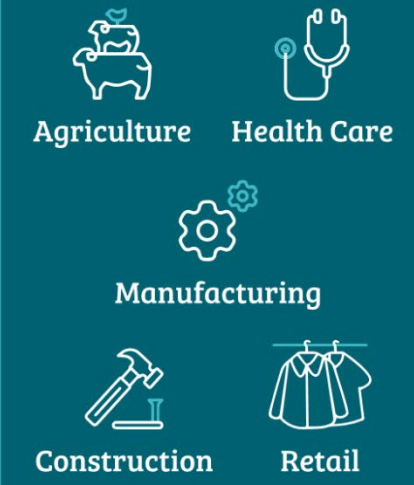
We are committed to working with our shareholders to instil in them a confidence in both Great South and the future of this region. Together, we'll make great things happen for Murihiku Southland.



SOUTHLAND SNAPSHOT



MAIN INDUSTRIES BASED ON EMPLOYEE NUMBERS



Figures sourced from MBIE, Infometrics and Statistics New Zealand



Regional Development Leadership

Championing the Future of Murihiku Southland

Great South is at the forefront of regional development for Murihiku Southland, driving strategic initiatives that shape the future of our community. Our leadership is demonstrated through the facilitation of the Beyond 2025 Southland Long-Term Plan, a comprehensive framework launched to set out the region's aspirations for economic, environmental, and social progress. This plan provides a clear vision for how these goals can be achieved and serves as a cornerstone for our long-term development efforts.

In addition to this foundational work, Great South has developed the Murihiku Southland Destination Strategy 2023-2029. This strategy highlights tourism as a critical diversification opportunity for the region. By laying the groundwork for a sustainable and regenerative visitor economy, we aim to ensure that tourism growth delivers tangible benefits to our communities and enhances regional development.

Our commitment to addressing energy needs and environmental challenges is reflected in the completion

of the Southland Murihiku Regional Energy Strategy. This strategy provides a detailed analysis of the current and future energy demands and supplies in the region, addressing both immediate and long-term challenges and opportunities in energy management.

Great South's dedication to environmental sustainability is further demonstrated by our latest Southland Greenhouse Gas Emissions Inventory, which shows a notable reduction of 14.8% in greenhouse gas emissions since 2018. This achievement underscores our progress toward a more sustainable future and our ongoing commitment to reducing our environmental impact.

The release of the Murihiku Southland Cycle Tourism Opportunity Assessment highlights the potential for growth in cycle tourism. Our region's cycle trails and mountain bike parks are positioned to evolve into a distinctive destination, offering new opportunities for tourism and regional engagement.

Through these efforts, Great South continues to lead the way in fostering regional development, ensuring a resilient and prosperous future for Murihiku Southland.





Regional Promotion

Transforming Murihiku Southland: Enhancing regional appeal through strategic tourism and events.

Tourism has always been a cornerstone for diversifying Murihiku Southland's regional economy.

It is not just a driver of growth but a vital force in enhancing the region's appeal, enriching both its liveability and attractiveness as a place to visit, work, and live. Beyond its economic impact, tourism has the power to uplift the social and economic wellbeing of our community.

We stand on the brink of a transformative opportunity to reshape the future of tourism in Murihiku Southland. By inviting visitors to experience our unique and extraordinary corner of the world, we can ensure that tourism brings enduring benefits, fostering a deep connection between our people and our remarkable region.

MURIHIKU SOUTHLAND DESTINATION STRATEGY

Launched in September and spearheaded by Great South, the Murihiku Southland Destination Strategy 2023-2029 sets a clear pathway for the development of our tourism

sector, with a vision rooted in effective destination management principles. This strategy marks a significant step in reimagining tourism in our region, aiming to establish a more sustainable and regenerative visitor economy.

The strategy is designed to benefit all Southlanders by delivering economic, cultural, social, and environmental advantages while safeguarding and enhancing our unique environment. It includes:

- 63 recommended projects across key areas such as environmental stewardship, leadership and capability development, access and infrastructure, product and experience enhancement, and storytelling.
- 24 priority projects identified as having the greatest potential to realise our vision and strengthen the region's appeal as a premier visitor destination.
- Five key enablers crucial for the recovery and growth of our tourism sector:
 1. Workforce attraction and development
 2. Advocacy and regulatory planning
 3. Establishment of a tourism leadership group
 4. Data and insights
 5. Quality accommodation development

3. Establishment of a tourism leadership group
4. Data and insights
5. Quality accommodation development

The Murihiku Southland Destination Strategy reflects the aspirations of our communities and mana whenua, developed through extensive stakeholder engagement. It recognises tourism's transformative potential to drive meaningful progress and deliver lasting economic, social, and cultural benefits across the region.

GET A LIFE CAMPAIGN

In May, the "Get A Life" tourism campaign and business toolbox were launched as part of a strategic effort to position Southland as an attractive destination for professionals and their families. This initiative aims to highlight the unique benefits of living and working in the region—benefits that many may not have previously considered.

The campaign focuses on promoting Southland as a place that offers not only professional opportunities but also an exceptional quality of life. It emphasises the region's affordability, vibrant lifestyle, and diverse range of activities, creating a compelling case for relocation. The "Get A Life" campaign targets both individuals and businesses, providing them with a business toolbox to aid in making informed decisions about moving to or investing in Southland.

By showcasing Southland's balance of professional growth and lifestyle, the campaign aims to challenge preconceived notions, encouraging professionals to explore the opportunities this region has to offer. This initiative represents a significant step in our ongoing efforts to stimulate regional development, attract talent, and strengthen the local economy.

ILT KIDZONE FESTIVAL

A popular event on the calendar, the 19th ILT Kidzone Festival offered Southland families an exceptional and

enjoyable experience. Held at Southland Girls' High School, this year's event was again coordinated and managed by Great South.

Under the theme 'Make, Create, Play,' the festival showcased an impressive array of over 100 engaging activities designed for children and their caregivers. This year's offerings included several exciting new attractions, such as axe throwing, mini robots, and a sensory lane, among other innovative experiences.

The event saw a remarkable turnout, with 8,392 attendees participating in the diverse range of activities. The successful execution of this year's festival reaffirmed its role as a key community event.

SOUTHLAND MURIHIKU EVENTS STRATEGY REVIEW

This year, we published our annual review of the Southland Murihiku Events Strategy, which highlighted our significant support for 140 regional and community events. Our efforts were aimed at promoting Southland Murihiku as a vibrant and engaging destination for both residents and visitors.

To enhance event planning and execution, we introduced an Event Organisers Toolkit. This resource is designed to assist organisers in efficiently coordinating events and contributes to the broader goal of stimulating regional activity and tourism.

We also undertook a major overhaul of the southlandnz.com website to better serve the community and promote regional events. The revamped site now features an enhanced events calendar, showcasing a wide array of activities throughout Southland. This update has proven successful, with the website listing 695 events over the past 12 months and drawing increased attention to our region's diverse offerings.



Business Support and Diversification

Driving regional development through business support and diversification.

A vibrant business sector is the cornerstone of regional development, paving the way for innovation, job creation, and economic growth. By fostering new ways of thinking and enhancing business capabilities, efficiency, and competitiveness, we are laying the foundation for a thriving regional economy.

Addressing labour market challenges and retaining local talent are pivotal in this endeavour. Our commitment to supporting and diversifying the business landscape, along with linking young job seekers with local employers, aims to build a more resilient and skilled workforce, which is vital for the region's long-term economic growth and stability.



SUPPORTING LOCAL BUSINESSES AND STRENGTHENING THE ECONOMY

As the Regional Business Partner Network provider for Southland, Great South plays a crucial role in connecting small and medium-sized businesses with essential resources and support. Over the past year, we've allocated over \$130,000 of management capability funding, supported for those applying for Callaghan Innovation funding and hosted a number of impactful events with local businesses. These efforts reflect our commitment to enhancing business development.

Our services have made a real difference for local businesses. Through confidential business assessments, we've helped companies identify what they need to improve and grow. This initial support, along with our delivery of the Regional Business Partner and Callaghan Innovation programmes have enabled businesses to enhance their technology and develop new products, benefiting the whole region.

The Management Capability Fund has provided vital financial support to strengthen management skills and boost business performance, helping companies become more resilient and achieve steady growth. Our workshops, events, and training opportunities have equipped businesses with essential skills and created valuable networking opportunities.

Our business support ecosystem also offers a robust network of resources and ongoing assistance, helping businesses tackle challenges and access the support they need. This comprehensive approach contributes to the success of individual businesses and enhances the overall economic growth of our community.



MAYORS TASKFORCE FOR JOBS

Launched in February, the Mayors Taskforce for Jobs (MTFJ) Community Employment Programme is a crucial initiative, designed to future-proof Murihiku Southland's labour force by connecting young people with valuable employment opportunities. This programme aims to address key barriers to employment and significantly enhances the region's economic and social vitality. Great South delivers MTFJ on behalf of Mayor Rob Scott and the Southland District Council.

Targeted at individuals aged 16 to 24 within the Southland District, the programme provides essential support to help young people overcome common challenges such as limited access to services, training opportunities, and obtaining a driver's licence. By offering dedicated assistance throughout the employment process, Great South ensures that young people are well-prepared to enter the workforce and meet local employment needs.

The benefits of the programme extend beyond individual employment outcomes. By linking young job seekers with local employers, it contributes to the development of a more resilient and skilled workforce, which is vital for the region's long-term economic growth and stability. Through this initiative, Great South is not only addressing immediate employment gaps but also investing in the future success of Murihiku Southland, reinforcing the region's commitment to nurturing local talent and driving sustainable development.

SOUTHLAND YOUTH FUTURES

Established in 2014, Southland Youth Futures (SYF), is Great South's flagship career exploration programme dedicated to connecting young Southlanders with diverse

career and training opportunities across the region. This initiative plays a crucial role in bridging the gap between education and employment, focusing on developing work readiness skills and enhancing career prospects for local youth.

The programme has made a substantial impact, engaging 1,881 students through a variety of activities. This year the Work Ready Passport programme has directly involved 228 students from high schools throughout the region. This initiative helps young people develop the personal skills, attitudes, and behaviours that employers seek, thereby enhancing their employability and readiness for the workforce.

In addition to the Work Ready Passport, Southland Youth Futures has organised nine workplace tours, offering students practical insights into various industries and career paths. The Girls in Trade event, which saw participation from 67 students, has been particularly effective in promoting career opportunities in trades, helping to diversify the local workforce.

Collaborating with schools, training providers, local employers, and community organisations, these programmes offer valuable experiences such as industry-specific events, workplace visits, and guest speaker sessions. This comprehensive approach not only prepares young people for the workforce but also contributes to a more skilled and adaptable labour force in Murihiku Southland. By investing in local youth, we support the region's long-term economic growth and vitality.

Net Zero Southland

Te Ara Toitū: Driving sustainability for a thriving region

At Great South, we are dedicated to advancing sustainability through our Te Ara Toitū programme. Our aim is to lead Murihiku Southland towards carbon neutrality by 2050, recognising that reducing carbon emissions is crucial for building a strong and resilient regional economy.

Te Ara Toitū highlights our commitment to fostering innovation and sustainability. By focusing on carbon reduction, we are positioning our region to capitalise on future opportunities and thrive in an eco-conscious world.

NET ZERO SOUTHLAND: ADVANCING REGIONAL SUSTAINABILITY

Great South is dedicated to helping businesses across Murihiku Southland reduce their carbon emissions and work towards carbon neutrality by 2050. Our comprehensive approach involves measuring greenhouse gas emissions, producing the Net Zero Southland Report, and providing targeted support through our Decarbonisation and Sustainable Tourism workshops.

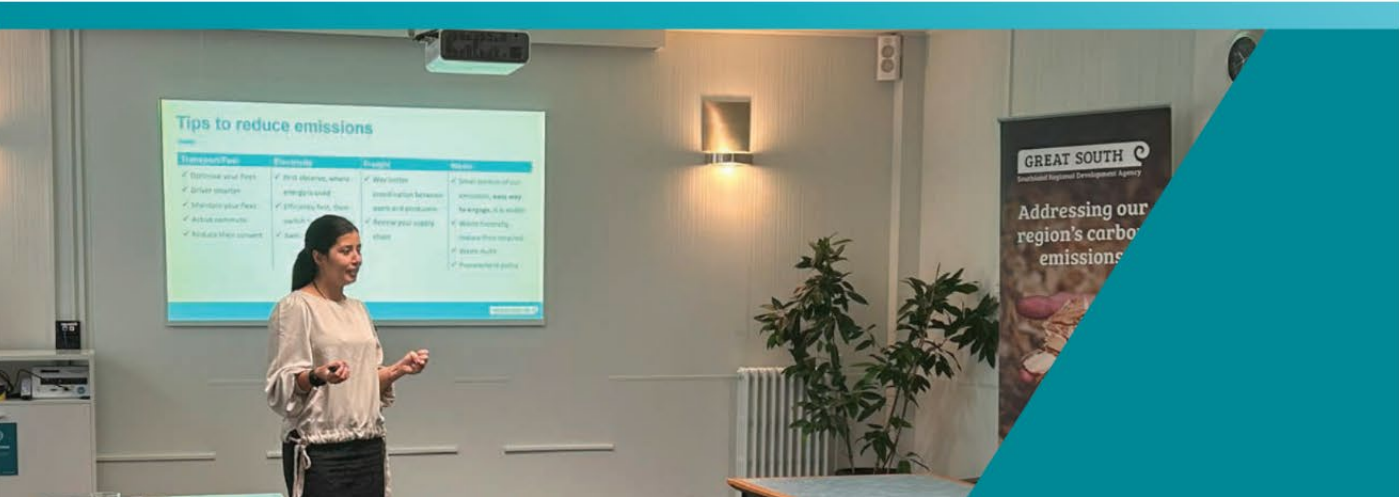
In September, we were recognised as an Ekos Carbon Conscious Organisation, a testament to our commitment and progress. Additionally, three of our staff members

are working towards certification as auditors, which will enhance our ability to guide businesses through their decarbonisation efforts.

Our Decarbonisation Workshop Series has successfully engaged over 70 local businesses, while our Murihiku Southland Sustainable Tourism Programme and Sustainable Tourism Webinar Series have involved 18 businesses in advancing sustainable tourism practices. Through our partnership with Ekos, businesses participating in these programmes can now benefit from reduced rates for carbon certification, further supporting their sustainability goals.

Our dedication to sustainability has been recognised with the Business Sustainability Award at The Grand Business South Awards for Te Ara Toitū – Great South's sustainability programme. This accolade underscores our commitment in empowering businesses to lower their emissions.

Initiatives like the Government Waihōpai Invercargill Decarbonisation Contestable Fund actively support the transition to clean, renewable energy. Through these concerted efforts, Great South is driving significant progress towards a greener future for Murihiku Southland, reinforcing our commitment to regional sustainability and environmental stewardship.



GREAT SOUTH SNAPSHOT

TOTAL EMISSIONS FOR 2023/2024
193.4 tCO₂e
31% decrease from 2018 baseline

4.24 tCO₂e EMISSIONS PER FTE
22.1 tCO₂e EMISSIONS PER \$1m REVENUE

28%
BUSINESS TRAVEL

23%
ELECTRICITY

17%
STAFF COMMUTE

12%
WELL TO TANK

8%
VEHICLE FLEET

9%
ILT KIDZONE FESTIVAL

1%
WASTE





ENERGY

Our commitment to future-proofing Southland’s energy needs focuses on sustainable and resilient solutions. We aim to balance affordability for residents with the need for competitive energy pricing to attract and support local industries, driving long-term economic growth.

WORKFORCE

To maintain Southland’s economic leadership, it is crucial to develop a skilled and adaptable workforce. Our focus is on equipping the region’s talent with the skills needed to meet current and emerging labour market demands, thereby supporting continued economic expansion.

REGULATORY AND PLANNING:

Effective regional development requires policies tailored to local needs. Our framework calls for regulatory adjustments based on detailed local data, advocating for policies that accommodate regional variations and support targeted growth initiatives rather than a one-size-fits-all approach.

The Beyond Southland 2025 strategy and implementation plan is crafted to propel our region into a future of sustained success, ensuring that we stay vibrant, resilient, and at the forefront of regional development.

Beyond 2025 Southland

Strategic vision and implementation for regional growth

In June 2023, Great South launched the Beyond 2025 Southland Plan, a strategic initiative designed to guide regional development and ensure a prosperous future for Murihiku Southland. This plan aligns our long-term ambitions with actionable steps to build a resilient and thriving region.

Southland's vast and picturesque landscape offers significant advantages, enhancing the lifestyle of its residents and making it an attractive location for growth. Although our smaller population presents some challenges, it also enables a focused and agile approach to regional planning. To fully leverage these opportunities, clear priorities and accurate data are essential.

The Beyond 2025 Southland Plan includes 124 recommendations across key areas such as advocacy, environment, economy, and community. Following this, Great South has developed an implementation plan

centred on five critical factors that will drive the strategy forward through various initiatives and projects.

DATA

Effective regional development hinges on robust data collection and analysis. By providing insights into demographics, economic trends, and environmental conditions, accurate data empowers policymakers to make informed decisions, drive sustainable growth, and ensure equitable wellbeing for all Southlanders.

HOUSING

Quality housing is a cornerstone of regional growth. Our strategy supports collaborative efforts between community and private sectors to deliver high-quality housing solutions. This not only meets the essential needs of Southlanders but also stimulates economic activity and enhances community vitality.



SpaceOps New Zealand

Strengthening regional innovation and global connectivity

In July 2023, SpaceOps New Zealand took a significant step forward by acquiring Auckland University of Technology's radio astronomy facility in Warkworth, just north of Auckland. This acquisition not only enhances our capability in the space sector but also reinforces our role in supporting critical global infrastructure that underpins the digital economy.

Warkworth Space Centre plays a crucial role in ensuring the accuracy of GPS systems, which are essential for both local and global connectivity. By tracking the precise movements of the North and South Poles—essential for GPS functionality—SpaceOps NZ contributes to the reliability of services that businesses and communities depend on daily. While minor discrepancies in GPS might seem trivial for personal use, such as a slight deviation in navigation apps, the precision timing provided by these satellites is critical for the smooth operation of telecommunications and the broader digital ecosystem.

Every two weeks, Warkworth Space Centre plays a vital part in determining the exact location of the

poles by receiving radio signals from distant galaxies. These signals are analysed with the help of our highly accurate hydrogen-maser clock, one of the most precise timepieces in New Zealand. Working in conjunction with space centres across Tasmania, Australia, the USA, and Europe, this data is used to ensure that GPS satellites continue to deliver the precision required for modern technology to function efficiently.

Looking ahead, SpaceOps NZ is investing in upgrading the Warkworth antennas to expand our capabilities. These upgrades will enable us to support interplanetary exploration by tracking the positions and trajectories of spacecraft. This development positions New Zealand as a key player in the global space industry and enhances the region's reputation for innovation, creating new opportunities for high-tech industries and skilled jobs.

Through these initiatives, SpaceOps New Zealand is not only advancing the space sector but also contributing to the economic and technological growth of our region, strengthening New Zealand's position on the global stage.



Statement of service performance measures

This report has been prepared in accordance with PBE FRS 48 Service Performance Reporting.

OUR PURPOSE

Great south's purpose is to drive economic, social and cultural growth in Murihiku Southland.

OUR VISION

Even better lives through sustainable development.

OUR PRIORITIES

Regional Leadership: Great South provides leadership for the region through advocacy, writing submissions, long-term planning and representing Murihiku Southland nationally.

Support Business Growth: Great South supports the growth* of the business sector in Murihiku Southland.

Support Environment and Climate Action: Great South works with businesses across Murihiku Southland supporting them to achieve climate change targets as the region heads towards being carbon neutral by 2050.

Diversify the Economy: Great South investigates and supports opportunities to diversify the Murihiku Southland economy.

Promote the Region: Great South promotes Murihiku Southland as a desirable place to live, work and visit.

* Growth refers to diversification and expansion of the business sector.

FOCUS AREA	OBJECTIVES 30 JUNE 2024	TARGET	RESULT	OUTCOME 30 JUNE 2023
Beyond 2025 Southland Implementation Plan	BY 2025 Implementation Plan designed and approved by regional leaders and MBIE	By 30 June 2024	Achieved	Not a target for 2023
	BY 2025 - Three key projects identified and implemented	3	3 Achieved	Not a target for 2023
	Reporting to regional leaders and MBIE on all workstreams that have recieved funding under Just Transition	By 30 June 2024	Achieved	Not a target for 2023
Attraction of visitors to Murihiku Southland	Deliver and develop 4 destination promotion campaigns	4	11 Achieved	Not a target for 2023
	Facilitate 10 famils to the region	10	16 Achieved	Not a target for 2023
	Ensure at least 85% of traffic to Southland & Fiordland websites come from key markets (New Zealand, Australia, North America & Europe	85%	Southland 94%, Fiordland 85% Achieved	Achieved
	From 2022 - 23 YE baseline: Increase traffic on southland.com and fiordland.nz by 5% Increase total engagement across all social media channels by 5%	Social Traffic Target of 160,553 Fiordland Social Media Target of 37,846	Social Media 162,415 Fiordland 43,232 Achieved	Achieved

FOCUS AREA	OBJECTIVES 30 JUNE 2024	TARGET	RESULT	OUTCOME 30 JUNE 2023
Tourism Sector Development	Progress 10 projects from the revised Murihiku Southland Destination Strategy	10	11 Achieved	Achieved
	Implement Murihiku Southland Business Events Strategy including feasibility of business events in Gore	By 30 June 2024	Draft strategy developed for release in Sep 2024. Gore feasibility has not been undertaken Not Achieved	Not a target for 2023
Alternative land use	Support provided to four projects that encourage land use diversification, including the completion of at least 2 feasibility studies	4	7 Achieved	Not a target for 2023
Business engagements	280 business engagements	280	250	Not a target for 2023
Data and dashboards	Repository designed	Data Repository Designed to Minimum Viable Product Level	Achieved	Not a target for 2023
	Dashboards developed and designed, and made available to councils	4	4 Achieved	Not a target for 2023
Carbon emissions reduction	120 businesses take part in decarbonisation workshops	120	44 Not Achieved	Not Achieved
	One-on-one meetings with 100 businesses are held regarding decarbonisation	100	25 Not Achieved	Not Achieved
	10 Murihiku Southland Businesses decarbonise their heating systems	10	11 Achieved	Achieved



Consolidated statement of comprehensive revenue and expense

For the year ended 30 June 2024

	Notes	Group 2024	Group 2023
Revenue			
Class A Shareholder Funding			
Core		1,770,370	1,697,387
Contract		2,136,016	2,068,895
Total	See Note 3 (Page 30)	3,906,386	3,766,282
Other Revenue			
Service Revenue	See Note 3 (Page 30)	3,403,835	2,442,775
Project Revenue	See Note 3 (Page 30)	1,263,445	3,173,718
Interest		51,893	75,599
Other Revenue		4,045	278
Total		4,723,218	5,692,370
Total Revenue	See Note 2 (Page 30)	8,629,604	9,458,652
Expenditure			
Project and Service Expenditure			
Regional Economic Development		2,058,898	3,039,438
Business Support Services		480,817	651,671
Regional Tourism Development		1,038,214	2,188,847
Regional Events Delivery		1,018,833	1,120,059
Total		4,596,762	7,000,015
Core Expenditure			
Audit Fees		79,904	69,974
Directors Fees	See Note 4 (Page 31)	184,167	186,000
Employee Expense	See Note 4 (Page 31)	1,857,780	790,224
Interest Expense		86,724	6,495
Foreign Exchange		3,832	22,409
Depreciation and Amortisation	See Note 8 (Page 32)	276,077	108,255
Other Overheads		1,123,835	717,172
Total		3,612,319	1,900,529
Total Expenditure		8,209,081	8,900,543
Share of Surplus / (Deficit) From Joint Venture	See Note 15 (Page 34)	-	-
Net Surplus Before Tax		420,523	558,108
Tax Expense	See Note 5 (Page 31)	128,423	158,387
Total Comprehensive Revenue and Expense		292,100	399,721

The accompanying accounting policies and notes form part of these consolidated financial statements.

Consolidated statement of financial position

As at 30 June 2024

	Notes	Group 2024	Group 2023
Assets			
Current Assets			
Cash and Cash Equivalents	See Note 6 (Page 31)	2,424,455	2,144,907
Trade and Other Receivables	See Note 7 (Page 32)	845,148	2,084,174
Prepayments		175,240	34,977
Stock		-	6,317
Total		3,444,843	4,270,375
Non-Current Assets			
Deferred Tax Asset	See Note 5 (Page 31)	110,062	44,362
Property, Plant and Equipment	See Note 8 (Page 32)	2,381,009	1,947,099
Intangible Assets	See Note 13 (Page 33)	100,000	100,000
Assets Under Construction	See Note 9 (Page 32)	8,215	266,704
Right-of-Use Assets	See Note 12 (Page 33)	1,454,317	-
Total		4,053,603	2,358,164
Total Assets		7,498,446	6,628,539
Liabilities			
Current Liabilities			
Trade and Other Payables	See Note 10 (Page 32)	594,008	907,042
Employee Entitlements	See Note 4 (Page 31)	440,209	399,870
Lease Liabilities	See Note 12 (Page 33)	90,271	-
Income Tax Payable	See Note 5 (Page 31)	73,087	75,728
Income Received in Advance	See Note 11 (Page 33)	1,525,092	2,188,278
Total		2,722,667	3,570,918
Non-current Liabilities			
Lease Liabilities	See Note 12 (Page 33)	1,426,058	-
Total		1,426,058	-
Total Liabilities		4,148,725	3,570,918
Net Assets		3,349,721	3,057,621
Equity and Reserves			
Share Capital		1,338,420	1,338,421
Retained Earnings		2,011,301	1,719,200
Total Equity and Reserves	See Note 15 (Page 34)	3,349,721	3,057,621

The accompanying accounting policies and notes form part of these consolidated financial statements.


Ian Collier - Chair


Peter Heenan - Director

Consolidated statement of changes in equity

For the year ended 30 June 2024

	Notes	Group 2024	Group 2023
Opening Balance (At 1 July)		3,057,621	2,657,901
Equity			
Comprehensive Revenue and Expense			
Comprehensive Revenue and Expense		292,100	399,721
Total	See Note 15 (Page 34)	292,100	399,721
Share Capital			
Share Capital Issued		-	-
Uncalled Share Capital		-	-
Total	See Note 15 (Page 34)	-	-
Total Equity		3,349,721	3,057,621
Attributable To: Equity Holders of The Company		3,349,721	3,057,621
Closing Balance (At 30 June)	See Note 15 (Page 34)	3,349,721	3,057,621

Consolidated statement of cash flows

For the year ended 30 June 2024

	Notes	Group 2024	Group 2023
Cash and Cash Equivalents Beginning of Year		2,144,907	9,509,002
Cash Flow From Operating Activities			
Receipts From Shareholders		3,933,262	3,766,282
Receipts From Other Operating Activities		4,363,237	6,003,579
Interest Received		49,744	71,607
Repayment of Other Operating Income		-	(6,722,617)
Payments to Suppliers		(6,230,955)	(7,186,549)
Payments to Employees		(1,976,522)	(1,664,336)
Interest Paid on Leases		(114,461)	-
Interest Paid		(52)	(2,503)
Tax Paid		(196,764)	(354,741)
Net GST Movement		841,544	(612,035)
Net Cash Flow From Operating Activities		669,034	(6,701,312)
Cash Flow From Investing Activities			
Purchases of Fixed Assets		(314,463)	(662,782)
Net Cash Flow From Investing Activities		(314,463)	(662,782)
Cash Flow From Financing Activities			
Repayment of Leases		(75,023)	-
Net Cash Flow From Financing Activities		(75,023)	-
Net Increase / (Decrease) In Cash and Cash Equivalents		279,548	(7,364,094)
Cash and Cash Equivalents End of Year	See Note 6 (Page 31)	2,424,455	2,144,907



Notes to the consolidated financial statements

NOTE 1: STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

The Southland Regional Development Agency Ltd Group consists of Southland Regional Development Agency Ltd and Space Operations New Zealand Ltd. Both companies are New Zealand registered companies under the Companies Act 1993, and are deemed to be Council Controlled Organisations under section 6 of the Local Government Act 2002.

The registered office for Southland Regional Development Agency is 143 Spey Street, Invercargill. Southland Regional Development Agency (trading as Great South) was established as Southland's regional development agency in March 2019.

Committed to driving economic, social and cultural growth, Southland Regional Development Agency has a clear mandate to leverage opportunities for Southland in the areas of economic and business development, tourism and events. This involves incorporating Southland's Regional Tourism Organisations, central government's Regional Business Partner (RBP) Network, delivering a range of events, regional initiatives, and government-funded contracts that pave the way for regional development.

BASIS OF PREPARATION

The consolidated financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

STATEMENT OF COMPLIANCE

The group consolidated financial statements have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These consolidated financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). Southland Regional Development Agency Group is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

PRESENTATION CURRENCY AND ROUNDING

The consolidated financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of the Group is New Zealand dollars.

MEASUREMENT BASIS

The consolidated financial statements have been prepared on an historical cost or fair value basis as per the policies below.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following particular accounting policies, which materially affect the measurement of the results and financial position, have been applied:

Revenue

Revenue is measured at the fair value of consideration received.

Where funding is not conditional and Southland Regional Development Agency has no obligation to deliver a specific event or service, the revenue will be recognised when receipted. Where the funding has conditions attached to it, the funding is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. The funding is held as a liability until the specific conditions are met. In certain circumstances funding is not received until after the event, in which case the revenue will be accrued when it is highly probable the funding will be received.

Revenue from ticket sales is recognised upon receipt unless the terms and conditions for the ticket state that Southland Regional Development Agency is required to repay the customer if the event does not take place. Where the terms and conditions contain a refund clause, the revenue will be recognised upon completion of the event.

Revenue from the rendering of services is recognised by reference to the stage of completion at the balance sheet date, based on the actual service provided.

Products held for sale are recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

Southland Regional Development Agency act as an agent for third parties for some transactions. When incurring expenditure as an agent, this is accounted for via the Consolidated Statement of Financial Position, and not as revenue and expenditure on the Consolidated Statement of Comprehensive Revenue and Expense. Any revenue component within these transactions will be treated accordingly.

Interest revenue is recognised using the effective interest method.

Volunteer services received are not recognised as revenue or expenditure as Southland Regional Development Agency is unable to reliably measure the fair value of the services received.

Revenue in Advance

Revenue in advance is recognised where amounts received are in excess of the amounts recognised as revenue.

Expenditure

All expenditure is recognised as incurred unless the liability is known and can be reasonably estimated, in which case the expenditure is accrued.

Foreign Exchange Transactions

Foreign currency transactions are translated into NZ\$ (the functional currency) using the spot exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the surplus or deficit.

Goods and Services Tax (GST)

All items in the consolidated financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Consolidated Statement of Financial Position.

The net GST paid to or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Consolidated Statement of Cash Flows.

Income Tax

Income tax expense in relation to the profit or loss for the period comprises current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using rates that have been enacted or substantively enacted by balance date.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, using tax rates that have been enacted or substantively enacted by balance date.

Current tax and deferred tax is charged or credited to the Consolidated Statement of Comprehensive Revenue and Expense, except when it relates to items charged or credited directly to equity, in which case the tax is dealt with in equity.

Equity

Equity is the shareholders interest in Southland Regional Development Agency Group, as measured by total assets less total liabilities.

Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Trade and Other Receivables

Trade and other receivables are initially measured at fair value and subsequently measured at cost, amortised where necessary, using the effective interest method, less any provision for impairment.

A receivable is considered impaired when there is evidence that Southland Regional Development Agency Group will not be able to collect the amount due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

Property, Plant and Equipment

Property, plant, and equipment consists of the following asset classes: buildings, furniture and fittings, office equipment, plant and equipment, ground station equipment, ILT Kidzone equipment, motor vehicles and land. All asset classes are measured at cost, less accumulated depreciation and impairment losses. Individual assets are capitalised if they meet the definition of an asset and the cost exceeds \$1,000.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control over the asset is obtained.

Work in progress is recognised at cost less impairment and is not depreciated.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Consolidated Statement of Comprehensive Revenue and Expense.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Group and the cost of the item can be measured reliably. The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings:	3% - 7%	14.3 - 33.3 years
Furniture & Fittings:	6% - 33%	3 - 16.7 years
IT Equipment:	17.5% - 67%	1.5 - 5.7 years
Ground Station:	0% - 33%	3 - 10 years
ILT Kidzone:	13.5% - 33%	3 - 7.5 years
Vehicles:	13.5%	7.5 years
Land:	0%	Indefinite

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end. An annual review for impairment is also undertaken on all assets and any impairment loss is recognised in the Consolidated Statement of Comprehensive Revenue and Expense.

Impairment of Property, Plant and Equipment

Property, plant and equipment held that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's

carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use. If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

Value in Use for Non-Cash Generating Assets

Value in use is the present value of the asset's remaining service potential. Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in Use for Cash Generating Assets

Southland Regional Development Agency Group does not hold any cash generating assets.

Intangible Assets

Goodwill

Goodwill on acquisition of businesses and subsidiaries is included in "intangible assets". Goodwill on acquisition of a joint venture is included in "investment in other entities" and impairment is considered as part of the overall investment balance.

Goodwill is allocated to cash-generating units for the purposes of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Goodwill has been assessed to have an infinite useful life on the basis the business is ongoing. Goodwill is subject to annual impairment testing.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in the surplus or deficit. The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Ground Station Lease	3.43%	29.15 years
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Goodwill has been assessed to have an infinite useful life on the basis the business is ongoing. Goodwill is subject to annual impairment testing.

Impairment of Intangible Assets

Intangible assets that have an indefinite useful life, or are not yet available for use, are not subject to amortisation and are tested annually for impairment.

Joint Venture

The Company's 49% share of NZ Functional Foods Ltd is equity accounted for in the Companies consolidated financial statements.

A joint venture is an entity over which the Company has significant influence and that is neither a subsidiary nor an associate. The Company's investment is accounted for in the consolidated financial statements using the equity method. The investment in a joint venture is initially recognised at cost and the carrying amount in the consolidated financial statements is increased or decreased to recognise the Company's share of the surplus or deficit in the joint venture after the date of acquisition. Distributions received from a joint venture reduce the carrying amount of the investment in the consolidated financial statements.

If the share of deficits of a joint venture equals or exceeds its interest in the joint venture, the Company discontinues recognising its share of further deficits. After the companies interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the company has incurred legal or constructive obligation or made payments on behalf of the joint venture. If the joint venture subsequently reports surpluses, the Company will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Leases

Operating Leases

An operating lease is a lease that does not transfer substantially all the risks and benefits incidental to ownership of an asset. Payments under these leases are recognised as expenses in the Consolidated Statement of Comprehensive Revenue and Expense in periods in which they are incurred.

Lease incentives received are recognised.

Finance Leases

A finance lease transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the start of the lease term, finance leases are recognised as assets and liabilities in the Consolidated Statement of Financial Position at the lower of the fair value of the leased item and the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no reasonable certainty as to whether the Company will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Trade and other Payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method.

Financial Instruments

Southland Regional Development Agency Group is party to financial instruments as part of its normal operation. These financial instruments give rise to financial assets and liabilities and include cash and on-call deposits, accounts receivable, investments, and accounts payable, deposits held, other financial liabilities and financial guarantees. They also include equity interests in other entities.

All financial instruments are recognised in the Consolidated Statement of Financial Position on the basis of Southland Regional Development Agency Group's general and, where applicable, particular accounting policies. All financial instruments disclosed in the Consolidated Statement of Financial Position are recorded at fair value or amortised cost. Revenue and expenditure arising from these financial instruments is recognised in the Consolidated Statement of Comprehensive Revenue and Expense.

Statement of Cash Flows

Cash includes cash and cash equivalents as defined previously. Operating activities include cash received from all revenue sources of Southland Regional Development Agency Group and cash payments made for the supply of goods and services. Investing activities are those activities relating to the acquisition and disposal of non-current assets. Financing activities comprise the change in equity and debt capital structure of Southland Regional Development Agency Group.

Personnel Costs

Salaries and Wages

Salaries and wages are recognised as an expense as employees provide services.

Defined Contribution Schemes

Employer contributions to KiwiSaver, the Government Superannuation Fund, and the State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Employee Entitlements

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date. No liability is recognised for sick leave.

A liability and an expense are recognised for bonuses where Southland Regional Development Agency Group has a contractual obligation or where there is a past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

Changes in Accounting Policies

Great South Group has adopted PBE IPSAS 43 Leases from 1 July 2023.

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of financial statements to conform to NZ IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and associated assumptions have been based on historical experience and other factors that are believed to be reasonable under

the circumstances, continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognised in the financial statements are:

- Property, Plant and Equipment (includes assumptions around useful life of assets, Note 7)

Judgements

- Revenue (timing of revenue is assessed under Tier 2 PBE RDR guidance, Note 2)
- Lease classification (classification - as an operating or finance lease assessed under Tie 2 PBE guidance, Note 12)

NOTE 2: TOTAL OPERATING REVENUE

	Group 2024	Group 2023
Revenue		
Exchange Revenue	6,666,442	7,614,063
Non Exchange Revenue	1,963,162	1,844,589
Total Revenue	8,629,604	9,458,652

NOTE 3: REVENUE

	Group 2024	Group 2023
Class A Shareholder Funding		
Core		
Environment Southland	177,037	169,740
Gore District Council	162,119	155,436
Invercargill City Council	911,947	874,352
Southland District Council	519,267	497,859
Total	1,770,370	1,697,387
Contract		
Gore District Council	83,489	60,000
Invercargill City Council	972,123	939,885
Southland District Council	1,080,404	1,069,010
Total	2,136,016	2,068,895
Total Class A Shareholder Funding	3,906,386	3,766,282

Service Revenue		
Business Sector Support Services	656,014	581,647
Satellite Ground Station	2,747,821	1,861,128
Total Service Revenue	3,403,835	2,442,775

Project Revenue		
Investigation, Impetus and Assessment Fund	156,324	443,409
Event Delivery	302,586	273,584
Event Support Funding	209,136	465,270
Tourism Support Funding	91,004	997,957
Other	504,395	993,498
Total Project Revenue	1,263,445	3,173,718

NOTE 4: PERSONNEL EXPENDITURE

At 30 June 2024 there were 43 full-time employees (2023: 39) with the balance of staff representing 2.5 FTE (2023: 4.2).

	Group 2024	Group 2023
Employee Remuneration		
Salaries and Wages*	4,510,861	3,952,978
KiwiSaver Contributions	125,271	103,572
Increase / (Decrease) in Employee Entitlements	40,339	54,266
Total Employee Remuneration	4,676,471	4,110,816

* Salaries and wages reported on the Consolidated Statement of Comprehensive Revenue and Expense differs from above as salaries and wages are also included in project and service delivery expenditure.

Director Remuneration		
Ian Collier - Chair	52,333	68,000
Rachel Lindsay	16,000	16,000
Lucy Griffiths	16,000	16,000
Jason Franklin	16,000	16,000
Peter Heenan*	30,000	28,000
Maria Pera	16,000	16,000
Jeff Grant	16,000	16,000
John Yaldwyn**	21,833	10,000
Chami Abeyasinghe***	-	-
Total Director Remuneration	184,166	186,000

* Peter Heenan is the Chair of the Audit and Risk Committee and a director of Space Operations New Zealand Limited.

** John Yaldwyn is the Chair of Space Operations New Zealand Limited.

*** Chami Abeyasinghe is a director of Space Operations New Zealand Limited.

Total Remuneration By Band for Employees for the Year		
\$100,000 - \$119,999	6	1
\$120,000 - \$139,999	2	3
\$140,000 - \$159,999	3	2
\$160,000 - \$179,999	2	2
\$240,000 - \$259,999	1	-
\$260,000 - \$279,999	1	-

Employee Entitlements		
Salaries and Wages	265,313	166,037
Annual and Other Leave Entitlements	174,895	233,833
Total Employee Entitlements	440,209	399,870

Severance Payments

During the year there were no severance payments (2023: Nil).

NOTE 5: INCOME TAX

	Group 2024	Group 2023
Surplus / (Deficit) for the Year	420,523	558,108
Taxable Income	117,746	156,270
Non Deductible Expenditure	3,572	2,118
Prior Period Adjustments	7,106	-
Tax at 28%	128,424	158,387
Temporary Differences	32,984	3,786
Prior Period Adjustments - Current Tax	(39,823)	-
Prior Period Adjustments - Deferred Tax	32,718	-
Tax Expense After Adjusting for Deferred Tax Asset	154,303	162,173
Plus / (Less) Effect of		
Balance Brought Forward	75,727	268,297
Prior Period Adjustments	39,823	-
Tax Paid / (Refunded)	(196,766)	(354,743)
Income Tax Liability	73,087	75,727

	Recognised in Profit or Loss Equity	
Deferred Tax Asset		
Balance at 1 July 2022	40,575	-
Movements	-	-
Provisions	3,787	-
Balance at 30 June 2023	44,362	-
Balance at 1 July 2023	44,362	-
Movements	-	-
Provisions	65,700	-
Balance at 30 June 2024	110,062	-

NOTE 6: CASH AND CASH EQUIVALENTS

Southland Regional Development Agency Group banks with Westpac and the funds are held in Transaction and OnCall accounts, with interest rates of 2.7% (2023: Between 0.00% and 2.7%).

	Group 2024	Group 2023
Cash and Cash Equivalents		
Transaction Account	1,004,308	124,943
Online Saver Account	1,419,119	2,019,238
Cash Floats	1,028	726
Total Cash and Cash Equivalents	2,424,455	2,144,907

NOTE 7: TRADE AND OTHER RECEIVABLES

No provision for doubtful debts has been applied.

	Group 2024	Group 2023
Trade and Other Receivables		
Trade Receivables	603,853	778,840
Accrued Revenue	106,996	88,594
Related Party Receivables	See Note 17 134,299	418,611
GST Receivable	-	798,129
Total Trade and Other Receivables	845,148	2,084,174
Receivables From Exchange Transactions	845,148	1,286,045
Receivables From Non-Exchange Transactions	-	798,129
Receivables Ageing Profile at Year End		
Not Past Due	547,836	1,940,016
Past Due 1 - 60 Days	248,689	111,983
Past Due 61 - 120 Days	25,464	-
Past Due > 120 Days	23,159	32,174
Total Trade and Other Receivables	845,148	2,084,174

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	Buildings	Furniture & Fittings	IT Equipment	ILT Kidzone Equipment	Vehicles	Land	Site Development	Ground Station Equipment	Total
Cost									
Balance at 1 July 2022	542,981	73,422	194,719	51,852	25,500	130,000	453,975	361,636	1,834,085
Additions	27,275	3,338	54,066	-	20,500	311,851	2,270	4,709	424,009
Balance at 30 June 2023	570,255	76,760	248,786	51,852	46,000	441,851	456,245	366,346	2,258,094
Balance at 1 July 2023	570,255	76,760	248,786	51,852	46,000	441,851	456,245	366,346	2,258,094
Additions	18,537	52,822	74,543	-	-	-	129,263	294,769	569,935
Reclassification	-	-	-	-	-	-	-	3,018	3,018
Balance at 30 June 2024	588,792	129,582	323,328	51,852	46,000	441,851	585,508	664,133	2,831,047
Accumulated Depreciation									
Balance at 1 July 2022	21,671	24,018	95,200	33,047	10,327	-	2,591	15,885	202,739
Depreciation Expense	16,690	8,984	35,157	7,055	3,673	-	5,671	31,024	108,255
Balance at 30 June 2023	38,361	33,002	130,356	40,103	14,000	-	8,263	46,909	310,995
Balance at 1 July 2023	38,361	33,002	130,356	40,103	14,000	-	8,263	46,909	310,995
Depreciation Expense	16,883	11,013	40,941	5,650	6,210	-	11,171	47,175	139,043
Balance at 30 June 2024	55,244	44,016	171,298	45,753	20,210	-	19,434	94,084	450,038
Total Property, Plant & Equipment	533,549	85,566	152,031	6,100	25,790	441,851	566,075	570,049	2,381,009

Note: Depreciation for Space Operations is included under economic development as it is not a core expense of the Group.

Carrying Amounts									
At 30 June 2023	531,894	43,757	118,429	11,750	32,000	441,851	447,982	319,436	1,947,099
At 30 June 2024	533,549	85,566	152,031	6,100	25,790	441,851	566,075	570,049	2,381,009

NOTE 9: ASSETS UNDER CONSTRUCTION

Property, plant and equipment in construction is detailed below:

	Group 2024	Group 2023
Assets Under Construction		
Opening Balance	266,704	27,931
Additions	13,479	238,773
Transfers / Disposals	(271,968)	-
Closing Balance	8,215	266,704

NOTE 10: TRADE AND OTHER PAYABLES

	Group 2024	Group 2023
Trade and Other Payables Under Exchange Transactions		
Trade Payables	246,982	545,704
Related Party Payables and Accrued Expenses	134,299	-
Accrued Expenses	212,727	361,339
Total Trade and Other Payables Under Exchange Transactions	594,008	907,043

NOTE 8 CONTINUED...

	Group 2024	Group 2023
Depreciation		
Property, Plant & Equipment	139,043	108,255
ROU Assets	137,034	-
Total	276,077	108,255

NOTE 11: INCOME RECEIVED IN ADVANCE

	Group 2024	Group 2023
Income Received in Advance		
Income Received in Advance Under Exchange Transactions		
Income Received in Advance	1,461,545	2,152,629
Related Party Income Received in Advance	63,547	35,649
Total Income Received in Advance	1,525,092	2,188,278

NOTE 12: LEASES

	Group 2024	Group 2023
Right of Use Assets		
Equipment	16,544	-
Properties	1,437,773	-
Total	1,454,317	-
Lease Liabilities		
Current	90,271	-
Non-Current	1,426,058	-
Total	1,516,329	-
Amounts Recognised in the Statement of Comprehensive Income		
Depreciation	See Note 8 115,694	-
Interest Expense	135,801	-
Expenses relating to Short Term leases in Operating Expenses	319,650	265,522

NOTE 13: INTANGIBLE ASSETS

	Goodwill	Total
Cost		
Balance at 1 July 2022	100,000	100,000
Additions	-	-
Disposals	-	-
Balance at 30 June 2023	100,000	100,000
Balance at 1 July 2023	100,000	100,000
Additions	-	-
Disposals	-	-
Balance at 30 June 2024	100,000	100,000
Accumulated Amortisation		
Balance at 1 July 2022	-	-
Amortisation Expense	-	-
Impairment	-	-
Balance at 30 June 2023	-	-
Balance at 1 July 2023	-	-
Amortisation Expense	-	-
Impairment	-	-
Balance at 30 June 2024	-	-
Total Intangible Assets	100,000	100,000

Note: Lease goodwill related to the lease of land for the Satellite Ground Station from the Venture Southland Trust. This land was subsequently gifted to Southland Regional Development Agency Ltd, and therefore the goodwill associated with the lease removed.

Carrying Amounts		
At 30 June 2023	100,000	100,000
At 30 June 2024	100,000	100,000

NOTE 14: COMMITMENTS

	Group 2024	Group 2023
Operating Leases as Lessee*		
Expenditure on Operating Leases as Lessee	319,650	265,522
Not later than one year	237,446	221,709
Later than one and not later than five years	515,427	279,950
Later than five years	50,000	-
Total Operating Leases as Lessee Commitments	802,872	501,659
Operating Leases as Lessor**		
Revenue on Operating Leases as Lessor	2,320,293	1,397,190
Not later than one year	1,851,812	1,324,095
Later than one and not later than five years	3,171,274	2,244,408
Later than five years	3,540,436	22,673
Total Operating Leases as Lessor Commitments	8,563,522	3,591,176

* Operating leases relate to the lease of the building, land, vehicles & IT equipment.

** Operating leases relate to the provision of ground station services.

Capital Commitments
There are no capital commitments as at 30 June 2024 (2023: Nil).

NOTE 15: EQUITY

The Company has issued the following \$1 shares: Class A - 9,000 Shares (Unpaid), Class B - 3,000 Shares (Unpaid), Class C - 1,338,421 Shares (Fully Paid).

ATTRIBUTABLE TO EQUITY HOLDERS OF THE GROUP							
	Share Capital Class A	Share Capital Class B	Share Capital Class C	Total Share Capital	Additional Paid In Capital	Retained Earnings	Total
Balance at 1 July 2022	-	-	1,338,421	1,338,421	-	1,319,480	2,657,901
Profit/(Loss) After Tax	-	-	-	-	-	399,721	399,721
Share Capital Issued	-	-	-	-	-	-	-
Share Capital Uncalled	-	-	-	-	-	-	-
Distribution to Shareholders	-	-	-	-	-	-	-
Balance at 30 June 2023	-	-	1,338,421	1,338,421	-	1,719,200	3,057,621
Balance at 1 July 2023	-	-	1,338,421	1,338,421	-	1,719,200	3,057,621
Profit/(Loss) After Tax	-	-	-	-	-	292,100	292,100
Share Capital Issued	-	-	-	-	-	-	-
Share Capital Uncalled	-	-	-	-	-	-	-
Distribution to Shareholders	-	-	-	-	-	-	-
Balance at 30 June 2023	-	-	1,338,421	1,338,421	-	2,011,300	3,349,721

Note: Class A and B shares are uncalled as at 30 June 2024. These shares have equal voting rights and no par value. Class C shares have no voting rights attached, and no par value.

NOTE 16: FINANCIAL INSTRUMENTS

	Notes	Group 2024	Group 2023
Loans and Receivables at Amortised Cost			
Cash and Cash Equivalents	See Note 6	2,424,455	2,144,907
Trade and Other Receivables	See Note 7	845,148	2,084,174
Total Loans and Receivables at Amortised Cost		3,269,603	4,229,081
Financial Liabilities at Amortised Cost			
Trade and Other Payables	See Note 10	594,008	907,043
Total Financial Liabilities at Amortised Cost		594,008	907,043

Credit Risk

Credit risk is the risk that a third party will default on its obligations to Southland Regional Development Agency Group, causing it to incur a loss. Southland Regional Development Agency Group's credit risk arises from bank deposits and receivables.

Southland Regional Development Agency Group manages this risk by holding deposits with banks that have a minimum AA - credit rating.

Security is not required for the provision of goods and services but regular monitoring of balances outstanding is undertaken. Refer to Note 7 for information relating to receivables credit ageing profile.

Maximum credit exposure is limited to the amounts stated in loans and receivables above.

NOTE 16 CONTINUED...

Liquidity Risk

Southland Regional Development Agency Group is exposed to liquidity risk with respect to its contractual obligations and financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash in on call accounts.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

All assets and liabilities of the group are due immediately.

Southland Regional Development Agency Ltd's objectives when managing capital are to ensure the current requirements of the organisation are met.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. This could particularly impact on the cost of borrowing or the return on investments.

Westpac holds the organisation's cash and short-term deposits, and the funds are available on a daily basis. The interest rates are as set by Westpac on a daily basis and earn interest at rates set out in Note 6.

Foreign Exchange and Currency Risk

There is the risk that changes in the currency markets could mean significant movements in the exchange rates between currencies. Southland Regional Development Agency Group is exposed to foreign exchange or currency risk through the lease of Awarua Ground Station to overseas customers.

Off Balance Sheet Financial Instruments

Southland Regional Development Agency Group does not have any off-balance sheet financial instruments.

Fair Values

The fair value of each class of financial instrument is the same as the carrying value in the Consolidated Statement of Financial Position.

NOTE 17: RELATED PARTIES

Southland Regional Development Agency had the following related party transactions:

Related Party	2023			
	Revenue	Expense	Receivables	Payables
Invercargill City Council	1,814,237	2,289	-	-
Southland District Council	1,587,199	9,350	418,611	-
Gore District Council	215,436	-	-	-
Environment Southland	169,740	-	-	-
Southland Regional Heritage Committee	-	3,228	-	-
New Zealand Functional Foods Ltd	26	13,328	-	-
Total	3,786,638	28,195	418,611	-

Related Party	2024			
	Revenue	Expense	Receivables	Payables
Invercargill City Council	1,884,069	8,982	-	-
Southland District Council	1,599,662	-	132,137	-
Gore District Council	245,619	-	2,162	-
Environment Southland	177,037	-	-	-
Invercargill Licencing Trust	101,430	-	-	-
Southland Chamber of Commerce	-	4,951	-	-
Southland Regional Heritage Committee	-	-	-	-
Total	4,007,817	13,933	134,299	-

NOTE 17 CONTINUED...

Related Parties

- Southland Regional Development Agency is owned by Invercargill City Council, Southland District Council, Gore District Council, Environment Southland, Invercargill Licencing Trust, Maitauru Licencing Trust, Southland Chamber of Commerce and Southern Institute of Technology.
- Bobbi Brown, GM at Great South, is a Board Member of Visitor Information Network, which manages i-SITE NZ.
- Stephen Canny, GM at Great South, is a Board Member of Community Trust South.
- Great South and the Southland Regional Heritage Committee are joint Committees of Invercargill City, Southland District, and Gore District Councils. Each Council is a shareholder of Southland Regional Development Agency.

Transactions

No related party transactions have been written off or were forgiven during the 2024 year (2023: Nil).

	2024	2023
Management Personnel Compensation		
Directors		
Full-Time Equivalent Members	9	8
Remuneration	184,166	186,000
Senior Management Team, Including the Chief Executive		
Full-Time Equivalent Members	6	6
Remuneration	1,104,838	978,178
Total Management Personnel Compensation	1,289,004	1,164,178

NOTE 18: POST BALANCE DATE EVENTS

There are no post balance day events for 2024 (2023: Space Operations NZ Limited purchased Warkworth Station)

NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent assets or liabilities as at 30 June 2024 (2023: Nil).

Corporate report

For the year ended June 2024

OWNERSHIP

Southland Regional Development Agency (trading as Great South) is a Limited Liability Company incorporated and registered under the New Zealand Companies Act 1993. The Group consists of Great South and wholly-owned subsidiary Space Operations New Zealand Limited. With Class A shareholders of Invercargill City Council, Southland District Council, Gore District Council and Environment Southland, Great South is a council-controlled organisation as defined in Section 6 of the 2002 Local Government Act.

DIRECTOR INFORMATION

The Directors of Southland Regional Development Agency are Ian Collier (Chair), Rachel Lindsay, Lucy Griffiths, Jason Franklin, Peter Heenan, Maria Pera and Jeff Grant

Director interests

The following tables register the interests of the Directors:

Chami Abeysinghe – Register of interests
Grace Street Project – Board Member
Rotary Club of Invercargill – President
Southland Boys’ High School – Co Chair
Space Operations New Zealand Limited – Board Member
Thwaites Aluminium Limited – Provide consultancy services as required (Husband an employee)

Ian Collier – Register of interests
Bluff Distillery Limited – Shareholder
BOP Machinery and Equipment Limited – Shareholder
Glenross Forest GP Limited – Shareholder
Hood Aerodrome – Advisory Group Member
Justice of the Peace – Community
Justice of the Peace Counsel for Wairarapa – Counsel Member
New Zealand Functional Foods – Board Member
Palmerston North Airport Limited – Contract Work
Wairarapa A&P Society – Board Member

John Yaldwyn – Register of interests
4HF Facilities Limited – Director
4HF Huia Farm Limited – Director
4RF Australia Pty Limited – Director
4RF Communications (Europe) Limited – Director
4RF Limited – CTO
Air New Zealand Limited – Shareholder
Victoria University of Wellington – Advisory Board - Faculty of Engineering

Lucy Griffiths – Register of interests
Brackenridge Country Retreat and Spa – Chair / Shareholder
Innov8 Aotearoa Limited – Owner / Director
Masterton Community Trust – Elected Trustee
Mirrabooka Limited – Director
Rangitane - Tu Mai Ra Investments – Director
Sustainable Food & Fibre Futures Fund (MPI) Independent Advisory Panel – Chair
Trust House Foundation – Deputy Chair
Trust House Limited – Deputy Chair
Waste Minimisation Fund (MfE) – Deputy Chair

Jason Franklin – Register of interests
Canoldir Investments Limited – Director / Shareholder
Electricity Networks Association – Director
PowerNet Limited – Chief Executive
PowerNet Limited subsidiaries and/or associated companies: OtagoNet, OtagoNet Properties, PowerNet Central – Director
SmartCo Limited – Director

Peter Heenan – Register of interests
Allied FH Limited – Director
Allied Queenstown Concrete Limited – Director
BCL Management Limited – Director
Blue Sky Meats – Director
Bond Contracts Limited – Director
Cass Street Recycling Limited – Director
Electricity Invercargill Limited – Director
Hospice Southland – Trustee
HW Richardson Group Limited – Executive Director Finance
HWR Hydrogen – Director
Southern Aggregates Limited – Director
Space Operations New Zealand Limited – Director

Maria Pera – Register of interests
Kaitahu Tai Whenua Trust – Chair
Mast Limited – Director / Shareholder
Mataura Marae – Deputy Chair
Murihiku Holdings – Chair
Whanau as First Navigators – Board Member

Jeff Grant – Register of interests
Bolstridge-Mudge Trust – Trustee
DNG Holdings (property company) – Director / Shareholder
Lakeland Wanaka Limited (tourism business) – Director / Shareholder
Northern Southland Vets – Shareholder
Parkside Farm Limited – Director
Southland Foundation – Board Member
Thriving Southland – Chairman
Tower Hill Trust (farm) – Director / Shareholder

Rachel Lindsay – Register of interests
AWS Legal – Board Member / Partner
Southland Standards Committee – Member
Tuatapere Hump Ridge Track Limited – Director

Independent auditor’s report



INDEPENDENT AUDITOR’S REPORT

TO THE READERS OF SOUTHLAND REGIONAL DEVELOPMENT AGENCY LIMITED’S GROUP FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

The Auditor-General is the auditor of Southland Regional Development Agency Limited and its controlled entities (collectively referred to as ‘the Group’). The Auditor-General has appointed me, Peter Taylor, using the staff and resources of KPMG, to carry out the audit of the financial statements and the performance information of the Group, on his behalf.

Opinion

We have audited:

- the financial statements of the Group on pages 22 to 36, that comprise the consolidated statement of financial position as at 30 June 2024, the consolidated statement of revenue and expense, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date and the notes to the consolidated financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on pages 22 to 23.

In our opinion:

- the financial statements of the Group:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2024; and
 - its financial performance and cash flows for the year then ended; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduce Disclosure Regime (RDR); and
- the performance information of the Group presents fairly, in all material respects, the Group’s actual performance compared against the performance targets and other measures by which performance was judged in relation to the Group’s objectives for the year ended 30 June 2024.

Our audit was completed on 27 September 2024. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, and we explain our independence.



We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements and the performance information

The Board of Directors is responsible on behalf of the Group for preparing financial statements that are fairly presented and that comply with generally accepted accounting practice in New Zealand. The Board of Directors is also responsible for preparing the performance information for the Group.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible on behalf of the Group for assessing the Group's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

Responsibilities of the auditor for the audit of the financial statements and the performance information

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of these financial statements and the performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the Group's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express an opinion on the consolidated financial statements and the consolidated performance information. We are responsible solely for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify in our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included on pages 2 to 21, but does not include the financial statements and the performance information, and our auditor's report thereon.

Our opinion on the financial statements and the performance information does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the financial statements and the performance information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the financial statements and the performance information or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.



Independence

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by New Zealand Auditing and Assurance Standards Board.

Other than the audit, we have no relationship with, or interests in, the Group.

A handwritten signature in blue ink, appearing to read 'Peter Taylor'.

Peter Taylor
KPMG
On behalf of the Auditor-General
Christchurch, New Zealand



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our newsletters to receive regular updates



Murihiku Southland Regional Trails Entity

Record no: R/24/10/62796
Author: Michal Gray, Democracy advisor
Approved by: Vibhuti Chopra, Acting chief executive/Group manager strategy and partnerships

☒ Decision ☐ Recommendation ☐ Information

- 1 The paper contained in Attachment A is prepared by Amie Young, Destination Development Manager at Great South.
- 2 The purpose of the report is to present the Great South Joint Shareholders Committee with the Murihiku Southland Trails Entity Assessment Final Report contained in Attachment B and to give the committee the opportunity to provide feedback on the proposed establishment of a regional trails entity.

Recommendation

That the Great South Joint Shareholders Committee:

- a) **receives the report titled “Murihiku Southland Regional Trails Entity” and the Regional Trails Entity Assessment Final Report.**
- b) **provides feedback on the establishment of a regional trails entity and notes that it would require the combined funding of \$120,000 to be approved by Invercargill City Council, Southland District Council and Gore District Council.**
- c) **requests that Great South prepare a report on the establishment of a regional trails entity including the funding, terms of reference and scope which will be brought back to the JSC for review before being presented to each Council.**

Attachments

- A Paper - Murihiku Southland Regional Trails Entity
- B Murihiku Southland Regional Trails Entity Assessment Final Report

Paper - Murihiku Southland Regional Trails Entity

Recommendations and Feedback – Rob MacIntyre Final Report:

At the draft stage of this report in June, the following three options were recommended, with further feedback requested from councils and other stakeholders:

1. A new regional trails trust which could be preceded by an MoU-based Regional Trails Alliance as an interim step as councils decide on funding commitment.
2. Southland District Council delivery, expanding its current trails management role beyond Around The Mountains Cycle Trail to regional coverage.
3. Great South delivery.

There was wide support for a new regional trails trust but there is concern, particularly amongst the existing trail trusts, that there has to be clear confirmation of support across the councils to make it worth proceeding.

There was enthusiasm across the councils for the opportunity to grow the regional trails framework and to take a more strategic regional approach. However, the enthusiasm was tempered by the context of funding constraint as the latest LTPs were being approved. There were several suggestions that the Great South joint committee would be a good forum to progress discussion of the options. The next such meetings are scheduled for 11th October and 1st November 2024.

Deciding on the merits of a regional trails entity and the preferred model is complex and will need adequate time for consideration by councils and other partners. There is also limited sense in rushing this decision given that council LTPs and funding are constrained and largely locked in for the coming financial year.

The simplest way forward could be to take some interim steps during the remainder of the 2024 calendar year/ early 2025, with a view to seeking some modest funding commitment from councils in their 2025-26 annual plans.

Even if councils need more time to decide on supporting a regional trails entity, it remains an option for the existing trail entities and trail groups to establish an MoU-based regional trail alliance. This could deliver more cooperation and knowledge sharing to start progressing some of the proposed activities of a Regional Trails Entity.

Proposed Pathway Forward

1. Establishment of a Regional Trails Entity within the FY 25/26 financial year with combined funding support from Councils of \$120,000
 - a. This funding would cover the establishment of a legal entity (based on the assumption the legal complexity would be low and that some level of volunteer support could be gained), a lead role and some admin costs.
 - b. A commitment to fund and establish this entity would give trails trusts and organisations in the region the confidence to assess the merits of setting up an MOU based trails alliance.
2. Create an additional service level delivery agreement with Great South to deliver this programme.
 - a. Great South doesn't have any capacity in its current funding budget to cover this work but could lead delivery if the appropriate level of funding was provided. Great

South have a focus on economic development, they have a regional view, and many of the trails trusts and organisations consulted supported this leadership model.

3. Determine the Regional Trails Entity Terms of Reference and Scope
 - a. The suggested inclusions for this entity are broad and far reaching, beyond the level of a single role. Therefore, it will be important to gain clarity and manage expectations around what is possible to deliver.
 - b. If there is appetite to support this work, Great South would work to define the terms of reference and scope and work with Councils on this ahead of the FY 25/26 year.

A commitment to this pathway within the FY 25/26 year would be strong step forward however, to gain real traction in the development of cycle trails within the region a multi-year approach is required. This should be considered as part of the more immediate decision-making process.



Murihiku Southland

Regional Trails Entity Assessment

(Final report, September 2024)

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Introduction

This report provides a review of the challenges and opportunities involved in establishing a Murihiku Southland Regional Trails Entity. This was one of the key recommendations in the Murihiku Southland Cycle Tourism Opportunity Assessment, which Great South presented in 2023. The review has been carried out by Rob MacIntyre of Destination Planning Ltd. on contract from Great South.

The Murihiku Southland Cycle Tourism Opportunity Assessment noted that there are many possible benefits to forming a regional trails entity including:

- economies of scale by centralising delivery of some components of multiple trail projects
- shared resources
- a more coordinated effort in delivering regionally connected trail projects.
- maximising opportunities to access wider funding and
- coordinating regional advocacy at a local and national level.

It also noted there are wide-reaching considerations. For example, local trusts such as Fiordland Trails Trust and Western Southland Trails Trust have strong community links which could be lost if an overarching regional trust replaced them. Furthermore, given the current limited and constrained community funding environment it may not be viable to resource a regional entity as well as these local trusts.

To explore this further this review includes:

- an assessment of the merits, challenges and opportunities of a regional trails' entity.
- a suggested scope, terms of reference
- consideration of the Ride Southland Governance Group and existing entities.

Recap on the Murihiku Southland Cycle Tourism Opportunity Assessment 2023

Reading the Murihiku Southland Cycle Tourism Opportunity Assessment 2023 will provide a comprehensive understanding of the overall cycle tourism framework in which a potential Regional Trail Entity would sit. The opportunity assessment focused on off road recreational cycling trails, facilities and experiences which attract visitors and their spend to the region, although it also considered the direct use and benefits for the local community. The report covered recent cycling facility and service developments, trends in the cycle tourism market and made recommendations on addressing issues and maximising opportunities.

The Murihiku Southland Cycle Tourism Opportunity Assessment 2023 concluded that Murihiku Southland has some good cycle and mountain bike trails along with major events and the SIT Zero Fees Velodrome. However, it is not currently competitive with other cycle tourism regions which are constantly adding to their networks, particularly neighbouring Central Otago and Queenstown.

A key finding was that "If Murihiku Southland doesn't expand its trail network and connect to neighbouring regions over the next 5 – 10 years, it will become more of a void in the national cycle trail network and will risk missing out on the growing cycle tourism market."

The vision presented in the opportunities assessment was that “Murihiku Southland is recognised as a must-visit cycling destination with a comprehensive regional network of trails and mountain bike parks that connect our communities and visitors, broaden the economy, showcase the most diverse range of landscapes in Aotearoa New Zealand, and support ecological restoration and a net zero carbon future.”

The assessment also noted that the most critical opportunity for the region in the near term is to create 2-3 days’ worth of grade 1-3 linear or loop cycle trail in at least one location. The next phase was to work towards a complete trail network which traverses the key destinations within the region and connects with neighbouring regions.

When considering implementation of the recommended actions in the Murihiku Southland Cycle Tourism Opportunity Assessment, there are two key functions around which to consider delivery responsibility, Trails Marketing and Trails Development.

1. Brand, Marketing and Experience Development – at a high level this currently sits with Great South, but a greater focus beyond their current mandate would be needed to maximise opportunities here.
2. Trail Development and Management. – this is currently the responsibility of individual trail trusts, councils, and DOC; and is the focus for a potential new Regional Trails Entity.

Branding, marketing, operator capability support, cycle tourism experience and event development are all activities that to some degree sit within Great South’s existing mandate. However, it was suggested that to realise the full potential for cycle tourism, more resource should be put into these activities. This would allow links with cycling subject experts to be established, helping to advise relevant entities on market intelligence, bike experiences to develop (including events) and special interest promotional channels. This could evolve into a semi-formal cycle tourism cluster group which meets on a regular basis. Additional funding would be required to deliver on this, regardless of the entity charged with its delivery.

This cycle tourism cluster group would be a different makeup from the Regional Trails Entity which is the subject of the rest of this report, although there may be some cases of overlap. As the case studies later in the report illustrate, every region considered has a different structure although there are several areas of commonality.

Project Approach

The approach to undertaking this review included the following activity and investigation:

- During March 2024 workshops were held in Waihōpai Invercargill, Māruawai Gore and Te Anau to provide key stakeholders an opportunity to provide input. This included some councillors, council staff, trail trusts and trail interest groups. Some of these stakeholders took the opportunity for one-one meetings during the same week.
- Follow-up online meetings or phone discussions were held with those who were not able to make the workshops.
- Desk research and online discussions to produce seven case studies on other New Zealand region approaches to trail management and strategy. The regions were Hauraki-Coromandel, Rotorua, Taupo, Hawke’s Bay, Wellington, Nelson and Queenstown.

With the Murihiku Southland region stakeholders, the following items were covered:

- A re-cap on the key findings from the Murihiku Southland Cycle Tourism Opportunity Assessment 2023 and their impressions.
- Checking awareness and views on the previous Southland Cycling Strategy and the Ride Southland Group that was formed from that strategy.
- Testing what they considered to be the key barriers and opportunities for progressing a comprehensive and competitive regional trails network.
- Discussing a range of potential regional trail organisation structures and trail management delivery models to test perceived strengths and weaknesses and indicate a potential preferred model.
- The other-region case studies where partially completed by March and used as illustrations during the discussions in the various meetings.

An additional approach was made via Te Ao Mārama to brief and invite discussion with the four Papatipu Rūnaka of Murihiku. This will be an ongoing effort based on their availability to meet, to understand how they prefer to engage in any regional trails' entity. At this stage the report is informed by earlier engagement and partnership on significant trails initiatives for the region, including the Awarua Rūnaka and Waihōpai Rūnaka partnership for the Te Ara Taurapa trail. Mana Whenua partnerships are also discussed in more detail in the Murihiku Southland Cycle Tourism Opportunity Assessment 2023.

Draft Report June 2024

During early June a draft report was distributed to council contacts and meetings were held with a presentation and time for questions. Over the ensuing month, further feedback was requested from councils and the report was distributed to various local trail groups. All feedback has been incorporated into this final report.

Ride Southland Background and Status

Ride Southland is the name given to the Southland Cycling Governance Group that was set up to drive implementation of the Southland Cycling Strategy 2016-2026. This strategy covered all aspects of cycling with a strong emphasis on safety, community cycling development and infrastructure. It also covered cycle tourism. The document included strategies for improvement with multiple recommended actions under each.

- A. Improve basic infrastructure to encourage more people to cycle.
- B. Develop and promote a suite of high-quality cycling experiences.
- C. Implement programmes to encourage people to cycle and raise safety awareness.
- D. Support community cycling activities and participation-based events
- E. Assist the rejuvenation of competitive cycling events.
- F. Support development of local cycle commissionable tourism products and partnerships.
- G. Implement strong leadership, communication and cooperation.

Ride Southland had the following make-up:

- Governance Group: ICC, SDC, GDS, ES, DOC, NZTA, three community reps + Great South. Under this sat the following two support groups:
 - Technical Group: council staff, DOC, NZTA, Great South
 - Advisory Group: cycling clubs and other stakeholders

This Southland Cycling Strategy was formally adopted by the councils in 2017 including them making formal appointments of their representatives to the above groups. The strategy also recommended employing a Southland Cycling Coordinator to “implement strategy, support governance and pursue funding”. This did not happen. It seems many of the stakeholders looked to Great South to step into this role, but Great South was not funded to provide this resource. SDC and ICC did jointly fund an “Active Transport Innovator” via a contract with Active Southland’s Healthy Families Invercargill team. However, the scope of that role was Active Transport and therefore did not cover many of the proposed initiatives in the 2016 strategy.

Ride Southland met infrequently with the last meeting being held in August 2022. Despite enquiring with several of the organisations involved with Ride Southland, this review did not manage to source much in the way of agendas, plans or minutes. The exception was:

- A draft terms of reference dated July 2017
- A two-page paper assessing the Cycling Strategy (after it was adopted) against the NZTA Business Case principles.
- A status report provided by Russell Pearson of ICC at the August 2022 meeting.

Anecdotal feedback suggests Ride Southland initially met around bi-monthly, as per the Terms of Reference and the focus of discussion was the Te Ara Taurapa trail project which was evolving at the time. Once that project was complete, it appears the motivation to hold meetings fell away.

Stakeholder interviews during the Cycle Tourism Opportunity Assessment project in 2022-23 and interviews for this Regional Trail Entities report in 2024, suggest a high degree of frustration with the Ride Southland group role and mandate. Ultimately Ride Southland had no core funding, no executive staff to deliver activity and no legal mandate to direct other organisations. It’s notable that the last draft Terms of Reference for Ride Southland was edited to place the word “support” in front of the majority of functions. For example, instead of “Develop and promote a suite of high-quality cycling experiences” it changed to “Support the development and promotion of a suite of high-quality cycling experiences.” So, the group’s focus became an information-sharing, lobby and advisory function rather than actually delivering any cycling infrastructure, facilities or services.

As far as we could ascertain, there was never a plan put together on what a Murihiku Southland (with links to Otago) network could look like and it seems even if there had been, there was little in the way of interest in pushing for funding. One of the outcomes sought from the group was to raise project funding, which did not occur.

The funding for Te Ara Taurapa came about from negotiations between NZTA, Environment Southland and ICC, independent of Ride Southland. The other main trail project that has progressed since the 2016 Southland Cycling Strategy was the Lake2Lake trail which was delivered by Fiordland Trails Trust with no apparent involvement from Ride Southland. ICC has also enhanced cycling with

the Stead Street connection to the Airport, improved cycling safety road markings and proactively accommodating cycling within the CBD upgrade. Again, this was not driven by Ride Southland although key project participants would have had additional engagement with each other at Ride Southland meetings.

Overall, from the stakeholder feedback gained for the purposes of this report, there were no suggestions that Ride Southland should be re-instated, and several interviewees actively suggested it *should not be* re-instated. This is likely based on the assumption that some alternative form of regional trails framework is put in place. Ride Southland would have provided some benefit in getting various cycling stakeholders together to update each other on cycling related projects; so in the absence of anything else, it could continue playing that role. There also needs to be some continued coordination between the councils and NZTA on a regional approach to cycling safety and active transport planning. However, this should already be occurring under the Regional Transport Plan which has not been a subject of this review.

In closing, key members of Ride Southland have suggested that the critical purpose of any new Regional Trails Entity should be to attract funding and if it is not considered capable of doing this then there would effectively be little point in its establishment.

Defining the Issues that a Regional Trails Entity Could Address

The stakeholder interviews for this project and the earlier Cycle Tourism Opportunity Assessment have clearly highlighted the top two problems for existing and proposed trail projects.

1. Funding access
2. Land access

These are outlined in more detail below along with other issues that a regional trails entity could help to address:

- Murihiku Southland has not had a strong, regionally endorsed trails plan that can be used to support approaches to central government for funding programmes as they become available. Neighbouring regions like Central Otago and Queenstown Lakes have been very successful in this respect. Worthy Fiordland Trails Trust projects have been turned away by government because they have not been perceived as “regionally backed”.
- There has been no decision-making framework which sets agreed criteria for trail projects, enabling them to be prioritised or ranked.
- Southland District Council is providing ongoing support for the Around The Mountains Cycle Trail (ATMCT) but there is no guaranteed support for other local trail projects or entities. This is exacerbated by the fact that Fiordland Trails Trust’s Lake2Lake Trail attracts more users and generates more economic impact. SDC has been responsive in helping to fund some Fiordland Trails Trust (FTT) activity such as the recent economic impact study but there is no clarity around ongoing support.
- Fragmentation: As multiple local trail entities set up, each has establishment, compliance and overhead costs. They each have to create policies and procedures and develop a knowledge base necessary to progress trail projects which may have significant complexities and risks. They often struggle for enduring volunteer provision of the necessary skills and expertise.
- There is a need for a stronger evidence base to support land access negotiation and consent applications. The evidence is needed to address typical landowner concerns, to prove that trail environmental impacts will be minor or positive and explain how any potential impacts can be mitigated. Rather than small local trusts each struggling to resource this activity, it could be centralised and then deployed for local projects.
- Addressing legislative and policy blocks to cycle trail development: the Fiordland National Park Management Plan and the Southland Murihiku Conservation Management Strategy, in association with higher level DOC policy, prevent new cycle trails being considered for approval on public conservation lands except for a very small list of places. This has to be tackled at national level, but a respected regional trails entity could play an important role in coordinating all the necessary stakeholders to work with DOC to enable trail proposals.
- Clarity on ability to attain official Great Ride status: although Ngā Haerenga New Zealand Cycle Trail Inc has relatively clear standards for its trail grades 1-5, the criteria to become a Great Ride is very opaque. This is partly because there isn’t enough central government funding to support an expanded Great Ride network, and also because some of the existing

Great Rides would possibly fail to meet the criteria set if they were developed from a trail user perspective. As with DOC policy, a regional trail entity could carry more weight with Ngā Haerenga New Zealand Cycle Trail Inc and MBIE to address this issue.

- Accurate measurement of trail use and impacts: ATMCT and FTT have reasonably good trail counter data and have invested in user research including economic impact. However, this investment needs to be maintained and stepped up to ensure a sound information base to prove return on investment and help inform future trail development.
- As new trails are developed, it is important there is regional oversight delivering professional asset management and adequate funding for ongoing maintenance and extreme weather event damage.
- Best practice trail planning and development involves engaging with mana whenua at the outset and agreeing on the level of partnership they desire in the project/s. This could range from trail naming and alignment (e.g., Te Ara Taurapa), through to comprehensive signage, artworks and interpretation; and on to full Rūnaka commercial involvement in construction and management, (e.g., Te Ara Mangawhero Trail in Ruapehu). Having a regional trails entity would help to coordinate these partnerships.
- A successful regional trails framework requires all councils to proactively plan to enable trails and for them to work together in a coordinated manner. One practical example is where floodbanks which are Environment Southland catchment assets are also potential cycle trail alignments which span Māruawai Gore, Murihiku Southland and Waihōpai Invercargill territories.
- A national voice for trails: With a strong regional trails' entity, Murihiku Southland will be well placed to network with other regional entities and work towards a national trail alliance and more effectively lobby on issues such as land access, funding, regulation and national trails standards.

Murihiku Southland- Current Trail Entities and Project Interest Groups

The following is a brief overview of the existing local trail trusts and trail project groups. There is more detail on these groups and their trail projects in the Murihiku Southland Cycle Tourism Opportunity Assessment 2023.

Around The Mountains Cycle Trail Trust	<p>The cycle trail project started soon after the 2009 cycle trail project was initiated by central government with SDC being one of the earlier trails awarded funding. Stage 1 Kingston-Mossburn was built 2013-14 and stage 2 funding for Mossburn-Walter Peak secured in 2014. The arm's length charitable trust was set up by SDC in 2021 with an MoU signed in April 2022 to clarify the respective responsibilities and principles of working together.</p> <p>The Trust is responsible for the "experience / product development" which includes marketing, website, running the partners programme, events and attracting funds.</p> <p>SDC retains ownership of the trail asset, its management and maintenance, as well as the URL for the website. SDC also directly employs the "Trail Manager" who coordinates the trail asset management and does some support functions for the trust.</p> <p>As an official Great Ride the trail manager role is part funded by Ngā Haerenga New Zealand Cycle Trails Inc via MBIE. As part of this arrangement SDC has to ensure the trail standards are met to maintain Great Ride status.</p>
Fiordland Trails Trust	<p>Formed in September 2007, the Fiordland Trails Trust was established to enable the provision of a high-quality interconnected network of trails in and around Fiordland. The Trust has its own strategy, which incorporates a recent study of the cycling opportunities in Fiordland, along with a broader list of projects that it hopes to undertake in the coming years. Its goals are; to develop a broader range of outdoor recreational opportunities for locals & visitors; promote increased health and well-being in the community; provide improved infrastructure for safe, non-motorised travel to work, school or leisure; develop a broader range of trails to attract an increased number of tourists, both domestic and international, which will promote longer stays and promote new outdoor events; deliver wider economic benefits to the area through increased visitors.</p>
Western Southland Trails Trust	<p>The Western Southland Trails Trust was established to take over a project initiated by Tuatapere Promotions to develop a 100km trail mostly following the Waiau River from Manapouri to Te Waewae Bay. The Trust has done significant work during 2020 talking with almost 40 landowners including Pāmu - Landcorp Farming Limited, with a very high level of indicated support. The aim would be to use the trail project to create a new 3-5m riparian protection strip alongside the river. The trustees are volunteers at various stages of exhaustion, especially with the block being caused by the current Conservation Management Strategy (CMS) policy whereby marginal strip land owned by Toitū Te Whenua – Land Information NZ but managed by DOC cannot be considered for new bike trails. The next step would be to secure funding for a full feasibility study. The Trust already has a strong letter of support from Ōraka-Aparima Rūnaka Inc.</p>

Riverton Trails Group	This group is working together to explore trail opportunities around Riverton. A coastal trail to Colac Bay was considered but due to landowner issues it has been put on hold at this stage. In the meantime, two loop trails in and around Riverton township are being considered and it is hoped they will be more readily achievable. The group have had substantial assistance from the Fiordland Trails Trust, are about to apply for seed funding, and hope to establish a charitable trust later this year.
Waikaia Trails Trust	Waikaia Trails Trust is a community-led initiative based in Northern Southland and is developing a professionally designed and built MTB Park adjacent to the Waikaia township, which includes a pump track. The Trust aims to foster community impact through inclusive mountain bike trails in Waikaia Forest, promoting wellness and togetherness. It is a volunteer group of 6 with a diverse range of business experience and skills. Stage 1 of the project, completed in 2023, includes the trail hub and pump park, with forest trails beginning development in 2024.
Southland Mountain Bike Club	SMTBC develops and manages the Bluff Hill MTB Park and Sandy Point trails. It acts as a regional umbrella organisation supporting Hokonui and Te Anau Cycling Inc. (TACI) where relevant. Beyond this the club's focus is on developing the social aspect of club mountain biking and hosting events ranging from local to national competition level. Trail building has largely been volunteer, hand-built singletrack trails. However, having secured Tourism Infrastructure Funding from central government by partnering with Invercargill City Council, it is now contracting more significant trail and facility building to improve the Bluff Hill MTB Park.
Te Anau Cycling Inc.	TACI is an incorporated society that has tended to focus on quality singletrack MTB trails and developing family and youth MTB skills. They have supported development of small pockets of track near Te Anau and worked with the private, farm based Perenuka MTB park. TACI were well progressed with DOC on scoping some significant trails in Snowden Forest which could have formed part of a network connection between Glenorchy and Fiordland. However, this project was stalled indefinitely because of the CMS block on new bike trails, to the point where TACI had to return a significant grant. TACI is effectively just ticking over to comply as an incorporated society with a very small membership base. They expressed openness to working with Fiordland Trails Trust on its projects until TACI has the opportunity to re-deploy on a significant Grade 3+ singletrack MTB trail cluster.
Hokonui Bikers	Hokonui Bikers established the original MTB legal entity in the region. That legal entity was effectively handed over and became the Southland MTB Club. Hokonui Biker members now pay subs through the SMTBC website, so they continue to operate as a local group under the umbrella of SMTBC.

Cycling Southland	Cycling Southland is the official regional cycling sport body for the region. It has primarily focused on track and road cycling, but its board engages other sectors including BMX and MTB. Its activity is focused on competitive athletes and more general participation and skills development. Cycling Southland does not have aspirations to extend its role into off-road trail development but is supportive of this happening as part of the overarching effort to develop cycling in Murihiku Southland.
BMX Southland	BMX Southland focuses on BMX, youth engagement and competition to nationals level, which has been supported by the major upgrade of the Waihōpai Invercargill track. The club is equally supportive of encouraging multi-discipline engagement by members whereby BMXers might extend or transfer into mountain biking or vice versa.
Mataura Lions	This Lions Club has an interest in exploring, with Gore District Council, a trail connecting Māruawai Gore and Mataura.
Catlins Coastal Trail	A recent feasibility study procured by Great South indicated that a coastal trail would be technically feasible and provide a fantastic user experience connecting key attractions and scenery in the Southern Catlins coastal area. However, it was not seen a feasible in the near-term due to landowner access concerns and the recent increase in construction and maintenance costs. There is community interest in the project longer term. There is no entity set up for a trail project at this stage. Options include a new entity or an existing entity such as the South Catlins Charitable Trust taking it on.

With the exception of BMX Southland and Mataura Lions who were not spoken to directly about this review, all of the existing entities are generally supportive of a new regional trails entity if it is adequately resourced. Those that are already established would want to maintain their local entity as they see the links they have with the local community as critical to ongoing success.

Other Region Case Studies

Brief case studies have been carried out on seven other New Zealand regions which are considered successful in managing Great Ride Cycle Trails and to varying degrees, mountain bike parks. These are Coromandel-Hauraki, Rotorua, Taupo, Hawke's Bay, Wellington, Nelson-Tasman and Queenstown.

Overview of Findings from Case Studies

- None of the regional trail's entities manage all of the significant trails in their regions. In all regions there are individual trails or MTB parks that are managed by a council, DOC or a separate local trail entity.
- A range of entities and structures are used with the majority of Great Ride trails sitting under Charitable Trusts.
- Successful alternatives include direct council delivery (Hawke's Bay Regional Council) and Regional Development Agency delivery (WellingtonNZ which has a similar role to Great South).
- Taupo and Rotorua are two examples where both the Great Rides and their primary MTB Park trails are managed by the main regional trail entity. In other regions the MTB trails tend to be managed quite separately.
- Formally engaging representatives of walking, running and in some cases horse riding groups is helpful.
- Core entity funding before trail development budgets range approximately from \$100,000 to \$400,000.
- Executive staffing ranges from a single trail manager to a team of three, with some of these part time. In Rotorua's case there is a larger team including trail maintenance employees and contractors.
- There are varying levels of direct engagement or partnership with iwi at board level while some of the trails are on iwi land with access leases in place. This is an evolving space with room for enhancement in most regions.
- Regions like Queenstown have been particularly successful in attracting significant donations, corporate sponsorships and smaller donations from large numbers of trail users.
- Queenstown/Central Otago have two different examples of umbrella organisations sitting over or combining multiple local trail entities, which are useful for Murihiku Southland to consider.
 - Queenstown to Glenorchy Trail Alliance based on an MOU
 - Southern Lakes Trails Trust, which includes board appointees from three local trail entities.
- There is consideration being given to establishing a consistent model for regional trail entities which would link to a national trail organisation to provide a stronger voice for the sector.


Note: RTO = Regional Tourism Organisation, increasingly referred to as a DMO or Destination Management Organisation.

RDA = Regional Development Agency, many of which also deliver the RTO function, as does Great South.

Region	Hauraki Rail Trail Trust, Hauraki Coromandel Region
Territory	The Hauraki Rail Trail (HRT) currently spans the districts of Thames-Coromandel (TCDC), Hauraki (HDC) and Matamata Piako (MPDC). This was one of the earliest Great Rides and being Grade 1-2 within a short drive of New Zealand's biggest population triangle, attracts high domestic visitor numbers. It is not as busy as the likes of Queenstown and Hawke's Bay because it doesn't serve a significant local recreation and commuting user base.
Local/ Sub-groups	Separate from the HRT Trust, there are several local MTB trails groups and clubs including Thames, Coromandel, Whitianga, Waihi and Whangamata working independently. There are also some side-country rideable trails around the coast and in forest, mostly on old 4WD routes. With MBIE pandemic recovery funding, a strategy has been developed to make Coromandel a "Nationally Significant MTB Destination by 2032".
Constitution/ Entity Type	Charitable Trust (for the Rail Trail only)
Committee/ Board Makeup	Six board members. Three are appointed by each of the District Councils, Hauraki, Thames-Coromandel and Matamata-Piako. The remaining three board members are appointed by iwi located alongside the Rail Trail, but their role is as governors of the trust, not as iwi representatives.
Date started	A new trust was set up in 2015/16 after the original trail operation had been contracted by HDC to a private company, creating a monopoly on bike hire, shuttles and a booking system. This trail management arrangement was not working out and the project was about to be decommissioned, which led to the trust being established.
Funding	<p>The three councils provide funding through two streams,</p> <ol style="list-style-type: none"> 1. Strategic overhead: total \$405,000, 1/3 each. 2. Maintenance: variable but has been approximately \$203,000 with the split based on km of trail in each council area. <p>The maintenance breakdown had been roughly HDC 71%, TCDC 18%, MPDC 11% but with the extension from Te Aroha to Matamata, this funding mix will adjust.</p> <p>Interestingly the whole trail asset sits with HDC's asset register despite it running through the other council territories. The Trails Trust contracts to councils to do maintenance.</p> <p>Cyclone damage repair funding has been significant recently. A three-year repair project totalling \$3.7m in government and council funding was secured to repair and upgrade the cycle network. This entailed a one-off increase from the councils.</p>
Roles	Two roles. The GM is full time and a 0.8 FTE covers admin and marketing.

Status of cycling or cycle tourism strategy	No overarching regional cycling strategy was mentioned. The HRT Trust will have its own strategy although this is not posted publicly. Destination Hauraki Coromandel and the MTB Clubs have developed a separate MTB Destination Strategy focused on MTB Parks, back country trails and family-oriented bike facilities.
Relationship with RTO/RDA	The HRT Trust works closely on marketing with Destination Hauraki Coromandel and increasingly with Hamilton & Waikato Tourism (as the Matamata-Piako section is in their region).
Key aspects in relation to Murihiku Southland	The strategic overhead and ongoing maintenance funding stands out as well above many of the other regions. The HRT Trust is working quite separately from the various MTB trail groups.

Region	Rotorua Trails Trust
Territory	<p>Rotorua District</p> <p>Rotorua's biking reputation is primarily built around the extensive MTB singletrack in Whakarewarewa Forest. The initial Te Ara Ahi Great Ride trail developed around 2011 was not particularly successful as it primarily runs alongside the State Highway with average scenery. This has been part blended into and replaced by the New Forest Loop Great Ride which provides a much better experience. Rotorua had to sacrifice Great Ride status on the original Te Ara Ahi Trail in order to secure Great Ride status for the new Forest Loop.</p>
Local/ Sub-groups	<p>The MTB trails were initially developed from 1993 onwards. The Rotorua MTB Club, now three decades old, was established to continue trail development and events.</p> <p>The separate Rotorua Trails Trust (RTT) was set up in 2014 to continue improving and expanding the network. It manages and maintains the Whakarewarewa Forest trails plus Western Okataina, Rainbow Mountain and now the new Forest Loop Great Ride.</p> <p>Rotorua MTB Club continues to be separate from the RTT and now focuses more on events and it delivers the First Response Unit for accidents in the trail park with average 10 minutes response. It also runs rider development through <i>Tuned</i>, which is a private business. In 2021 the separate Descend, Downhill Club merged with the main MTB club.</p> <p>The Skyline Gondola Trails belong to the Skyline company. While not extensive trails, the gondola uplift supports this location as the main hub for the Red Bull Crankworx event which now helps to underpin Rotorua's international brand and profile.</p> <p>Horse riding, walking and running groups work with the RTT on specific trails in the network.</p>
Constitution/ Entity Type	Charitable Trust
Committee	<p>There are 9 trustees including a horse-riding and two running reps. Several Iwi are involved in the land and forest ownership and on the formal Forest Recreation Management Group, so there are no specific iwi appointments to the Trails Trust board.</p>
Date Started	<p>The Trust was set up in 2014 so it could focus on trail development and management, and access more funding channels.</p> <p><i>"To make Rotorua the world leaders in recreational trails that champion cultural heritage, environmental sustainability, equitable access while positively impacting the economy".</i></p>

Funding	<p>The Trust generally has a \$250,000 per annum funding contract with Rotorua District Council for Trail Maintenance Services. Additional fundraising of \$128,000 included sponsorship, grants, donations and sign sales (\$11,000). A major PGF grant was secured for two impressive trail hub facilities, adding a second shuttle service and building the Forest Loop Great Ride.</p> <p>For the March 2023 financial year RTT had a total operating budget of around \$380,000 and ended the 2023 year with net assets of \$250,000. Of this around \$60,000 is fixed assets such as machinery.</p> <p>The trail assets mostly belong to Iwi.</p>
Roles	<ul style="list-style-type: none"> • Operations Manager - FT • Admin support - almost FT from home • Trail Crew of 6 (2 FT employees, 1 FT contractor and 1 PT contractor) <p>In 2023 the RTT coordinated over 3500 volunteer hours of trail work (up 30% on the previous year)</p> <p>There are also 70 Trail Adopters (individuals who adopt a trail or section of trail to maintain)</p>
Status of cycling or cycle tourism strategy	<p>Vision: Rotorua – “A City of Trails”</p> <p>To develop, manage and advocate for a network of the world’s best trails across the Rotorua District.</p> <p>Cyclists, walkers, runners and horse riders are all engaged with the trust as depicted in their trails strategy graphic.</p>  <p>The trust strategy explicitly states it won’t be directly involved in promotion of the trails, leaving that to the council and tourism organisations.</p>
Relationship with RTO/RDA	<p>The Trails Trust office is in the same building as the Redwoods i-SITE which is part of Rotorua NZ, the Regional Development Agency.</p> <p>The Rotorua NZ destination website promotes the trails at a high level.</p> <p>Ride Rotorua is the main online trails hub and was set up by some of the same people who set up the RTT. It is separate from the RTO/DMO website.</p>
Key aspects in relation to Murihiku Southland	<p>Although RTT is looking at a wider network beyond the core Whakarewarewa forest area, it is still a fairly tight geographic scope within the Rotorua Lakes Caldera and much smaller and less diverse than Murihiku Southland. The Trust is only dealing with one city council and one regional council.</p> <p>Iwi are integral in actual ownership of much of the forest and the trail assets.</p>

Region	Bike Taupo Advocacy Group - “Bike Taupo”
Territory	<p>Taupo District</p> <p>Bike Taupo aims to encourage the use of cycling for transport and recreation in the Taupo District by:</p> <ul style="list-style-type: none"> • Promoting cycling as a healthy, environmentally friendly, and convenient form of transport • Working for improved conditions and image of cyclists and cycling • Encouraging the use of cycles for transport and recreation. • Educating cyclists and other road users to order to improve safety and awareness of cyclists. • Lobbying the case for cycling in public debate and to relevant authorities • Advocating the implementation of the Taupo District Council Cycle Strategy document. <p>Bike Taupo works alongside the council in promoting education and awareness and changes to infrastructure to encourage Taupo as being the most cycle-friendly town in New Zealand.</p>
Local/Sub-groups	<p>Bike Taupo works with various clubs for road, BMX and the MTB Club focuses on events and skills programmes.</p> <p>There is no formal representation by these groups on the Bike Taupo committee but in a small community the various parties are in good communication with each other.</p>
Constitution/Entity Type	Bike Taupo is an Incorporated Society. It has been considering if a trust would be more appropriate given bigger value projects than originally anticipated.
Committee	<p>The committee is made up of nine. Six of these have voting rights. One of the non-voting right members is a council representative.</p> <p>Various sub-committees include outside representatives, e.g., pest trapping and project committees.</p>
Date Started	<p>Formalised 2002-2003</p> <p>The council initiated a bike strategy/vision project and sought a sector group to support its implementation. This is how Bike Taupo was instigated.</p> <p>Following this, the trail from Spa Park to Craters of the Moon MTB park was developed by the Taupo MTB Club and Rotary funded the easy grade lakefront trail.</p> <p>The Craters of The Moon land changing hands required a legal entity to take on trail management. The Taupo MTB Club did not want to keep managing this so Bike Taupo stepped in to take a 20-year lease with Land Information New Zealand (LINZ).</p>

Funding	<p>Current ongoing funding:</p> <p>\$45k from NZCT for Great Ride trail managers</p> <p>\$75k from Taupo District Council for trail network management.</p> <p>Bike Taupo has \$3M in trail assets and had up to \$2.5M turnover during Great Lake Great Ride trail development.</p> <p>Running events usually raise around \$30k p.a. but through Covid that activity went on hold. (Craters Classic and The Huka component of the Around The Lake event). The separate MTB Club runs other events.</p>
Roles	<p>Bike Taupo has the following voluntary roles:</p> <p>Track Crew, Assets, Advocacy, Kids Bike Taupo, Financials, Secretarial and Trapping.</p> <p>Trails are developed with a mix of volunteer work or funded contracts.</p> <p>They recently contracted a “Business Service Manager” at around 10-15 hours per week to undertake admin including social media and work with the RTO on marketing.</p>
Status of cycling or cycle tourism strategy	<p>Council’s cycling strategy has had various updates, most recently 2 years ago. Bike Taupo continues to provide input and advocacy; and submitted future trail connections. Having these proposed trails in the official strategy helps when business cases and funding applications are being done later.</p>
Relationship with RTO/RDA	<p>Bike Taupo is not a marketer. Destination Great Lake Taupo plays the main role marketing the trails including managing the Great Lake Trail website. With the exception of Wellington, in all other case study regions, the trail entity runs their own trail Great Ride trail website.</p>
Key aspects in relation to Murihiku Southland	<p>Like Rotorua, Bike Taupo only has one local and one regional council to deal with and manages or plays a key role in all of the easy cycle trails, Great Rides and mixed grade MTB trails. This is a key strength. It has completely outsourced the Great Ride website function to the RTO, Destination Great Lake Taupo. Unlike Murihiku Southland, there is a separate Taupo Development Agency.</p> <p>There are no other significant trail entities, so Taupo is the closest to having one Regional Trails Entity covering all bike trails.</p>

Region	Hawke's Bay Trails
Territory	<p>Hawke's Bay region, engaging HB Regional Council and four Territorial Local Authorities (Hastings City, Napier City, Central Hawke's Bay District and Wairoa District Councils.)</p> <p>Hawke's Bay Trails is a local collaboration led by Hawke's Bay Regional Council. Three 'Water', 'Winery' and 'Landscape' rides make up the official Hawke's Bay Trails Great Ride. These have been created by working with key stakeholders including the Rotary Pathway Trust, Hastings District Council, Napier City Council, Hawke's Bay Tourism, NZ Transport Agency and many other landowners including DoC, Hawke's Bay Airport, Landcorp Pamu Farm and others.</p>
Local/ Sub-groups	<p>HB Trails collaborates but does not have formal links or representation by any other trail groups.</p> <p>HB MTB Club is completely separate although the HB Trails Regional Coordinator used to be involved personally so there is a coordinating link. The MTB Club manages the main MTB Park, north of Napier on forestry land through a concession with PanPac.</p> <p>Te Mata Park Trust manages the walking and biking trails as well as the whole park at Te Mata Peak near Havelock North in Hastings District. It has a Mana Whenua Roopu board in a co-governance role alongside, which also appoints a representative to the Te Mata Trust Board. This involved a trust deed alteration through the high court.</p> <p>There is a cluster of MTB trails near Waipukurau in Central Hawke's Bay District and a private farm with paid-access trails.</p>
Constitution/ Entity Type	<p>The Cycle Network Coordinator started as a contract position for HB Regional Council but is now an employee. An MoU between the councils and DOC is being drafted now.</p> <p>Being within council has benefits in being able to use their financial systems to provide accountability when applying for grants, also the strong Health and Safety protocols that can be applied when contracting trail work etc, and access to pool cars without having to provide a permanent car.</p> <p>There are in-kind services and resources accessed by the Trail Coordinator which will not have been reported as costs attributed to the trails function.</p> <p>They have considered whether it should be in a separate trust but don't feel the current setup has been a significant barrier to funding access. The Eastern & Central Community Trust has funded some trail projects. Being in Council has meant proximity to Tourism Infrastructure Funding application opportunities.</p>

Funding	<p>Roughly \$100,000 in total is provided to run the Cycle Network Coordinator Role and admin. This is made up of \$30k each from Napier CC and Hastings DC and \$30k in-kind from HBRC where the role is based. Wairoa and Central HB DCs provide \$5K each which is a contribution towards promotion and some project support.</p> <p>NZCT/MBIE provide \$45k p.a. for a 3-year term for a “Trail Manager”.</p> <p>NZTA funding for the wider cycling network has been key in HB and the recreational trail network also genuinely forms part of the active transport network.</p> <p>Maintenance funding would be around \$150k average in a “normal year” but 2023-24 has been abnormal with Cycle Gabrielle repairs still underway.</p>
Committee	<p>There is no formal committee where the partner councils and other stakeholders meet formally. A steering group is being considered which would include the 4 councils, NZTA, HB Tourism and DOC. The councils have established iwi relationships so iwi may not be directly involved in this group, but they are engaged on specific projects.</p> <p>The Regional Trails Coordinator was in the HBRC Transport team but has now moved to the Asset Team as the floodbanks are catchment flood assets. She also works with the Open Spaces Team that includes the regional parks which the trail network seeks to join up.</p>
Date Started	<p>From 2002 the Rotary Pathways Trust had progressively been developing the Bayview, Marine Parade and Tutaekuri river trails which now form part of the Great Ride. Rotary was more focused on walking than biking; and establishing then handing over trails for council to manage.</p> <p>Collaboration across the region started from the National Cycle Trails project initiation 2009/10 with the Hawke’s Bay Trails Great Ride being launched in 2012. When HBRC initially took on the NZCT Great Ride project the work fell on the Comms Manager and became too much so the dedicated Regional Trails Coordinator role was established 7 years ago (2017).</p> <p>It is important to note that HDC and NCC have been working on i-Ways which are their active transport city cycling routes, many on-road but where possible, removed. HDC gained \$4M from NZTA towards their initial 2010 proposal, followed by a further \$11M from NZTA in 2012. In 2015 a joint HDC and NCC application got further NZTA funding. https://www.iway.org.nz/about-iway/</p>
Roles	<p>The regional trails coordinator is a full time HBRC employee.</p> <p>There are no other formal regional trails roles, but admin support is provided within HBRC by other staff.</p>

Status of cycling or cycle tourism strategy	HB Regional Cycle Plan developed in 2005, updated in 2015 and adopted by all five Hawke's Bay councils, the HB District Health Board, Hawke's Bay Tourism and cycle advocates. The then Napier Mayor Barbara Arnott was a key driver of the trails initiative. This plan was being revised again before Cyclone Gabrielle hit.
Relationship with RTO/RDA	Hawke's Bay Tourism promotes the trails as one of its pillars but its key focus is wine and food positioning. The regional destination site has a cycling section including the HB Trail official map and links out to the HB Trails website.
Key aspects in relation to Murihiku Southland	With the exception of a few trails in Central Hawke's Bay and Wairoa, the HB Great Ride Trails are in a fairly concentrate geographic area around Napier and Hastings and form part of the genuine commuting network. Their model would be the equivalent of housing the regional trails funding within Environment Southland with funding support from the local councils. Floodbanks have the potential to be a key part of the region's trails. Murihiku Southland has potential to deliver a stronger MTB and back-country trail offering than Hawkes Bay currently has plans for.

Region	Wellington Regional Trails Committee
Territory	Wellington region which includes Great Wellington Regional Council and 8 city and district councils. It aims to guide a collaborative and coordinated approach to regional trail planning, development and promotion of the regions' trail offering. The region's Great Ride (Remutaka Cycle Trail) was largely already in existence prior to the national cycleways project of 2009. The government funding simply formalised the whole route and began establishing further connections. The Hutt River Trail section of the Great Ride is primarily a local resident recreation and commuter trail which explains the high user numbers. The Great Ride only passes through 3 of the 8 local authority areas.
Constitution/ Entity Type	<p>The Wellington Regional Trails Committee (WRT) was established in 2018 following the completion of a Regional Trails Framework document. It was initiated through the regional mayors and CEO forum. It is not a legal entity but an informal committee of 8 councils with a Terms of Reference which is being reviewed now. Greater Wellington Regional Council is a key player as it has regional parks, (akin to conservation parks) which include significant recreational trails.</p> <p>The committee is struggling to maintain engagement and contribution from DoC for its parts of the trail.</p>

Local/ Sub-groups	<p>Wellington has numerous separate clubs and trail groups, each with significant trail clusters.</p> <p>Wellington Trails Trust (separate from the above committee) seeks to act as the lead MTB trail entity with a focus on trails connected to the Wellington CBD. Paying membership to Wellington Trails Trust also provides a contribution distributed to some of local trail entities and projects listed below. It aims to work closely with the regional trails committee.</p> <p>Wellington MTB Club has an events focus but also builds and maintains two downhill competition trails.</p> <p>PNP Cycle Club covers road, track and cross-country MTB. Its events make a funding contribution for each entrant towards trails they use.</p> <p>Following is the list of trail building entities and groups.</p> <ul style="list-style-type: none"> • Makara Peak Supporters (Wellington City Council now has dedicated trail ranger roles with more hands-on involvement with the likes of Makara Peak MTB Park which is now 25 years old.) • Waimapihi, Brooklyn Trail Builders • Matairangi, Mt Vic Trails • Mystic Portal (informal interest group for a jump line in central WLG park.) • Miramar Trail Project • Wainuiomata Trail Project • Belmont Area Mountain Bike Association (BAMBA) • Mana Cycle Group – Rangituhi Trails and various local trails in Porirua/Tawa, • Kapiti MTB Club • Kaitoke Trails • Private MTB parks with shuttles. Dirtfarm (Kapiti), Rivenrock (Wairarapa) • Wairarapa MTB Club • Wairarapa Five Towns Trail Trust (Grade 1-2 cycle trails)
Funding	<p>The regional trails committee councils provide \$140,000-\$150,000 per annum to WellingtonNZ with a contribution formula based on population of each of the councils.</p> <p>WellingtonNZ also attracts the \$45k from MBIE for the Remutaka Great Ride trail manager role.</p> <p>Separate from the Great Ride and Regional Trails Committee, Wellington Trails Trust received \$1M from benefactor Rod Drury and has attracted other corporate investment in singletrack MTB trails.</p>

Committee	<p>Representatives from the 9 councils in the region, DOC and WellingtonNZ which is the RDA and has a similar role to Great South. The 3 Wairarapa councils are sometimes represented by Destination Wairarapa, their RTO/DMO.</p> <p>There was initially an additional trails reference group that included the local trail clubs but this has petered out.</p> <p>This committee has focused primarily on the region's only Great Ride, Remutaka Cycle Trail and various council owned trails. It is not focused on MTB park development, leaving that to the various other groups.</p>
Date Started	2018
Roles	<p>Two roles are delivered within Wellington NZ with the funding provided by the councils.</p> <ul style="list-style-type: none"> Trail Manager for the Remutaka Cycle Trail Great Ride only (attracts the \$45k from MBIE). Trails Marketing Coordinator - delivers trail experience enhancement projects, a brand and online Trails Hub, "Find Your Wild" which equally covers walking trails and horse trails. <p>This website has now been fully integrated into the overall WellingtonNZ.com regional development and tourism website.</p>
Status of cycling or cycle tourism strategy	The 2018 Regional Trails Framework has recently been reviewed with a brief update. Developing a strategy for the many MTB trail clusters is not a focus.
Relationship with RTO/RDA	<p>Wellington NZ is contracted to deliver the Great Ride Trail Manager as well as marketing and branding for the Great Ride and wider trails network including walking, running and horse riding.</p> <p>The "Find Your Wild" regional trails website has solid usage results according to WellingtonNZ. It uses impressive imagery and high-level information such as top five walks or top five rides. However, for mountain bikers wanting to look for good MTB park or trail network information it has limited use and they are likely to have to resort to other websites.</p>
Key aspects in relation to Murihiku Southland	<p>This model would be the equivalent of Great South delivering not only the marketing that they already partially carry out, but also the trails manager role which currently sits with SDC.</p> <p>Despite the effort put into the regional trails' strategy and committee, and several impressive independent MTB developments across the region, the MTB groups are not well engaged and Wellington has continued to languish behind Rotorua, Queenstown and Nelson as a prime MTB destination, especially in the international market.</p>

Region	Nelson Tasman Cycle Trail Trust
Territory	<p>Nelson City and Tasman District. Both are Unitary Authorities (both local and regional council responsibilities).</p> <p>Nelson Tasman Cycle Trail Trust (NTCTT) uses 'Heart of Biking' as its brand. It manages two official Great Rides, The Great Taste Trail easy trail network around the region and The Coppermine Trail which is a more advanced back-country style trail but still on the edge of Nelson City.</p> <p>The Trust's objective is to represent and develop cycling interests and opportunities in the Nelson region, to develop the area into New Zealand's leading cycle tourism and recreational cycling destination.</p> <p>The vision is to establish, extend and integrate cycle routes within the region to create a unique and sustainable world class destination for cycle tourists and local cyclists.</p>
Local/ Sub-groups	<p>There are several other trail trusts and clubs which manage significant trails and MTB parks throughout the region, outlined below.</p> <p>None of these other trail trusts and clubs are formally linked to Nelson Tasman Cycle Trail Trust. The current Trail Manager used to manage the Nelson MTB Club and run events though so there is solid communication.</p> <p>The MTB Trails Trust has developed trails in the Richmond Ranges, Nelson Lakes and Silvan Forest near Richmond. It aims to support the other more local MTB trail organisations and work alongside Nelson Tasman Cycle Trail Trust. Its catchment includes Marlborough.</p> <p>Nelson MTB Club looks after various trails including the Maitai area adjacent to Nelson City and took on the private Wairoa Gorge trails and shuttle operation which is struggling with financial viability. A new trust is being considered for these trails to develop a wider user audience including walkers.</p> <p>Kaiteriteri Mountain Bike Park is owned and funded by the Kaiteriteri Recreation Reserve which employs a dedicated park manager. The park is developed and maintained on behalf of the Reserve by Kaiteriteri Mountain Bike Park Incorporated. The Easy Rider trail through the park is part of the Great Taste Trail.</p> <p>Golden Bay MTB Club is a charitable Incorporated Society. The Kennett Brothers have helped support their Rameka Trail project descending Takaka Hill.</p> <p>Cable Bay Adventure Park is private operation.</p>
Constitution/ Entity Type	Nelson Tasman Cycle Trail Trust and the MTB Trails Trust are charitable trusts.

Funding	<p>With two Great Rides the Nelson Tasman Cycle Trail Trust gets 2 x \$45k from NZCT / MBIE towards trail manager resource.</p> <p>Tasman District Council provides around \$200,000 as most of the Great Taste Trail is in their district. Separate funding under roads and parks is also used on the trail. Where trails are near State Highways, they have received NZTA funding.</p> <p>Nelson City Council matches the \$45,000 for the Coppermine Trail.</p> <p>The contracts with the councils specifically enable the trust to apply a 15-20% markup on contract work, depending on the total amount and whether it is capex or opex. This recognises the Trust's ability to be nimbler and engage smaller contractors on more favourable terms, thereby saving the councils money and helping to create and maintain a reserve for the trust.</p> <p>Because NZCT/MBIE no longer has any significant new construction funding available, this will impact the trust's ability to undertake new-build trail and therefore impact the ability to create margin funding into its reserve.</p> <p>YE June '23 total income from all sources was \$1M, expenses \$900,000 with \$100,000 surplus. YE June '24 the surplus is projected to be around 50% less with construction of a large new trail section occurring.</p> <p>Multiple Rotary clubs throughout the region have contributed directly to trail projects including boardwalks and recently in 2024, four shelters at a total cost of \$40,000.</p>
Committee	<p>10 Trustees, many of whom have specific roles or portfolios including engineering, marketing, finance, landowner liaison/ health & safety, official partners programme.</p> <p>There is no formal iwi board place. The board would welcome it but under-resourcing is an acknowledged issue at present. The Trust Chair sits on other boards with iwi and works to maintain those connections.</p> <p>Ngāti Koata iwi have been involved through their forest and land ownership and recently agreed a new lease/access agreement for MTB trails.</p>
Date Started	Early 2010s

Roles	<p>The trust builds and maintains the trails and experience infrastructure, then the trail assets sit with the councils.</p> <p>Trail Manager: 30 hours per week Maintenance Manager: 20 hours per week Administrator: 15 hours per week</p> <p>The scope of the Trail Manager role includes:</p> <ul style="list-style-type: none"> • Liaising between the Trust and key stakeholders to develop and maintain the regions two Great Rides – Tasman’s Great Taste Trail and the Coppermine Trail • Being proactive in identifying and recommending opportunities to enhance the rider/visitor experience on the trails. • Developing and implementing project plans for trail construction and maintenance • Managing engagement of contractors/sub consultants • Reporting on project progress, problems and solutions • Liaising with other cycle groups within the region <p>A proven construction or engineering project management background and the ability to operate autonomously with a high level of integrity is essential, as is a strong sense of ownership and accountability.</p>
Status of cycling or cycle tourism strategy	<p>NTCTT has a 2020-25 Strategy that was updated in 2024.</p> <p>The 4 strategic goals are:</p> <ol style="list-style-type: none"> 1. Infrastructure - construct and maintain a high-quality trail for Coppermine Trail and Great Taste Trail that meets the needs of users. 2. Resourcing - access resources for long-term sustainability of the trails and the Trust. 3. Promotion - trail experiences attract locals and visitors to the region. 4. Advocacy - work with others to expand trail networks and experiences across the region. <p>Financial position as of 30 June 2023: cash reserves of \$1,017,719 and net assets of \$924,283.</p> <p>The Trust has an “Experience Development Plan” which has included improved signage, safety, wayfinding, stories, interpretation, rest areas, artworks on the trail.</p> <p>NTCTT has provided submissions on the council LTPs and to the combined NCC/TDC Land Transport Committee. This included submitting a concept plan for linked cycleways across the region, named Cycleways 6 and 60, to match the State Highways. The aim was to get these concepts into NZTA’s thinking.</p> <p>The MTBTT has an “Epic Trails Plan” focused on backcountry trails with DOC and Hancock/Manulife Forests, many of which are upgrades to tramping tracks. These are in the Bryant and Savant Ranges southeast of Nelson/Richmond and in the Nelson Lakes area.</p>

Relationship with RTO/RDA	<p>Nelson Regional Development Agency is similar to Great South and carries out the RTO/DMO function for the region. There is a sense that coordination across all the trail entities and particularly the online presentation of the region's cycle tourism and mountain biking has a lot of room for improvement.</p> <p>The Visitor Destination Manager (a relatively new role) is seeking to work more closely with the cycle trail and MTB groups.</p> <p>NRDA promotes cycle tourism and mountain biking and helped the NTCTT with a new video promoting the Great Rides. NRDA also recently provided some funding to Nelson MTBC to develop a new website. NRDA has also provided support through the events fund to develop new events including the MTB Rally which is a unique new enduro event for New Zealand. The event had relatively high entry fees and the limited places sold out.</p> <p>Like Rotorua and Queenstown, there has been ongoing investment in economic impact reports to demonstrate the value of mountain biking to stakeholders (\$30.3M with potential to grow to \$49M).</p> <p>A recent initiative is running two Ride Nelson Tasman forums alongside Nelson MTB Club to engage a range of related businesses in sector development. The following statement from Hemi Toa, the Chief Executive of Ngāti Koata highlight's their engagement and support. "I can see a big, bold vision where Whakatū/Nelson offers its local residents, family and friends who visit, and international visitors a world-class and leading experience that incorporates mountain biking and other outdoor recreational activities."</p>
Key aspects in relation to Murihiku Southland	<p>The NTCTT covers 2 councils and a fairly extended trail network across the region. There are still several separate MTB trail and backcountry trail entities across which coordination could improve considerably. Nelson Regional Development Agency, the equivalent of Great South, has a new Destination Manager who has started working more proactively with the various entities.</p> <p>The funding agreement with councils including taking commission on contracting works stands out from other region models. Establishing the \$1M cash reserves is also an enviable position for one of these trail trusts.</p>

Region	Queenstown Trails Trust
Territory	<p>Queenstown to Gibbston Valley (a subset of Queenstown Lakes District).</p> <p>Queenstown Trails Trust (QTT) has developed a 130km trail network, including New Zealand's most popular Great Ride. Many trails in its network are multi-use, suited to commuting and considered part of the active transport network. In recent years QTT has partnered with the Queenstown Mountain Biking Club (QMTBC) to build more advanced downhill mountain bike tracks. It also recently completed the Coronet Loop Trail. It has recently announced significant extensions to its network.</p>
Local/ Sub-groups	<ul style="list-style-type: none"> • Queenstown MTB Club (QMTBC) • Glenorchy Trails Trust (GTT) • Southern Eco Trails Trust (SETT) - has a focus on creating new trails that enable conservation by developing trail corridors that initiate pest eradication and reforestation efforts. It has been investigating a connection from Queenstown to Te Anau via Glenorchy and identified the opportunity to help bridge the traditional geographic boundaries between Local Trail Entities in Otago and Murihiku Southland. • Upper Clutha Tracks Trust (Wanaka, Hawea, Luggate) UCTT • Bike Wanaka (MTB trails particularly Sticky Forest and Dean's Bank) • Private company trail parks include Coronet Peak (NZ Ski), Cardrona (Real NZ), Glendhu Bike Park. <p>There are two Trail Alliances that bring together different groupings of the above trail entities.</p> <ol style="list-style-type: none"> 1. Southern Lakes Trails Trust - (formerly known as the Central Otago Queenstown Trails Network Trust) is a trail project-based partnership including QTT, UCTT and the Roxburgh-Clutha Gold Trails Trust. It is responsible for the construction of three trails in the region: Lake Dunstan Trail, Kawarau Gorge Trail and the Wanaka Link. Notably the trust deed is written to provide for each of the local trail trusts, Queenstown Trails Trust, Roxburgh Clutha Gold Trail Trust and Upper Clutha Tracks Trust (Wanaka) to appoint a representative to the Southern Lakes Trust Board. This provides the umbrella regional entity which maintains the autonomy and local community links of the sub-trusts. There is consideration as to whether this entity would broaden into a wider territory or projects as these links ultimately move towards the goal of a seamless connection from Queenstown/Wanaka all the way to Dunedin. 2. Queenstown to Glenorchy Trail Alliance – this is an MoU-based alliance rather than a legal entity including Queenstown Trails Trust, Queenstown MTB Club, Glenorchy Trails Trust and Southern Eco Trails Trust. Its focus is building a trail connection from Queenstown to Glenorchy. Any of the partner entities can contract activity on behalf of the group. Forming this alliance helped them attract funding from Queenstown Lakes District Council to fund a feasibility study on the trail.
Constitution/ Entity type	Queenstown Trails Trust is a Charitable Trust

Funding	<p>\$75K from QLDC this is annual funding and contestable.</p> <p>\$45k from NZCT/MBIE for Great Ride Trail Manager function</p> <p>Corporate sponsors, ~\$30k (2-3 at around \$10k per annum, sponsors on website include Gallagher Insurance, Pak'nSave, Aotea Gifts and Sky City)</p> <p>Motutapu Challenge Event returns around \$30k to QTT</p> <p>One of their key successes is smaller donations and sponsorships from the public. The Trail Lovers programme gives members discounts and prizes from various businesses. This raised \$50k but for 2024 they are targeting \$200k and pitching it as only \$1 for every trail use.</p> <p>They also initiate fundraising specific projects such as the \$165k required for the Kimi-ākau Bridge on the new Shotover Gorge Trail. To support this, 110 deck planks are available for sponsorship at \$1500 each.</p> <p>QTT have a significant \$6.7M expansion programme underway over the next five years.</p> <p>The main Queenstown Trail asset sits with QLDC. The new Coronet Loop Trail includes QE2 covenant with a public access easement.</p>
Committee	10 Trustees with a wide age range including expertise in engineering and resource management law and property development. 1 is a council appointee.
Date Started	2002 as Whakatipu Trails Trust, when a trails strategy was developed.
Roles	<p>3 Full Time Roles</p> <ul style="list-style-type: none"> • CEO • Marketing and Projects Coordinator • Partnerships (contract)
Status of cycling or cycle tourism strategy	QTTs new strategy was released in 2023 showing proposed links to other regions. Destination Queenstown has developed a MTB strategy with the Queenstown MTB Club which boldly seeks to challenge Whistler as an MTB destination.
Relationship with RTO/RDA	Destination Queenstown promotes trails within its campaigns and has supported an MTB focused strategy with ambitious goals to be a world leading MTB destination. QTT and the MTB club run their own websites for their trails.
Key aspects in relation to Murihiku Southland	<p>QTT started decades ago with more of a focus on walking trails which evolved into cycling. The high trail use is due to having easy trails which serve residents for recreation and commuting; and being a major tourism destination.</p> <p>The Southern Lakes Trails Trust and Queenstown to Glenorchy Trail Alliance could both be very applicable models for Murihiku Southland.</p>

Proposal for a National Trails Alliance

There is currently discussion amongst various Great Ride and regional trails entities about forming a more consistent regional model throughout New Zealand and linking these up to a national trails body. This has been spurred on by the recent frustrations in providing a coordinated voice to DOC on the CMS bike trail constraints and to Ngā Haerenga New Zealand Cycle Trail Inc on the future of Great Rides.

A report titled “Collaboration amongst Local Trail Entities and opportunities for the New Zealand Trail Ecosystem” was prepared by Kevin Jennings for Southern Eco Trails Trust. This report considers the establishment of regional trails alliances which feed up to a national trails alliance to facilitate a stronger representative voice for the trails sector. It considers how this has occurred overseas including state level trail alliances in the USA and Canada. The report also considers how Forest & Bird, Fish & Game and Federated Farmers are structured regionally to create a strong national lobby vehicle. The concept was also motivated by Mr Jennings’ experience of formalising cooperation of the four partner entities in the Queenstown-Glenorchy Trail joint project mentioned above; and his experience having operated the regional Film Otago Southland office from within QLDC.

The aim is to engage more of Queenstown district’s Local Trail Entities in a stronger Regional Entity and for similar models to be adopted by other regions. The main recommendations from this report are listed below.

- The current Queenstown to Glenorchy Trail Alliance members continue to work collaboratively on Project Queenstown to Glenorchy, while also working towards an expanded alliance with other interest groups.
- Pursue the formation of a Queenstown Lakes District and/or regional Local Trail Entity alliance that is inclusive of all trail user groups.
- Pursue the development of a national advocacy body supported by a network of regional alliances/chapters. (This might become an expanded role of an existing national entity.)
- Create a localised stakeholder group to pursue tourism and business opportunities.
- District/regional councils, destination management organisations and/or a new or existing entity to consider establishing a trails manager/coordinator position.

Funding is being sought from government to progress this proposal but as yet none has been made available.

Implications for Murihiku Southland

This project seeks to address many of the same issues that a Murihiku Southland Regional Trails Entity could be established to resolve. Regardless of the model chosen by Murihiku Southland, it would be beneficial to aim for consistency as much as possible, to align with and benefit from a stronger national voice for off-road recreational cycle trails.

Roles and Scope of a Murihiku Southland Regional Trails Entity

At this stage in the project, it is too early to draft a Terms of Reference for a new Murihiku Southland Regional Trails Entity. However, the following detail could be used as the basis of a Terms of Reference once councils and other stakeholders have given feedback on a preferred model.

Objective

To ensure optimised strategic investment in a comprehensive regional framework of off-road multi-use recreational trails and mountain bike parks, which maximises the opportunity to:

- Provide recreation and lifestyle enhancement for residents and those who might move to Murihiku Southland.
- Attract high value domestic and international visitors who will stay multiple nights and spend more than the average tourist.
- Provide ecological restoration opportunities within the trail projects which engage landowners, residents and visitors.
- Where possible, provide new connections in the wider active transport network.
- Support the goal of a net zero carbon emissions.

Roles and Responsibilities

Following are the proposed roles and responsibilities for a new regional trails' entity.

Primary Roles

- Regional trail network planning: developing and maintaining a regionally endorsed plan to sequentially deliver a comprehensive regional trails network. This would include refining and using the draft trail assessment criteria published in the Murihiku Southland Cycle Tourism Opportunity Assessment.
- Grow trail funding:
 - Building a contestable regional trails fund and managing a transparent process for its expenditure and distribution.
 - Supporting local trail entities in their direct funding applications. It is critical that a new Regional Entity does not end up competing with local trail entities for funding.

Secondary Roles The degree to which a new Regional Entity directly undertakes new projects as opposed to simply supporting local trail entities will be determined as it evolves. Initially it is likely to play a support role for the following activities.

- Trail investigation: undertake and support various stages of investigation into trail proposals including pre-feasibility, full feasibility and business cases.
- Trail development: supporting and investing in land access, effects reports, consenting, contracting construction, project management.

- Trail management and maintenance: ensuring that from initial trail project feasibility stage, ongoing management and maintenance is adequately budgeted and the trail asset is managed as significant infrastructure.
- Rūnaka partnership: proactively seeking to understand and support the engagement and partnership of Murihiku Rūnaka in trail projects.
- Statutory Plans: contribute to council Long Term Plans and Asset Management Plans to ensure adequate support and a whole-of-council approach to regional trails development.
- Engage with Murihiku Southland's Community Boards as undertake their Community Plans to ensure community aspirations for trails are well considered.
- Ecological Restoration: lead or contract ecological restoration projects that are integrated in trail projects.
- Manage trail status and safety information and its dissemination.
- Trail marketing: ensure that individual trails and the regional network is promoted. (Note there is an option for a new trails entity to deliver trail development and marketing. However, at this stage this dual focus is not suggested so the entity can focus on trail development.)
- Events: support operation of events that showcase the trails and raise funding. Where there is a gap not being filled by other organisations, the regional entity could establish and operate new events.

Scope of Included Trails

- Great Ride standard trails, grade 1-3 would be a top priority.
- Adventure/Back Country trails grade 3-5 would also be a priority and these can potentially also attain Great Ride standard.
- Although MTB clubs have tended to operate quite separately it is suggested that like Taupo and Rotorua, MTB Parks are firmly part of the Regional Trails Entity's mandate and focus.
- The focus would be on trails that allow cycling, acknowledging that the majority would be multi-use for cycling and walking.
- Within MTB parks, there are likely to be a mix of bike-only (some descents), bike one-way only (ascending) and mixed-use trails.
- A small minority of trails, or sections of some trails could also accommodate horse riding if they are wide enough and have an appropriate trail surface (as with the Otago Central Rail Trail).

Activity Likely to be out of Scope

- Walking-only and horse trails that exclude bikes would not be a focus, unless they are part of an integrated MTB destination. An example is Whakarewarewa Forest in Rotorua.
- Direct responsibility for active transport planning and cycling/pedestrian safety around roads. However, as off-road recreational trails are planned, their contribution to active transport and safety will be considered.
- BMX and skate/pump track development, unless a pump track is part of an integrated MTB Park.

- Activity skills development and youth programmes. The regional entity would support and facilitate this where possible but not directly deliver them.

Resources Needed for a Regional Trails Entity

Depending on the level of support for delivering a regional trails programme and the model chosen, based on other successful regional models the following would be needed.

- **Setting up a charitable trust or similar entity** – this can be done for a few thousand dollars depending on the skills and expertise of the initial trustees. If they can provide legal and accounting services in-kind then there are very few costs with the Charities Commission and IRD for set-up. Ensuring the trust is set up optimally will require good legal support.
- **Initial investment and resource** - The Around The Mountains Cycle Trail Trust provides somewhat of a benchmark for a step up in investment. This Trust had an establishment grant of \$30,000 but is reliant on a completely voluntary board of trustees and no executive staff other than the support provided by the SDC employed Trail Manager.
- **Policy development** - once the trust is set up it will need various policies for governance, health and safety, procurement and so-on. Fiordland Trails Trust has noted that they have done all this work and are open to sharing it. However, an umbrella regional trust may need a more extensive set of policies.
- **Trail management** - at a minimum, a trails manager is needed if the entity is directly managing trails. Administrative support will need to be available to support the trails manager.
- **Ongoing funding** - considering other region models, funds of over \$100,000 would be required to operate a regional trails entity to get started on planning, submissions and building the knowledge base resources. This could support a manager and some part time admin support, especially if they can be housed by an existing council or other agency.

Trail Manager Responsibilities

Southland District Council already has a good case in place for trail management for one trail. This can be used as a base reference to build up resource and expertise to cover a higher workload and level of risk/responsibility for a larger trail network. To clarify, the current SDC Trails Manager role is less than full time so it would need to be increased to at least full time and probably more to take on the regional function.

Regional Trail manager responsibilities would include:

- Developing an annual plan for the organisation
- Operating a fundraising programme
- Maintaining positive working relationships with landowners and main lease holders over which the trails run and run adjacent to.
- Managing procurement and ongoing delivery by contractors and volunteers who work on the trail.
- Develop the asset management plan and annual maintenance programme.
- Manage trail status and safety information.
- Ensure the trails are promoted (this will include external delivery, e.g. Great South)

How Would it be Funded?

The current environment for funding across central government, local government and charitable funding bodies is very restricted. However, it is important that Murihiku Southland continues developing its trail strategies and is prepared to act on funding opportunities as they inevitably become available again over the next few years.

Local and Regional Council Funding

A significant regional trails entity will be reliant on councils for core funding which could be based on a yet to be determined formula that may consider population, council income or extent of trail development in each council territory. With the 2024-2034 LTPs now confirmed and pressure for cutbacks on all council budgets, no new significant funding is assumed in the 2024-25 financial year.

Central Government Funding

- Any increase in Trail Manager funding from Ngā Haerenga New Zealand Cycle Trails Inc and MBIE will depend on whether Murihiku Southland can achieve Great Ride Status for additional trails.
- There may be a government funding programme that becomes available to help fund the establishment of a regional trails' entity under higher level strategic objectives that relate to regional and economic development or regenerative tourism strategy. For example, programmes which support Beyond 2025.
- Further government funding to help build new trails could potentially happen under the International Visitor Levy Fund.
- NZTA funding for cycle trails has been actively de-prioritised under the current coalition government so this funding stream will depend on the outcome of the next general election in 2026.
- The ecological restoration projects that will be included in trail development provide the opportunity to target environmental funds quite separate from traditional cycle trail funding channels.

Charitable Grant Funding

- Community Trust Southland and ILT may be able to help support the establishment of a new trails' entity but probably not the ongoing core funding of it. They may then be able to support individual trail projects as they evolve in accordance with their specific criteria and catchments of interest.
- National organisations such as NZ Lotteries down to smaller charities for which the Murihiku Southland region is eligible.

Corporate Sponsorships

Large corporates provide funding into other regional entities. This could be \$10k-\$20k sponsorships with specific contracts for brand association.

Private Donations and Memberships

Queenstown is an example of being successful in attracting modest donations and memberships from large numbers of individuals. More detail is provided in the other region case studies. With Murihiku Southland's trail network being more geographically spread, these donations are more likely to occur at the local trail level.

Official Trail Partners Programme

This is targeted at tourism, retail and hospitality businesses that want to be associated with the trail and benefit from trail users. This was initiated under the Ngā Haerenga New Zealand Cycle Trails project and is used by Around the Mountains Cycle Trail Trust but also with other trails like Lake2Lake. Contributions tend to be in the hundreds of dollars and provide various benefits including website listings and trail brand association. This is not a major source of funding.

Trail Access Fees

Charging for use of a largely publicly funded trail on public land is difficult in New Zealand. The Queen Charlotte Track does so through a managing trust and because it crosses multiple private land blocks. The Old Ghost Road users pay through using the huts managed by the trail trust. This is the same for DoC on Great Walks and the Hump Ridge Track. Track access is free but use of some facilities or add-on services can be charged. This will vary across each trail or trail park in Murihiku Southland.

Trail tour operators and event managers will often provide a contribution per customer towards the trail/s they are using. Again, this helps fund maintenance but is not a large funding source.

Major Private Benefactors

Although there are no particular benefactors identified at this stage for Murihiku Southland trails, trail projects in other regions have seen surprisingly large investments. Rod Drury is a keen mountain biker with ongoing interests in Wellington and Queenstown and has provided \$1M+ investments in each location to support trail and athlete development.

Seeking this kind of support would be a key role for trustees and a general manager. It will mean making the right connections to present the inspiring vision for a comprehensive regional trails offering that can be transformative for Murihiku Southland's lifestyle and visitor destination appeal.

Commission on Project Contracting

The Nelson/Tasman case study highlighted a fairly unique scenario where the trail trust earns commission as it contracts trail construction and maintenance with council funding. This is on the basis that the trust can secure much cheaper contracts but maintain quality. No assumptions are being made on Murihiku Southland's various council efficiencies, but this concept could be worth testing.

New Trails Entity Structure Options

Ride Southland Re-Activated

This option would see Ride Southland re-activated with some adjustments. During the stakeholder interviews for this project the overwhelming feedback was to not re-instate Ride Southland. Doing so would be a last option in lieu of any alternative. The role expectations would be pared back towards simple coordination and discussion between the group members on cycling strategy and project status. The feedback received on the draft report in July confirmed there is no interest in reinstating Ride Southland.

Regional Trails Alliance with MoU

This model could be similar to the one set up to develop a connection from Queenstown to Glenorchy. Rather than moving straight to establishing a new entity, a semi-formal alliance could be established with an MoU or similar agreement stating what the common objectives are and the proposed ways of working together.

Specific projects could be delivered by individual existing entities that form part of the alliance, whether it is a council or a local trails trust. Any of these individual entities could apply and contract for funding on behalf of the alliance.

Possible advantages:

- Can be activated relatively quickly without most of the costs or risks associated with setting up a new trust. It would not be reliant on significant new core funding to get started.
- It would enable a pilot to check the merits of a regional trails organisation and test how committed the local trusts and councils are to the concept.
- Even if there is no funding for significant new trails, this alliance could start the work of refining the regional trail network structure vision, refining the project prioritisation criteria and running some proposed trail projects through the criteria to create a ranked projects list.

Possible issues:

- Without dedicated staff this will require the existing organisations to allocate some human resource to activating projects. This was of particular concern to Fiordland Trails Trust as it would mean more volunteer time by the local trusts and no council funding commitment.

Council Delivery

This model would be somewhat like Hawke's Bay where the regional trails function is delivered by Hawkes Bay Regional Council which employs and provides the office for the regional trails coordinator, with funding contributions from local councils. Each of Murihiku Southland's four councils are discussed below in terms of being a potential host entity for the regional trails function.

Environment Southland

Having Environment Southland take a lead role with the proposed regional trails entity would be the most similar to the successful model in Hawke's Bay, where regional council floodbanks double as regional trail assets in some areas. Environment Southland covers the whole region and a trails function could fit well with its transport, environment and catchment management roles as most trail projects will include ecological restoration and in some cases, riparian protection projects. Environment Southland has already had significant involvement in the Te Ara Taurapa trail.

However, unlike Hawke's Bay Regional Council, Environment Southland does not have the same level of regional parks and recreation function and this model would represent a major shift in role and focus for Environment Southland.

Invercargill City Council

Invercargill City Council already has a significant trails role with Te Ara Taurapa and an expanding network in and around the city. As the largest commercial and residential centre and with the Murihiku Southland Cycle Tourism Opportunity Assessment suggesting Waihōpai Invercargill steps up its efforts to develop as a cycling city, leading the regional trails programme could still fit with Invercargill City Council. However, as the regional trails network develops, the majority of trail kilometres will be outside ICC's catchment. In the near-term, ICC sees opportunity to better promote what they already have in terms of trails and MTB parks.

Gore District Council

Gore District will hopefully include important parts of the regional trails network and the Cycle Tourism Opportunity Assessment flags the Hokonui Hills as one of the best options for a nationally significant MTB Park. However, relatively speaking it will have the smallest share of trail and GDC has the lowest ratepayer base so there is limited logic in GDC taking on the regional trails lead.

Southland District Council

Southland District Council has the largest territory within which regional trails will develop (excepting Environment Southland). SDC already employs the region's official Great Ride trail coordinator under its Roading Manager. It delivers the ongoing trail management and maintenance and supports the Around The Mountains Cycle Trail Trust which it established. Fiordland Trails Trust, Waikaia Trails Trust and Western Southland Trails Trust are also within SDC territory, as would be a proposed Riverton Trail project.

The current trail coordinator role for Around The Mountains could be expanded to cover all trails for the region, potentially making the role more full time, or re-scoping the role with higher level responsibilities.

Funding from the other councils could be provided to SDC based on an evolved formula that could be based on km of trail within each council area and/or rating base, population and so on.

To enable a Charitable Trust conduit for funding of region-wide trails, the Around The Mountains Trust could be adjusted to take a wider regional catchment, or it could be left as a local trust and a new umbrella trust for the region established.

The following outline of possible advantages and issues is based on SDC taking the lead in housing the regional trails function.

Possible advantages:

- Builds on the established trails experience, policies and processes that have been developed for Around The Mountains Cycle Trail, within SDC.
- Use of council's established asset management systems.
- Provides direct contact with relevant council units including RMA planning and consents, parks and recreational facilities, roading and community planning.
- Benefits from the high relative capacity within council for financial management, HR, health and safety and so on. This was cited as a benefit for the Hawke's Bay regional trails coordinator.
- Where future government funding programmes are only eligible through councils (like the past Tourism Infrastructure Fund which has been obtained for Bluff MTB Park) this provides a direct opportunity for SDC to apply as a council.

Possible issues:

- As a council it will likely be more difficult to access many of the potential sources of charitable funding. Private philanthropists and corporate sponsors may also be less inclined to invest directly with a council. However, these funding channels could still be targeted by the local trail trusts for specific projects.
- In some regions, (e.g., Nelson/Tasman) they consider that the separate trust model has enabled nimbler and more cost-efficient contracting of trail construction and maintenance services. This is to the point that the trails trust actually charges council a commission as it contracts trail construction and maintenance projects.
- Continual risk that commitment at the individual councillor level erodes, especially as new councillors are elected every three years.

New Regional Trails Trust

A new charitable trust would be established with regional responsibility. This could use a similar model to the Southern Lakes Trail Trust where the constitution empowers local trail trusts to appoint representative trustees.

Priority for trustee appointment should be focussed on bringing relevant skills and experience including governance, engineering, procurement, project management, RMA law, sponsorship and fundraising, and marketing. Trustee numbers should be kept to a manageable level of 6-10, preferably at the lower end.

Possible advantages:

- Provides the regional mandate, voice and coordination vehicle for trails.
- Optimises the channel to target charitable funding which councils cannot access directly.

- Enables solid arms-length accountability with councils for their funding, yet adequately removed to enable nimble commercial governance.
- As a small organisation with the right leadership, it should be able to be more cost efficient than most councils, note the Nelson/Tasman case study on contractor negotiation.

Possible issues:

- There is no significant funding in place or likely to be, in the 2024-25 financial year.
- If the trust was set up too quickly without commitment from the local trail trusts or councils, there is a risk of failure and setting back the regional trails strategy agenda.
- With local trail entity rights to appoint trustees, there is a concern about how big this list could become as new trail projects are progressed. The Southern Lakes Trails Trust has just three of these positions with other trustees appointed based on skills and experience. However, if the regional trails trust is successful and starts delivering on funding and trail development, there may not be such demand for new local entities to establish.
- Increases the cost of communication with various council departments that will still be involved in trail asset development and management.

Great South Delivery

This model would be somewhat similar to Wellington where the Regional Development Agency WellingtonNZ, delivers trails marketing as well as the trails manager role and function with two staff. Great South already has responsibility to promote Murihiku Southland as a cycle tourism destination and would likely keep delivering this function as far as its current funding allows, regardless of how any new trails entity is structured or housed.

This model would require establishment of a regional trails advisory group, rather than a new trust, to engage the local trails trusts and relevant council personnel.

Possible advantages:

- Does not require establishment of a new entity.
- Funding formula already in place with the region's councils and other funders.
- Great South has in-house expertise in feasibility, business case and government funding application writing; and has directly delivered projects such as the interpretation signage on Te Ara Taurapa.
- Creates synergy by having the trail development, management and promotion functions delivered together.
- Also links with the major events strategy function in Great South to provide guidance to those looking to develop new trail events.

Possible issues:

- The legal structure of Great South most likely precludes it from directly applying for charitable grants, so it may need to work with another charitable entity to access such funding.
- This would be an expansion of scope beyond what Great South is currently expected or funded to deliver.
- This would require an additional service delivery contract from council funders in addition to Great South's existing funding.

- May risk some stakeholders feeling Great South's mandate is getting too broad. However, trails marketing and development can arguably fit under destination management and economic development.

During the feedback in July, this model was the most supported, particularly by the main existing Trail Trusts.

Active Southland Delivery

Aside from Great South, Active Southland is the other main existing entity that covers the whole region and has an established funding model engaged across the region. Active Southland's mandate to promote and support active lifestyles and recreation is also relatively aligned with the outcomes sought from regional trails development. The Spaces and Places Strategy sought to establish a framework for optimising recreational facility development including strategic business case informed decision-making on which projects should be prioritised. Recreational trails certainly fit within or at least alongside the suggested Spaces and Places framework.

The stance from Active Southland is very supportive of the Cycle Tourism Opportunity Assessment and the concept of a regional trails' entity. Active Southland would seek to work closely with a trails entity but would not look to expand its scope to take on the regional trails lead.

Composition of a Regional Trails Entity

Decisions on the makeup of a new regional trails trust or committee will depend on the structure chosen from the above options. "Governance group" will be used here to generically cover the options of trust board, committee etc.

One of the risks to consider here is that by trying to include all of the key stakeholders, the governance group becomes too large to operate effectively. This was one perceived weakness of Ride Southland. For the regional trust option, the suggestion is to keep trustee numbers to a manageable level of 6-10, preferably towards the lower end.

There are five existing key trail trusts or incorporated societies if Southland MTB Club is considered to be representing Hokonui Bikers and TACI. This excludes the Riverton trail group.

If each of the councils is providing funding and they are expected to buy into the future framework of regional trails that this group proposes, their representation would add three to four members. It is not recommended to include both councillor and council officer appointees.

DoC has a strong interest in a more strategic approach being taken to a regional trails framework from a recreation and conservation outcomes perspective. It may seem logical to include DoC on the governance group but DoC's capacity to attend regular meetings may be increasingly challenged. It may be more effective to engage with DoC operations managers and planning teams separately on an as-needs basis. At this stage DoC-managed trails are not a focus of the Cycle Tourism Opportunity Assessment, but this would change if the Milford Opportunities Project trails proposed in Eglington Valley come to fruition under direct DoC management.

Engagement of Rūnaka in the governance structure would be mutually beneficial but this is yet to be explored in more detail with them.

While a degree of representation from key stakeholders will be helpful, it is critical to ensure the governance group has the necessary skills, experience, and passion to govern and drive a regional trails strategy on a voluntary basis. Other region trail trusts have benefited from having members with experience and knowledge in the following areas:

- Governance
- Local and central government understanding and connections.
- Te Tiriti partnerships and Te Ao Māori
- Fundraising and sponsorship
- Engineering, procurement, and project management
- Cycle and walking trail tourism and businesses
- Mountain bike parks
- Ecological restoration
- Marketing

Draft Recommendations and Feedback

At the draft stage of this report in June, the following three options were recommended, with further feedback requested from councils and other stakeholders:

1. A new regional trails trust which could be preceded by an MoU-based Regional Trails Alliance as an interim step as councils decide on funding commitment.
2. Southland District Council delivery, expanding its current trails management role beyond Around The Mountains Cycle Trail to regional coverage.
3. Great South delivery.

There was wide support for a new regional trails trust but there is concern, particularly amongst the existing trail trusts, that there has to be clear confirmation of support across the councils to make it worth proceeding.

There was enthusiasm across the councils for the opportunity to grow the regional trails framework and to take a more strategic regional approach. However, the enthusiasm was tempered by the context of funding constraint as the latest LTPs were being approved. There were several suggestions that the Great South joint committee would be a good forum to progress discussion of the options. The next such meetings are scheduled for 4th October and 1st November 2024.

Deciding on the merits of a regional trails entity and the preferred model is complex and will need adequate time for consideration by councils and other partners. There is also limited sense in rushing this decision given that council LTPs and funding are constrained and largely locked in for the coming financial year.

The simplest way forward could be to take some interim steps during the remainder of the 2024 calendar year/ early 2025, with a view to seeking some modest funding commitment from councils in their 2025-26 annual plans.

Even if councils need more time to decide on supporting a regional trails entity, it remains an option for the existing trail entities and trail groups to establish an MoU-based regional trail alliance. This

could deliver more cooperation and knowledge sharing to start progressing some of the proposed activities of a Regional Trails Entity.

Next Steps

The following steps are recommended to move towards an agreed model for refinement:

- Share this final report with all councils, DOC, trail trusts and other stakeholders.
- Include the Murihiku Southland Regional Trails Entity as a key agenda item for discussion within the next Great South Joint Committee meeting.
- Continue to update Murihiku Rūnaka and invite their discussion and indications on if and how they would like to engage.

Murihiku Southland Regional Housing Framework

Record no: R/24/10/63504
Author: Michal Gray, Democracy advisor
Approved by: Vibhuti Chopra, Acting chief executive/Group manager strategy and partnerships

☐ Decision ☐ Recommendation ☒ Information

The purpose of this item is for the Great South Joint Shareholders Committee to receive an update from Bobbie Brown, GM Regional Strategy, Great South on the Murihiku Southland Regional Housing Framework.

Recommendation

That the Great South Joint Shareholders Committee:

- a) receives the report titled “Murihiku Southland Regional Housing Framework”.**

Attachments

There are no attachments for this report.

Great South Joint Shareholder Committee approval of appointment of directors of Great South

Record no: R/24/10/62869
Author: Michal Gray, Democracy advisor
Approved by: Vibhuti Chopra, Acting chief executive/Group manager strategy and partnerships

☒ Decision ☐ Recommendation ☐ Information

Purpose

- 1 The purpose of this report is for the Great South Joint Shareholders Committee to receive the recommendations of the Appointments Panel and approve the appointment of up to two proposed directors for Great South.

Recommendation

That the Great South Joint Shareholders Committee:

- a) receives the report titled “Great South Joint Shareholder Committee approval of appointment of directors of Great South”.**
- 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) notes that the Appointments Panel was appointed at the meeting of the Great South Joint Shareholders Committee on 30 August 2024, to select and recommend suitable candidates for up to two director positions of Southland Regional Development Agency Limited (Great South).**
- e) notes that the Appointments Panel has met and completed the process set out in the constitution of Great South and recommends Lucy Griffiths and Maria Pera as suitable candidates to be appointed as directors of Great South.**
- f) approves the appointment of Lucy Griffiths and Maria Pera as proposed directors of Great South.**
- g) resolves as voting shareholders to approve the appointment of Lucy Griffiths and Maria Pera as directors of Great South.**
- h) delegates authority to Mayor Scott, as chair of the committee, to sign the confirmation of appointment letters to the directors.**

Background

- 2 Southland Regional Development Agency Limited (trading as Great South) was incorporated on 29 March 2019. Its current constitution was adopted on 5 March 2020 (constitution).
- 3 The constitution requires that there be a minimum of five and a maximum of seven directors and each director is appointed for a term of three years.
- 4 Great South currently has five directors after the expiry of the terms of appointment of two directors, Lucy Griffiths and Maria Pera, on 1 July 2024. Ms Griffiths and Ms Pera have indicated to the Great South board chair, Ian Collier that they wish to be reappointed as directors for another three year term and Mr Collier supports their reappointment.
- 5 The appointment process for directors of Great South is set out in clause 20.3 of the constitution and contains the following steps:

Great South Joint Shareholders Committee

11 October 2024

- a. the Joint Shareholders Committee (committee) selects an appointments panel
 - b. the appointments panel calls for nominations from the shareholders
 - c. the appointments panel seeks expressions of interest in the manner it determines
 - d. the appointments panel interviews the applicants it considers are suitable
 - e. the appointments panel presents suitable candidates to the committee
 - f. the committee approves the proposed directors
 - g. the voting shareholders appoint the directors by majority resolution.
- 6 On 30 August the Great South Joint Shareholders Committee selected Mayor Nobby Clark and Mayor Rob Scott as representatives of the A class shareholders and Sheree Carey as representative of the B class shareholders and established the appointments panel.
- 7 On 23 September 2024, the appointments panel met along with the Great South Board Chair, Ian Collier. The appointments panel determined not to advertise for expressions of interest in this instance.
- 8 The appointments panel called for nominations from the shareholders and there were no nominations received.
- 9 The appointments panel has completed interviews of Ms Griffiths and Ms Pera and recommends that they are both suitable candidates to be reappointed as directors of Great South.

Issues

- 10 The committee is being asked to approve the appointment of Ms Griffiths and Ms Pera as proposed directors of Great South.
- 11 If the committee approves the appointment of Ms Griffiths and Ms Pera as proposed directors the voting shareholders (see paragraph 13) will be asked approve the appointment of them as directors by a majority resolution.
- 12 If the voting shareholders approve the appointment a resolution will be recorded at the meeting.

Factors to consider

Legal and statutory requirements

- 13 Clause 20 of the constitution of Great South sets out the minimum and maximum number of directors and outlines the appointments process.
- 14 The 'voting shareholders' as defined by the constitution at clause 1.1 as the holders of class A or class B shares.

Community views

- 15 No specific community views have been sought in this matter. When a decision is assessed as being of moderate importance under Southland District Council's Significance and Engagement Policy, engagement is optional.

Costs and funding

- 16 Director fees and adjustments are recommended by the Great South board of directors for the approval of the committee and paid to the directors by Great South.

Policy implications

- 17 There are no policy considerations.

Analysis

Options considered

- 18 There are options for the committee to consider:
- **option 1** – approve the appointment of both Ms Griffiths and Ms Pera as directors of Great South
 - **option 2** – not approve the appointment of Ms Griffiths and Ms Pera as directors of Great South and propose another way forward

Analysis of Options

Option 1 – approve the appointment of both Ms Griffiths and Ms Pera as directors of Great South

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• allows for stability of the board• follows the process set out in the constitution and acknowledges that the appointments panel has made this recommendation.	<ul style="list-style-type: none">• no known disadvantages• costs of the two directors that are in addition to the minimum of five.

Option 2 – not approve the appointment of Ms Griffiths and Ms Pera as directors of Great South

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none">• would be compliant with constitution	<ul style="list-style-type: none">• no disadvantages

Assessment of significance

- 19 Staff have assessed this decision to approve the appointment of the directors of Great South under the Southland District Council Significance and Engagement Policy and this decision is considered to be of moderate importance.

Recommended option

- 20 It is recommended the committee proceed with option one and approve the appointment of both Ms Griffiths and Ms Pera as directors of Great South.

Next steps

- 21 If the committee approves the appointment, and the voting shareholders pass a majority resolution appointing Ms Griffiths and Ms Pera as directors of Great South, then the confirmation letters will be signed by Mayor Scott as chair of the committee.

Attachments

- A Constitution of Southland Regional Development Agency Limited dated 5 March 2020 -
Clause 20

18. SHAREHOLDER PROPOSALS AND MANAGEMENT REVIEW

18.1 **Shareholder proposals:** A Shareholder may give written notice to the Board of a matter which the Shareholder proposes to raise for discussion or resolution at the next meeting of Shareholders at which the Shareholder is entitled to vote. The provisions of clause 9 of the first schedule to the Act apply to any notice given pursuant to this clause.

18.2 **Management review by Shareholders:** The chairperson of a meeting of Shareholders shall allow a reasonable opportunity for Shareholders at the meeting to question, discuss, or comment on the management of the Company. The Shareholders may pass a resolution relating to the management of the Company at that meeting but the resolution will not be binding on the Board.

19. JOINT SHAREHOLDERS COMMITTEE

19.1 A Joint Shareholders Committee shall be formed from a representative of each of the Shareholders

20. APPOINTMENT AND REMOVAL OF DIRECTORS

20.1 **Number of Directors:** The minimum number of Directors is five and the maximum number of directors is seven.

20.2 **Appointment:** Directors shall be appointed by a majority of the Voting Shareholders provided the appointment process as set out in clause 20.3 has been followed

20.3 Appointment process

(a) Appointment Panel

(i) The Joint Shareholders committee shall select an Appointments Panel of no more than three (3) to oversee the nomination of Directors to the shareholders.

(ii) The Appointments Panel shall consist of at least one shareholder representative from the Class A Shareholders and at least one shareholder representative from the Class B Shareholders as determined by Joint Shareholders Committee

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- (iii) The Appointments Panel may have an independent chair with expertise in recruitment.
- (b) The Appointments Panel shall
 - (i) Call for nominations for directors from the Shareholders; and
 - (ii) advertise at least once in a newspaper circulating Southland or in such other manner as the Appointments Panel from time to time shall determine, seeking expressions of interest from persons who may wish to be appointed.
 - (iii) Carry out interviews of such applicants in the Appointments Panel discretion it considers are suitable taking into account the following skills
 - (aa) Private sector governance experience
 - (bb) Local government sector knowledge
 - (cc) Experience with economic development agencies or organisations
 - (dd) Knowledge of contemporary technology industries and practice
 - (ee) Experience of organisation development and design
 - (ff) Knowledge of tourism development and destination management
 - (gg) Connection with Iwi
 - (hh) Community capacity building
 - (ii) Such other attributes as determined by the Shareholders.
 - (iv) Following the interviews select suitable candidates to present to the Joint Shareholders Committee.

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- (v) On approval of the Joint Shareholders Committee the proposed directors shall be presented to the Shareholders for unanimous approval.
- (vi) If unanimous approval is unable to be obtained, the proposed directors may be appointed by a majority resolution of the Voting Shareholders.

20.4 **Removal:** Directors of the Company may be removed by a majority resolution of the Voting Shareholders

20.5 **Retirement:** Immediately after the first, and second annual general meeting of the Board two of the Directors shall retire from office, and three directors shall retire after the third annual meeting. Directors shall be appointed for a term of three years. Retiring Directors shall be eligible for re-appointment. Unless a Director nominates themselves for retirement, the Appointments panel shall determine the director's to retire in the first, second and third annual meeting.

20.6 **Vacation of office:** A Director ceases to be a Director if he or she:

- (a) Dies, or becomes mentally disordered or subject to a property order or personal order made under the Protection of Personal and Property Rights Act 1988; or
- (b) Resigns by written notice delivered to the Company at its address for service or at its registered office (such notice to be effective at the time when it is so received unless a later time is specified in the notice); or
- (c) Becomes disqualified from being a director pursuant to the Act; or
- (d) Is removed from office in accordance with clause 20.4; or
- (e) Becomes bankrupt or makes an arrangement or composition with his or her creditors generally.
- (f) Takes up political office
- (g) Moves outside New Zealand to Live

20.7 **Co-opting Directors:** if the number of Directors falls below the minimum number, the board may co-opt a person to become a Director until the earlier of the next

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annual meeting or removal by the shareholders. The Maximum number of co-opted Directors at any one time is two (2). The Co-opted Directors must be appointed with consideration to the skills set out in 20.3(b)

- 20.8 **Minimum number;** if the number of Directors falls below the minimum number they may not make any further resolutions other than a resolution to co-opt a person to become a Director pursuant to clause 20.7.

21. CHAIR

- 21.1 **Appointment:** The Joint Shareholder Committee shall appoint one of the Directors to the office of chairperson for such period, and on such terms, as the Board thinks fit and, subject to the terms of any agreement entered into in any particular case, may revoke such appointment. A chairperson shall be subject to the same provisions as to vacation of office as apply to the other Directors and, if a chairperson ceases for any reason to hold office as a Director, he or she shall immediately cease to hold the office of chairperson.

22. REMUNERATION AND OTHER BENEFITS OF DIRECTORS

- 22.1 **Power to authorise:** Subject to any provision to the contrary in the Shareholders' Agreement the Board may exercise the power conferred by section 161 of the Act to authorise any payment or other benefit of the kind referred to in that section.

23. INDEMNITY AND INSURANCE

- 23.1 **Indemnity of Directors:** Subject to clause 23.3 every Director shall be indemnified by the Company for any costs referred to in section 162 (3) of the Act and any liability or costs referred to in section 162(4) of the Act and this indemnity shall continue in force, despite any subsequent revocation or amendment of this clause, in relation to any liability which arises out of any act or omission by a Director prior to the date of such revocation or amendment, but shall be subject to any limitations contained in any deed or agreement from time to time in force between the Company and the Director relating to indemnities.
- 23.2 **Other indemnities:** Subject to clause 23.3 the Company may, with the prior approval of the Board, indemnify a director of a related company, or an employee of the Company or a related company:

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Exclusion of the public: Local Government Official Information and Meetings Act 1987

Recommendation

That the public be excluded from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

C8.1 Air New Zealand regional routes

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Air New Zealand regional routes	s7(2)(i) - the withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists.