



# Waitaki

DISTRICT COUNCIL  
TE KAUNIHERA Ā ROHE O WAITAKI

*Growing strong communities.*

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10 May 2022

Mike McElhinney  
Chair  
Tourism Waitaki Ltd

Dear Mike

### **Tourism Waitaki Ltd – Shareholder Letter of Expectation for 2022-23**

I write on behalf of Waitaki District Council to convey the Council's expectation of Tourism Waitaki Ltd (TWL) for 2022-23, to help set TWL's strategic direction and inform the development of TWL's Statement of Intent.

Waitaki District Council exists for the benefit of the residents, communities, and businesses of the district. As such, the Council is focused on furthering the interests and wellbeing of the district and in doing this, the Council's expectation is that Council Controlled Organisations, including TWL, are established and operate in support of delivering the Council's vision and objectives for the district.

The Council has adopted a Strategic Framework with a view to making Waitaki the Best Place to Be! In delivering this, the Framework focuses the Council's resources and effort on ensuring and delivering:

- a Prosperous District
- Strong Communities
- Quality Services
- A Valued Environment

In support of the Council delivering its vision and objectives for the district, the Council's specific expectations of TWL and the Board are as follows:

#### **1. Engage with the Tourism Sector Businesses in planning for the recovery from the impacts of Covid; and securing the opportunities and reaping the benefits of the Destination Management Strategy and Plan**

The past two years have seen significant disruption to the tourism sector and visitor economy globally and in Waitaki. Whilst this has seen the numbers and spend of domestic visitors grow, there has been a complete elimination of the international visitor market. This has negatively impacted most tourism businesses as well as Tourism Waitaki.

The Destination Management Strategy and the development of a Destination Management Plan represent a significant opportunity to reposition the district and its offer to visitors. However, the context is likely to change rapidly over the coming year with more New Zealanders wanting to travel overseas for holidays with the easing of travel restrictions, and therefore a possibility of decline in domestic visitors and spend within Waitaki. Further, whilst the government has eased the restrictions on international visitors entering New Zealand, many analysts project that the recovery of the international visitor market will be slow and may take up to a decade to reach its pre-Covid peaks. This recovery may be slowed depending on what restrictions the government imposes on international visitors entering New Zealand which may make it comparatively less attractive to visit than other destinations.

In response to this, WDC expects TWL to develop a Destination Management Plan focused on actions and initiatives that will reposition the district and increase its attractiveness as a visitor destination to both domestic and international visitors. Further, WDC expects TWL to work with local businesses, neighbouring districts, and national entities to successfully deliver the Destination Management Plan, forming meaningful partnerships that contribute to the growth and success of the visitor economy.

Either as part of, or in conjunction with, the Destination Management Plan, WDC expects TWL to work with the Tourism Sector businesses to develop an action plan specifically aimed at supporting the recovery of the sector in the short term, whilst longer term actions and initiatives in the Destination Management Plan are developed and implemented. As a measure of success, WDC expects that TWL will target increased visitor spend in the district over the coming year and beyond.

## **2. Engage in the development and implementation of the Economic Development Strategy and Review**

Tourism forms an important part of the Waitaki district economy and therefore it has a role to play in WDC's ambitions for a prosperous district. WDC is working with partners including the business community and Te Rūnanga o Moeraki to develop and then implement an Economic Development Strategy and Plan to realise its ambitions for a prosperous district and support the delivery of wider ambitions for economic, social, cultural, and environmental well-being.

WDC expects TWL to engage in the development of the Economic Development Strategy and Review and, whatever the agreed plan and proposals, support the successful implementation of the Strategy and the Review recommendations.

## **3. Develop and implement a plan for the business that ensures financial sustainability and develops and modernises the offer**

COVID-19 has caused significant disruption to the tourism sector and to Tourism Waitaki. It is important that TWL looks beyond the pandemic and its impact to set a new, financially sustainable path forward. WDC expects TWL to develop a new business plan for the post COVID environment that establishes the business on a financially sustainable footing, reducing or eliminating reliance on ongoing financial support from WDC. WDC would expect that the business plan will establish a target for reduced funding contribution over an agreed period.

Further, there has been much development and innovation in tourism promotion and destination management over the past decade and this has been accelerated during the pandemic. In taking forward the development of a business plan for TWL, WDC expects that TWL will identify best practice, seek to learn from innovation within tourism and destination management globally and employ new approaches to tourism promotion and destination that reach and attract target markets and audiences.

#### **4. Develop a Business and Development Plan for the Blue Penguin Colony**

WDC expects TWL to develop a Business and Development Plan for the Blue Penguin Colony which aims to grow the business and looks to add complimentary activities or features to the attraction. Further, that the plan seeks to utilise the attraction to promote other visitor attractions in the district, with a view to supporting the lengthening of stays and increasing spend within the Waitaki economy.

#### **5. Develop and undertake business activities in support of the Council's wellbeing objectives.**

WDC expects TWL to develop and undertake its business activities in a manner that supports the overall well-being of the district. In particular, WDC expects TWL to develop and implement approaches to the following:

- i. Developing local supply chains and maximising the use of businesses within the Waitaki, whilst ensuring competitiveness and best value
- ii. Supporting cadetship and apprenticeship opportunities for the district's young people to develop their skills and to improve the availability of local trades
- iii. Supporting employment and training opportunities for the district's diverse communities
- iv. A workforce development plan that aspires to raise the overall skill level of the workforce as well as supporting improved physical and mental health of employees
- v. A workforce health and safety plan and culture that targets zero accidents at work and encourages reporting and learning
- vi. A corporate social responsibility policy and approach that in particular, defines how the company will support the Waitaki Community being a good and responsible corporate citizen
- vii. An environmental management plan targeting reduction of the company's negative impact on the environment and supporting increased environmental sustainability

#### **6. Fulfilling the previously outlined expectations, namely:**

- Transparent and collaborative relations are maintained with the shareholder.
- The Company actively engages with iwi including Ngāi Tahu Tourism
- Maintains a positive relationship with the Waitaki District community, encouraging locals to be tourism advocates and ambassadors.
- Business activities are conducted in an efficient and effective manner.
- Assets and liabilities are prudently managed.
- Overall performance supports Council's reasons for continued ownership.

- Decisions are based on the achievement of long-term strategic needs and objectives,
- The Company acts as a good employer and as an environmentally conscious and responsible citizen.

I would be grateful if TWL could respond to the expectations set out in this letter, including setting out some key milestones in delivering the expectations, performance measures and assessment of risk. It would be helpful if this was set out in the revised Statement of Intent.

Finally, on behalf of the Council, I would like to thank you, the board and the team at TWL for all the work you are doing to further the interests of the company and Waitaki. These are challenging times and I look forward to working with you and ensuring a strengthened partnership between WDC and TWL going forward.

Yours sincerely



Alex Parmley  
Chief Executive



Gary Kircher  
Mayor for Waitaki