

Chief Executive Open Report

Submitted by: Gavin Murphy, CEO

Purpose: This paper updates trustees on progress towards delivery of Trust priorities as outlined in Tākina te Kawa – our Statement of Intent 2022-23.

Recommendation: Trustees **note** the report as received.

Future Generations

We will play a leading role in ensuring that future generations benefit from the assets of the Trust and from a more resilient region.

Community Facilities

At the June meeting the following approvals were endorsed from within the \$15m in principle committed towards early win facilities:

Horouta Waka Hoe/YMP Waka Ama – preconstruction costs \$60,110

Whakarua Park – preconstruction costs \$65,980

Gisborne Boardriders Incorporated – East Coast Surf for Life initiative up to \$120,000.

Trust capital and ownership of Eastland Group

Eastland Group capital structure review

Joint work continues on the capital structure review of Eastland Group.

Trust financial performance

	May YTD Actual \$000	May YTD Budget \$000	Var \$000	Mar YTD SOI Budget \$000
Income				
EGL Interest & Dividend	201	201	-	10,000
Investment Income	233	124 	109	740
Other Income	417	417	-	2,500
Other Investment Income	1	-	1	-
Total income	852	742	110	13,240
Costs				
Admin and operating	134	234 	100	1,670
Communications	21	55 	34	320
Personnel	317	379 	62	2,443
Trustee	68	67	(1)	436
Total costs	540	735	195	4,869
Operating surplus	312	7 	305	8,371
Realised/Unrealised gains/(loss)	12	-	12	-
Depreciation	(21)	(20)	(1)	(114)
Distributions enabling others	(52)	- 	(52)	-
Surplus before other subsidiary transactions	251	(13)	264	8,257

- Investment income is ahead of budget and too early to determine if this is just timing of income or from improved portfolio performance.
- Other income relates to the on charge to Trust Tairāwhiti Limited for operating costs.
- Administration costs include strategic initiative costs and is tracking behind budget predominantly from lower costs associated with Eastland Group capital structure review.
- Communication costs are also down on budget mainly through timing of costs and likely to correct with the wellbeing survey and annual reporting and AGM workstreams.

- Personnel costs are behind budget due to vacant roles and timing of recruitment.

Trust financial position

	May YTD Actual \$000	Mar 2022 \$000
Assets		
Current assets		
Cash & Equivalents	9,022	10,399
Receivables	109	244
Other receivables	661	328
Current assets	9,792	10,971
Non-current assets		
Inter Group	98,708	96,687
Plant and vehicles	630	639
Other investments	40,901	42,178
Non-current assets	140,239	139,504
Total assets	150,031	150,475
Current liabilities		
Account & Sundry Payables	(5,674)	(6,544)
Payroll payables	(116)	(101)
Tax payable	(113)	1,330
Current liabilities	(5,903)	(5,315)
Net assets	144,128	145,160
Equity		
Capital	20,000	20,000
Revaluations	11,883	13,166
Retained earnings	112,245	111,994
Total equity	144,128	145,160

Climate Change Leadership

The Trust is working to improve sustainability in all our operations. We are also partnering with regional leaders to support Tairāwhiti to develop a low emission economy in an equitable and just way.

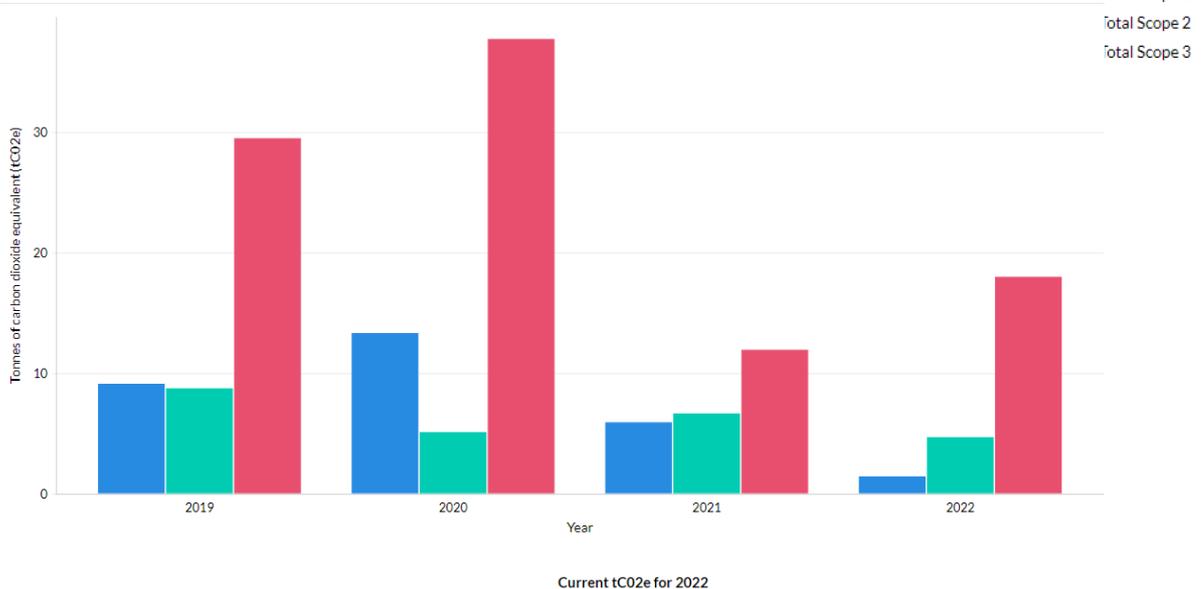
The final data of the Trust and EGL’s emissions profile aligned to our Climate Leaders Coalition (CLC) commitments is complete. At a high level our obligations are to:

- measure our green house gas emissions
- publicly report them
- set an emissions reduction target
- work with suppliers to reduce emissions

Below is a high-level graph of Trust Tairāwhiti’s total annual emissions from 31 March 2019 to 31 March 2022. Our target is a 21% reduction in tCO2e by FY 2025.

Trust Tairāwhiti GHG Dashboard

Trust Tairāwhiti GHG Emission Profile Bar Graph



Scope 1 emissions

Scope 1 covers emissions from sources that an organisation owns or controls directly – for example from burning fuel in our fleet of vehicles (if they’re not electrically-powered).

Scope 2 emissions

Scope 2 are emissions that a company causes indirectly when the energy it purchases and uses is produced. For example, for our electric fleet vehicles the emissions from the generation of the electricity they’re powered by would fall into this category.

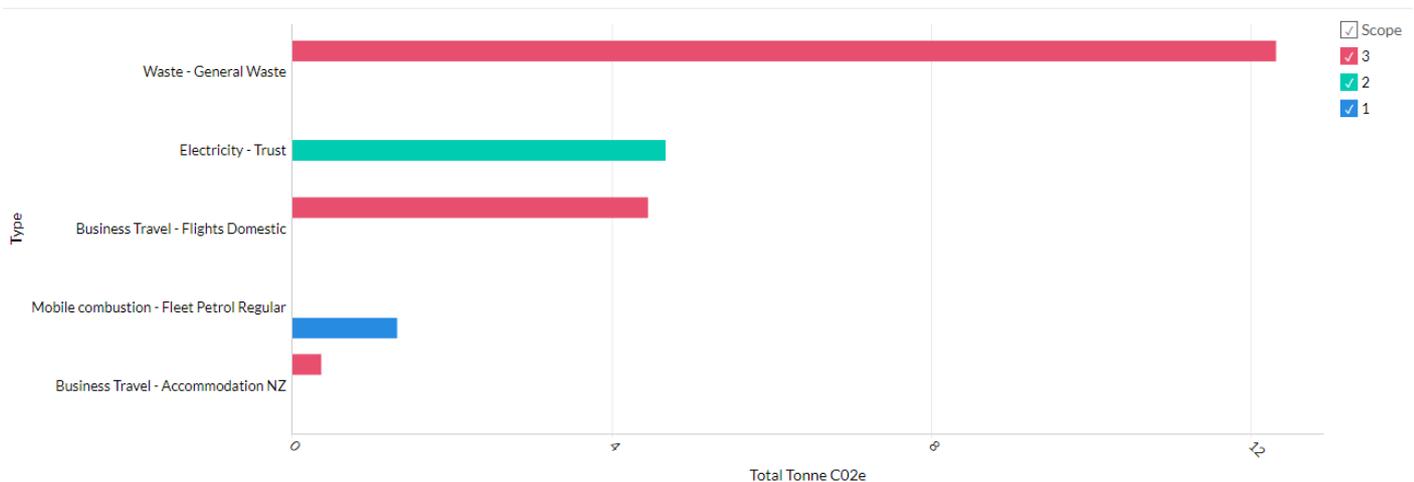
Scope 3 emissions

Scope 3 encompasses emissions that are not produced by the company itself, and not the result of activities from assets owned or controlled by them, but by those that it’s indirectly responsible for, up and down its value chain. An example of this is when we buy, use and dispose of products from suppliers. Scope 3 emissions include all sources not within the scope 1 and 2 boundaries.

The Trust’s GHG dashboard shows we had a baseline (which includes the sum total of all scopes) of 47 tCO₂e as at 31 March 2019. We set a target to reduce by 21% or to 37 tCO₂e by 31 March 2025. To date, all bar FY 31 March 2020 have been under target. We forecast by FY 2023 our emissions may rise again with no foreseeable COVID lockdowns in the future; a more accurate read of increased staff numbers (of which waste, travel and electricity usage are inter-dependent).

The graph below provides visibility over the greatest contributors to the Trust’s emissions profile and forms a baseline for our 2022-2023 action plan to reduce our own emissions as an organisation.

Top contributors to tCO₂e from Trust Tairawhiti



Our annual data and 21% reduction target of tCO₂e by FY 2025 will be published as part of our ongoing annual reporting cycle and public disclosure. The coalition is launching a new CLC Statement of Ambition (SoA) in Auckland on 30 June. As part of the new SoA we will be

- providing robust rationale, definitions and formulae for Scopes 1, 2 and 3 across suppliers as well as all distributions and investments
- supporting suppliers and current recipients and future applicants as we understand our CLC obligations under each scope

- ensuring we provide easy online access to our GHG emissions data; scoping work and formulas; and how we are tracking to our 21% reduction in tCO2e by FY 2026 as part of our public disclosure commitment

We have up until 2025 to fulfil all obligations of the new CLC SoA. We will be working closely with Steven Follows at EGL with this work and hope to bring Steven in to present at the September meeting to Trustees.

A scoping proposal to support the joint 'Just Transition Plan' with GDC has been received and reviewed. The GDC and Trust lead managers will meet to approve it and begin this part of the work plan.

Enable Community Initiatives

Communications on community funding

Application decisions at the June 2022 meeting. Noted the current pressure on funds.

Connex Charitable Trust – declined

Gisborne Boys High School – declined

Tangata Humaaria Charitable Trust – declined

Taupua Tairāwhiti (Sport Gisborne Tairāwhiti) – approved \$50,000 towards shared service operations

Gisborne Toy Library \$5,000 approved partial support towards operational costs

Alzheimers Gisborne Tairāwhiti approved \$10,000 towards operation costs

The Nest Collective – Gisborne approved \$10,000 towards essential whanau packs for expecting parents

Economic Development

We work with Tairāwhiti businesses and industry to support an innovative, inclusive, and circular economy with opportunities for well-paid jobs.

Economic development financial performance

	May YTD Actual \$000	May YTD SOI Bud \$000	Var \$000	Mar YTD SOI Budget \$000
Income				
Contract and trading revenue	204	214	(10)	1,323
Direct costs	(19)	(57) ↑	38	(342)
Gross profit	185	157	28	981
Costs				
Administration	467	541 ↑	74	3,403
Regional marketing, development and events	89	129 ↑	40	621
Personnel	224	271 ↑	47	1,690
Independent Investment Committee	8	29 ↑	21	175
Total costs *	788	970	182	5,889
Operating surplus	(603)	(813) ↓	210	(4,908)
Unrealised gains/(loss)	-	-	-	-
Depreciation	(17)	(14)	3	(81)
Surplus before other subsidiary transactions	(620)	(827)	213	(4,989)

Commentary

Income is down slightly from budget as a result of lower than expected iSite revenue.

The associated direct costs (iSITE retail costs and on-behalf tickets purchases) are also down along with the timing of other direct costs.

Administration costs include strategic initiative costs and are running behind budget, but these are timing variances.

Regional marketing, development and events relate mainly to tourism activity and are also behind due to timing of costs.

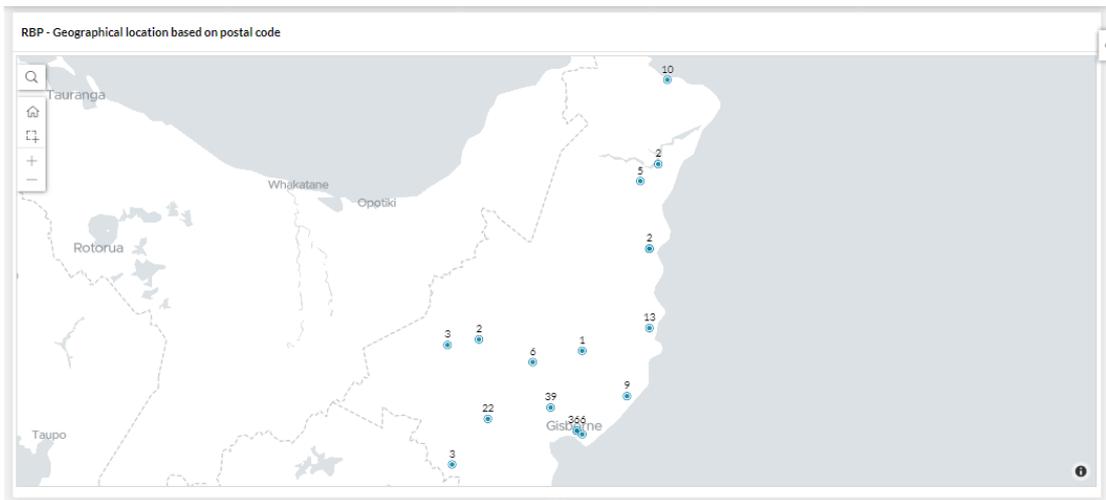
Personnel costs are behind budget due to vacant roles and timing of recruitment.

Independent Investment Committee fees have been allowed for the full year. A proposal on the appropriate structure alongside the strategic investment review will be provided for Trustees as part of the strategic review workstream.

Business services and training

The BG team are preparing for the start of the next government financial year and planning the next 12 months business services. The BG team have been successful in exceeding contractual requirements for 2021/22. Part of preparing for the new government financial year, and RBP contract start, is a continuation of systems, process, and reporting improvement.

Businesses Registered	Identify as Maori Business	Current Businesses Engaged	Number of businesses trained	Total Workforce
579	154	64	133	3002





Notes:

The delivery of business and innovation support will finish strong for the period 1 July 2021 to 30 June 2022.

- Growth advisors have engaged with 228 businesses of which 28.5% self-identify as Māori businesses. This includes those who have completed a full customer journey (needs analysis, action plan, and follow up) and those currently active. Note this data doesn't capture the volume of consecutive / reoccurring customer engagements or show the intensiveness of engagements.
- 87 businesses have received capability funding totalling \$207,701.15
- Of the 579 registered, 154 self-identify as Māori (26.5%). Note - we know this to be under-reporting. These figures demonstrate the total number of businesses registered with the RBP and show the portion that self-identify as Māori.
- Current businesses engaged is the number of businesses we are actively working with to innovate and grow.
- Total workforce count of employees is reliant on businesses populating their system profile with number of staff. We continue to work with customers to improve the accuracy of this field for our reporting and to provide us better insights.
- Capability development topics are the names of services customers are being booked on. This highlights prevalent business needs and trends.
- How business find out about RBP. Note that 'accountant' represents service providers, and 'Regional Partner' represents TT growth advisor referrals.

Business insights, events and collaborations

We have been contracted by MBIE to manage the delivery of the Digital Boost Facilitation Scheme in region. The initiative has been created to provide small businesses additional support and encouragement to adopt and practically use the government's Digital Boost

educational platform, improve their digital skills and apply digital tools to their businesses. Funding of \$20,000 is available to groups consisting of 15 businesses.

Upcoming Events

- Supply Chain Workshop with Productivity People – new date TBC as part of new financial year planning and wider events programme.
- Climate Action Support Programme for SME's – a change in delivery approach is currently underway for this. More details will follow in due course

Regional workforce development

Employment Projects

The Great Employers Project

Trust Tairāwhiti continues to lead this piece of work, which is aimed at building employer capability as many local employers have difficulty attracting the right people to their business and retaining them. Further consultation hui is scheduled to create next steps for “The Great Employers Project”.

Trust Tairāwhiti would like to thank Rewi Haulage; Pultron Ltd, Pro-traffic, Riverland Orchard, and Te Pai Hakari for the huge contribution to this project they have made thus far. We look forward to continuing to work with these organisations.

Employer Engagement & Support

For the month of April, we engaged with 107 employers across various sectors for the following reasons: Mayors Task Force for Jobs, Workforce Development, Great Workplace Pledge, and Business information/support.

With changes to COVID restrictions the workforce advisors been able to get out and do more face-to-face contact with employers. The WFA's arranged four sector meetings with Civil Construction, Transport & Logistics, Forestry and Horticulture leads in relation to the key priorities actions from the workforce development plan.

During May, WFAs engaged with 63 employers across various sectors for the following reasons: Mayors Task Force for Jobs, Workforce Development, Great Employer Project, and Build the Whare student/ industry event.

WFA's continue to work with Manaaki Taiohi. MTFJ programme scheduled to close 30th June 2022.

Student/Industry Event

The 'Build the Whare' planning is well underway. Event scheduled for 18th August. The project team are awaiting on schools confirming number of students attending and confirmation on the number of employers attending the event.

This a collaborative event being organised and run by Trust Tairawhiti and Eastern Institute of Technology (EIT).

Trust Tairawhiti Workforce Advisors are supporting "Girls in High Viz" event lead by "Downers. This event invites young women from local schools to participate in a "Hands on experience" event held on Monday 27th June 2022 to encourage School Leavers to enter Civil Construction Industry.

Wood Engineering Technologies Gisborne Ltd (WGL) – School Leavers

Workforce Advisors have supported Two rangatahi from the Mayoral Taskforce for Jobs programme into employment at WETS.

Workforce Development Plan Implementation

The Workforce advisors organised meetings with the four priority sectors (horticulture, civil construction, forestry, transport & logistics) to discuss these key priorities and any further sector challenges they were experiencing. Twenty employers were engaged where they provided valuable insights into their sectors as well as information to support the key priorities moving forward.

The combined TT/ RSLG workplan spreadsheet is now populated as activities are identified and progressed. The spreadsheet will be presented to the CARE RSLG meeting on Tuesday 28th June 2022. The 17 KPAs identified in the Regional Workforce Development Plan are now added to the TT/RSLG workplan spreadsheet.

Sector enhancement – digital and technology

Digital Technology Strategy Engagement

The first workshop was undertaken on June 2nd. Achieving a balanced attendance was challenging, but a quorum was formed with a total attendance of 22. The workshop was focussed on vision setting and understanding the key themes of the strategy.

After distillation of the information gathered, it has become apparent there were voices missing in the engagement, in particular, rangatahi and some leadership elements. As a result, the approach has been changed to capture these aspects in the next workshop on 29th June.

Another clear message that came from the workshop was to engage widely. A change in approach has been made here also, to capture a wider array of contribution.

Consensus was achieved in the first workshop to apply a Te Ao Māori approach to the strategy, adopting holistic measures and outputs.

The upcoming workshop series is programmed as follows:

- Holistic Leadership | Wed 29th Jun 2022
- Build and Attract Capability | Thu 30th Jun 2022
- Tell Our Stories | Fri 1st Jul 2022
- Accelerate Business | Wed 20th Jul 2022
- Invest and Measure | Thu 21st Jul 2022

The survey feedback and supporting information is attached as an appendix.

A visual illustrator was brought into the engagement to allow an alternative means of capturing the discussion. This proved very useful, especially in the context of vision setting.

An example of their work is below.



Refer to Appendix One for Tech Tairawhiti Survey feedback.

Techweek 2022

Techweek 2022 was held via a livestream event on 20 May and provided quality content and technical delivery.

The broadcast has captured the attention of NZ Tech, who are responsible for Techweek delivery. This has placed Tairāwhiti in an advantageous position and discussion is underway for the region to play a more significant part in future Techweek events. A national planning session is being arranged for later in the year to discuss the format at a national level and the role Tairāwhiti will play in delivery.

Individual segments have now been post-produced and uploaded to the [Techweek Tairāwhiti YouTube channel](#). These are also in the process of being included in the national Techweek TV channel on [Play Stuff](#).

Post-event viewership has been significant on the YouTube channel. The 6-hour livestream video has been viewed 538 times (as of 20/06/22) with an associated watch time of 108.9 hours. Now that individual segments have been uploaded, there is further viewing taking place, as can be seen in the graph below.

In the selected period, your channel got 695 views



Once live on Play Stuff, it is expected that a spike in viewership will be experienced.

Interestingly, 44.6% of viewers are based in New Zealand, meaning the Techweek platform is working well, allowing the region to showcase our tech ecosystem globally.

Uploading of the 2021 livestreamed events is currently underway, with the intent of creating a dedicated channel which will capture each Techweek in a digital form, providing a resource for reference as the digital technology sector emerges in the region.

Destination Management Plan

The Tourism team have continued consultation on the Destination Management Plan (DMP).

Destination management involves the management of all aspects of a destination that contribute to a visitors experience, including the perspectives, needs and expectations of:

- Visitors
- Māori/iwi/hapu
- Tourism industry – experience operators, accommodation providers, hospitality
- Wider businesses
- Local residents

- GDC
- Central Government
- Trust Tairāwhiti as the Regional Tourism Organisation and Economic Development Agency.

The DMP brings these stakeholders together to achieve the common goal of developing a well-managed, sustainable visitor destination that considers the social, economic, cultural and environmental risks and opportunities.

All 31 Regional Tourism Organisations across Aotearoa are at various stages of developing and releasing their DMP's. The Tairāwhiti DMP is due for release in August.

The Trust have developing the Tairāwhiti DMP since mid-2021, with consultation sessions offering an opportunity to provide information into how communities and individuals would like to see Tairāwhiti grow and develop as a visitor destination. Fifteen sessions with a range of tourism businesses and interested community groups formed some initial thoughts and recommendations for the plan to be built around.

Strategic priorities include;

- Establish effective leadership, management and governance for the tourism sector.
To grow the visitor economy within the region, it is necessary to ensure that the foundation and leadership structure for the sector is effective and working to enable all aspects of destination management. This includes providing adequate governance and leadership over the DMP to prioritise the key recommendations and assign each to the partners and stakeholders who can achieve them.
- Experience development
There are distinct differences in the offerings between those in Gisborne, and the potential that exists around the coast and broader regions of Tairāwhiti. Whilst increasing supply will enable growth in the visitor economy and opportunities to begin the journey toward achieving community aspirations, DMP partners must ensure that these experiences are complementary and strengthen the unique destination positioning.
- Protect our natural and cultural assets.
The aspiration for the future most shared by the community was the protection of the natural and cultural assets throughout the region. For many, the strength and unique positioning the cultural connections and stories can offer the destination is

second only to the desire to ensure that the natural assets throughout the region are maintained, enhanced and protected for future generations. Both provide compelling reasons for visitors to choose Tairāwhiti as a destination, as well as platforms to build marketing campaigns that will create awareness of Tairāwhiti as a destination.

- Build awareness of Tairāwhiti as a destination.
To build it is essential that there are effective marketing campaigns developed that build on the history, heritage, stories and taonga of the area and highlight the values associated with a trip to Tairāwhiti.

Engagement in the past month has focused on sharing draft priorities and recommendations with regional leaders. Rau Tipu Rau Ora and Toitu Tairāwhiti discussed the DMP at their monthly meetings and supported the direction of the plan. The GDC has provided written feedback for consideration and expressed a desire to work collaboratively on recommendations in the coming months as the DMP is finalised.

Operationalising He Rangitapu He Tohu Ora

We support people and communities of Tairāwhiti to understand and apply He Rangitapu He Tohu Ora.

Data governance and management

As part of our Statement of Intent we have an impact measurement matrix for the 2022-2023 period. We are focussing on consolidating the data sources right across the organisation to ensure consistency of governance and management. This includes system design and automation to be able to slice and dice to understand and bring insights into the way we report.

Tairāwhiti Wellbeing Survey

The regional wellbeing is complete and ready to go live. The survey campaign will go live Thursday 28 July and run for six weeks. The survey will be available to complete throughout this time.

Community capability

A test of devices and surveying live at the opening of the Tairawhiti Pump Track has provided us with some insightful information on ways to capture how our young people, whānau and broader communities benefit from our community facilities investments. We will continue to support all of our community facilities recipients to capture impact data as their facilities evolve.