STATEMENT OF INTENT

2025-2026 TO 2027-2028

TOURISM BAY OF PLENTY | TĀPOI TE MOANANUI Ā TOI

(WESTERN BAY OF PLENTY TOURISM AND VISITOR TRUST)

KO MĀTOU WAAHI HE NGĀKAU PAI, HE TAKUTAI HAUMAKO RAWA, HE WAAHI PITO MATA.

HE WAAHI AWHINA O NGĀ AHUREA TUAKIRI KĀTOA. KO TE WAIRUA MĀHORAHORA O TE TANGATA HE ORITE KI TE PARITANGA HUANGĀ PAI O TE WHENUA.

HE WAAHI HURANGA – KO TĀ MĀTOU PŪMANAWATANGA, TE MOTUHAKETANGA ME TE WHAKAARO MURAMURA E HONOHONO ANA MĀTOU KI TE AO.

HE TAURANGA MAI. HE TAURANGA ATU.

TE MOANANUI Ā TOI – HE WAAHI MŌU.

OURS IS A PLACE OF POSITIVE ENERGY; A RICH COASTAL PARADISE BLESSED WITH RAW POTENTIAL.

WHERE CULTURES EMBRACE AND THE NATURAL GENEROSITY OF OUR PEOPLE IS AS ABUNDANT AS OUR FERTILE LAND AND OPEN SEAS.

A PLACE OF DISCOVERY – OUR INGENUITY, DETERMINATION AND BOLD THINKING CONNECT US TO THE WORLD. A LANDING PLACE. A LAUNCH PAD.

THE COASTAL BAY OF PLENTY – A PLACE FOR YOU.

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1. Kia Ora from the Board Chair

The coastal Bay of Plenty has many exciting opportunities right now, led by the significant legacy investment of Tauranga City Council and the private sector in Te Manawataki o Te Papa which will be a game-changer for our city and region.

We have strong leadership and talent within our Tourism Bay of Plenty (TBOP) team and the ability to deliver on the expectations prescribed in the Letter of Expectation for the 2025/26 financial year. We appreciate the support and confidence Tauranga City and Western Bay of Plenty District councils have in our ability to deliver outcomes for our people and place through the visitor economy. With the recently increased focus by central government on the value and growth of the tourism sector in 2025 and coming years, we feel well positioned to maximise any potential opportunities.

We understand the imperative to deliver value for money to ratepayers and recognise Council's commitment to transparency, accountability, and collaboration in achieving strategic community outcomes.

TBOP will continue to focus on key deliverables, including:

- destination marketing in showcasing our region,
- promotion of key Council projects and investment
- enhancing tourism-related economic activities that boost vibrancy in the Bay of Plenty
- development of a sustainable tourism environment
- collaboration with mana whenua to enrich our cultural narrative and unique experiences
- leading regional information and storytelling innovation through digital channels, including online, social media, and our expanding network of digital kiosks and destination applications.

We acknowledge the expectation to show a 7% saving in our 2025/26 operating expenditure as part of our contribution to TCC's goals. Following the $610,000 reduction to our baseline funding in 2022/23 (with the withdrawal of Tauranga Airport Reserves funding) and the STAPP (Strategic Tourism Asset Protection Programme) support from MBIE during Covid - this is a significant find for us, but one we know is required and has been applied across TCC and associated CCO partners.

Accordingly, a 7% reduction in our 2025/26 TCC baseline funding equates to circa $150,000 (refer section 11.3). To achieve this, we have reevaluated and identified efficiencies and savings through cessation, reduction, consolidation, or collaboration in delivering programmes across:

- Destination marketing campaigns and event promotions,
- Operator environmental programmes, travel trade training, and capacity building,
- iSITE contact service hours and various operational efficiencies,
- Research, insights, and data subscription reviews and partnerships,
- Shared service cost-savings with other RTOs and our CCO partners.

It is critical that this undertaken in a manner that retains the trust and confidence of stakeholders, while maintaining our momentum as an efficient and effective CCO.

Finally, we note that given the tightening funding environment we are in, it is essential to continue to explore alternative funding mechanisms. We are actively engaged in a series of conversations with other RTOs, national entities, and central government regarding alternate funding opportunities and solutions for regional tourism and the communities we serve.

Russ Browne

Board of Trustees Chair

Tāpoi Te Moananui ā Toi | Tourism Bay of Plenty

2. Purpose of Statement of Intent

In accordance with section 64 of the Local Government Act 2002 and the Local Government Amendment Act 2019, this annual Statement of Intent (SOI) publicly states the activities and intentions of the Western Bay of Plenty Tourism and Visitors Trust (Tourism Bay of Plenty) for the next three years. This SOI sets out Tourism Bay of Plenty's strategic framework, activities, and performance measures, as the basis of organisational accountability.

Tourism Bay of Plenty (TBOP) acknowledges the Enduring Statement of Expectations (ESE) and Letter of Expectation (LOE) from Tauranga City Council and Western Bay of Plenty District Council. These articulate the focus areas for TBOP that will contribute to advancing the western bay's economic prosperity.

3. About Tourism Bay of Plenty

TBOP is incorporated under the Charitable Trusts Act (1957) and is a not-for-profit entity, established to promote and manage the western bay sub-region as a visitor and tourist destination. TBOP is a Council Controlled Organisation (CCO) which is accountable to Tauranga City Council (TCC) and Western Bay of Plenty District Council (WBOPDC) through separate Letters of Expectation.

4. Objectives of Tourism Bay of Plenty

TBOP's purpose, as described in its Trust Deed, is to promote the economic welfare and development of the western bay region and its citizens through destination marketing, destination management, and other related activities which impact on the region as a visitor destination. TBOP is also responsible for providing visitor information services in the region.

TBOP's role as a Destination Management Organisation (DMO) is to lead, advocate, and coordinate a cohesive, collaborative, and balanced approach to the promotion and management of the region. This is a partnership approach which requires genuine engagement with local communities, businesses, iwi, and stakeholder councils to ensure an enhanced visitor experience.

4.1 Alignment with Tauranga City Council's Community Outcomes

TCC have made a commitment to "put the community at the heart of everything we do" and to create a vibrant city. The *Our Direction Tauranga 2050* document explains the Council's strategic framework, outlining desired community outcomes, guiding further decision-making, and supporting its overarching City Vision, *Together we can.*

As per TCC's Letter of Expectations, TBOP will ensure its activity contributes to the following three TCC community outcomes, which align with the three pillars of the Council's City Vision:

- **We fuel possibility and vibrancy**

  Tauranga is a vibrant city where we fuel possibility by fostering creativity, innovation, celebrating arts and culture and empowering change makers to create a vibrant city.

- **We are inclusive and lift each other up**

  Tauranga is a city that recognises and promotes partnership with tangata whenua, values culture and diversity, and where people of all ages and backgrounds feel included.

- **We value and protect our environment and prioritise nature**

  Tauranga is a city that values our natural environment and outdoor lifestyle, and actively works to protect and enhance it.

4.2 Alignment with Western Bay of Plenty District Council's Focus

WBOPDC desires to have economic wellbeing integrated with environmental, social, and cultural wellbeing. WBOPDC value TBOP's Destination Management Plan, which has regenerative tourism at its core. Council supports regenerative tourism that aims to:

- Have net benefit across the environment.
- Improve residents' quality of life.
- Elevate Te Ao Māori.
- Add value to the economy.

4.3 Principal Objectives

TBOP takes the lead role in the sustainable growth of the visitor economy and destination management of Te Moananui ā Toi | the Coastal Bay of Plenty. TBOP's purpose is 'to lead the prosperity of our people and place through tourism'. As such, our principal objectives are to:

1. Help manage and promote the reputation of Tauranga and the wider coastal region nationally and internationally, to increase awareness and appeal.
2. Create, identify, and support opportunities for tourism to have positive economic, social, cultural, and environmental outcomes for the region and residents.
3. Share positive visitor sector stories to engage communities and to demonstrate the value of tourism to local residents (i.e., maintaining social license).
4. Provide leadership, advocacy, and engagement across the visitor economy, in areas such as events, cruise, conferencing, destination management, destination marketing, and storytelling.
5. Participate in conversations with both councils and in their subsequent workstreams, in relation to the development of their strategic directions. This includes contributing to Long-Term Plan conversations, the Te Manawataki o Te Papa project, and other similar large-scale council projects or reviews.
6. Ensure the TBOP business continuity plan is up to date and that it includes contingency strategies, being mindful of relevant health and safety legislation whenever we're providing services to support the wellbeing of our communities.

4.4 Operating Principles

TBOP will adhere to the following operating principles whereby:

- We deliver value for our communities through prudent financial management, ensuring we plan and provide affordable fit-for-purpose services.
- Sustainability and resilience underpin our decision-making and service delivery, protecting the future of our city.
- We work in partnership with tangata whenua, our communities, sub-regional stakeholders, and central government.
- We manage the balance between the social, economic, cultural, and environmental wellbeing of our communities.
- We listen to our communities and make transparent, evidence-based decisions.

TBOP will also align to the council's Our Direction 2050 Strategy and vision of 'Tauranga, together we can prioritise nature, lift each other up to and fuel possibilities.'

5. Approach to Governance

TBOP is a CCO of the Tauranga City and Western Bay of Plenty District Councils. The TBOP Board and management are committed to ensuring the organisation meets recommended best practice governance principles and maintains the highest ethical standards, as outlined in the ESE.

The TBOP Board of Trustees is appointed by both councils to govern and direct TBOP's activities. The Board is accountable to the councils for the financial and non-financial performance of TBOP. The Board works collaboratively with the councils to ensure a bilateral 'no surprises' relationship.

For transparency, TBOP will continue to publish up-to-date information online about what it does and how it operates on this page on our website: bayofplentynz.com/media-and-resources/resources/. TBOP will also consider the online publication of minutes of public sections of Board meetings.

5.1 The Role of the Tourism Bay of Plenty Board of Trustees

The Board of Trustees is responsible for the direction of TBOP. In accordance with the ESE, this responsibility includes:

- Acting in accordance with the Trust Deed.
- Developing and overseeing TBOP's Visitor Economy Strategy 2018-2028 (VES).
- Advocating on behalf of TBOP with key stakeholders.
- Approving Annual Plans, budgets, and the Statement of Intent (SOI).
- Maintaining Enterprise Risk and Health and Safety systems, policies, and controls.
- Monitoring financial performance and achievement of key initiatives and SOI objectives.
- Appointing and monitoring the performance and remuneration of the General Manager (GM).
- Ensuring the integrity of management information systems and policies.
- Assessing business opportunities and business risks.
- Ensuring TBOP policies enable a healthy organisational culture and staff engagement.
- Complying with relevant law.
- Ensuring TBOP exhibits a sense of social and environmental responsibility.
- Reporting to the councils.
- Following the decision-making guidelines in the ESE and the TCC Appointment of Directors to Council Organisations Policy and the Significance and Engagement Policies.

The Trustees operate under the TBOP Code of Conduct and the Tauranga City Council Code of Conduct for Directors Appointed by Council-to-Council Organisations.

The Trustees delegate the day-to-day operation of TBOP to the General Manager (GM) of TBOP, who reports to the Board.

5.2 Tourism Bay of Plenty Trustees

As of 1 July 2025, the TBOP Board comprises of the following trustees:

- Russ Browne (Chairperson)
- Jaine Tulloch (Deputy Chairperson)
- Peter Blakeway
- Andrea Webster
- Brian Staunton
- Meghan Fleming

5.3 Communication Protocol

The Chairperson, Board members, and officers of TBOP will adhere to the following communication protocols with the councils, in addition to the formal reporting requirements:

- Regular governance-to-governance meetings with each council's Councillors.
- Presentations of the Six-Month Report and Annual Report to both councils.
- Two-way dialogue and consideration of each council's strategic priorities and objectives.
- A bilateral 'no-surprises' approach to governance and the management of the organisation.
- Consultation, prior to external release, of any significant changes and/or developments.
- Early notification and collaboration on key matters of risk or reputation.
- Appraise the performance of the TBOP Board of Trustees at a minimum of every two years, alternating annually between a Board-led review and a Council-led review.
- Share the details of any substantive engagement with central government and/or external agencies.
- Acknowledge our relationship with councils and use of logos where appropriate.

5.4 Statement of Intent

The SOI provides a three-year view, which is consistent with the ESE, to identify:

- An indicative rolling three-year forecast of performance and position.
- Identification of any significant intended expenditure.
- Any likely requests for increased funding from either council.
- Key actions or initiatives to deliver on the objectives of TBOP.
- Upcoming challenges, risks and opportunities for TBOP.

6. Nature and Scope of Activities

TBOP's purpose:

To lead the prosperity of our people and place through tourism.

TBOP's growing role as a Destination Management Organisation requires it to *lead, advocate* and *coordinate* the visitor economy, while considering environmental, social, and cultural interests. We also need to ensure we preserve the region's unique identity, and that visitor-related development is cognisant of the interests of local residents and iwi.

Lead	Advocate	Coordinate
•Lead the sustainable growth of the tourism sector, for the benefit of our community.	•Manage, develop and plan growth, taking into consideration social, environmental and cultural interests.	•Work with public, private and Iwi led organisations as a key collaborator in order to make the region a more regenerative, compelling and attractive visitor destination.

Destination management is an ongoing process, which reflects the need for regions to plan for the future. Destination management brings different stakeholders together in a collaborative manner to achieve the common goal to which they are all committed: developing a well-managed, sustainable destination for locals and visitors alike. This requires inclusive and coordinated leadership. Destination management needs to engage residents, tourism enterprises, businesses, Māori (iwi and hapū), Regional Tourism Organisations, Economic Development Organisations, Tourism New Zealand, and local, regional and central government whenever necessary or appropriate. To be successful, Tourism Bay of Plenty requires support from our local councils.

To ensure effective planning for population and urban growth, councils can provide opportunities for TBOP to actively contribute their expertise and knowledge of the tourism industry and economic development. This will help to ensure effective destination management of the region going forward.

As part of this, TBOP commits to liaising with the appropriate teams at both councils to better understand the destination opportunities they have already identified, such as Te Manawataki o Te Papa, Mount Maunganui, Ōmanawa Falls, TECT Park, and other recreational reserves, walking trails, cycling trails, and more.

6.1 Significant Areas of Activity

This section outlines the significant activities TBOP will undertake across Tauranga City and Western Bay of Plenty District. Activity will be apportioned per territorial authority area based on funding allocations, unless otherwise specified or if the activity is deemed to have regional benefit or there are extenuating circumstances that would require upweighting. Activity undertaken for Whakatāne District is project-based and is limited to direct funding received.

Activity to be undertaken across the western bay region

MARKETING

Market the destination domestically and internationally through relevant channels to target markets. Including:

- A campaign aimed at domestic and local markets.
- Targeted Australian marketing activity. Trade marketing to partner organisations in New Zealand and key overseas markets (Australia, UK and USA).
- Media hosting.

CYCLE TRAILS & WALKWAYS

- Support the development of recreational cycle trails and walkways.
- Support tourism ventures that make use of this infrastructure.
- Promote cycle trails in the western bay area through digital channels and an annual updates of the western bay cycle trails booklet, including printing and distribution.

PUBLIC RELATIONS & STORYTELLING

- Share information and news that shows why the region is a desirable place to live and visit, and to demonstrate the value of tourism to the local community.
- Manage any destination reputation risks that may arise.

ELEVATE MĀORI CULTURAL TOURISM OFFERING

- Support new and existing Māori cultural operators and developments to provide authentic cultural experiences to visitors.
- Incorporate cultural histories and stories into digital storytelling and wayfinding platforms managed by TBOP.

SOCIAL LICENCE & INSIGHTS

- Continue to measure the impact of the tourism industry across the four wellbeing areas (where data are available) and use information to inform actions.

SUPPORT TOURISM OPERATORS

- Help new and existing operators to enhance their offering by supporting provision, access, and engagement with suitable training and upskilling opportunities.
- Includes resilience building, environmental sustainability, and digital marketing.

FLAVOURS OF PLENTY PLATFORM

Grow the profile of the region as a foodie destination through:

- Promoting the region's foodscape through paid and owned marketing channels.
- Engaging with the foodie ecosystem via e-communications and face-to-face meets ups with industry.
- Retain Flavours of Plenty Festival as a key in-house marketing platform for local businesses to leverage and support sustainable partnerships.

CRUISE SECTOR OPPORTUNITES

- Continue to manage the cruise sector and work to enhance the benefits it brings to the local community.
- Focus on recommended next steps of cruise study.

ACCESSIBLE TOURISM

- Continue to update the bayofplentynz.com website with wayfinding and accessibility options in the western bay region.
- Continue to encourage operators to look at universal design options.

Additional opportunities (Requested by TCC for TBOP to lead, with finalised funding pending)

DIGITAL WAYFINDING NETWORK

TBOP to continue to be the lead agency for a network of 'in-destination' digital kiosks to better enable visitor, event, and location specific wayfinding and cultural storytelling across the region. We are also supporting the wider TCC wayfinding and signage strategy.

BRAND TAURANGA

TBOP to lead the development of the Tauranga regional brand project.

ALTERNATIVE FUNDING OPTIONS

TBOP to investigate additional or alternative funding options.

Tauranga City Activity

EVENTS

Continue to implement the key actions **(1b and 4c)** in the Tauranga Events Actions and Investment Plan that TBOP is responsible for delivering. Timeframe for both actions is 1 to 3 years.

AIP Goal 1: Develop a strategic and collaborative approach to priorities and investment in major events and business events.

TBOP Action 1b: Lead the development of a business events framework to provide a clear and coordinated framework for investment for the city.

AIP Goal 4: Improving the promotion and marketing of events to both local and national audiences.

TBOP Action 4c: Promote Tauranga as a premier event destination for visitors nationally and internationally. Adopt a collaborative approach to the promotion of events.

PLACEMAKING

Support regional development and initiatives that support tourism, such as Te Manawataki o Te Papa, and the Mount Spatial Plan.

Western Bay of Plenty District Activity

MAJOR EVENTS PROMOTION

Support major events in the Western Bay of Plenty District such as the Waihi Beach Summer Fair, and Katikati Avocado Festival with promotional opportunities where appropriate.

7. Accounting Policies

Financial statements will be prepared in accordance with Tier 2 Public Benefit Entity Accounting Standards. The accounting policies that have been adopted are detailed in the Tourism Bay of Plenty Annual Report.

7.1 Asset Management

TBOP will prepare and implement Asset Management Plans for all assets where relevant.

7.2 Transactions Between Related Parties

Transactions between the councils and TBOP will be conducted on a wholly commercial basis.

8. Performance Targets (for western bay)

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	TARGET BY JUNE 2025	TARGET BY JUNE 2026*
ECONOMIC Wellbeing	Grow the value of tourism to the western bay economy.	Trends in visitor spending via electronic card transactions.	Direct Partnered Indirect	Marketview	Increased visitor spend in the western bay compared to YE June 2024.	Increased visitor spend in the western bay compared to previous YE.
SOCIAL Wellbeing	Enhance the value of tourism to our community (according to the community).	Residents' sentiment towards tourism. Measured by the percentage of residents who agree that tourism has a positive impact on their community. Residents provide a rating of 1 to 10, where 1 is strongly disagree and 10 is strongly agree.	Direct Partnered Indirect	Annual Resident Surveys.	Tauranga City Residents: 60% NB: In addition, TBOP measures domestic, international and business sentiment.	Tauranga City Residents: 62% NB: In addition, TBOP measures domestic, international and business sentiment.
CULTURAL Wellbeing	Improving the cultural wellbeing of the community through tourism.	Facilitation of programmes that elevate the Māori cultural tourism proposition in the western bay region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Incorporated Western Bay of Plenty District cultural history and stories into digital storytelling and wayfinding platforms managed by TBOP.	Supported a minimum of 3 Māori tourism operators to connect their experience offering to a digital platform.
ENVIRONMENTAL Wellbeing	Improving the environmental wellbeing of the region via environmental sustainability and regeneration projects.	Industry-focused environmental sustainability and regeneration initiatives facilitated or enabled by TBOP.	Direct Partnered	Programme Reports.	An additional 35 organisations have completed The Green Room Sustainability programme.	Key actions and programmes are in place which build on climate change mitigation and adaptation progress relating to tourism (connecting with the Tauranga Climate Change AIP, where relevant).
TBOP ORGANISATION Wellbeing	Enhance TBOP's ability to achieve its goals through high staff engagement.	TBOP staff engagement.	Direct	Employee Engagement Survey.	Employee Engagement score of ≥80%.	Employee Engagement score of ≥80%.

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	TARGET BY JUNE 2025	TARGET BY JUNE 2026*
DESTINATION MANAGEMENT & MARKETING	Elevate the region's cycling proposition.	Develop, update, and promote informative material on cycle trail options in the western bay.	Direct Partnered	Council's feedback.	Cycle trails booklet updated with new trails, supported by an initial print run and digital deployment. Support the development of tourism ventures that make use of this experience.	Cycle trails booklet updated. The western bay region becoming known as a destination for cycling within New Zealand.
	Build operator capability to enhance the quality of the region's tourism offering.	Provide opportunities for western bay operators to train or upskill in sales, marketing and trade capability areas while also gaining, retaining or achieving higher Qualmark rated certification.	Direct Partnered Indirect	Capability programme report.	Operators supported to engage in capability building programmes, with a minimum of five additional operators being endorsed with Qualmark certification.	Operators supported to engage in capability building programmes, with a minimum of five additional operators being endorsed with Qualmark certification.
	Coordinate activity that attracts key business events to the western bay region.	Facilitate leads and bids for business events in the region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Facilitated 25 leads or bids for business events in the region and won 7.	Facilitated 30 leads or bids for business events in the region and won 10.
	Elevate the region's food story and proposition.	Promote and support the delivery of the Flavours of Plenty Festival to draw visitors to the Coastal Bay of Plenty region.	Direct Partnered	Festival delivery.	Continued TBOP support of Flavours of Plenty, via key visitor marketing channels, reaffirms the festival as a signature DNA™ event for the region.	Continued TBOP support of Flavours of Plenty, via key visitor marketing channels, reaffirms the festival as a signature DNA™ event for the region.
	Promotion of the western bay region to key target markets (cultural explorers, surf & beach lovers, outdoor adventurers, and eco-travellers).	Annual development and delivery of marketing campaigns that incorporate our key DNA™ pillars that reach and convert the travel intentions of our target markets to visit, stay and spend in the region.	Direct Partnered	Campaign collateral.	Review previous campaign results and deliver an updated/renewed domestic marketing campaign which incorporates the destination's DNA™, converting the travel intentions of our target markets to visit, stay and spend in the region.	Annual review and delivery of relevant campaigns and related PR activity that incorporates our DNA™ pillars and converts the travel intentions of our key target markets to visit, stay and spend in the region.

*June 2027 & June 2028 targets to be confirmed, but initially baselined against June 2026 targets with scope for further development.

9. Expected Shareholder Distributions

TBOP is not expected to make profits. Any surplus funds remaining from annual operations are carried forward to the ensuing year, to continue to pursue the primary objectives of TBOP.

10. Financial and Non-Financial Reporting

10.1 Financial Performance Targets and Measures

- Gross revenue is consistent with the agreed budget.
- Expenditure is managed within the agreed budget.
- Working capital ratio of no less than 1 (excluding current portion of term debt).
- Equity to assets ratio is reported on (equity divided by total assets).
- No debt is to be raised to finance operating expenses.

10.2 Reporting

TBOP has adopted 30 June as its balance date.

10.2.1.1 Six Month Report

By 28 February each year, the Trustees shall deliver to the councils an unaudited report containing the following information, in respect of the six months under review:

- Statement of Financial Performance, disclosing revenue and expenditure and comparative prior period and budget figures.
- Statement of Financial Position.
- Progress towards Non-Financial Performance Targets.
- A commentary on the financial and non-financial results for the first six months and a forecast of these results for the full year.

10.2.1.2 Annual Report

By 31 August each year, the Trustees shall deliver to the councils a draft Annual Report, and by 30 September a final version of the Annual Report which will include audited financial statements (dependent on Audit New Zealand timeframes) in respect to the previous financial year, and containing the following information:

- Chairperson's and GM's reports.
- Audited financial statements for the financial year, including Statement of Financial Performance and the Statement of Financial Position and Changes in Equity.
- Notes to the financial statements, including accounting policies.
- Service Delivery Report summarising TBOP's performance against the SOI strategic priorities.
- Independent Auditor's report on the financial statements and non-financial performance measures.

11. Activities for Compensation

11.1 Funding Principles

There are six high-level funding principles:

- As a general principle, TCC and WBOPDC will provide ongoing funding to TBOP as a contribution towards operational expenses.
- The role of the councils is to hold TBOP accountable for the use of funds provided by TCC and WBOPDC, which will ideally be consistent with the councils' strategies.
- TBOP is encouraged to seek funding opportunities from the private sector and central government to maximise the best outcomes for the organisation and the region.
- The TBOP Board must be empowered with sufficient flexibility to determine the best use and allocation of funding to meet required levels of service to the community and visitors.
- TBOP is expected to meet the approved annual budget.
- Any net surpluses are to be disclosed through Six Month and Annual Reports.

11.2 Approach to Funding

TBOP receives an operating grant from both councils for the purpose of marketing and managing the destination. The operating grant is set through the Long-Term Plan (LTP) process, with the contribution from each council updated annually, in line with the Consumer Price Index (CPI), when TBOP creates its budgets for the coming year.

Council funding for additional operating grants and ad hoc new capital projects is to be assessed on a case-by-case basis through the LTP or Annual Plan process.

11.3 Compensation from Local Authorities

TCC and WBOPDC intend to purchase services from TBOP over the long term and agree to the level of funding on a rolling three-year basis, aligned to the three-year Business Plan of TBOP.

The services for the next three years are currently forecast as per the table below. Note that this excludes separate funding for TBOP to lead the Tauranga Moana Brand and Digital Kiosk Network projects.

Funder	2024/25	2025/26	2026/27	2027/28
TCC	1,513,574	1,574,612	1,595,911	1,679,866
TCC (VIC, Including cruise)	542,949	558,697	574,569	586,657
TCC Total	2,056,523	2,133,309	2,170,480	2,266,523
Less 7%		(149,332)	(151,934)	(158,657)
TCC new Total		1,983,977	2,018,546	2,107,866
WBOPDC Total	268,000	350,000	325,000	367,575
Total	2,324,523	2,333,977	2,343,546	2,475,441

The payments will be made quarterly, in advance, on receipt of a GST invoice, with payments one and two each being 30% of the annual sum, and payments three and four each being 20% of the annual sum.

Budget	2024/25	2025/26	2026/27	2027/28
Revenue				
Funding - Tauranga City Council	2,056,523	1,983,977	2,018,546	2,107,866
Funding - Western BOP District Council	268,000	350,000	325,000	367,575
Funding - Whakatāne District Council	86,520			
Retail Gross Profit	3,500	5,250	7,500	7,725
Other Revenue	256,291	271,450	279,594	293,573
Total Revenue	2,670,834	2,610,677	2,630,640	2,776,739
Less Expenditure				
Operating & Marketing	791,966	607,150	625,365	644,125
Administration & Overheads	492,405	535,723	551,795	568,349
Employee Expenses	1,655,851	1,684,954	1,727,078	1,778,890
Depreciation and Amortisation	49,320	51,684	50,000	50,000
Total Expenditure	2,989,542	2,879,511	2,954,237	3,041,364
Surplus / Deficit	(318,708)	(268,834)	(323,598)	(264,625)

12. Estimated Value of Tourism Bay of Plenty

The TBOP Board estimate that the commercial value of the shareholders' investment in TBOP is represented by the net assets of TBOP. This value is calculated from total assets less liabilities.

13. Significant Decisions

In accordance with the TCC Significance and Engagement Policy, TBOP will not undertake any activity of a nature or scope not provided for in this SOI without prior approval of both councils. Specifically, prior approval would be required for TBOP to:

- Form any subsidiary entity.
- Purchase shares in any other entity.
- Dispose of any significant assets e.g., land or buildings.
- Purchase any significant assets e.g., land or buildings.
- Seek partnering solutions that involve the dilution of assets or the commitment of councils.

14. Termination

If any party wishes to terminate this three-year rolling arrangement, due to non-performance or any other substantive reason within the control of either of the parties:

- the party may give written notice to the other party specifying the issue and, if possible, requiring remedy within twenty-eight (28) days, and/or
- mediation is set to investigate any remedy of the issue, and/or
- if the issue is unable to be remedied to the party's satisfaction, the party must give written notice of its intention to terminate this arrangement from a date being not less than one year commencing the forthcoming 1 July (that is, the secondary party must have at least one full financial year's notice commencing on 1 July and ending on 30 June).

15. Signed

Chairperson	General Manager
Russ Browne	Oscar Nathan
Tourism Bay of Plenty	Tourism Bay of Plenty

16. Glossary of Terms

AIP	Action and Investment Plan
CCO	Council Controlled Organisation
CPI	Consumer Price Index
ESE	Enduring Statement of Expectations
GM	General Manager
GST	Goods and Services Tax
LOE	Letter of Expectation
MBIE	Ministry of Business, Innovation and Employment
RTO	Regional Tourism Organisation
SOI	Statement of Intent
TBOP	Tourism Bay of Plenty
TCC	Tauranga City Council
VES	Tourism Bay of Plenty's Visitor Economy Strategy 2018-2028
VIC	Visitor Information Centre
WBOPDC	Western Bay of Plenty District Council
WDC	Whakatāne District Council
YE	Year end

Note, 'western bay' refers to the total combined area which is governed by Western Bay of Plenty District Council and Tauranga City Council.