

15 February 2022

Chief Executive Officers
Waimakariri and Hurunui District Councils

Dear Jim and Hamish

December 2021 Half Year Report to Waimakariri & Hurunui District Councils

1. Introduction

This report has been prepared to meet the reporting requirements of the Statement of Intent for the 2021/22 year and follows the format of the Annual Business Plan.

2. Nature and Scope of Activities

The vision of ENC is:

"To inspire, attract and retain individuals, businesses and social enterprise to invest in our region"

As an economic development agency, ENC seeks to **improve the region's investment and business-enabling environment** so enhancing the region's competitiveness, retaining and increasing jobs, improving incomes, enhancing economic well-being, and thus improving the quality of life of residents.

3. Key Highlights this period

- Business Support programmes delivered this period include:
 - Delivered 41 capability assessments (85% of the RBP target of 48)
 - Distributed 40% of the allocated \$80,000 capability vouchers to businesses
 - Met with 82 people looking to start up their own business.
- North Canterbury Business Awards:
 - 62 entries (record number) and all met with the three judges
 - 444 gala tickets sold – the event was postponed and then cancelled due to Covid restrictions and implications on maximum numbers.
 - An online presentation was held in November for each category, presented by the category Sponsor and the Supreme Award was presented by MainPower
- MADE NORTH CANTERBURY
 - Currently have 63 members and one major sponsor
 - Developed two new events but not yet delivered (Taste Trail and Chefs Tour, both branded MADE NORTH CANTERBURY)
 - 3,601 Facebook followers and 958 Instagram followers
 - Held activations 'ends of aisle' in major New World Supermarkets in North Canterbury and Christchurch City for local producers
- Hurunui Green Energy Hub
 - ENC worked with key parties HDC, MainPower, TransWaste, Ngai Tahu Farming to progress the concept of a green energy powered commercial hub for the agriculture sector.
 - \$39,000 cash has been raised to fund a skinny business case

- ENC completed a carbon baseline assessment/audit to identify ways to reduce their carbon emissions as an office based organisation and when running events such as the North Canterbury Business Awards.
- ENC staff personally interviewed 35 large business owners to ascertain the critical issues facing their businesses now and in the future. The results were presented to the Board and will form the basis on their next strategic planning session held in February 2022.

4. *Activity Report*

STRATEGIC OBJECTIVE ONE - SUPPORTING EXISTING BUSINESSES TO GROW AND PROSPER

Objective 1.1 Provide an increased business support programme to existing businesses due to COVID-19 response and recovery

In the first six months of this year ENC have:

- Undertaken 41 full capability assessments (85% of target)
- Issued vouchers totalling of \$31,679 (40% of target) to 45 businesses to assist with training or coaching
- Received a net promoter score for North Canterbury of +70 (target +60)
- Referred 4 businesses to Business Mentors NZ (17% of target)
- Referred 1 businesses to Callaghan Innovation funding (target 1)

Seven business training sessions were provided with a total of 75 attendees achieving a 100% satisfaction rating from workshop attendees.

they included:

1. Supervising and Managing Others (four half day workshops) – 9 attendees for 4 half days. 100% satisfaction rating
2. Business Startup Boost – 15 attendees for 1 full day. 100% satisfaction rating
3. Social Media Strategy workshop – 8 attendees for 1 half day workshop, 100% satisfaction rating

We also ran 4 breakfast briefings, a new programme to suit busy business owners:

4. Xero training for business owners | Sidekick Accounting Rangiora (17 attendees)
5. Selling your business | BDO (17 attendees)
6. Strategy Breakfast Briefing | BDO (only 3 as many cancelled last minute)
7. PR & Communications 101 Breakfast Briefing | Real Communications (6 attendees)

ENC ran one networking function at Lacebark Function Centre with a total of 109 attendees. This event was fully sponsored by Waimakariri District Council.

Business supported this period:

- 16 newly started businesses assisted
 - 26 growing businesses assisted
 - 41 mature businesses assisted
 - 11 declining businesses assisted
 - 30 people assisted in developing or scoping a potential business
 - 59 signups to our free online business startup course
- **Facebook:** Page likes have increased by 142 during this period (from 2,034 now at 2,176) and up by 10.96% compared to last year.
 - **Website Sessions:**
 - Website Visits were up 11.64% compared to last year (26,220 this year vs 23,487 last year)

- Website Users were up 19.90% compared to last year (21,343 vs 17,801)
- Website Pageviews were up 3.05% compared to last year (49,245 vs 47,787)
- **Newsletters:** 8 sent this period (5 monthly newsletters, two Covid-19 updates and one Business Awards announcement).
- 21 business relevant stories were published online and/or sent to local media this period.

Objective 1.2 Celebrate and recognise business leaders in the region

ENC would personally like to thank the 62 businesses entrants (record number); the three voluntary judges and the category and major sponsor of the 2021 North Canterbury Business Awards.

The Awards and Gala dinner was postponed from September to November and then cancelled due to Covid, so instead we ran an online awards presentation. The 11 categories were presented over 3 days and we had an estimated average of 102 viewers for each presentation. We congratulate the Supreme Award Winner – Rangiora Vet Centre and other entrants, finalists and category winners. A lot of effort goes into entering the awards and we are grateful for such a good number of quality entries.

We intend to hold a smaller celebration on 17th February for all participants. We have also booked the MainPower Stadium for 15 September 2023 for the next gala (*now cancelled*).

13,217 votes were received for the People’s Choice Award which is the equivalent of 17% of the North Canterbury population.

We did a participants’ survey after the conclusion of the presentations which gave an 89% satisfaction rating.

Objective 1.3 Assist Hurunui Town Development

Target: ENC assists and supports town initiatives as agreed

- ENC is assisting investigating a new Green Energy Value Add Economic Hub for North Canterbury. This has involved securing financial and management interest from power companies (the green energy aspect will lead this and be the point of difference).
- Establishing a Project Governance Group including TransWaste, MainPower, HDC, Ngai Tahu Farming and Hiringa Energy and contributing either in kind or funding of a business case. This will be led by Leftfield Consulting
- Assisting in identifying a specific location for the hub that meets the needs of consent, infrastructure, water etc
- Identifying anchor tenants
- Discussions with EECA, NZ Green Investment Fund and Kanoa.

STRATEGIC OBJECTIVE TWO - ATTRACT AND INSPIRE BUSINESSES, TE RŪNANGA O NGĀI TAHU AND GOVERNMENT TO INVEST IN OUR REGION

Objective 2.1 Develop a North Canterbury Cycle Trail – Wheels to Waipara

- ENC continues to pursue this project. Currently awaiting results of a funding application to Rata Foundation.
- ENC and Hurunui Tourism worked with Great Scott PR/Marketing to develop an easy to read sell document/presentation that can be used when talking to funders and Council meetings.
- ChristchurchNZ have offered their support as well as the current steering committee members (ECAN, TKoT, WDC, HDC, Hurunui Tourism and Visit Waimakariri. We hope to see progress in the coming six months.

Objective 2.2 Stimulate the North Canterbury Food and Beverage Sector to achieve greater collaboration

- 63 members have signed up, with \$9,450 membership income generated plus \$5,000 from SideKick Rangiora as major sponsor. We have also secured 3 contra/in-kind sponsors who are contributing goods and services up to the value of \$1000.
- This revenue goes back into the MADE NORTH CANTERBURY project budget to be spent on creating new opportunities, to pay for advertising and marketing collateral.
- To promote the local members products we assisted Canterbury Nuts (one of our members) to prepare and sell MADE NORTH CANTERBURY Goodies Box. 82 boxes were sold with 100 being made up in advance. The remainder will be for sale throughout the year.
- In the past six months the website directory and businesses listed therein have had 4,991 pageviews.
- Our Facebook followers have increased 154% in the past year, now sitting at 3,601
- MADE NORTH CANTERBURY, the provenance story, appeared in the news media twice in the past six months.
- MADE members have appeared in the news media 6 times in the past six months via press releases/articles compiled by MADE.
- Percival Street Bakery and Urban Revival have retained their own branded MADE NORTH CANTERBURY retail areas, selling locally made products.
- The inaugural MADE NORTH CANTERBURY Taste Trail was launched and was set to take place in February 2022. This event is designed to bring awareness to the breadth of producers in our region whilst giving attendees the opportunity to explore our area, taste what's on offer and meet the makers. However, due to red light setting the event was postponed until 2023. Funding was largely contributed by Hurunui Tourism. We thank Brew Moon, Grown, Greystone, Georges Road Winery, Harris Meats at Better Half Kitchen and Bar and Washcreek Farm for agreeing to provide tours, demonstrations and tastings to kick start this new one day event.
- The MADE NORTH CANTERBURY brand has been officially trademarked and is free to used by members – this has been taken up by Harris Meats (on all their packaging), Kings Truffle Butter, Abbey's Homemade range, Milly's fudge range; Three Llamas coffee; Mountain View Produce strawberries; Canterbury Nuts; Mylk.Made

STRATEGIC OBJECTIVE 3 - PROMOTE WAIMAKARIRI DISTRICT

A full report for the six month period, on this contract, is provided separately to the Waimakariri District Council. However key highlights include:

- Assisted the successful establishment of 14 other businesses in the district
- 30 other potential or actual startups assisted
- 61 registrations to the online business startup course
- Created and updated resource, information and data pages on our website.
- WHoW Trust set up an inflatable Kaikanui Aqualand on Courtney Lake with support from ENC
- New branding and website for Visit Waimakariri launched in October
- A marketing strategy was written and delivered:
 - Advertisement in RV Magazines (walk and cycle section), AA regions (walking, cycling section). Star media in 3 Christchurch suburban newspapers, Back of the Christchurch to Waimakariri bus and Radio adverts Media Works (Breeze and Magic).
 - Four campaigns developed and two this period rolled out.
- New Official Visitor Guide, which incorporates the walking and cycling guide, has been coordinated and 25,000 to be printed. We had an uptake of 40 advertisers and received a grant from Kiwi Gaming Company for \$3,000
- Kaiapoi i-SITE sales down 40% on same period last year and visitor numbers down 44%.

- \$18,400 was awarded to 8 events from the WDC Event Funding which ENC administers
- \$6,000 was awarded to 1 event from the MBIE Regional Event Fund (ENC is still holding funds for major events for the future, capability building and an events strategy for the district)

5. Management Reporting over this period:

5.1 Manage the ENC Business Centre

- ENC remains grateful for the generous support of MainPower, our Corporate Sponsor (\$30,000); BDO, Spark Business Canterbury (\$10,500) and The Mark (inkind) our three Silver Sponsors; and 9 Bronze Sponsors being Meridian, Hellers, PLC Group, Hazeldine Construction; Brannigans, Ray White Morris & Co, Misco Joinery, Ravenswood, The Learning Staircase and The Mark (inkind) (\$27,000) *a total sponsorship of \$67,500.*
- We lost Sky Tech NZ as a bronze sponsor during this period (they sold their business) and Brannigans upgraded from being an ENC Business Service Partner to being a bronze sponsor.
- We held two business centre sponsor networking functions with board and staff (July and November 2021) at the business centre.

	Full Year Budget	Actual YTD	% Budget Delivered YTD
Room Hire	\$11,215	\$4,757	42%

5.2 Undertake analysis of regional employment opportunities and trends

The six monthly business opinion survey was sent to 137 businesses with 63 completing the survey. Results were circulated to participants, the ENC board and newspapers.

In November ENC staff interviewed 35 large businesses to assess critical issues facing large businesses: The three top issues were:

- Lack of adequate staff, skilled and unskilled – 57% of respondents have roles they are actively seeking to fill.
- General uncertainty – 61% of respondents reported this as a major issue
- Growing input costs – 84% of respondents raising prices to counteract increase in costs, sick leave and minimum wage changes

5.3 Health and Safety Assessment for risk of transmission of COVID-19 at ENC premises

In November, health and safety specialist Kate Sutcliffe, carried out an independent risk assessment of each role within ENC for exposure of transmission for COVID-19. Every role was considered high risk so a decision was made to make ENC Business Centre/ Kaiapoi i-SITE a vaccine passport location/venue.

5.4 A new brand for ENC

After 15 years using the same logo and branding, ENC contracted The Mark, Rangiora, to design a new logo, byline, typeface, colours and brand. This will be incorporated into ENC's EDM newsletters, campaigns, social media tiles, brochures, collateral (Business Opinion Surveys, Annual Reports etc) and our building (both internal and external). We are also in the process of applying the new brand to the new website as well.

5.5 ENC Staffing

- Lucy Harvey, District promotion and events administrator, has been on one year's maternity leave (April 2021 to April 2022).
- Khloe Peck commenced a one year contract to cover Lucy's maternity leave, however she resigned in November to take up a permanent position with Orana Park.
- Alissa Wilson, MADE NORTH CANTERBURY food and beverage business development Manager, commenced six months maternity leave mid October 2021. Amelia Norman has taken a six month contract with ENC to fill this position while Alissa is on leave.
- Gwen Creek, Kaiapoi i-SITE Manager left her employment at ENC after 16 years in the job. The board and management want to thank Gwen for her local knowledge and welcoming nature to all visitors and locals alike to the centre.

6. Financial Performance

The Profit and Loss Account contained in **Appendix 1** shows performance for the first 6 months of the year.

7. Sponsorship

ENC is grateful to existing sponsors: MainPower, BDO, Spark, The Mark, PLC Group, Hellers, Meridian, Ray White Rangiora, Misco Joinery, Hazeldine Construction, Ravenswood, Learning Staircase and Brannigans; Sidekick Accounting Rangiora.

8. Governance

- The annual Board Register of Interest was updated in July 2021.
- A board and staff strategy session was held on the 28th of July 2021.
- At the September board meeting a newly drafted ENC Reserve Policy was approved and adopted.
- Holly Sterne, was re-elected Chair of ENC in September 2021 but indicated she would be standing down in February 2022 as Chair
- ENC Trustees review the ENC Risk Register at each board meeting now
- The two Councils' appointed two new ENC Trustees Grant Edmundson and James Flanagan in November 2021. These are voluntary roles. We thank Grant and James and all other Trustees for committing their time and energy to ENC.
- AuditNZ advised they would not be in a position to audit ENC's annual accounts until first quarter 2022 due to shortage of staff.
- ENC management presented their unaudited annual report in person to the WDC Audit and Risk Committee in November 2021.
- ENC's lease at 143 Williams Street, Kaiapoi was renewed for a further three years commencing 15 December 2021 to 2024.

Heather Warwick,
ENC Chief Executive

Appendix 1

Enterprise North Canterbury 83 Ivory Street P O Box 436 Rangiora 7440							
Profit & Loss [Budget Analysis] By Income and Expenditure Actuals July 2021 through to December 2021							
	Period Actual	Period Budget	\$ Difference	Favourable/U nfavourable	Annual Budget	Revised Annual Forecast	%age Forecast used
Income							
NCBA Awards Income	\$51,800	\$144,595	(\$92,795)	U	\$144,595	\$51,800	100.00%
Biz Training Income	\$15,552	\$32,455	(\$16,903)	U	\$62,410	\$34,801	44.69%
Regional Business Partner Income	\$27,899	\$27,899	\$0	-	\$55,799	\$55,799	50.00%
Other Town Support Income	\$38,000	\$0	\$38,000	F	\$0	\$38,000	100.00%
Biz Attraction Income	\$59,377	\$64,350	(\$4,973)	U	\$128,700	\$128,700	46.14%
Event Income	\$38,087	\$39,674	(\$1,587)	U	\$79,350	\$79,350	48.00%
Kaiapoi VIC Income	\$41,524	\$41,614	(\$90)	U	\$83,228	\$83,228	49.89%
Kaiapoi Isite Commission Received	\$6,489	\$10,907	(\$4,418)	U	\$21,815	\$13,616	47.66%
Visit Waimak Income	\$122,349	\$135,221	(\$12,872)	U	\$258,442	\$258,442	47.34%
Business Startup Income	\$0	\$12,399	(\$12,399)	U	\$24,800	\$24,800	0.00%
Food and Beverage Income	\$67,314	\$60,000	\$7,314	F	\$120,000	\$107,452	62.65%
Regional Event Fund	\$0	\$6,000	(\$6,000)	U	\$70,465	\$70,465	0.00%
Business Centre	\$42,467	\$42,357	\$110	F	\$84,715	\$84,715	50.13%
Management -Admin Income	\$139,291	\$137,300	\$1,991	F	\$274,600	\$274,600	50.73%
Total Income	\$650,149	\$754,771	(\$104,622)	U	\$1,408,919	\$1,305,768	
Expenses							
NC Business Awards Expenses	\$34,964	\$144,221	(\$109,257)	F	\$144,221	\$34,964	100.00%
Biz Training Expenses	\$20,251	\$32,462	(\$12,211)	F	\$63,025	\$53,315	37.98%
Regional Business Partner Expenses	\$57,755	\$53,081	\$4,674	U	\$106,163	\$106,163	54.40%
Other Town Support Expenses	\$3,613	\$4,199	(\$586)	F	\$8,398	\$46,398	7.79%
Biz Attraction Expenses	\$54,933	\$53,905	\$1,028	U	\$129,011	\$129,011	42.58%
Events Expenses	\$23,071	\$39,682	(\$16,611)	F	\$79,366	\$79,366	29.07%
KVIC Expenses	\$50,631	\$52,971	(\$2,340)	F	\$105,144	\$96,945	52.23%
Visit Waimakariri Expenses	\$122,085	\$129,205	(\$7,120)	F	\$258,412	\$258,412	47.24%
Business Startup Expense	\$0	\$0	\$0	-	\$0	\$0	#DIV/0!
Food And Beverage Expense	\$67,314	\$54,726	\$12,588	U	\$107,452	\$107,452	62.65%
Regional Event Fund	\$0	\$6,721	(\$6,721)	F	\$70,465	\$70,465	0.00%
Business Centre	\$43,703	\$42,608	\$1,095	U	\$85,216	\$85,216	51.28%
Management Admin Expenses	\$118,098	\$111,312	\$6,786	U	\$222,622	\$222,622	53.05%
Total Expenses	\$596,418	\$725,093	(\$128,675)	F	\$1,379,499	\$1,290,329	
Operating Profit	\$53,731	\$29,678	\$24,053	F	\$29,424	\$15,439	
Other Income							
Interest Income	\$3,499	\$2,000	\$1,499	F	\$4,000	\$4,000	87.46%
Total Other Income	\$3,499	\$2,000	\$1,499	F	\$4,000	\$4,000	
Other Expenses							
Total Other Expenses	\$0	\$0	\$0	-	\$0	\$0	
Net Profit / (Loss)	\$57,230	\$31,678	\$25,552	F	\$33,424	\$19,439	