

Notice of Meeting:

I hereby give notice that an ordinary meeting of the Dunedin City Council will be held on:

Date: Thursday 29 January 2026
Time: 9:00 a.m.
Venue: Council Chamber, Dunedin Public Art Gallery, the Octagon, Dunedin

Sandy Graham
Chief Executive Officer

Council
SUPPLEMENTARY AGENDA

MEMBERSHIP**Mayor
Deputy Mayor**

Mayor Sophie Barker
Cr Cherry Lucas

Members

Cr John Chambers	Cr Christine Garey
Cr Doug Hall	Cr Marie Laufiso
Cr Russell Lund	Cr Mandy Mayhem
Cr Benedict Ong	Cr Andrew Simms
Cr Mickey Treadwell	Cr Lee Vandervis
Cr Steve Walker	Cr Brent Weatherall

Senior Officer

Sandy Graham, Chief Executive

Governance Support Officer

Lynne Adamson

Lynne Adamson
Governance Support Officer

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Note: Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

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REPORTS

ENTERPRISE DUNEDIN REVIEW

Department: Executive Leadership Team

EXECUTIVE SUMMARY

- 1 The report's purpose is to inform Council deliberations on Enterprise Dunedin's future governance. It draws on operational data, portfolio-specific impact assessments, benchmarking of other New Zealand economic development agencies, and lessons learned from similar governance changes in Auckland, Wellington, Christchurch, and other regions.
- 2 This report evaluates two governance options for Enterprise Dunedin – the Council's economic development agency – as directed by council resolution on 12 August 2025. The options compared are:
 - a) **Council-Controlled Organisation (CCO):** Create an arm's-length entity owned by Council, governed by an independent board and advised by a stakeholder group.
 - b) **Enhanced In-House Model:** Retain Enterprise Dunedin as an internal unit of the Council, with some functions refined or redistributed within Council.
- 3 Each model offers distinct advantages and drawbacks which are outlined in the report under the five headings listed below:
 - Governance and Accountability
 - Strategic Alignment
 - Operational Flexibility
 - Financial Consideration
 - Risk and Transition
- 4 Local government in New Zealand is entering a period of significant structural and financial change. Central government has signalled reforms intended to improve council financial sustainability, constrain rates growth, and strengthen value-for-money expectations. Measures under discussion include potential rates capping, increased scrutiny of council-controlled activities, and stronger incentives for shared services or regional-scale delivery. At the same time, councils face rising costs, constrained revenue growth, and increasing expectations to clearly demonstrate outcomes and prioritisation.
- 5 This reform environment coincides with several strategic realities for Dunedin. The city does not currently have an agreed, contemporary city-wide vision that clearly articulates long-term priorities for growth, investment, and place-making. In addition, Dunedin's Economic Development Strategy (2013–2023) has reached the end of its intended timeframe and has not

yet been replaced. As a result, economic development and destination management activities are being delivered without a refreshed, consolidated strategic framework that reflects current economic conditions, fiscal constraints, or community priorities.

- 6 The potential introduction of a rates capping regime further reinforces the importance of clarity about priorities. Under more constrained funding settings, Council will need to make explicit choices about where investment will deliver the greatest public value. This creates an opportunity to engage the community, mana whenua, and stakeholders in a broader conversation about Dunedin's future direction and the role economic development and destination management should play in achieving it.
- 7 Within this context, Council is considering the future governance of Enterprise Dunedin, which delivers the Council's economic development and destination management functions. These functions play a critical role in supporting business growth, investment attraction, destination marketing, events, international education, and sector development. There is clear stakeholder interest in ensuring these activities are delivered in a way that is agile, effective, and well connected to external partners.
- 8 In addition to these two options and noting the evolving local government reform and funding context, a further potential approach has emerged during the course of this work. This approach would involve leveraging the existing Council-Controlled Organisation, Dunedin Venues Management Limited (DVML), to support selected functions with strong alignment to destination management and visitor attraction, particularly major events and aspects of destination management delivery. Consideration would also be required as to whether some economic development functions could be appropriately integrated within such a model with the appropriate amendment of this entity and its overall purpose.
- 9 This potential approach is not a formal option assessed or recommended in this report. It has emerged in response to the current strategic and fiscal environment, particularly the prospect of a rates capping regime and increased scrutiny on the costs associated with establishing and operating new entities. Using an existing CCO structure may offer a more cost-effective pathway to achieving aspects of Council's intent, by avoiding establishment costs and consolidating functions that are closely connected through visitor attraction, place experience, and the Dunedin brand.
- 10 The identification of this potential approach reflects the broader theme of this report: that governance decisions should give effect to Council's intent to strengthen economic development and destination management outcomes, while remaining proportionate, adaptable, and responsive to changing circumstances. Any future consideration of this approach would require further analysis to assess strategic fit, functional alignment, governance implications, and impacts on accountability, capability, and outcomes.
- 11 In this context, the decision on Enterprise Dunedin's future governance is not solely an organisational choice, but a strategic one. It requires Council to balance the desire for change with the need to ensure alignment with a refreshed city vision, community priorities in a constrained funding environment, and potential future regional arrangements. This report provides Council with an understanding of the implications of the two formally assessed options, while also acknowledging emerging considerations that may inform subsequent phases of decision-making.

RECOMMENDATIONS

That the Council:

- a) **Considers** the options presented for the future delivery of Enterprise Dunedin.

BACKGROUND

- 12 Enterprise Dunedin was established as an internal unit of the DCC in 2014 to consolidate the city's economic development, tourism promotion, and related functions under one umbrella and due to a desire, at the time, to bring Council marketing and external tourism marketing functions together to improve marketing functions for the city. Over time, questions have been raised about whether the internal unit arrangement delivers maximum effectiveness.
- 13 In 2025, an external review was commissioned by Council to examine alternative models ("My Governance Review", attached in Attachment 1). That review proposed several options – ranging from minor tweaks to a full transition to an external agency – based on a need for greater agility and partnership-building in delivering economic development.
- 14 On 12 August 2025 Council passed a resolution to formally evaluate two primary options (enhanced in-house vs. CCO) and compare their implications

Moved (Mayor Jules Radich/Cr Andrew Whiley):

That the Council:

- a) **Notes** the MyGovernance Review Report into Enterprise Dunedin;
- b) **Requests** staff develop an impact assessment and business cases for the following two options:
 - i. A CCO with a standalone advisory Group (option 5 from MyGovernance);
 - ii. An enhanced status quo option including possible internal redistribution across the Council Group (Option 2 from MyGovernance).
- c) **Notes** that the report on the impact assessments and business cases for the two options will be presented to a Council meeting on or before December 2025.
- d) **Engages** with the Grow Dunedin Partnership as part of the business case process.

Division

The Council voted by division

For: Crs Bill Acklin, Sophie Barker, David Benson-Pope, Christine Garey, Kevin Gilbert, Carmen Houlahan, Marie Laufiso, Cherry Lucas, Mandy Mayhem, Jim O'Malley, Lee Vandervis, Steve Walker, Brent Weatherall, Andrew Whiley and Mayor Jules Radich (15).

Against: Nil

Abstained: Nil

The division was declared CARRIED by 15 votes to 0

Motion carried (CNL/2025/206)

- 15 The assessment of the two options has involved several components:

- a) **Research:** Drew on analysis in previous reviews and stocktakes of Enterprise Dunedin from 2018, 2020 and 2025 and reviews of economic development arrangements in other regions.
- b) **Portfolio Impact Assessments:** Detailed analyses were prepared for each ED portfolio, outlining what the portfolio does, its dependencies (both within Council and with external partners), and how each governance option might affect its delivery.
- c) **Benchmarking:** Governance arrangements for economic development in other New Zealand cities and regions were studied – including for the main centres of Auckland (Tataki Auckland Unlimited, Christchurch (ChristchurchNZ) and Wellington (WellingtonNZ), and other comparable models. Their experiences (both positive outcomes and challenges) provide insight into what might happen if Dunedin shifts to an arm’s-length model, or by staying in-house.

DISCUSSION

16 Enterprise Dunedin’s mission is to drive economic growth and diversification for Ōtepoti Dunedin. The table below summarises ED’s main delivery portfolios, their core purpose, and key dependencies (further details are provided in ‘What we do’ in Attachment 2):

Portfolio	Purpose	Key Dependencies / Partners
Economic Development	Support business growth, sector development, and investment facilitation.	Relies on alignment with Council city development, corporate policy, Māori partnerships, communications and marketing, community development, procurement, and waste and environmental teams. Relies on long-term partnerships with mana whenua, tertiary sector, central government, investors, and local business networks and groups.
Destination Management (destination marketing, including trade tourism, and events)	Promote Dunedin as a visitor destination and support business events, major events and community events that enhance the city's profile	Depends on collaboration with Dunedin Venues, and Council marketing, communications and digital teams. Works closely with tourism operators, event organisers, Tourism NZ, Cruise industry, regional partners and national events network.
Study Dunedin	Attract and support international students.	Works with Council's Māori Partnerships team and external partners such as the University of Otago, Secondary Schools, Education NZ, and national education associations.
Film Dunedin	Position Dunedin as a screen production hub.	Requires efficient Council permitting processes through alignment with city development, transport, parks and property teams, and partnerships with the film industry and other regional film offices.
Good Food Dunedin	Advance sustainable food systems and the local food economy.	Works with several Council teams including environmental health, planning, zero carbon, property, community partnerships, and parks and recreation. Has external relationships with Otago Regional Economic Development, food producers and growers, entrepreneurs, and organic and sustainability networks.
Project China	Maintain sister-city relationship with Shanghai for trade and cultural links.	Depends on support from Council leadership and civic relationships team. Requires partnerships with education and research institutions, central government agencies, the Chinese community in Dunedin.

Portfolio	Purpose	Key Dependencies / Partners
isite Dunedin Visitor Information Centre	Delivers visitor information, local business promotion and events support.	Works with external partners, including Tourism NZ, isite New Zealand, Cruise industry, local tourism and hospitality operators, Department of Conservation, and events and education partners.

- 17 Enterprise Dunedin currently operates within DCC's Arts, Culture and Economic Development Group. The Manager of Enterprise Dunedin reports to a General Manager (and ultimately through the Chief Executive to Council). Being part of Council means ED leverages shared services (finance, HR, IT), and its staff are Council employees.
- 18 For the 2025/26 financial year, Enterprise Dunedin has an operating budget of approximately NZ\$11.7 million. Attachment 3 provides a summary budget and current staff number information. (Noting that \$4.350m is allocated for grants administered by the unit e.g. DVML Event Attraction Fund, CODE, Start Up Dunedin funding etc.) so is not part of the unit's operational budget. A material portion of the non-staff budget goes into destination management, marketing and promotions. There is limited discretionary funding for large new projects or investment attraction initiatives (Enterprise Dunedin must seek external grants or one-off Council approvals for those).
- 19 Enterprise Dunedin's expenditure is comparable to other economic development agencies in New Zealand. Setting aside expenditure on events and isites (as not all EDAs deliver these services), economic development and destination marketing spend per capita and as a proportion of Council total income lies in the middle of other relevant EDAs. Similarly, the proportion of personnel costs to total expenditure is around the middle of other relevant EDAs.
- 20 Enterprise Dunedin has around 35 FTE staff (breakdown shown in attachment 3), covering management, advisors for each portfolio, marketing specialists, and support staff. Staff wear multiple hats – for example, a single advisor might handle both business support and investment inquiries.
- 21 The large majority of Enterprise Dunedin's funding comes from DCC general rates (94% in 2024/25). Aside from specific event sponsorships, the occasional central government grant for a project, and modest income from things like iSite merchandise or conference fees, there are few outside income streams. Council's budget capacity and competing priorities can be a limiting factor in embarking on new initiatives or to scale successful programmes. In practice, Enterprise Dunedin often must "do more with less" or find creative ways to extend its reach. Core council funding for the unit is a relatively high proportion of total funding compared to other EDAs in New Zealand (this typically ranges from 50% to 85%).
- 22 Several structural and operational constraints have been identified in Enterprise Dunedin's current state (based on the 2025 review by My Governance and an earlier 2020 stocktake and 2018 review) as follows:
 - a) **Structural and governance limitations:** Roles between the Council, ED, and external partners overlap or lack clarity. There isn't a strong, independent board ensuring a commercial focus or holding the unit to account on outcomes. The intended skills-based advisory board (Grow Dunedin Partnership) never reached its potential – a clear mandate, recommended in 2018, was not implemented.

- b) **Strategic focus and planning gaps:** The city's Economic Development Strategy (2013–23) is overdue for a refresh. Enterprise Dunedin has been operating without an up-to-date, consolidated strategy or implementation plan, weakening focus.
- c) **Operational constraints:** It is perceived that as an internal Council unit, operates within Council processes impacts on agility. Examples given included slow hiring and procurement processes, and risk-averse decision-making that limits nimbleness in responding to opportunities.
- d) **Stakeholder engagement and credibility issues:** External stakeholders (especially in the business and tourism sectors) perceive shortcomings in how Enterprise Dunedin engages and represents them. The 2025 My Governance review found many partners desire a more independent and responsive entity. Feedback indicated that there is an unclear "voice" for industry input, and a sense that being part of Council blunts its credibility and visibility in the private sector.
- e) **Resource constraints:** Stakeholders have noted that important opportunities (for example, major event bids or investment proposals) sometimes cannot be fully pursued due to limited capacity or the need to juggle multiple roles. In effect, the current in-house model has not unlocked significant new funding streams and relies on ratepayer funding.

OPTIONS

- 23 This section examines the two main governance models in detail. It describes how each model would function, list its pros and cons, and consider mitigations for key risks.

Option One – Council-Controlled Organisation (CCO with Independent Board)

- 24 This option is option 5 from the My Governance report which was their recommended option to establish Enterprise Dunedin as a Council Controlled Organisation. The key points noted in their report for this option were:

- a) Independent commercial board (composition based on competency and experience)
- b) A stakeholder council provides a forum for the Board, CEO and staff to engage directly with those aligned to the economic development strategy
- c) Council to still engage directly with key stakeholders and maintain authority over the CCO

The assumptions with this option were no job losses, staff to transition to the new entity and a similar budget allocation as current.

- 25 Establishing Enterprise Dunedin as a CCO would initially be the quickest way to shift stakeholder perception and creating a reset for the operation. Appointing a board and advisory council could create the opportunity to strengthen ties back to stakeholders. Feedback gathered during My Governance's review did suggest an external agency would be more likely to be supported. This may be a reflection of perceived leadership and governance issues.
- 26 This option reduces council's direct influence across this function. Strategy for the unit would be directed and owned by the Board. Delivery and relationship with council managed through the letter of expectation/statement of intent process. Understanding this, the roles of council and

the Stakeholder Advisory Council would need to be clearly set out to avoid overlap and ensure alignment of purpose.

- 27 The budget assumption from the My Governance report indicated an allocation similar to existing. Whilst placing this operation under a commercial board structure may lead to a better more targeted governance structure it is unlikely this would come without additional cost. A paid board, executive salary expectations and establishing support functions (should the decision be taken to create a completely stand-alone entity) would add to existing cost structure.

Advantages

- **Agility and flexibility:** Commercial board and clear processes may create faster decision making, sign off and agility of process. CCO would have the ability to refine processes to suit its operation rather than be part of the larger council institution.
- **Enhanced partnership potential and fund-raising ability:** Some stakeholders, including private investors and central government agencies, prefer dealing with a dedicated entity, with separation from politics. This can include sponsorship deals, charging for certain services, securing government grants, or even leveraging assets (if it manages venues or property for economic purposes). The CCO could also more easily joint venture with other regions' agencies or the private sector for projects. The net effect could be a larger resource pool for ED activities than relying on rates alone. Based on analysis of existing EDAs across New Zealand this should be viewed as supplementary rather than a replacement for rates.
- **Credibility and perception:** Based on feedback gathered by the My Governance review establishing a CCO is likely to shift industry perception and generate stakeholder buy-in - many businesses indicated they would perceive an independent ED entity as more credible and focused.
- **Specialist governance and innovation:** Establishment of a commercial board creates the opportunity to appoint subject matter experts and specialists. This could push the organisation towards innovative practices and provide industry connections and mentorship to the operation. This high-level guidance and networking could enhance the unit's effectiveness.

Disadvantages

- **Disconnect from Council:** a CCO could create distance from other council departments and processes. Current informal interactions and direct influence may not be replicated and service level agreements likely to be set up to govern interactions may not be as effective as the current direct interactions.
- **Setup costs:** Creating a CCO involves a range of tasks and associated costs: registering a company or trust, developing a constitution or trust deed, preparing SOI, transferring and recruiting staff (and associated costs), appointing a board, setting up new IT and financial systems (even if using Council's systems under contract, some separation is needed), designing a brand, establishing a separate website and communications channels, etc. These costs would either need to be absorbed by Council or by the new entity's budget.
- **Other transition costs:** It will likely take at least 12 months from decision to get the CCO operational, during which time staff may be distracted by transition work. It is also

possible that the development of a new organisation will result in a loss of expertise and networks from ED (some staff might opt to leave rather than move to the new entity). It may also result in disruption to existing economic development activities. If the focus drifts to the reorganisation itself, ongoing projects could suffer. If there are changes in staff, it will take time for the new CCO to build up the capability to deliver some services at least as effectively and efficiently as the ED unit. The experience of EDAs in New Zealand is that it takes at least three years to get a new EDA up to full and effective operation.

- **Need for formal oversight mechanisms:** Council will have to govern through more layers. Ensuring alignment with Council priorities will rely on governance documents and periodic discussions, rather than daily control. There will be upfront work to draft a robust Letter of Expectation and SOI each year with clear targets, and possibly additional agreements on how the CCO and Council will work together (communication protocols, emergency management, use of the city brand). If these aren't done well, the CCO could either become too constrained (defeating the purpose of independence) or too autonomous (leading to misalignment or duplication of effort).
- **Additional operating costs:** The CCO may need its own corporate services (for example, for finance, HR, audits). While some of these could be used from Council via a support services agreement, that would involve paying Council for those services (less directly than currently). Even if the CCO remains operating within the Council building and uses Council systems, there is the potential increase in overhead. In addition, there will be new director fees associated with the Board of the CCO.

Risks and risk mitigations

- **Sustainability and Alignment:** Experience from other New Zealand economic development CCOs shows that maintaining strong alignment with Council priorities requires deliberate governance and engagement structures. Over time, activities can diverge from Council objectives if oversight mechanisms are not actively maintained. This can include perceptions that successes are not sufficiently attributed to Council investment, which may prompt reviews or adjustments to arrangements. Clear mandates, measurable KPIs, and regular engagement between the CCO and Council are key to ensuring alignment and managing reputational risk.
- **Financial Considerations:** Establishing a new CCO involves both setup costs and ongoing operational funding requirements. Standalone economic development CCOs in New Zealand, such as ChristchurchNZ and Great South, typically rely on a combination of Council funding, government grants, and some commercial or sponsorship revenue. In practice, Council contributions remain the majority of funding, often exceeding 70–80% of total budgets, while private revenue streams (sponsorships, venue hire, event revenue) contribute a smaller but strategic portion. A key assumption for a new CCO — that it will generate substantial external revenue — may not be fully realised initially, particularly if economic conditions are challenging. Multi-year funding agreements and clearly defined revenue expectations are important to support financial stability. The prospect of rates capping further complicates Council's ability to sustain funding, making realistic assumptions about revenue generation is critical in planning the entity's scope and operations.
- **Stakeholder Communication:** Transitioning functions from Council to a CCO can create temporary uncertainty among stakeholders. A structured communication strategy,

ongoing engagement forums, and transparent reporting are essential to maintain clarity and confidence.

- **Governance Structure:** The introduction of a CCO Board alongside any stakeholder advisory group requires clarity of roles. Advisory groups in other regions typically provide input on strategic initiatives rather than operational oversight. Clear terms of reference and alignment with strategic projects, such as a refreshed economic development strategy, are necessary to prevent confusion or duplication.
- **Scope and Focus:** Experience from other regions indicates that external agencies can expand their activities beyond their initial remit. To maintain focus and avoid duplication with Council or other entities, the CCO's scope should be clearly defined at establishment, with governance oversight mechanisms to monitor adherence.
- **Emergent Contextual Option – Leveraging DVML:** As an alternative to establishing a new CCO, the existing CCO DVML could potentially integrate functions currently undertaken by Enterprise Dunedin, particularly in destination management and major events. Consideration would be required as to whether additional economic development functions could be incorporated. This option may provide efficiencies by utilising existing structures, responding to stakeholder demand for change, and mitigating transition risks. It has emerged in response to contextual changes, including the potential for rates capping, and is not a formal recommendation at this stage.

- 28 If a CCO is pursued, establishment should be accompanied by a clearly defined purpose, governance and oversight mechanisms, active stakeholder engagement, and realistic financial and operational expectations.

Option Two – Enhanced In-House Model

- 29 Under this option, Enterprise Dunedin remains an internal unit of DCC, but with some internal reorganisation to address current shortcomings. Essentially, it is a “retain and improve” approach. The My Governance report suggested that Enterprise Dunedin would remain a function of Council and staff would continue as Council employees. However, certain functions would be redistributed or refocused. The idea is to eliminate any internal fragmentation. The assumptions with this approach were no jobs losses and a similar budget allocation.
- 30 **Reporting and accountability:** Enterprise Dunedin would continue reporting through Council's structure with updates on work programmes and outcomes. Annual plans and the Long-Term Plan would set budget and high-level objectives. Council's performance frameworks (for example, KPIs in the Annual Report) would include relevant measures. In short, the direct line of accountability to elected members remains, Councillors can interrogate performance directly, and any shortcomings are ultimately the responsibility of the DCC Chief Executive to address.
- 31 **Operational characteristics:** This model relies on integration. Under this model, the unit would continue to collaborate with other teams and groups – for instance, working with the Transport and City Development teams on CBD improvements that help businesses, or with the Environmental Health team on initiatives for green technology. The internal status ensures its voice is present in cross-department meetings.

Advantages

- **Continuity and stability:** This option avoids the disruption associated with setting up a new entity although if chosen there would need to ensure priorities (and/or work portfolios) are reset to drive improvement.
- **Internal leverage:** Enterprise Dunedin can leverage other parts of Council relatively easily. For example, the Council's legal team is available for legal or contract advice; the Council's information services can provide GIS data. In an external model, such support might be slower or need to be defined by contracts.
- **Maintaining Council economic capability:** Enterprise Dunedin currently provides the Council with internal economic expertise. Moving this outside of Council will reduce the Council's economic capability (for example, advising on business cases). Increasing internal economic capability was one of the reasons why Auckland Council recently brought the core economic development team from Tātaki Auckland Unlimited back into Council.
- **Lower Cost:** There will be no additional governance or overhead expenses. Ratepayers are not paying for a separate board or duplicate corporate services under this model. It also avoids transitional costs associated with staff redeployment or legal processes (like transferring contracts to a new entity), although there may be some minor transition costs if events and iSite staff are transferred to new Council units.
- **Direct accountability:** there is more direct accountability to Council and a better line of sight on the operations of ED and financial data with an internal unit.
- **Council industry and national relationships:** if implemented effectively, including ensuring a revitalised Grow Dunedin Partnership, an internal unit can help build Council knowledge and relationships with industries and the business community and links to national economic development and tourism agencies. These relationships are arms-length with an external agency.

In summary, the enhanced status quo maximises collaboration with Council's operations and keeps accountability straightforward.

Disadvantages

- **Potential for slower decision making:** Remaining within Council could mean that Enterprise Dunedin faces some procedural delays, such as multiple levels of sign-off for a new marketing campaign, formal re-budgeting for mid-year changes, or longer timelines for hiring specialists or contractors. These processes are designed to ensure transparency, fairness, and accountability, but they can occasionally slow the pace of action.
- **Potential constraints on external funding:** For example, private sector or non-government sponsors may want to deal with an independent organisation or a central government agency may have a fund for which only an independent entity is eligible (ED as part of Council might not be).
- **External perceptions and relationships:** For stakeholders who view Council as bureaucratic or politically driven, ED may not escape that perception even if there is a desire and actions to improve business relationships. Some key stakeholders have indicated they may continue to disengage if they feel ED cannot deliver swiftly or isn't flexible.

- **Potential for lower effectiveness:** Although reallocation of functions may result in more focused attention on core economic development activity, the redistribution of ancillary activity may lessen the effectiveness of delivery and the resources available to do so. ED already has a strong, collaborative relationship with DVML and our teams currently work together on attraction/delivery of major events to the city. DVML's focus is attracting events for the venues that they manage. Allocating Major Events to DVML does create the potential for conflict between chasing events for the venue versus those for the city and dilutes the connection to city brand pillars and destination marketing. Similarly, DRL are a tourist operator. Assigning the iSite to this operation is contrary to the agnostic approach the operation currently takes to promote all tourist activity for the city.

Attachment 4 outlines a proposed portfolio approach for Enterprise Dunedin as an enhanced status quo to focus on improved delivery of the currently assigned functions. If the desired approach is to deliver this activity via an in-house unit, a better option is to group the activities as outlined to make best use of the resourcing and budget.

Risks and risk mitigations

- **Strategic drift:** While currently ED is aligned with Council's strategies, there's a risk that future political changes (new Councils with different priorities) could shift focus in ways that disrupt ED's long-term projects. In an external model, a board may be able to buffer political swings (though ultimately Council still sets funding).
- **Slower decision making:** With clear internal processes, delegated authority, and proactive planning, Council can maintain agility and responsiveness. Staff can still pursue innovative projects, particularly if Council supports risk-aware experimentation and fast-tracked approvals where appropriate. While there may be some limits compared with an external entity, careful design of internal processes can allow ED to remain competitive and responsive to emerging opportunities.
- **Operational Bottlenecks:** If Council-wide processes don't evolve, ED will continue to face bottlenecks. Under Council processes, taking advantage of immediate economic development opportunities in a timely manner can be difficult, which is a risk to achieving outcomes.
- **Funding:** Local government reform and potential rates capping could create challenges in funding the unit and delivery of activity.
- **Stakeholder frustration:** if stakeholders do not believe improvements within Council are possible and disengage, ED will lose touch with its key client base.

Ensuring that the benefits of being in-house are fully leveraged, while taking deliberate steps to address the drawbacks could include: internal service-level agreements to speed up processes (for example, for ED to get priority for procurement for vital projects); committing to additional stakeholder engagement and communication with regular stakeholder feedback about this; reinvigorating the Grow Dunedin Partnership, including quarterly meetings, to bring in more private sector guidance, and seeking Council approval for reallocation of resourcing to build capability in critical areas (like funding an investment facilitator position).

- 32 A summary of the comparison between the Status Quo and CCO models across key dimensions is provided in the table below:

Dimension	Enhanced In-house	CCO (Arm's-Length)
Governance and Accountability	Direct line to Council, internal reporting through Council committees and management structure. Councillors have immediate oversight.	Governed by independent board; Council oversight is mediated via Statement of Intent and shareholder meetings. Elected members less directly in control day-to-day.
Strategic Alignment	Largely automatic – ED is embedded in Council planning, so its work naturally aligns with Council strategies and policy.	Must be codified – alignment achieved through clear shareholder expectations, SOI targets and frequent communication to ensure CCO's plans reflect Council priorities.
Operational Efficiency	Uses shared Council services (finance, HR, IT), avoiding duplicate costs. However, flexibility is constrained by Council processes and hierarchy.	Has autonomy to set up fit-for-purpose processes, hire quickly, and pivot as needed. Gains flexibility but may have some duplicate administration costs and may need to establish its own systems.
Financial Profile	Funding is within Council's budget (rates-funded); more limited ability to earn outside revenue	Has a separate budget. Still primarily rate-funded via Council contract but can retain earnings and raise external funds (sponsorships, grants, loans) to supplement. Responsible for its own financial sustainability.
Risk	Low structural change risk: no disruption from reorganisation. Continues under Council risk frameworks. However, faces risk of limited improvements being made within existing structure. Perceived political interference in governance. Stakeholder perception of unit	Higher transition and establishment risk initially. Ongoing risk requires robust monitoring.
Stakeholder Engagement	Familiar interface – stakeholders know it's the Council they are dealing with. However, external stakeholders have indicated that they lack confidence in the ability of Enterprise Dunedin to achieve its potential within Council and could remain disengaged. Perception will be difficult to change. Internal stakeholders (staff, departments) readily collaborate.	Needs to build its own identity and relationships. Some external stakeholders might engage more due to perceived independence; internal collaboration with Council relies on MOUs and goodwill. Advisory group ensures structured input, but role needs to be clear and well managed.

- 33 Both options face the risk of being affected by the Government's ongoing local government reforms. Economic development will likely be a service under review, meaning changes implemented over the next 12–24 months could need adjustment, creating uncertainty and potential duplication of effort.
- 34 Part of this assessment was understanding how each governance option might affect the specific portfolios and services ED delivers. This is detailed in Attachment 5. In summation, ED functions can succeed under either model if they are well-resourced and focused. The CCO unlocks some

extra potential if alignment is maintained but risks reducing the effectiveness of functions that rely on core Council functions and the Council sanction.

- 35 These assessments have helped identify some portfolios or parts of portfolios that may be better retained in Council even if the CCO model is implemented (for example, community events, Film Dunedin and Project China). If a decision is made to move to the CCO model, further consideration of how these functions would be managed would be part of the planning and transition phases.
- 36 The critical consideration is that whichever model is chosen should be flexible and resilient, capable of aligning with a possible regional approach if required. Designing with this strategic context in mind will help ensure that any investment in ED structures delivers long-term value rather than being quickly superseded by reform.

NEXT STEPS

- 37 Both options are viable paths with the potential to deliver on Dunedin’s economic development goals, but each comes with distinct trade-offs:
 - a) The Enhanced In-House model preserves what is working (seamless integration into Council’s strategies and operations) and avoids disruption, but it will require sustained effort to overcome bureaucratic limitations and to build credibility with the private sector and other stakeholders. It is essentially an evolutionary approach. This model may be better in the short-term for continuity and while the Council responds to the local government reform process. However, there is a risk that some of the underlying issues (like agility and external perceptions) will persist unless truly addressed by Council through more extensive reforms and possibly greater investment.
 - b) The CCO model offers a bold change that could re-energise economic development efforts and unlock new resources and partnerships. It aligns with the general approach used in other regions. If implemented well, it could accelerate outcomes in areas like investment attraction, sector growth, and tourism recovery through greater agility. It comes with short-term costs and risks and requires robust governance to ensure it doesn’t lose alignment with Council and public interests. The transition would need to be carefully managed over 12–24 months to avoid loss of momentum.
- 38 Ultimately, the decision lies with Council’s prioritisation of what it wants out of Enterprise Dunedin. If the key concerns are maintaining direct control, minimising risk, and ensuring alignment with Council, the improved status quo option is a sound choice (with the caveat that continuous improvement, improved capability and improved engagement with the private sector must be delivered). If the Council, informed by stakeholder voices, values agility, external credibility, and potential growth in impact, and is willing to invest effort and resource in a transition, then setting up a CCO is a move that could yield significant benefits in the mid to long term.
- 39 One approach could be a phased strategy. For example, Council could decide to initially strengthen the in-house model (with some quick wins on process and stakeholder improvements), while laying groundwork for a future transition to a CCO if those improvements don’t yield the desired results or if external conditions favour it. Alternatively, Council could decide the time is right for a structural change now, given stakeholder appetite and the changing economic landscape and move to establish the CCO by, say, mid-2027 after necessary

consultation and planning. This would require allocating transition funding and focusing managerial effort on making this effective.

- 40 From a timing perspective, creating a CCO will invoke a Special Consultative Procedure under the LGA because it changes how a significant activity is delivered. This could be done as part of the 2027–37 Long-Term Plan process. Alternatively, a decision to remain in-house with changes can be implemented by Council resolution without external consultation (assuming no significant change in levels of service).
- 41 Whichever path is selected, change management and communication will be key. If Council decides for a CCO, a detailed implementation roadmap should be followed (a summary approach is attached in Attachment 6). If Council decides to keep ED in-house, it should still develop and commit to an implementation plan and announce how ED will be ‘revamped’, so stakeholders understand that their feedback has been heard and things will improve.

Signatories

Author:	Mike Costelloe - General Manager, Arts, Culture & Economic Development
Authoriser:	Sandy Graham - Chief Executive

Attachments

	Title	Page
↗A	MyGovernance Report	20
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↗D	Proposed Portfolios	84
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SUMMARY OF CONSIDERATIONS

Fit with purpose of Local Government

This decision enables democratic local decision making and action by, and on behalf of communities. This decision promotes primarily the economic well-being of communities and contribute to the other three wellbeings.

Fit with strategic framework

	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Arts and Culture Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✓
Future Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✓
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	✓
Parks and Recreation Strategy	✓	<input type="checkbox"/>	✓
Other strategic projects/policies/plans	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The key strategy is the Economic Development Strategy which contributes to all four wellbeing strategies.

Māori Impact Statement

Mana whenua are a partner and have been engaged as part of the review process with stakeholders. Te Taki Haruru as a strategic framework guiding Council will be considered as part of the process.

Sustainability

No implications.

LTP/Annual Plan / Financial Strategy /Infrastructure Strategy

Budget and levels of services may be impacted by Council decision.

Financial considerations

The financial implications will be determined by the decision made. Overall impact on budget however is still to be determined.

Significance

Enterprise Dunedin is a separate activity in the 9-Year plan called “Vibrant Economy with an annual operating budget for 2025/26 of \$11.7m. It is therefore considered a significant activity for Council. Any proposed significant changes to the activity would therefore likely require public consultation.

Engagement – external

A wide range of stakeholders have been engaged as part of the review process for the previous report on this matter including mana whenua, business, education, tourism and hospitality sectors.

Engagement - internal

Councillors and staff have been engaged throughout the process.

SUMMARY OF CONSIDERATIONS***Risks: Legal / Health and Safety etc.***

Full implications are still to be finalised however employment matters will be encountered should the delivery of functions be assigned away from the current model. Depending on the decision appropriate engagement of staff will be undertaken to ensure employment obligations are met and supported.

Conflict of Interest

No known conflict of interest

Community Boards

No specific engagement with community boards.

ENTERPRISE DUNEDIN REVIEW REPORT

Department: Corporate Policy and Legal Services

REASONS FOR CONFIDENTIALITY

Grounds:	s48(1)(d) - The exclusion of the public from the part of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation.
Reason:	s48(1)(d) - Check to make report confidential.
In particular:	This report is confidential as any decisions arising from its content could have implications for staff. Withholding the report from the public at this stage is necessary to protect individual privacy and maintain the integrity of internal employment and management processes.

EXECUTIVE SUMMARY

- 1 This report presents the findings of the review by *MyGovernance* of Enterprise Dunedin as detailed in **Attachment A**.
- 2 The report summarises key stakeholder feedback and outlines seven potential delivery options for the future of Economic Development services.
- 3 Based on this feedback and analysis, *MyGovernance* has recommended that Enterprise Dunedin be disestablished as an internal unit of Council and that a new Council-Controlled Organisation (CCO) be established, supported by a Stakeholders' Advisory Group.
- 4 Council's consideration of this recommendation has significant legal, financial, and strategic implications. A proposal to establish a CCO would require either an amendment to the current 9-Year Plan (triggering a special consultative procedure and audit process), or consultation and a decision as part of developing the next Long-Term Plan in 2027.
- 5 To progress this work, it is recommended that another Council workshop be held to:
 - a) Fully explore the implications of the recommended option, including timing, cost, and governance considerations; and/or
 - b) If required, identify one or more options to consider further for which staff can develop detailed impact assessments.

RECOMMENDATIONS

That the Council:

- a) **Consider** the report and its overview of options.
- b) **Identify** two or more options for further analysis by staff.
- c) **Require** a report back to Council by **February 2027**

BACKGROUND

- 6 On 25 November 2024 Council approved that a review of Enterprise Dunedin be undertaken.

Moved (Cr Andrew Whiley/Cr Sophie Barker):

That the Council:

- a) **Directs** the CEO to review the operation of Enterprise Dunedin.

Division

The Council voted by division

For: Crs Bill Acklin, Sophie Barker, Kevin Gilbert, Cherry Lucas, Mandy Mayhem, Jim O'Malley, Lee Vandervis, Steve Walker, Brent Weatherall and Andrew Whiley (10).

Against: Crs David Benson-Pope, Christine Garey, Carmen Houlahan and Marie Laufiso (4).

Abstained: Nil

The division was declared CARRIED by 10 votes to 4.

Motion carried (CNL/2024/235)

Moved (Cr Andrew Whiley/Cr Sophie Barker)

That the Council:

- b) **Consults** with Dunedin stakeholders with a refresh of the previously commissioned 2018 Martin Jenkins Report as part of the Enterprise Dunedin review.
- c) **Presents** a report back to Council by 30 June 2025.

Division

The Council voted by division

For: Crs Bill Acklin, Sophie Barker, Kevin Gilbert, Cherry Lucas, Mandy Mayhem, Jim O'Malley, Steve Walker, Brent Weatherall and Andrew Whiley (9).

Against: Crs David Benson-Pope, Christine Garey, Carmen Houlahan, Marie Laufiso and Lee Vandervis (5).

Abstained: Nil

The division was declared CARRIED by 9 votes to 5.

Motion carried (CNL/2024/236)

- 7 Following the Council resolution, DCC auditors advised that the timeline for the report should be extended until 31 July 2025 to avoid crossover with the 9 Year Plan consultation. This was agreed by the Chair of the Economic Development Committee and the CEO.
- 8 The consultancy firm *My Governance* was engaged to lead the review.

DISCUSSION

- 9 A review of Enterprise Dunedin has been undertaken through a comprehensive and structured process.
- 10 A review of strategic documents, including previous economic development strategies, and other relevant reports, was completed to ensure alignment with Council's strategic intent and priorities.
- 11 Interviews were conducted with a wide range of stakeholders, including Councillors, Council staff, industry leaders, and partner organisations. This engagement provided valuable insights into stakeholder expectations, challenges, and opportunities.
- 12 Based on feedback and analysis, critical issues impacting the performance and future direction of Enterprise Dunedin were identified. These include structural, strategic, and operational matters that require consideration.
- 13 A facilitated workshop brought together a broad group of stakeholders across sectors to test key themes and priorities, and to build a shared understanding of future opportunities for Enterprise Dunedin.
- 14 An organisational assessment was also completed to evaluate the current state of Enterprise Dunedin, identifying key strengths, areas for improvement, and external opportunities to enhance its impact.
- 15 The findings from all aspects of the review have been synthesised into the attached report. *MyGovernance* has also developed options for Council's consideration and has made a recommendation on the options.

Consultant Recommendation

- 16 The option recommended by *MyGovernance* is that Enterprise Dunedin cease being an internal function of DCC. Instead, it proposes that Economic Development be delivered by a CCO, supported by a Stakeholders' Advisory Group.
- 17 If Council wants to further consider an option involving a CCO, there are legal and strategic implications as follows:

Significant Activity Designation

- a) Economic Development is deemed a significant activity under Section 97 of the Local Government Act 2002 (LGA), meaning that any significant service change requires formal consultation through a special consultative procedure (SCP) and either:

- i. An amendment to the current 9YP, or
- ii. A change in the next Long-Term Plan (LTP) in 2027.

Process Considerations

- a) Amending the current 9YP would require:
 - i. A SPC
 - ii. Audit NZ approval, and
 - iii. Careful management of pre-election sensitivities, as changes close to the 2025 election could raise concerns regarding the use of public funds.

Timing

- a) While there is no legal barrier to initiating changes before the election, the process would be complex and time-sensitive.
- b) Waiting until the 2027 LTP process would align better with legislative and practical timelines.

Staff Impact and Internal Process Considerations

- 18 It is important to it is acknowledged that the content of the report and future decisions may have implications for individual staff members and the structure or delivery of internal functions. Council is taking appropriate steps to engage with affected staff, meet all employment obligations, and ensure that any necessary support or transition planning is developed and communicated in a considered and timely manner.

Delivery Options

- 19 *MyGovernance* has provided a high-level overview of seven options as follows:

Option 1 – Enhance the Status Quo

Keep the current structure but improve coordination and performance within it.

Option 2 -Enhanced Status Quo and Internal Redistribution

Strengthen the current setup and shift some functions within Council for better alignment.

Options 3 – Hybrid Delivery

Create a dedicated strategy, funding and policy unit within Council, with delivery by CCOs or external partners.

Option 4 – Independent CCO

Establish a CCO with an independent governance board.

Option 5 – CCO + Advisory Group

Same as option 4 but with a formal advisory group representing stakeholders.

Option 6 – Joint Venture – Council led

Create a company co-owned by Council and selected stakeholders sharing governance.

Option 7 – Equal Joint Venture

Form a company jointly owned and equally governed by Council and a broad range of stakeholders.

- 20 Given that this report is only recently to hand, staff have not yet undertaken an analysis of these options. Staff consider that a detailed impact assessment is required support the Council in its deliberations. Narrowing down the list of options to a more manageable number will be important at this stage so that time and resources can be focused on the options of greatest interest to Council.
- 21 Staff recommend that Council select up to three options (eg 2,5 and 6) for further analysis. This is to ensure that, if required later, there can be a preferred option and alternative options for consultation purposes.

OPTIONS

OPTION ONE – *Council select option 5, the option recommended by the consultants, for further exploration and requests staff to report back with a full analysis of implications.*

- 22 Under this option Council selects option 5, the option recommended by the consultants, for further exploration and requests staff report back with a full analysis of implications.

Advantages

- A dedicated CCO could provide a clearer economic mandate, more agile decision-making, and stronger commercial discipline.
- A Stakeholders Advisory Group could formalise sector input and improve responsiveness to business and industry needs.
- Separating operational delivery from Council governance may help streamline decision making and allow for more innovation, while maintaining appropriate oversight.
- A CCO model may allow for more streamlined operations and potentially better value for money over time.
- A standalone entity may present a more business-friendly image to external partners, funders, and investors.

Disadvantages

- Legislative complexity will require formal consultation under the Local Government Act (Section 56 and/or 97), either by amending the current 9YP or waiting for the 2027 LTP.
- Amending the 9YP before the 2025 election is tight and may raise concerns about the use of public funds during the pre-election period.
- Establishing a CCO involves legal, governance, transition, and staffing costs that could be significant upfront.
- Council will no longer directly manage day-to-day activities and may rely on contractual mechanisms to influence outcomes.
- Managing the relationship between Council, the CCO and a Stakeholders' Advisory Council may require ongoing attention and clarity of roles.

OPTION TWO – *Council narrow the options down from seven to their preferred set of options and request staff to report back with a full analysis of implications for each of the selected options.*

- 23 Under this option staff would present a full analysis of implications and timeframes of each of the selected options for Council to consider further.

Advantages

- Allows Council to consider a wider range of options and refine them based on further analysis and stakeholder input.
- Allows a range of options to be considered by the public during consultation.
- Maintains organisational continuity while giving time to carefully consider implications.
- Some options (e.g., internal restructure) could be implemented under the existing 9YP without triggering SCP or audit requirements.
- Builds on existing systems, knowledge, and relationships rather than starting from scratch.
- Economic development remains a directly managed activity within Council, allowing tighter alignment with other strategic goals.

Disadvantages

- Will require additional staff resources to analyse the full impacts of multiple options.
- May not fully address structural or strategic issues identified in the review.
- External partners may perceive a lack of bold action or responsiveness to their input.
- Improvements may be limited by existing processes, structures, and culture.
- In-house models may lack the visibility and branding potential of a separate entity.
- If issues relate to organisational constraints, alternative options may not go far enough to resolve them.

NEXT STEPS

- 24 If Council decide to pursue option 5 as recommended by the consultants, next steps will include:
- A workshop with Councillors will be undertaken to further consider this option.
 - An impact assessment will be prepared outlining the legal, financial, staffing, operational and strategic implications of the selected option(s), including timeframes.

- c) Report back to Council for a decision on its preferred option and decide whether to amend the 9YP or defer to the 2027 LTP consultation process.
 - d) Undertake the SCP and audit processes as part of that LTP development.
 - e) Design the CCO, appoint a Stakeholders Advisory Group and establish a service agreement and performance framework as recommended.
- 25 If Council wishes to consider other preferred options next steps will include:
- a) A workshop to explore a selection of options for further analysis.
 - b) Request detailed impact assessments for other preferred options.
 - c) Report back to Council for a decision on its preferred option along with the process required to implement the preferred option.

Signatories

Author:	Nicola Morand - Manahautū (General Manager Policy and Partnerships) Karilyn Canton - Chief In-House Legal Counsel
Authoriser:	Sandy Graham - Chief Executive Officer

Attachments

	Title	Page
A	Review of Enterprise Dunedin(<i>Confidential</i>)	

SUMMARY OF CONSIDERATIONS			
<i>Fit with purpose of Local Government</i>			
This decision enables democratic local decision making and action by, and on behalf of communities. This decision will promote primarily the economic well-being of communities in the present and for the future but will also contribute to the other 3 well-beings.			
<i>Fit with strategic framework</i>			
	Contributes	Detracts	Not applicable
Social Wellbeing Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Economic Development Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Environment Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
Arts and Culture Strategy	✓	<input type="checkbox"/>	<input type="checkbox"/>
3 Waters Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Future Development Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integrated Transport Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks and Recreation Strategy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other strategic projects/policies/plans	✓	<input type="checkbox"/>	<input type="checkbox"/>
The key strategy is the Economic Development Strategy which contributes to all four wellbeing strategies.			
<i>Māori Impact Statement</i>			
Mana whenua are a partner and will be engaged as part of the consultation process with stakeholders. Te Taki Haruru as a strategic framework guiding Council will be considered as part of the review process.			
<i>Sustainability</i>			
No Implications			
<i>Zero carbon</i>			
<i>LTP/Annual Plan / Financial Strategy /Infrastructure Strategy</i>			
Implications will be dependent on any decisions made by Council following the review report.			
<i>Financial considerations</i>			
The cost will be dependent on the outcome so financial implications are not yet known.			
<i>Significance</i>			
The Enterprise Dunedin unit is a separate activity in the 9-Year Plan called “Vibrant Economy” with an annual operating budget for 2025/2026 of 11.7M. It is therefore considered a significant activity for Council. Any proposed significant changes to the activity would therefore require public consultation.			

SUMMARY OF CONSIDERATIONS
<p><i>Engagement – external</i></p> <p>A wide range of stakeholders will be engaged for this review, including the business, tourism, hospitality sectors, CCOs, University of Otago, Te Pūkenga, CODE and other local institutions and agencies with an interest in Economic Development and Enterprise.</p>
<p><i>Engagement - internal</i></p> <p>Councillors will be engaged throughout the process including the staff in Enterprise Dunedin and other areas of Council.</p>
<p><i>Risks: Legal / Health and Safety etc.</i></p> <p>Full implications are not yet known, however there is an immediate risk of internal implications and employment sensitivities should the delivery of internal functions be removed from Council. Depending on the decision DCC will enable appropriate engagement with staff and ensure employment obligations are met and supported.</p>
<p><i>Conflict of Interest</i></p> <p>No Implications</p>



Contents

- | | |
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| 1. Executive Summary | 8. Key Findings |
| 2. Introduction and Scope | 9. Options Identified |
| 3. Our Approach | 10. Conclusions |
| 4. Review of Documents | 11. Our Recommendation |
| 5. Engagement with Management | 12. Next Steps |
| 6. Engagement with Council | 13. Appendices |
| 7. Engagement with Stakeholders | |

Executive summary

In November 2024 Council approved that a review of Enterprise Dunedin be undertaken involving consultation with Dunedin stakeholders. The review would consider the 2018 Martin Jenkins Report and be completed by 30 July 2025 (CNL/2024/235). Our approach involved a review of relevant documents, interviews with management, Councillors and 38 external stakeholders representing 26 organisations. A workshop was held with Councillors and a group of stakeholders representative of mana whenua, business and tourism.

It is clear there is a disconnect between the expectations of external stakeholders and what Enterprise Dunedin are seeking to deliver as part of the City's ambition as a great small city to live, work and play. Stakeholders were complimentary of Enterprise Dunedin staff and indicated a high level of trust in their dealings. They were critical of Council's consistency in setting direction for economic development and engaging with stakeholders to achieve common outcomes. A majority expressed their lack of confidence in Council's leadership to achieve the potential of Enterprise Dunedin with a number stating they were disinterested or disengaged.

What has been made clear is that all parties are fully invested in and passionate about Dunedin with a desire to align on key priorities and projects and that Council holds the key to unlocking the potential that exists for a material shift in momentum and growth across industry sectors.

We examined several governance options ranging from retention of the existing structure through to a fully commercial entity, along with variations of each.

Our strong recommendation is to establish a CCO with an independent chair and five independent directors, supported by an advisory board made up of key stakeholder representatives who provide advice to the board. Council would maintain authority via the constitution, shareholder agreement and letter of expectation which captures the outputs required for the funding received.

By endorsing and facilitating a change in the governance structure of Enterprise Dunedin, we believe Dunedin City Council and stakeholders can realise a number of benefits:

- improved stakeholder relationships and collaboration for growth
- unlocking invaluable resources within its stakeholder community
- enabling Council to focus on other key issues such as RMA reform, Local Government reform, rate capping.

And the community benefits of improved economic, social, cultural and environmental outcomes.

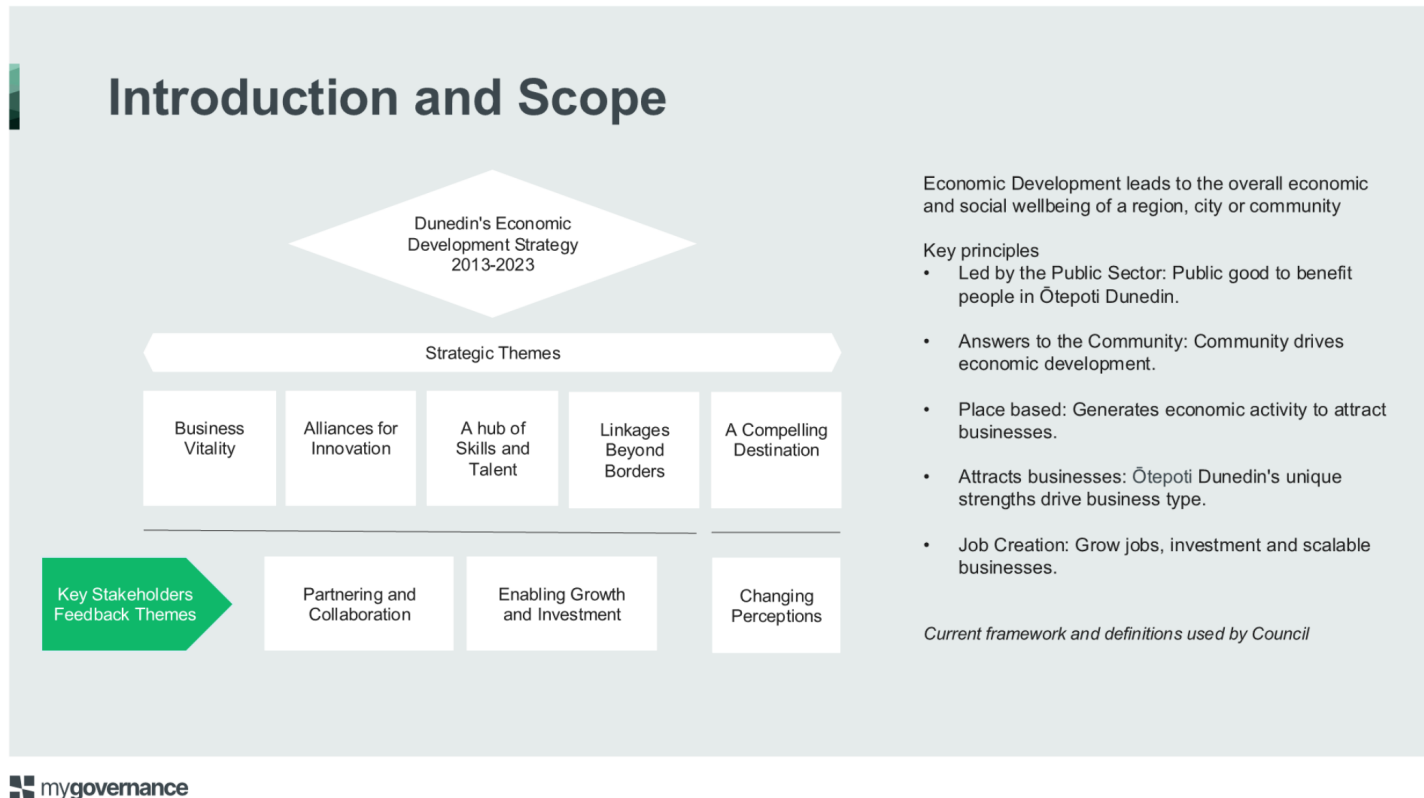
Introduction and Scope

On 25 November 2024 Council approved that a review of Enterprise Dunedin be undertaken involving consultation with Dunedin Stakeholders with a refresh of the previously commissioned Martin Jenkins Report 2018 as part of the review (CNL/2024/235). The timeline was extended to 30 July 2025 to avoid crossover with the 9 Year Plan consultation.

The initial scope involved Phase 1 covering document reviews, stakeholder engagement, issues identification and current state analysis. However, it became clear to management and our team that aspects of the governance framework and operating model planned for a Phase 2 were emerging from stakeholder engagement, Council staff and Councillors; the outcome is this report covers all these aspects.

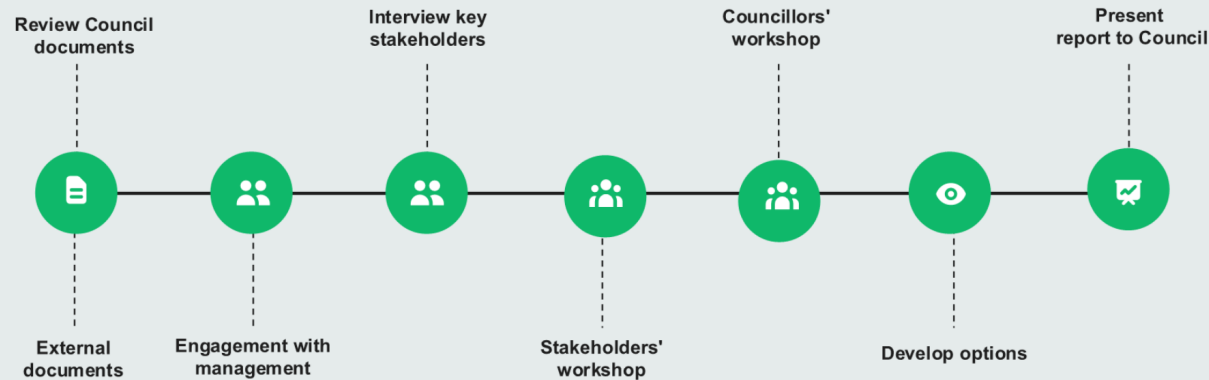
The basis of this review is the strategic framework used in the previous Martin Jenkins report and Council's Dunedin's Economic Development Strategy 2013-2023 and we note the current Economic Development Strategy in Council's 9 Year Plan.

Introduction and Scope



5

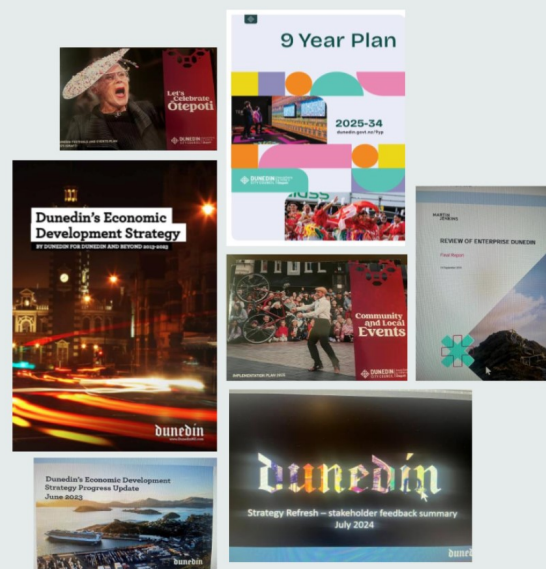
Our Approach



Review of Documents

As part of our process, we reviewed Council documents including:

1. Dunedin City Council Plan 2021-2031
2. Dunedin City Council 9 Year Plan
3. Dunedin's Economic Development Strategy 2013 - 2023
4. Draft Dunedin's Economic Development Strategy 2025 - 2033
5. Enterprise Dunedin's Organisation Structure
6. Enterprise Dunedin Budget 2025
7. Martin Jenkins Review of Enterprise Dunedin 2018
8. Martin Jenkins Stocktake of Enterprise Dunedin 2020
9. Dunedin's Economic Development Strategy Progress Update June 2023 - GDP
10. Grow Dunedin Strategy Refresh – Stakeholder feedback July 2024



Martin Jenkins Stocktake and Progress Report 2020

Summary assessment of overall progress against recommendations

Enterprise Dunedin has made good progress against the majority of the review recommendations.

While this stocktake has not involved any external stakeholder interviews, which would provide additional validation, Enterprise Dunedin have provided internal evidence of action that has been taken. This has been confirmed through internal interviews and through a review of publicly available information on the DCC and Enterprise Dunedin websites.

Overall, Enterprise Dunedin has made tangible efforts to respond to the majority of recommendations of the 2018 review. Looking at those actions that are incomplete, two of these actions relate to the revision of Dunedin's Economic Development Strategy and are beyond the direct control of Enterprise Dunedin. The remaining incomplete action relates to the appointment of an independent chair of the Grow Dunedin Partnership. While this has been agreed by all partners, including DCC, it has not yet been implemented as there has been a delay in finalising the revised terms of reference for the Partnership.

Themes	Progress against improvement themes
Strategy and focus	Progress against this theme has been held back by the wider DCC process to revise all of the Council's key strategies and plans. However, Enterprise Dunedin has taken steps to update and communicate its Strategy Work Programme and has participated in the development of the Otago Regional Economic Development Framework.
Organisational Capacity	Enterprise Dunedin has made good progress in responding to organisational capacity recommendations. Vacant posts have been managed, and a new City Marketing Manager has been recruited. In addition, Enterprise Dunedin has restructured internally and sought to outsource where possible, to create better alignment and capacity to deliver.
Stakeholder engagement	Enterprise Dunedin has taken significant steps to enhance its approach to stakeholder engagement and communications. This has included the establishment of the Visit Dunedin group, enhancements to stakeholder engagement and communications processes, the activation of more communication channels and the development of an approach to gauging customer satisfaction.
Monitoring and Reporting	Good progress has also been made in terms of monitoring and reporting; there is more regular progress reporting and Economic Development Committee reports are more easily accessible and shared with stakeholders. More work is required to further develop performance and impact measurement.
Governance and Advisory	Enterprise Dunedin made good early progress in responding to the governance and advisory recommendations. However, the process has stalled, and efforts are now required to finalise and implement the proposed revisions to the terms of reference for the Grow Dunedin Partnership and the appointment of an independent chair for the Partnership.

Engagement with Management

Key Themes

Leadership and People

- We have good people who are respected and trusted for their work.
- The organisation structure of Enterprise Dunedin inside Council is not an issue.
- Departure of the Enterprise Dunedin Manager left a vacuum.
- Interference or direct influence by Councillors is ongoing.

Strategy and planning

- Too long a delay in refreshing the Enterprise Dunedin strategy.
- The themes are OK but lack innovation and aspiration.
- Enterprise Dunedin direction is too politically driven.

Collaboration

- Conflict with Business South moving into the Enterprise Dunedin space is an issue and distraction.
- We have lost our connections with key stakeholders, not enough time or people.

Performance

- We are good at events, incubation, CODE, not strong on destination marketing, isites are old fashioned; move Sister City to Mayor's office.
- Funding is going backwards on a relative basis.
- Need better alignment to external parties, their resources and people.
- A strong feeling Enterprise Dunedin is struggling within Council and within the Community.

Our engagement with management included interviews with:

- Sandy Graham, CEO
- Nicola Morand, Acting GM Enterprise Dunedin
- Mike Costelloe, Acting Manager Enterprise Dunedin
- Suzanne Jenkins, Finance and Operations Manager
- Des Adamson, Business Relationships Manager
- Fraser Liggett, Economic Development Manager
- Sian Sutton, Dunedin Destination Manager

*We have good people in Enterprise Dunedin who are respected and trusted
People have lost confidence in Council and their performance in economic development*

mygovernance

9

Engagement with Councillors

Engagement with Councillors involved interviews with the Mayor and those directly involved with Enterprise Dunedin along with a workshop with Councillors on 25 June 2025.

Interviews: Mayor Jules Radich, Councillors Sophie Barker, Christine Garey and Andrew Whiley

Workshop: Mayor Jules Radich, Councillors: Cherry Lucas, Bill Acklin, Christine Garey, Kevin Gilbert, Carmen Houlahan, Marie Laufiso, Mandy Mayhem

In the workshop and interviews Councillors were asked to describe the current state of Enterprise Dunedin and the future options for governance and operating model.

Overall, the discussions reflect a consensus that the city's economic development efforts are fragmented, under-resourced, and lack strategic direction. While there are pockets of success, such as in tourism, film, and certain educational initiatives, the overall sentiment is that Council and the city are not making the most its unique strengths or fostering a cohesive growth ecosystem. There was a call for clearer vision, stronger leadership, and more effective collaboration across sectors.

Summary of themes

Enterprise Dunedin Strategic Direction and Vision

- Lack of a master plan and long-term goals; previous 10-year goals were not achieved.
- Need for a clear, unified growth strategy and ability to set and work toward both short and long-term objectives.
- Desire for a more future-focused approach (AI, green tech, digital, city of firsts).

Enterprise Dunedin Performance

- Enterprise Dunedin is perceived as invisible, reactive, and lacking presence, particularly externally and in Wellington.
- Enterprise Dunedin staff have mixed performance; some are seen as effective, others not proactive.
- Some calls for outsourcing some functions to professionals and streamlining operations.

Councillors' feedback

Collaboration and Ecosystem

- Siloed efforts: business, government, and associations often operate independently.
- Need to create a connected ecosystem for growth, leveraging talent, funding, and partnerships (eg with University, Māori business, Shanghai).
- Advisory groups and some initiatives (eg STUDY Dunedin) are working well, but overall collaboration is lacking.

Talent and Demographics

- Challenges in retaining the middle demographic and students; population is skewed to older and younger.
- Difficulty retaining medical staff and professionals.
- Need to make Dunedin attractive for families and diverse groups.

Marketing and Perception

- External marketing is inconsistent; destination marketing is seen as strong, but broader district marketing has "dropped the ball".
- Dunedin's story and unique identity are under-promoted; internal perception is often negative ("just average", "all right").
- Need to celebrate successes (eg CODE, City of Literature) and promote civic pride.

Governance and Leadership

- Leadership uncertainty, overreach by governors, and lack of political bravery.
- Stressful strategy refresh processes and governance crossover issues.
- Staff morale and enthusiasm are declining.

Councillors' feedback continued

Inclusivity and Culture

- Dunedin is described as diverse, creative, and bohemian, but not all communities feel inspired or represented.
- Desire to lift up all people, reflect diversity, and leverage arts and culture.

Business Environment

- Business sector feels disconnected from Enterprise Dunedin and lacks trust.
- Calls for a more business-friendly environment and professional support.
- Need to better leverage local business associations and funders.

Challenges and Opportunities

- Under-resourcing, confusion, and lack of focus are recurring issues.
- Tech sector is growing, but overall economic development is seen as "lost", "off target", and "put upon by the Councillors".
- Opportunities exist in leveraging Dunedin's unique assets, fostering collaboration, and attracting investment.

Quotes and Phrases

"It's just OK."

"Headless chickens, too many hats."

"We need change – quickly."

"Need to sing our story."

"Tech is growing."

"Lost, off target, unfocussed, under-resourced, confused"

"Under resourced, confused, put upon by governance."

Conclusion

Dunedin's economic development is at a crossroads. There is strong recognition of unique assets and talent, but also frustration with lack of direction, collaboration, and effective leadership. There is a need for a bold strategic vision, improved collaboration, and a focus on both quick wins and long-term transformation to unlock Dunedin's potential and foster sustainable growth.

Councillors' Workshop: Governance Options

Governance and Operating Model

Councillors self divided into three groups, were provided with a description of activities undertaken by Enterprise Dunedin and asked to choose their preferred model for governance, operating model/structure.

One group (of one) opted for a Council Controlled Organisation (CCO) with some activities remaining in Council.

Outside	Governance	In House
Grow Dunedin Partnership	Who?	Conference/Events
Incubators	Audience	Cruise
Study Dunedin	What?	Community events
Code	Product	China
External Investment	How ?	Tourism
Digital Interactive health	Delivery	isite
Business advisory (SMEs)		Major events
Film		Inner City Digital
		Marketing

Another group opted for Enterprise Dunedin within Council with some changes.

In House	Not sure
Innovation	Specialist skills
CODE	Business advisory (SMEs)
Digital Interactive health	Food resilience /Security
Incubators	China
Film	Sister Cities
Study Dunedin	Cruise
	Tourism
	Aquaculture
	Grow Dunedin Partnership
	Vertical Horticulture
	Could go to Community
	partnerships,
	Major Events:
	Puaka Matariki
	Waitangi

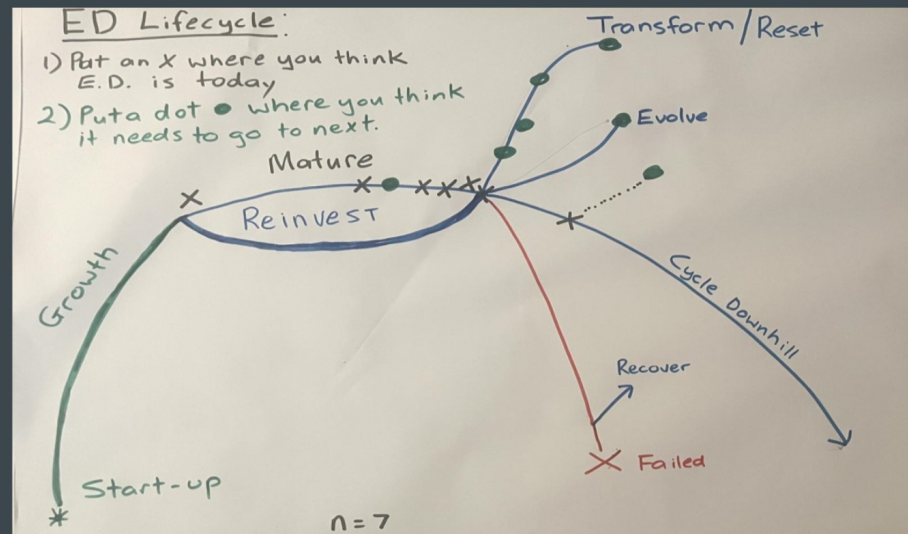
A third group opted for the CCO model.

Grow Dunedin CCO				
Innovation	Incubators	Business	External	Sustainability
Study Dunedin	Code	advisory (SMEs)	Investment	Tourism
China	Digital	Specialist skills	Aquaculture	Destination
	Interactive	Food resilience		Marketing
	health	/Security		Major events
	Film	Vertical		Conference/
		Horticulture		Events
				Community
				events
				Cruise

In House: isite, Inner City Digital Marketing

Councillors' Workshop: Current vs Future State

Councillors were individually asked to assess the current state and degree of change required to achieve their ambition for Enterprise Dunedin.



Engagement with Stakeholders: Workshop

All stakeholders interviewed were invited to attend a workshop on 5 June 2025 at Toitū, a total of 14 people attended with a strong representation from Kāti Huirapa Rūnaka ki Puketeraki and Ōtākou Rūnaka.

The agenda was the same as the Councillor's workshop with the following key findings:

1. Enterprise Dunedin was not performing to its potential
2. Stakeholders felt disengaged or ignored by Council
3. Significant change was required now, if Dunedin was to achieve its potential
4. The preferred model was outside of Council in a CCO noting there were variations in the shape and form of such an entity
5. Stakeholder engagement in the future design was essential, and all were keen to be involved.

Key Themes

Organisational Identity and Purpose

- Lack of clarity about who Enterprise Dunedin is and its core purpose
- Perception of being a "jack of all trades, master of none"
- Influence of political cycles and the "old boys' network" affects decision-making and credibility
- Urgent need to define a clear strategic purpose and align activities accordingly.

Strategic Focus vs Operational Detail

- Currently too focused on day-to-day details ("in the weeds")
- Needs to operate at a higher strategic level with clearer priorities
- Bureaucratic constraints are limiting agility and responsiveness.

Stakeholders' Workshop Feedback

Core Functions and Activities

Current activities include:

- Economic development
- Destination marketing "Study Dunedin" and film sector support
- SME growth and facilitation/networking
- City storytelling and promotion

Confusion exists between economic development vs business development, which affects focus and delivery.

Governance and Leadership

- Governance structures are outdated, lack flexibility, and are vulnerable to political interference.
- Leadership inconsistencies (eg differences between mayoral directions) have impacted continuity and effectiveness.
- Strong leadership and accountability are seen as critical for future success.

Strengths and Opportunities

- Passionate and capable staff.
- Strong and recognisable Dunedin brand.
- Potential to expand role regionally, not just within the city.
- Significant economic and infrastructure development opportunities if regulatory barriers are addressed.

Weaknesses and Constraints

- No clear or consistently communicated vision or purpose.
- Lack of specialist skills, especially in key strategic areas.
- Reviews and changes are often ineffectual.
- Trust issues internally and externally; blurred understanding of roles and objectives.

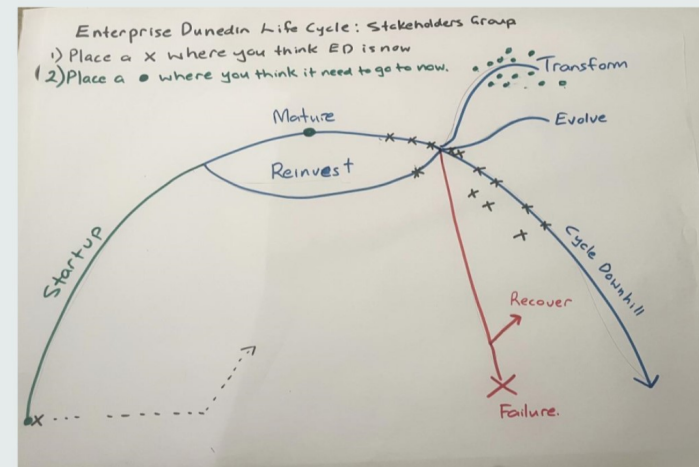
Enterprise Dunedin has strong people and a valuable brand, but is hindered by unclear direction, weak governance, and political influence. A strategic reset focused on clarity, leadership, and regional collaboration is essential to unlocking its full potential.

Stakeholders' Workshop: Current vs Future state

The stakeholders' view of current position indicates very clearly that Enterprise Dunedin needs to make a significant change to the way it is operating and governed. The group was unanimous in the need for major change.

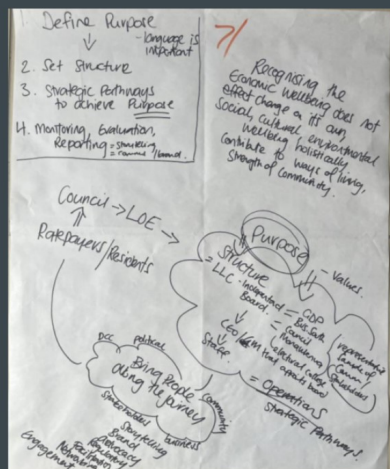
It's worth noting this diagram is similar to the view of Councillors involved in terms of the need for change.

It was very clear that all groups recommended it not remain in Council and opted for some form of a CCO. Examples of which follow.



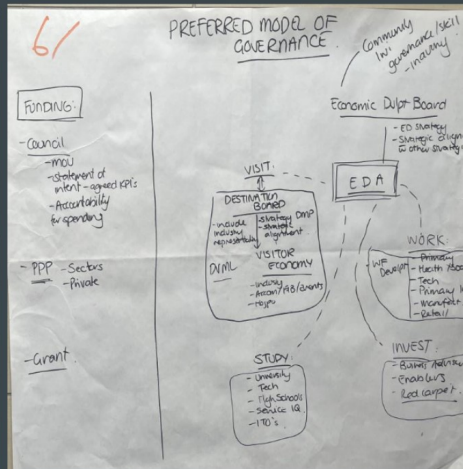
Stakeholders' Workshop - preferred model

CCO – Independent Board



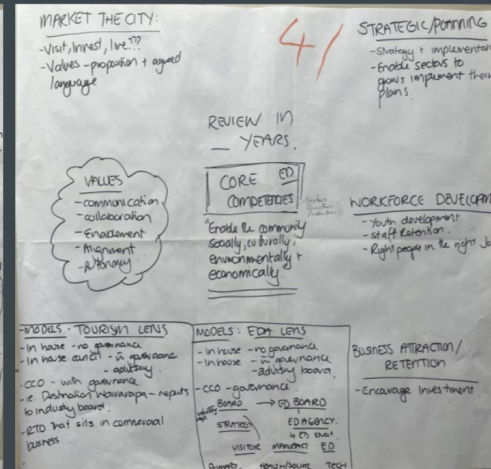
Council Letter of Expectation

Economic Development Agency - External



Council Memorandum of Understanding

2 CCOs A Tourism and an EDA Lens



Council Letter of Expectation

Stakeholder Interviews

Interviews were conducted with 38 external stakeholders representing 26 organisations (see page 47).

The following themes emerged which are generally aligned to the Martin Jenkins framework.

Strategy and Focus	Tourism	People and Capacity	Operating Model
Monitoring and Reporting	Stakeholder Relations	Governance and Structure	Key Findings

Strategy and Focus

Feedback

- There is a lack of clear purpose and role for Enterprise Dunedin.
- Enterprise Dunedin need to clarify their objectives, roles, and long-term strategy.
- Confidence in Enterprise Dunedin's direction is very low.
- It's not clear what plan they are executing against.
- Need to align strategies with agreed metrics and regular reviews.
- Current planning and review processes are seen as faulty or ineffective.
- Ongoing frustration with bureaucracy and "red tape" and preference for a "red carpet" approach.
- Need for a unified message and story about Dunedin's value.
- Need implementation plans with measurable outcomes.
- Need to be less risk-averse and more proactive in enabling industry growth.

- Promote Dunedin's strong brand and story.
- The Southern Way initiative is seen as positive.
- We need a broader regional focus, not just Dunedin.
- Focus resources on fewer areas for greater impact.
- CODE has done well but we don't have a digital plan for Dunedin.
- We need emphasis on attracting international students and investing in reasons for visitors to stay longer, rather than just providing support on their arrival.

Conclusion

The community will get behind a sound plan and leadership that engages directly with stakeholders to codesign a strategy and operating model.

Enterprise Dunedin needs a standing forum of influential stakeholders that ensure the delivery of strategy is supported, scrutinised and flexes to challenges and opportunities free from sector and political influence.

"Strategy is the glue that binds us together in pursuing common outcomes"

Tourism

Feedback

- Tourism is seen by many as being a vitally important contributor to economic growth for the city.
- The city has a number of popular visitor attractions which have potential to draw higher volumes of visitors and spend.
- Industry leaders are wanting better engagement with Enterprise Dunedin.
- Dunedin's strong brand and story is an advantage.
- Tourism funding has been diverted to stadium promotions, raising concerns about priorities.
- There is no destination messaging happening - we are invisible.
- Relations with the Airport and Enterprise Dunedin are poor and disconnected.
- Tourism should be strategically separated from Council and managed independently.

Conclusion

The tourism portfolio requires a change of governance and management structure with a well coordinated approach across marketing, promotion, activation, famils, events and conferences.

There is a strong preference for tourism to sit outside of Council from a governance perspective with Council managing some visitor attractions and supporting external commercially focused events and leading community-based events and programmes with support from the external entity.

People and Capacity

Feedback

- There are good people in Enterprise Dunedin who are respected and trusted.
- Passionate and capable people in Enterprise Dunedin who are good to work with.
- Enterprise Dunedin has lacked leadership since the Manager left, creating a void in our external relations with stakeholders.
- There is a small, understaffed Enterprise Dunedin team who lack resources.
- The lack of key staff is disheartening.
- We have committed people who are stifled by Council.
- Hiring an Enterprise Dunedin Manager is not going to fix it.
- We need to improve leadership, communication, and engagement.
- An urgent need for stronger, more visible leadership from Enterprise Dunedin .
- Staff are clogged in bureaucracy; Council stifle decision making.
- Currently Enterprise Dunedin leadership lacks authority to make decisions or make commitments to external partners.

- Enterprise Dunedin doesn't have the resources to help us as a major player in the region.
- Council has an innate distrust of business.
- Councillors meddle constantly and held the pen over the latest Enterprise Dunedin strategy.
- Delegations and decision making don't match roles.

Conclusion

The lack of a permanent leader of Enterprise Dunedin has over time compromised the performance of the unit internally and externally with stakeholders.

"The people in Enterprise Dunedin are respected and trusted"

Operating Model

Feedback

- Council is widely seen as slow-moving and bureaucratic, frustrating commercial and institutional sectors.
- Enterprise Dunedin has been notably quiet.
- Lack of marketing expertise within Enterprise Dunedin is a recurring concern.
- Communication with industries and sectors is insufficient.
- Engagement issues include lack of specialist skills, poor communication, and not listening to sector needs.
- Need for more effective storytelling and promotion of Dunedin.
- The importance of being visible at industry events and conferences.
- Simplify tourism governance and leverage technology (eg phasing out isites).
- A single point of contact for venues and events is recommended to streamline communications.

Frustration with bureaucracy and "red tape"; preference for a "red carpet" approach.

Monitoring and Reporting

Feedback

- When the strategy is vague the reporting is average at best.
- Reduce council reporting and trust/empower Enterprise Dunedin leadership to act more independently.
- DCC/Enterprise Dunedin to focus on data, forecasts, investment attraction, and community events.
- Too many activities exist without clear audience targeting or alignment.
- Leverage city strengths eg heritage, compact city, student town, trans-Tasman air services, covered stadium, cycleways.
- We are drifting and can't see it.

"Council micromanages the process to death"

Stakeholder Relations

Feedback

- Relationships between stakeholders and Enterprise Dunedin are mostly strained at best, alignment is seriously lacking.
- Many stakeholders do not understand what Enterprise Dunedin does.
- A call for better coordination and shared vision across these groups.
- Some tensions exist between Enterprise Dunedin and some key stakeholders, which negatively impacts alignment of priorities and collaboration across the stakeholder community.
- Foster trust and enable industry rather than hinder it.
- Stakeholders felt disengaged with or ignored by Council.
- Passionate and capable staff who are under resourced.
- Governance structures are outdated, lack flexibility, and are vulnerable to political interference.
- Significant change is required now, if Dunedin was to achieve its potential.
- The preferred model was predominantly a CCO.

Mana whenua, Kuma Feedback

- Kuma is pan-Māori/Iwi and recognised as mana whenua and works closely with Business South and Workforce Central Dunedin. They have limited contact with Council and feel Council and Kuma do not connect well and collaboration could be improved. They mentioned they had limited engagement with the economic development Plan.
- Mana whenua provides welcomes for visitors, often in collaboration with other rūnaka. The focus is more on cultural welcome than on economic development.
- Both Kuma and mana whenua highlight the importance of stronger connections and partnerships with councils and economic development agencies.
- Cultural Value: there is significant value in Māori cultural experiences for visitors; economic development opportunities remain "limited".
- Procurement and Partnerships: Large procurement opportunities and treaty-based partnerships are seen as effective pathways for engagement and growth.
- Tourism Recovery: There is ongoing recovery from the pandemic, with an emphasis on cultural tourism and environmental experiences.

Conclusion

Mana whenua had a strong presence at the workshop and were clear in their views that Enterprise Dunedin should operate as an external agency, CCO.

"Disappointed Disengaged Disinterested"

Governance and Structure

Feedback

- Confidence in Enterprise Dunedin and Council is very low.
- Issues with current governance: lack of visibility, poor structure, and ineffective leadership.
- Leadership should drive clear purpose and direction.
- Dysfunction within Council is having a knock-on effect for Enterprise Dunedin.
- Need for stronger, more visible leadership and governance.
- There is a strong sense of dissatisfaction with the lack of leadership from a governance perspective.
- It's unedifying to see Council, Business South and Enterprise Dunedin arguing in public which is symptomatic of the problem.
- Importance of trust and transparency in decision-making.
- Desire for governance that is adaptive, nimble, and free from political interference.
- Enterprise Dunedin and Council need to wake up as Christchurch will eat us.
- The Grow Dunedin Partnership (GDP) was seen as tokenistic, lacking real influence which reflects on DCC rather than on GDP.
- The Grow Dunedin Partnership had real potential however this has not been utilised by Council and has been sidelined.
- StartUp Dunedin operates as an independent charitable trust with SLAs/MOUs in place, seen as a successful governance model.
- Suggestions include forming a private sector board with a mayoral seat, or an advisory board with representation from DVML, the airport, tourism operators, and council.
- Take it out of Council and into a CCO.
- We need an independent Board that will provide leadership others will follow.

Council has an opportunity to address these concerns by treating the governance issues as a priority.
"Business won't put a dollar in at present"

Stakeholder Engagement Conclusions

Careful consideration of all governance options is important to ensure that Enterprise Dunedin is set up to succeed and Council is to achieve its outcomes in the 9 Year Plan.

Depending on the governance structure of Enterprise Dunedin endorsed by Council the commercial sector, key institutions and other stakeholders are ready to engage/reengage and work to a common strategy and outcomes for Dunedin.

A change of governance structure should be a priority. Any delay in moving to a new governance model will only serve to further undermine the confidence that the external stakeholder community have in the current structure.

The most significant story we kept hearing is that stakeholders have lost **Confidence** in Enterprise Dunedin largely due to the actions of Council as an organisation and Councillors as governors. However, we did not hear they have lost **Trust**.

There is a clear call and mandate from stakeholders to move Enterprise Dunedin out of Council into a form of CCO.

The early appointment of an independent chair to work with the Council CEO and acting Manager of Enterprise Dunedin needs to be seriously considered by Councillors.

"Build a community around the Enterprise Dunedin organisation"

Key Findings

Strategy and Focus

Enterprise Dunedin lacks a coherent strategy that has enrolled key stakeholders to build a collaborative network to leverage resources for the benefit of the whole community and Council's four Well Beings.

There is also much unresolved debate regarding what Enterprise Dunedin needs to focus on.

Monitoring and Reporting

Monitoring the performance of Enterprise Dunedin at a Council level appears to report progress against the strategic plan and solid achievements. However, there is a disconnect between what Councillors and stakeholders reported to us in workshops and interviews.

People and Capacity

Enterprise Dunedin lacks strong leadership to extract the best of Council, stakeholders people and resources.

Leadership and relationship building externally is as vital as leading and developing a strong and respected set of specialist skills in internally.

Governance

Due to the recent performance many stakeholders across the economic development community have disengaged with Enterprise Dunedin.

Some of the largest economic engines in the city have simply given up.

Given a change in governance many have said they will engage and bring their resources into play.

Stakeholder Engagement

Due to recent performance, stakeholders across the economic development community are disengaging with Enterprise Dunedin.

Some of the largest economic engines in the city have simply given up.

With a change in governance many have said they will reengage and bring their resources into play.

Grow Dunedin Partnership (GDP)

We are unsure as to why GDP has failed to keep up the initial momentum it had and was reportedly "sidelined".

The model had real merit in engaging stakeholders to deliver results, and it would appear its demise has hindered rather than helped Enterprise Dunedin's ability to deliver on their strategy.

Options Identified

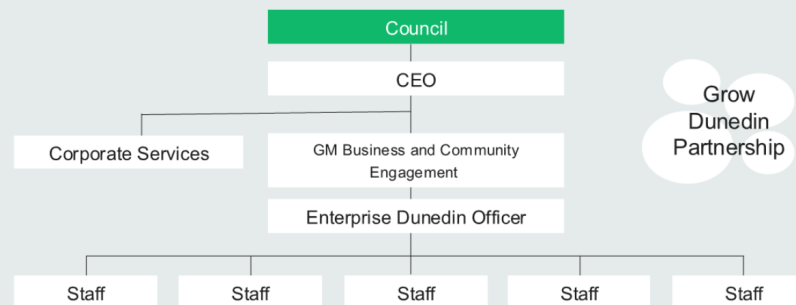
For Council to succeed with economic development in their 9 Year Plan, feedback within Council and external stakeholders points to changes in the governance and the operating model. To address these matters we have identified a range of options

1	2	3	4	5	6	7
Status Quo + Rebuild	Status Quo + redistribute some functions	Enterprise Dunedin Strategy Funding Policy unit in Council	CCO with Independent Board	CCO with Independent Board and Stakeholder Council	Council and Stakeholders in Equal Joint Venture	Council and Stakeholders in Joint Venture

mygovernance

29 29

Option 1 Status Quo and Rebuild



Key points

- Enterprise Dunedin remains a function of Council with similar role and functions.
- This involves appointing the right leader and rebuilding capability and capacity in staff.
- The Enterprise Dunedin Manager and their team would engage with stakeholders to leverage their support and resources.
- Decide the role of Grow Dunedin Partnership.

Assumptions

- No job losses.
- Minimal change impact.
- Similar budget allocation over 9 years relative to total budget.

Option 1 Status Quo Model and Rebuild

Evaluation

Based on feedback within and from external stakeholders Council would need to demonstrate their commitment to rebuilding the leadership, competency and capability of the Enterprise Dunedin unit.

Council would have to develop and endorse a clear strategy for Enterprise Dunedin included in the 9 Year Plan with commitments to funding and clear priorities over that period.

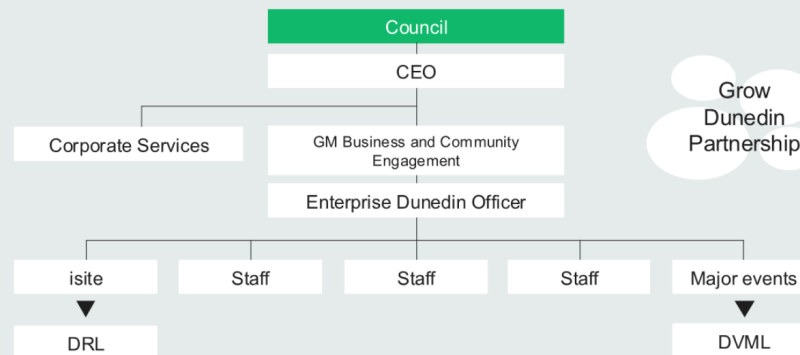
Council would need to commit to working with external stakeholders and re-earning and retaining their confidence through collaboration and delivering value to and with partners.

This will not be easy as a number of stakeholders have already moved onto building new networks and see Enterprise Dunedin as irrelevant to their future. Some prefer to go it alone, others will provide obstacles.

Grow Dunedin Partnership

A decision would need to be made regarding the role of Grow Dunedin Partnership.

Option 2 Status Quo and redistribute some functions



Key points

- Enterprise Dunedin remains a function of Council.
- Move isite to the CCO DRL, and Major Events to DVML.
- Move the Community Events and Sister City to another unit in Council.
- Appoint the right leader and rebuild capability and capacity of staff.
- Confirm the role of Grow Dunedin Partnership.

Assumptions

- No job losses.
- Staff transfer on similar terms and conditions.
- Similar budget allocation over 9 years relative to total budget.

Option 2 Status Quo and redistribute some functions

Evaluation

This variation on status quo refines the focus the Enterprise Dunedin:

- **isite** could relocate to DRL and review its operating model to enable more digital interaction for visitors. It will continue to work with the Port and cruise activities
- **Major Events** would need to be defined in relation to events that would be retained within Enterprise Dunedin or other units in Council
- **Community Events** could move out of Enterprise Dunedin into another unit within Council
- **Sister Cities** could move to Civic activities within Council
- **Enterprise Development Unit.**

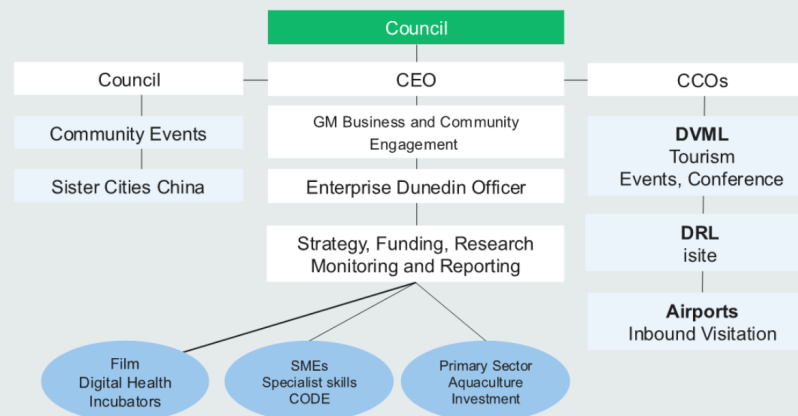
Council would still need to:

- Demonstrate their commitment to rebuilding the leadership, competency and capability of the Enterprise Dunedin unit
- Endorse the Enterprise Dunedin plan in the 9 Year Plan with commitments to funding and clear priorities over that period
- Demonstrate to external stakeholders the change is significant enough to re-earn and retain their confidence
- As with option 1 this will not be easy as a number of stakeholders have already moved on building new networks
- Stakeholders may still see Enterprise Dunedin as irrelevant to their future and prefer to go it alone.

Grow Dunedin Partnership

A decision would need to be made regarding the role of Grow Dunedin Partnership.

Option 3 Strategy, Policy + Funding unit in Council and CCOs



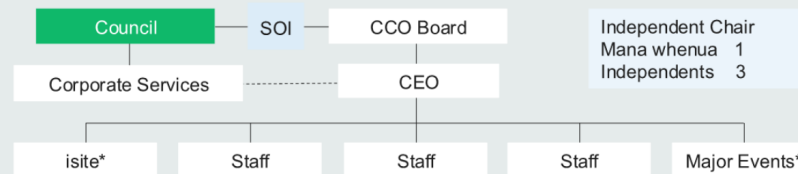
Key points

- This model creates a small strategy, policy and funding unit within Council
- It moves delivery to other Council units, CCOs or external parties.
- Enterprise Dunedin funds external parties to deliver services such as Business South.

Assumptions

- No job losses
- Staff transfer on similar terms and conditions
- Similar budget allocation over 9 years relative to total budget

Option 4 Council Controlled Organisation with Independent Board



Adopt a standard CCO model as with existing CCOs.

- Independent Board and Chair
- Statement of Intent (SOI)
- Quarterly meetings with Council
- New CEO/GM appointed
- Staff transition to CCO, remain in Council

Assumptions

- No job losses
- Staff transition to CCO, remain in Council or move to another CCO
- Similar budget allocation over 9 years relative to total budget

Option 4. Council Controlled Organisation with Independent Board

Evaluation

This would involve establishing a new CCO similar to the existing CCOs of Council which is clearly focussed on the economic development of the city and leveraging the resources of stakeholders in the city and region.

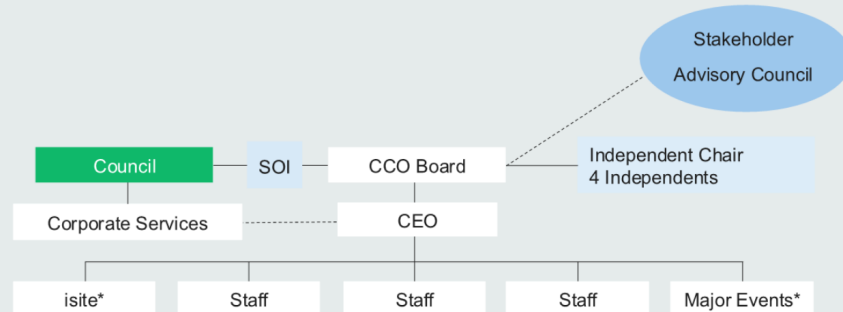
Council would have clear expectations of the CCO to deliver on their 9 Year Plan and would commit to funding over that period.

This model could involve moving some existing functions and Enterprise Dunedin staff within Council or to another CCO.

Council is experienced in governing CCOs through Statements of Intent, Board Appointments, Planning and Reporting.

External Stakeholders clearly preferred the establishment of a CCO and expressed little confidence in Enterprise Dunedin succeeding if it remains inside Council

Option 5 Council Controlled Organisation with Independent Board and Stakeholder Advisory Council



**Suggested only at this point*

Advisory Council

2 Mana whenua - Rūnaka
Business South, Education,
Health, Innovation, Technology,
Visitors, Primary, Industry, other
8 -10 members who choose a Chair

Key points

- A Stakeholder Council provides a forum for the Board, CEO and staff to engage directly with those aligned to the economic development strategy.
- Board composition is based on competency and experience.
- Council will still engage directly with key stakeholders.
- Council still holds authority over the CCO.

Assumptions

- No job losses.
- Staff transition to CCO, remain in Council or move to another CCO.
- Similar budget allocation over 9 years relative to total budget.

Option 5 Council Controlled Organisation with Independent Board and Stakeholder Advisory Council

Evaluation

This would involve establishing a new CCO as previously noted with the same relationship through a Statement of Intent and documents which provide authority over the CCO.

Council would have clear expectations of the CCO to deliver on their 9 Year Plan and would commit to funding over that period.

This model could involve moving some existing functions and Enterprise Dunedin staff within Council or to another CCO.

The benefit of this model is that the Board and CEO have a direct relationship with key stakeholders aligned to and able to assist deliver Council's economic development strategy.

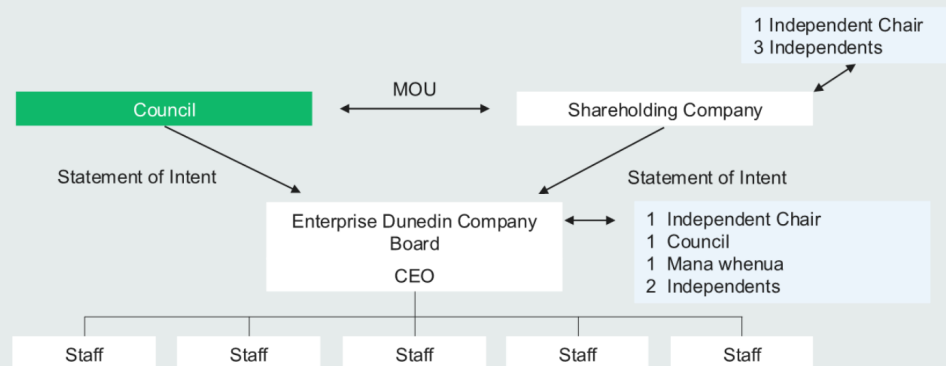
The added benefit of this is the direct access by key parties who are able contribute time and resources.

Directors would be paid. Stakeholders Advisory Council would be unpaid and attend as part of their role.

This model could be seen as evolving from the Grow Dunedin Partnership.

This model addresses many of the issues raised in stakeholder consultation which strongly favoured a CCO model.

Option 6 Council and Stakeholders Joint Venture



Key points

- Council form a joint venture with a company on a 50:50 basis.
- Both commit to investing funds and resourcing over a 9-year period.
- The Company is governed by a Board comprising Council and independents.

Assumptions

- Staff would transfer to an external company potentially under different terms.
- Council commit to a similar budget allocation over 9 years relative to total budget.

Option 6 Council and Stakeholders Joint Venture

Evaluation

A similar model has been used by other Councils or a hybrid thereof, generally it has been used for management of a significant investment required for a project or asset.

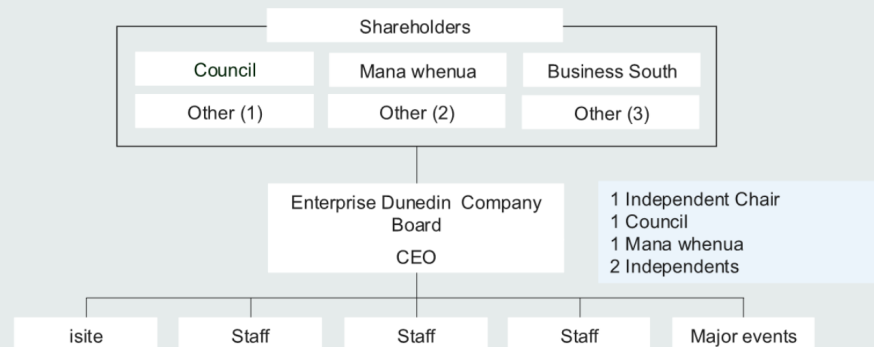
Council would have clear expectations of the CCO to deliver on their 9 Year Plan and would commit to funding over that period.

This model would likely could involve moving some existing functions and Enterprise Dunedin staff within Council or to another CCO.

The benefit of this model is that the Board and CEO have a direct relationship with key stakeholders who bring direct investment to the company aligned to Council's economic development strategy.

This model addresses many of the issues raised in stakeholder consultation, however it goes a step beyond a CCO which is strongly favoured by external stakeholders. It was not raised as an option by many stakeholders.

Option 7 Council and Stakeholders in Equal Joint Venture



Key points

- Council is an equal shareholder with other contributing parties.
- The number of parties involved could number up to 10 –12.
- Council does not have outright authority over the Company.

Assumptions

- Staff would leave Council and join the joint venture company.
- Council commit to a similar budget allocation over 9 years relative to total budget.
- Shareholders commit to a long-term funding plan.

Option 7 Council and Stakeholders in Equal Joint Venture

Evaluation

A model similar to this is used by three councils in the Western Bay of Plenty (Priority One) where the structure reflects a partnership between business, local authorities, iwi/Māori and community stakeholders.

The organisation is overseen by a Board of Directors, which includes representatives from key partners and stakeholders.

Core funding is provided by local authorities, private sector funding comes from business memberships and sponsorships, with local businesses investing in the agency to support initiatives that benefit the region's economy.

The agency also leverages government funding and participates in regional and city deals, which are long-term agreements with central government to unlock additional funding and resources for infrastructure, housing, and economic development projects.

Priority One's partnership approach enables it to advocate for and access government grants and investment for strategic projects, often in collaboration with other regional stakeholders.

The governing board comprises 15 stakeholders reflecting the broad representation of three councils, business and community.

The model is spoken highly of within the Bay of Plenty and to an extent by central government as it reflects the complexity of bringing three councils together, however it does not include all the activities undertaken by Dunedin City Council, eg there is a separate Tourism Agency.

Our Conclusions

For Council to succeed with economic development in the 9 Year Plan, much depends on the following critical success factors:

- Council expressing a clear plan and up-front commitment to funding Enterprise Dunedin's deliverables and outcomes over the 9 year period
- a governance and operating model that endures and delivers the economic development outcomes in the 9 Year Plan
- enrolling Stakeholders and retaining their commitment to success and leveraging their resources
- Council demonstrating a commitment to Enterprise Dunedin over 9 years and staying the course with whatever option they choose.

It also has to be recognised that Council will be dealing with a number significant matters in and beyond its control such as:

- the Resource Management Act reforms
- any Local Government reforms / amalgamations
- water, waste and roading challenges
- debt versus rates challenges
- an election year.

All of which means Council need to make a deliberate decision on the future of economic development for Dunedin which requires a decision on the governance of Enterprise Dunedin and the supporting operating model.

Conclusions: continued

Council needs to commit to and demonstrate a significant change to the current state of Enterprise Dunedin.

The status quo is not a viable option, rebuilding the unit within Council will take time and potentially lead to further stakeholder disengagement.

Stakeholders are strongly of the view that Enterprise Dunedin should be a CCO with stakeholder participation at a governance level.

Stakeholders have stated they are willing to commit resources and support Enterprise Dunedin if it is outside of Council eg a CCO.

Council and stakeholders need a model that will endure for the life of the 9 Year Plan.

Our Recommendation

Recommendation

We recommend that Council move Enterprise Dunedin into a CCO with a Stakeholders' Advisory Council as described in Option 5.

Next Steps

1. Council should make a decision in principle and immediately develop a communications and transition plan to inform staff and stakeholders of their intent.
2. The Enterprise Dunedin Acting Manager would develop a shortform business case to identify the costs of transition to a CCO as described. This would include a people and HR plan, communications plan and financial, risk and legal considerations.
3. Appoint an Independent Chair to work with the Acting Manager Enterprise Dunedin on the final design work.
4. Co-design with key stakeholders the final governance and operating model including what stays in Council, moves to the Enterprise Dunedin CCO or another CCO.
5. Council approves the governance and operating model along with a financial model, any legal considerations and the transition and communications plan.
6. Council and the Independent Chair appoint the initial Board and Stakeholders' Advisory Council.
7. The Board appoints the new GM/CE and oversees the transition of staff.
8. The Board, GM and Stakeholders' Advisory Council finalise the strategy and three year business plan for the Enterprise Dunedin CCO.



Thank You

Stakeholder and Council Interviews

Organisation	Name	Interviewed	Workshop
Ōtākou Rūnaka	Andrew Rouvi	Interviewed	Yes
Kāti Huirapa Rūnaka ki Puketeraki	Suzanne Ellison Manager	Interviewed	Yes
Kāti Huirapa Rūnaka ki Puketeraki	Matapura Ellison	No	Yes
Ōtākou Rūnaka	Nadia Wesley Smith	No	Yes
Business South and Dunedin Casino	Dominique Dowding	Interviewed	
Business South	Mike Collins	Interviewed	
CODE	Tim Ponting	Interviewed	
Start Up Dunedin	Wade Pearson	Interviewed	
Start Up Dunedin	Rachel Butler	No	Yes
ORED	Peter Harris	Interviewed	
KUMA	Claire Poirima Karen Roos	Interviewed	Yes
Grow Dunedin Partnership	John Gallaher	Interviewed	Yes
Otago University, Forsyth Barr	Trish Oakley	Interviewed	
Otago University	Hon Grant Robertson	Interviewed	
Otago University	Maree Thyne	Interviewed	Yes
Otago Polytechnic	Megan Potiki	Interviewed	
Dunedin Airport	Chris Hopkins	Interviewed	
Dunedin Airport	Megan Crawford	Interviewed	
Dunedin Airport	Daniel De Bono	Interviewed	Yes

Stakeholder and Council Interviews

Organisation	Name	Interviewed	Workshop
Port Otago	Tim Gibson	Interviewed	
Port Otago	Kevin Winders	Interviewed	
Port Otago	Craig Usher, Carolyn Bennett.	Interviewed	Yes
Dunedin Venues	Lee Piper,	Interviewed	
Regional Tourism NZ	David Perks	Interviewed	
	Norcombe Barker	No	Yes
Dunedin Host Board	Kylie Ruwhiu Karawana	No	Yes
Dunedin Host Board	Neil Harraway	No	Yes
Farra Engineering	Gareth Evans	Interviewed	
Mitre 10 Mega	Neil Finn-House	Discussion	
United Machinery	Sarah Ramsay	Interviewed	
Shanghai Sister City Committee	Malcolm Wong	Interviewed	
Night,n Day	Matthew Lane	Interviewed	
	Tony Allison	Interviewed	
	Sir Ian Taylor	Interviewed	
	Tim Loan	Interviewed	
Allied Press	Grant McKenzie	Interviewed	
Findex	Scott Mason	No	Yes
Total = 26 +	Total = 38		Total = 13

Stakeholder and Council Interviews

Dunedin City Council

Mayor	Jules Radich
Councillor	Andrew Whiley
Councillor	Christine Garey
Councillor	Sophie Barker
Chief Executive Officer	Sandy Graham
GM Policy and Partnerships	Nicola Morand
Manager Enterprise Dunedin (Acting)	Mike Costelloe
Dunedin Destination Manager	Sian Sutton
Economic Development Manager	Fraser Liggett
Business Relationship Manager	Des Adamson
Finance and Operations Manager	Suzanne Jenkins

Interviewed

Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes
Yes

Councillors' Workshop

Mayor Jules Radich	Yes
Councillor Cherry Lucas	Yes
Councillor Bill Acklin	Yes
Councillor Christine Garey	Yes
Councillor Carmen Houlahan	Yes
Councillor Marie Laufiso	Yes
Councillor Mandy Mayhem	Yes
Councillor Brent Weatherall	Yes

Summary of Economic Development Units in Local Government

New Zealand has 78 local councils, 11 regional councils and 67 territorial authorities. A 2002 review by the Office of the Auditor-General found that about 50 local authorities (out of 87 at the time) had an Economic Development Agency (EDA) or an Economic Development Unit (EDU). Although the number of councils has since reduced to 78, there is no more recent, comprehensive public data on how many councils currently have dedicated economic development units.

It is reasonable to infer that approximately two-thirds of councils maintain some form of economic development function, either as an internal unit or through an external agency, based on historical patterns and the ongoing importance of economic development in local government activities.

Many city and district councils manage economic development as internal units or departments and others operate CCOs operate at arm's length from councils but remain accountable for achieving council objectives.

Of the estimated 50 councils with economic development functions, a minority (fewer than 15) use the CCO model. Most regional EDAs that serve multiple councils are set up as CCOs, while most city and district councils manage economic development internally.

Larger councils and regional consortia are more likely to use the CCO model, reflecting greater resources and complexity. Smaller councils typically manage economic development internally due to scale and resource limitations.

Note there is no single, up-to-date public list of economic development CCOs; direct inquiry with Local Government New Zealand or individual councils is required for the most current information.

Summary of Economic Development Functions in New Zealand Local Government Overview



What we do:

StartUp Ecosystem

Creating services, resources, and conditions to grow founders, startups, scale-ups, and social enterprises through:

- Providing feedback and support
- Incubation activity to help scale up
- Enabling student entrepreneurship
- Building capability, connectivity, and investment pathways
- Attraction of Private Sector Investment (e.g. Timely \$100M, Education Perfect \$455M)
- Global Entrepreneurship Network NZ "Regional Trailblazer of the Year" 2024.

CODE and DIH

- Aligning talent to industry need
- Driving excellence to enable system change
- 2019-25 growth from 2 to 28 and 150+ jobs
- \$9M investment delivering \$2.62 per \$1
- Ōtepoti Dunedin HQ with Christchurch, Wellington, Auckland satellites
- Ōtepoti-based Deep Field Games: Abiotic Factor top-selling on Steam
- Digital interactive health – joins our largest industries through our innovation ecosystem
- Network of mana whenua, community, industry, clinicians, UX designers and tertiaries for high quality health solutions.

Business Engagement

A conduit between local business, investors and council, unlocking relationships, trouble-shooting and removing barriers.

Focused on navigating pathways and connecting people with information and resources through:

- Providing a key point of contact between business and Council
- City re-development projects
- New developments
- Private re-development
- Business Attraction
- Business Clinics for new ideas.



What we do:

Good Food Dunedin

\$15M NZD food spend leaves our economy every week. Business development securing robust local food systems will:

- create more jobs
- reduce emissions
- reduce supply chain disruptions
- lower household costs
- activate innovation and related research and teaching strengths
- activate food stories in the visitor economy
- Increase sector productivity
- increase local food supply.

JobDUN

Supporting growth of Professional, Scientific and Tech Sector driven by business need:

- 97% of businesses report high satisfaction with quality of JobDUN
- 1 in 2 interns offered roles in Dunedin
- 2024 Finalist NZ Economic Development Sector and Cluster Development Award

Since 2012:

- 520 Interns placed
- 306 positions
- 235 new jobs (and counting).

International Relationships

Managing and strengthening Dunedin's civic and economic relationships with its Sister Cities across the world and with the People's Republic of China.

Maintaining the city's 30-year Sister City relationship with Shanghai, recognised nationally as a "gold standard" partnership.

Arranging high-level engagement led by the Mayor, Chief Executive, and sector partners. These delegations often include important Dunedin sectors and organisations.



What we do:

Destination Management

Promoting and protecting Dunedin as a distinctive, sustainable, year-round destination for visitors, residents, students, and investors.

Managing the visitor economy to balance economic growth, environmental responsibility, and community wellbeing, attracting visitors while ensuring long-term social and environmental benefits for Ōtepoti Dunedin.

Ensuring the visitor economy aligns with national policy, regional development priorities, and local values.

Screen Dunedin

Coordinating engagement with the screen production sector and managing filming activity across Dunedin.

- Acting as a first point of contact for national and international productions
- Working in a shared Co-Manager model across the wider Otago–Southland region
- Supporting community engagement through events and partnerships promoting Dunedin as a filming destination and contributing to cultural and creative-sector visibility.

Study Dunedin

Promoting Dunedin as a leading study destination, supporting attraction and retention of international students. This includes local, national and international initiatives in collaboration with secondary, tertiary and national peak bodies.

- International students contribute NZD \$288 million annually and bring social and cultural diversity to the city
- 59% recovery in Otago since Covid (compared to 72% nationally) with 80% recovery at the University of Otago.

Core Brand Pillars (Draft)

- Wild Within Reach
- New Zealand's Heritage City
- Creative Capital of the South
- Academic Soul
- Sustainable and Slow
- A City of Firsts



What we do:

Destination Marketing

Partnering with local businesses and local, national and international tourism, media and event industry to promote our city as a compelling destination.

- Working with partners to maximise reach and impact of marketing activities
- Consumer marketing campaigns
- Pitching content and hosting media famils
- Relationship building, education and sales activity with travel industry
- Supporting and leveraging events
- Publication of marketing materials such as brochures and websites.

Cruise and Visitor Experience

A Qualmark and TNZ Visitor Information Network endorsed visitor centre assisting visitors and locals 365 days a year. Located in the Octagon with cruise pop-ups at Port Chalmers and city locations as required, the centre provides free, friendly, impartial and up-to-date local and national information. It is a booking service for activities, attractions, transport and accommodation services.

The team manage cruise industry relations, advocacy and logistics. Overseeing and delivering on Dunedin's Cruise Action Plan with key local, national and international partners.

Events

Festivals and events are a vital platform for connection and celebration — growing our local economy, foster belonging and unity, and reflecting our manaakitaka. The Events team manages a diverse portfolio, from overseeing community event grants through to premier level events, procurement, supporting stadium events, and strengthening the sector.

The team also lead civic and major events for the city such as the FIFA Women's World Cup, Matariki celebrations, Anzac Day and the George Street Market.

Vibrant Economy Group Budget Summary

	Budget 2025-26 \$000	
Revenue		
Rates revenue	11,148	
External revenue	560	
Internal revenue	15	
Total revenue	11,723	
Expenditure		
Personnel costs	3,268	
Operations & maintenance	2,959	
Occupancy costs	34	
Consumables & general	1,310	
Grants & subsidies	2,861	
Internal charges	1,264	
Depreciation & amortisation	27	
Total expenditure	11,723	
Net surplus/(deficit)	-	
Expenditure by Activity	FTE	
Economic Development	5,500	12.00
iSite Visitor Centre	1,344	10.67
City Marketing	905	6.00
Events	3,974	6.58
Total expenditure	11,723	35.25
Detailed Grants/SLA Schedule	\$	
Economic Development		
Film Otago SLA	15,000	
DVML Event Attraction Fund SLA	400,000	
Startup Trust SLA	294,300	
Southern Way SLA	15,000	
Otago Cycle Trails Collective SLA	15,000	
JobDun Grant	50,000	
Hapori Fund Grants	90,000	
Event Attraction Grants	1,645,000	
Total ED Grants/SLA Costs	2,524,300	
Events		
DVML Community Access SLA	750,000	
Masters Games Grant	115,783	
Contestable Community Events Grants	83,210	
Santa Parade Grant	71,526	
Major Community Contestable Grants	805,678	
Total Events Grants/SLA Costs	1,826,197	
Total Grants/SLA's	4,350,497	

Attachment 3

Group: Economic Development and City Activation

Summary: The department delivers on the city's economic development and destination strategy through four integrated portfolios. Each portfolio works collaboratively to drive sustainable economic growth, attract visitors and investment, enhance Dunedin's profile nationally and internationally, and ensure the city's economic opportunities and offerings are developed strategically.

Portfolio	Core Purpose	Key functions
Economic Growth and Innovation	Supports local economic growth, investment attraction, and ecosystem and infrastructure development. Strengthens Dunedin's economic base through collaboration with industry, education, investors, and international partners.	<ul style="list-style-type: none"> • Business advisory and support services to navigate council process • Investment retention and attraction and facilitation • Sector development strategies in health, tech, food resilience and creative sector. • Innovation ecosystem partnerships and Start Up Sector support. • International Relations and Sister City Partnerships • Economic Precinct Development and Visioning – centre city masterplan and 2GP.
Insights and Strategy	Provides the evidence base, systems, and operational capability that underpin all Enterprise Dunedin activity. Ensures effective governance, strategy alignment, and alongside regular outcomes-based public reporting and data interpretation to guide decisions .	<ul style="list-style-type: none"> • Economic, business, and tourism data insights and reporting • Performance and impact measurement (KPI dashboards, ROI, visitor data) • Stakeholder reporting and funding accountability • Operational and financial support • Alignment with Council and national strategies
City Identity	Builds Dunedin's profile, brand, and storytelling across markets. Leads marketing and communication that drive awareness, preference, and conversion across all portfolios including Film, Study, Invest, Live/Work, tourism/visitor and our events promotions and branding.	<ul style="list-style-type: none"> • Brand and content strategy across live, work, study, invest and visit. • Digital marketing, media, and advertising campaigns across all channels. • PR and communications • Domestic and international marketing activity • Creative development and collateral • Marketing partnerships and campaign performance reporting
Destination Management and Visitor Experience	Develops and manages initiatives to attract visitors. Builds Dunedin's appeal as a great destination to live and visit.	<ul style="list-style-type: none"> • Visitor attraction strategy and campaigns • Trade engagement and conversion partnerships • Major and business events. • Cruise and international market development • Industry engagement and tourism operator collaboration • iSITE Operations and Visitor Servicing • Tourism Product Development

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Economic Development Portfolio Overview and Impact Assessment

Portfolio Overview

The Economic Development (ED) portfolio drives Dunedin's long-term economic transformation through sector development, business growth, and investment facilitation. The portfolio's purpose is to strengthen the city's innovation ecosystem and enable higher-value, knowledge-based employment. Dunedin's professional, scientific, and technical industries—central to the city's innovation and productivity performance—contribute 8.1% of local GDP (approximately NZD \$685 million) and provide around 5,127 jobs, valued at approximately NZD \$133,000 in GDP per job¹. These sectors are forecast to experience sustained employment and productivity growth of between 3 and 4 percent annually through 2034, consistent with national long-term projections for knowledge-intensive industries². The team's major initiatives—JobDUN, Startup Dunedin, CODE Ltd, and Digital Interactive Health (DIH)—focus on enterprise activation, digital innovation, workforce development, and talent retention. Collectively, they align with Council's wider objectives, including Te Taki Haruru (Māori Strategic Framework), Zero Carbon 2030, and the Economic Development Strategy 2013–2023, which is now being updated for 2025–2033.

Core Dependencies and Relationships

The Economic Development (ED) team operates as a networked function within Council, relying on collaboration across multiple departments and with external partners to deliver economic outcomes for the city. The portfolio's effectiveness depends on its ability to connect policy, planning, and partnerships across civic, commercial, and community boundaries.

Internal dependencies

Economic Development is closely integrated with several areas of Council operations:

Area / Team	Description of the connection
City Development	ED contributes economic input to the Future Development Strategy and related planning work: business land and housing needs, transport and 3-Waters interfaces, parks and resilience infrastructure, city marketing narratives, and zoning for growth sectors (tech, film, study, food, ports, manufacturing).
Corporate Policy	Joint work to align ED with Council strategies across the four wellbeing domains; ensure Economic Development Strategy's coherence and obtain guidance for initiatives such as Digital Interactive Health (DIH). ED's role includes advice on inclusive growth and targeted funding settings for Māori and Pasifika business development.

¹ Infometrics. (2024). *Dunedin City Economic Profile 2024*. Wellington, NZ: Infometrics Ltd.

² Stats NZ. (2025, June 25). *National labour force projections: 2024 (base)–2078*. Wellington, NZ: Stats NZ Tauranga Aotearoa. Retrieved from <https://www.stats.govt.nz/information-releases/national-labour-force-projections-2024base-2078/>

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Māori Partnerships	Ongoing engagement under Te Taki Haruru and practical co-design support for ED initiatives (e.g., DIH). ED relies on access to in-house specialists to progress relationship-based work and uphold mana-enhancing practice.
Ara Toi (Creative Partnerships)	Collaboration to leverage arts and culture as economic drivers, linking creatives with enterprise initiatives. ED supports placemaking, JobDUN, Techweek, CODE Ltd, and screen/film activity to grow skills, incomes, and entrepreneurship.
Communications & Marketing	On-call design and campaign support for JobDUN, the Dunedin Investment Prospectus, and wider economic storytelling.
iSITE	Front-of-house civic interface that tells the broader Dunedin story to visitors and residents, connecting visitor information with business, education, innovation, and entrepreneurship narratives. ED depends on iSITE's relational model to reinforce place identity and customer experience.
Community Development; Parks & Recreation; Property Services	Coordination on youth-focused actions and triage of community enquiries to appropriate enterprise pathways (e.g., Startup Dunedin, CODE Ltd).
Procurement	Joint work to reflect economic development objectives in purchasing, including access for SMEs, startups, and Māori businesses. ED has co-developed a fit-for-purpose SLA for Startup Dunedin, cited internally as an exemplar; future targeting of clean energy, health tech, ed-tech, and sustainable manufacturing is a shared focus.
Waste & Environmental Solutions	ED connects local business networks to waste minimisation opportunities, capability building, and funding channels (e.g., Waste Minimisation, Hapori, King's Trust), using Startup Dunedin linkages.
Zero Carbon	ED provides advice for the "Communities and Economy" chapter and identifies opportunities where climate ambition and economic activation intersect.
Marketing, Communications and Video Production (Destination Marketing)	ED originates narratives and video content showcasing Dunedin as a hub for skills, talent, innovation, alliances, and enterprise outcomes; this work underpins a consistent, city-level innovation story.
City of Literature	Dunedin City of Literature supports Techweek (an annual weeklong celebration of tech and innovation in Dunedin, funded and overseen by economic development) as there is a connection with UNESCO and other Cities of Literature who identified technology and innovation as an area of interest.

External dependencies

Externally, ED's delivery model relies on long-term partnerships that bridge civic strategy and market activity:

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Partner / Sector	Role and dependency
Mana whenua	Engagement with Te Rūnaka o Ōtākou and Kāti Huirapa ki Puketeraki. Economic Development supports shared priorities under Te Taki Haruru, including cultural enterprise, Māori business development, and youth capability initiatives. These relationships ensure economic decisions are consistent with mana whenua aspirations and uphold the principles of partnership and shared wellbeing.
Tertiary sector	The University of Otago and Otago Polytechnic are key partners in workforce development, research commercialisation, and innovation. ED collaborates with these institutions on initiatives such as Startup Dunedin, CODE Ltd, and Digital Interactive Health (DIH) to connect research capability with business application.
Central government	The team maintains active relationships with agencies such as Kānoa – the Regional Economic Development & Investment Unit, The Treasury, and MBIE, providing place-based insight to guide regional funding and investment decisions. ED's direct engagement enables Dunedin to align local projects with national investment priorities—such as innovation, regional productivity, and zero-carbon transitions—and to secure funding through partnership models.
Investors	Through projects like DIH, ED coordinates engagement with commercial, philanthropic, and social impact investors. These relationships help to expand Dunedin's investment base and attract funding for innovation, health technology, and community enterprise initiatives that align civic and commercial outcomes.
Business and innovation ecosystem	The team also maintains relationships with local business networks, industry associations, and innovation agencies including Startup Dunedin Trust and CODE Ltd. These networks are essential for activating early-stage entrepreneurship, retaining skilled workers, and promoting Dunedin as a hub for technology and research-driven enterprise.

Sub-Portfolio Analysis

Startup Dunedin

Startup Dunedin develops early-stage entrepreneurship and inclusive innovation through a partnership between Council, local mentors, tertiary institutions, and community investors. It delivers programmes that build founder capability, connect small enterprises to national accelerators, and strengthen Dunedin's reputation within Aotearoa's startup ecosystem. The initiative contributes to community-based economic participation by supporting micro-grants, mentorship, and locally led innovation networks.

CODE Ltd (New Zealand Centre of Digital Excellence)

CODE Ltd, established with DCC support, anchors Dunedin's digital-games and creative-technology sector. It links education, research, and industry to create high-value jobs and attract inward investment. The entity has achieved national recognition for enabling cross-sector collaboration and for its contribution to the growth of creative-tech capability in the South Island. CODE works closely

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with central government and tertiary partners to implement business development, talent pathways, and ecosystem-building initiatives.

Digital Interactive Health (DIH)

DIH builds on CODE's foundation to integrate health science, education, and digital-design strengths. The project connects public and private partners—including Te Whatu Ora, tertiary providers, mana whenua, and industry—to develop digital-health solutions that improve system efficiency and community wellbeing. DIH represents an applied innovation model where research translation, commercial development, and public-sector collaboration occur within one coordinated ecosystem.

Comparative Assessment**In-House Model (Enhanced Status Quo)**

Under the current structure, the Economic Development (ED) team operates as a fully integrated part of Enterprise Dunedin within the Council organisation. This arrangement positions the team at the intersection of city strategy, policy, and service delivery.

The model enables direct alignment with city-wide strategies and statutory planning, including the Future Development Strategy, Te Taki Haruru, and the Zero Carbon 2030 Plan. Because ED sits alongside functions such as City Development, Ara Toi, Māori Partnerships, and Corporate Policy, it can feed economic analysis into planning and wellbeing objectives as these are being shaped rather than after decisions are made.

Cross-departmental collaboration occurs organically through shared management structures, common systems, and day-to-day access to expertise in areas such as procurement, communications, and community development. This ensures that initiatives such as JobDUN, Startup Dunedin, and DIH benefit from unified branding, consistent messaging, and joined-up governance. The approach supports inclusive and mana-enhancing practice by working directly with in-house Māori Partnership advisors.

The integration of external relationships—with mana whenua, Kānoa, MBIE, The Treasury, tertiary institutions, and private investors—is reinforced by ED's identity as part of local government. These partners recognise the team's civic mandate and rely on it to represent the city in multi-agency projects. This position provides credibility and continuity, particularly in government-to-government and iwi-to-Council relationships.

Operationally, the in-house model benefits from shared administrative systems, access to Council risk management and legal frameworks, and reduced duplication across portfolios. It is well suited to activities that require strategic coordination, policy alignment, and public accountability. The main limitations relate to responsiveness and flexibility: decision-making can be slower due to Council processes, and the ability to attract private co-investment or specialised commercial expertise can be constrained by public-sector conditions³.

³ MartinJenkins. (2024). *Options and considerations for economic development arrangements*, pp. 24–27, 30–31.

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Council-Controlled Organisation (CCO) Model

In a CCO structure, the Economic Development (ED) team’s functions would move to an independent entity governed by a board, with Council oversight maintained through a Statement of Intent and regular performance reporting. This would shift the team’s role from an internally integrated policy and coordination unit to a primarily delivery- and partnership-focused function.

The team would continue leading initiatives such as Startup Dunedin, CODE Ltd, and Digital Interactive Health (DIH) but with less direct involvement in Council strategy and policy formation. Input into frameworks like the Future Development Strategy, Zero Carbon 2030, or inclusive procurement would rely on formal agreements rather than day-to-day collaboration. The immediacy of economic advice to City Development, Māori Partnerships, and Corporate Policy could diminish, as engagement would occur through scheduled reporting or contracted services rather than internal coordination.

Internally, access to shared Council systems—communications, legal, and procurement—would be replaced by negotiated service arrangements. This may create clearer operational boundaries but could reduce the informal collaboration that currently helps align economic initiatives with civic priorities.

Externally, the team’s role as the city’s economic representative would require explicit delegation from Council. Relationships with mana whenua, Kānoa, The Treasury, and other government partners—many of which rely on a government-to-government interface—would need clear protocols to maintain continuity and credibility.

While the model could enhance operational flexibility, partnership agility, and speed of delivery, it would also demand strong governance and well-defined accountability mechanisms to sustain alignment with Council objectives. In effect, the ED team’s focus would move from strategic integration within Council to external facilitation and delivery, requiring deliberate coordination to preserve the cohesion that currently underpins Enterprise Dunedin’s performance⁴.

⁴ Ibid. pp. 33–35, 57–58.

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Project China Portfolio Overview and Impact Assessment

Portfolio Overview

Project China manages and strengthens Dunedin’s civic and economic relationships with the People’s Republic of China. It has maintained the city’s 30-year Sister City relationship with Shanghai, recognised nationally as a “*gold standard*” partnership by New Zealand government officials. The programme supports high-level government-to-government engagement, including inbound and outbound delegations led by the Mayor, Chief Executive, and sector partners. These delegations often include representatives from the University of Otago, Otago Polytechnic, business and industry leaders, and cultural institutions.

Project China facilitates the development and maintenance of formal agreements (MOUs) across multiple sectors—education, research, tourism, film, and technology—and assists other teams across Enterprise Dunedin in their engagement with Chinese partners and the local Chinese community. The project also contributes to international education, business collaboration, and cultural diplomacy, linking Dunedin’s civic role to national objectives in trade, innovation, and people-to-people exchange.

Core Dependencies and Relationships

Partner / Function	Description of Connection and Dependency
Civic Relationships	Manages the Sister City relationship with Shanghai and emerging partnerships with Qingyuan, Qingdao, Wuxi, and Guangzhou. Coordinates across Enterprise Dunedin and other Council departments for delegation visits, civic events, and hosting arrangements.
Property and Toitū Otago Settlers Museum (Lan Yuan Chinese Garden)	Liaises with Huangpu District Government under a long-standing MOU supporting the development and operation of Lan Yuan Chinese Garden, ensuring continued cultural and diplomatic ties between Dunedin and Shanghai.
Education and Research	Administers formal MOUs with Municipal Education and Science Commissions in China, enabling school exchanges, tertiary partnerships, and research collaboration. These agreements underpin joint projects involving Dunedin’s education institutions and Chinese counterparts.
Central and Local Businesses	Acts as an official link for Dunedin companies and agents engaging with Chinese markets. Recognition as a government representative provides credibility and regulatory assurance in China’s civic and commercial environments.
Chinese Community in Dunedin	Serves as a trusted liaison with local Chinese community groups, providing civic recognition, advice, and coordination with Council on cultural and community initiatives.
Enterprise Dunedin and Internal Council Teams	Works in partnership with Study Dunedin, Tourism Marketing, Festivals and Events, and Communications to support business,

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education, and tourism outcomes that rely on Chinese networks and government relationships.

Comparative Assessment

In-House Model (Enhanced Status Quo)

Within Council, Project China retains its civic mandate and continuity as part of Dunedin’s official government representation. This allows the team to hold and manage international MOUs on behalf of the city and coordinate directly with other departments—particularly City Development, Property Services, and Enterprise Dunedin’s international education and events teams. The structure provides access to in-house expertise for logistics, research, speechwriting, and official communications required for inbound and outbound delegations.

The in-house model supports the integrity of the city’s “government-to-government” relationships in China and maintains the trust of Chinese institutions that recognise local government as the appropriate counterpart. It also ensures cohesion between Project China and other portfolios such as Study Dunedin, Festivals and Events, and Tourism Marketing, which draw on its diplomatic networks.

Council-Controlled Organisation (CCO) Model

Under a CCO structure, Project China’s ability to function as an official city representative would be substantially limited. In the Chinese administrative system, only recognised government entities are considered legitimate counterparts for civic cooperation, meaning MOUs currently held by Council would not be valid if transferred to an external entity.

Without government status, the project would lose the authority to represent Dunedin in official exchanges, diminishing its credibility with the Shanghai Municipal Government and related provincial agencies. The coordination of delegations, sister-city activities, and ceremonial functions would require ongoing Council involvement, creating duplication and additional administrative layers. Furthermore, relationships with mana whenua, tertiary partners, and the local Chinese community—all built on the assurance of official representation—would likely weaken if the project operated outside the Council framework. Based on the nature of its work and the formal protocols governing international civic partnerships, Project China is structurally dependent on remaining within local government to maintain recognition, access, and diplomatic legitimacy⁵.

⁵ Ibid. pp. 24–27.

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Film Dunedin Portfolio Overview and Impact Assessment

Portfolio Overview

Film Dunedin coordinates the city's engagement with the screen production sector and manages filming activity across Dunedin. The portfolio's primary functions are to facilitate film permitting on DCC-owned land, act as a first point of contact for national and international productions and support the region's growing screen industry through regional collaboration and sector development.

The office operates within a shared Co-Manager model with Film Otago Southland and Film Queenstown Lakes, ensuring consistent permitting, coordination, and promotion across the wider Otago-Southland region. This arrangement positions Dunedin within a regional screen network that has successfully attracted both local and offshore productions. Film Dunedin also supports community engagement through local film events and partnerships that promote Dunedin as a filming destination while contributing to cultural and creative-sector visibility.

Core Dependencies and Relationships

Partner / Function	Description of Connection and Dependency
City Development, Transport, Parks, and Property	Collaborates to manage filming access and use of Council-owned land, roads, and facilities. Film Dunedin coordinates directly with these departments to ensure compliance and timely permitting for productions.
Film Otago Southland and Film Queenstown Lakes	Operates within a shared Co-Manager model that enables cross-regional collaboration, shared data systems, and a consistent "red-carpet" service for productions across Otago-Southland. This partnership supports industry trust and regional competitiveness.
Enterprise Dunedin Portfolios (Events, Marketing, Economic Development)	Works with other Enterprise Dunedin teams to promote Dunedin as a film destination and align screen activity with wider city marketing, tourism, and economic development strategies.
Screen Industry Stakeholders	Maintains relationships with production companies, location scouts, the New Zealand Film Commission, Screen Otago, and other regional offices. Provides a single point of contact for film inquiries and ensures compliance with local regulations.
Community and Cultural Partners	Engages with local creatives, cultural organisations, and community groups through film events and public screenings. Supports initiatives that enhance cultural participation and promote Dunedin's creative identity.

Film Dunedin functions as both a regulatory interface and an industry development service. It provides a streamlined process for filming permits, coordinates communication between Council departments, and ensures regulatory compliance on location use. The unit's facilitation role is underpinned by its authority to issue permits directly for DCC-owned land, which supports rapid decision-making in an industry that operates on tight timelines.

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Beyond permitting, the team contributes to Dunedin’s cultural economy by coordinating with Film Otago Southland to promote the region to national and international producers. The shared Co-Manager model allows for flexible operations, access to regional expertise, and reduced duplication of resources.

Film Dunedin also contributes to community engagement by supporting events, screenings, and initiatives that highlight the creative industries. These activities align with Council’s broader cultural and economic development objectives by increasing visibility, attracting visitors, and supporting local employment in production and post-production services.

Comparative Assessment

In-House Model (Enhanced Status Quo)

As an in-house function within Council, Film Dunedin maintains direct authority over permitting on DCC land, enabling quick approvals and effective coordination across departments such as Transport, Parks, and Property. This structure also supports integrated communication with Enterprise Dunedin teams and continuity in the shared Co-Manager arrangement with regional film offices. The in-house model aligns with Council’s cultural and economic priorities, ensuring that screen activity supports local wellbeing and community outcomes.

The model provides consistent compliance oversight and maintains public accountability through Council’s reporting and governance frameworks. It also strengthens the connection between industry facilitation and civic functions such as destination marketing and creative-sector development.

Council-Controlled Organisation (CCO) Model

Under a CCO, Film Dunedin would operate within an independent entity with separate governance and budget management. While this model may provide greater autonomy over staffing and partnerships, it would remove the team’s authority to issue filming permits directly, requiring all applications to be processed through Council. This could introduce additional steps and reduce the immediacy that production companies currently value.

The regional Co-Manager model may also require renegotiation to clarify representation and funding responsibilities. Loss of direct alignment with Council departments could affect the coordination of infrastructure and policy inputs essential for film operations, such as traffic management, heritage considerations, and public-space use.

While a CCO might enhance Dunedin’s profile within national networks or open new partnership channels, these benefits would need to be balanced against the risk of weaker integration with Council processes and potential duplication in permitting and communication systems.

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Good Food Dunedin Portfolio Overview and Impact Assessment

Portfolio Overview

Good Food Dunedin (GFD) sits within Enterprise Dunedin and coordinates the city's work on local food resilience, sustainable production, and food equity. The portfolio connects economic development, community wellbeing, and environmental sustainability through practical projects and sector collaboration.

GFD contributes to several Council priorities — including the Zero Carbon 2030 Plan, the Social Wellbeing Strategy, and the Sustainability Framework (currently in development) — by encouraging local food production, supporting small producers, and promoting circular economy practices such as waste reduction and composting.

Dunedin's population of approximately 131,000 residents (mid-2025) collectively spends an estimated \$748 million per year on food, yet less than 1% of this supply is produced locally. This high external dependency highlights the portfolio's focus on building resilience to supply chain disruption, reducing emissions from transport and refrigeration, and promoting equitable access to nutritious food.

Current initiatives include:

- **Market Garden Pathway** – developing a training-to-enterprise model that supports new small-scale market gardens.
- **Aquaculture Feasibility Study** – researching local opportunities for regenerative aquaculture.
- **Local Food Hub Concept** – designing a facility that connects producers, hospitality businesses, and consumers.
- **Hunted Meat Rescue Programme** – developing safe systems for redistributing hunted meat to food banks.
- **Local Abattoir Options** – exploring value-added, low-emission processing for regional meat producers.
- **National Food Resilience Network** – collaborating with other councils and organisations to build national best practice in community food systems.

Core Dependencies and Relationships

Partner / Function	Description of Connection and Dependency
Environmental Health, Planning, Zero Carbon, Property, Parks & Recreation	Collaborates on land use, soil protection, community gardens, and public green spaces. Joint work supports sustainable food access, local growing initiatives, and integration with the Zero Carbon 2030 Plan and Future Development Strategy.
Procurement and Business Support	Works with Council's procurement team to embed local food sourcing and fair contracting practices. Supports local producers and small food businesses to meet procurement standards and access city supply chains.

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Destination Management and Marketing (Enterprise Dunedin)	Promotes Dunedin's local food identity, hospitality, and sustainability credentials through destination marketing. Aligns local food storytelling with tourism and business attraction campaigns.
Corporate Policy and Community Partnerships	Aligns GFD objectives with the Social Wellbeing Strategy and supports local food access initiatives such as community gardens, food pantries, and education programmes.
Otago Regional Economic Development (ORED)	Coordinates regional engagement on primary industries, food innovation, and agricultural diversification. Shared participation ensures consistent messaging and regional alignment.
Food Producers and Growers	Engages with local growers, farmers, and food businesses to strengthen short-supply chains, encourage regenerative practices, and improve financial viability. Co-hosts the annual Local Growers' Hui.
Business Start-Ups and Entrepreneurs	Provides advisory support and pathway development for new local food enterprises, including compliance, zero-carbon planning, and business development mentoring.
National and International Networks (EatNZ, International Organics Congress)	Represents Dunedin in networks promoting food system resilience, organics, and sustainable production. Council affiliation provides credibility and access to shared resources and collaboration opportunities.

Comparative Assessment
In-House Model (Enhanced Status Quo)

Within Council, GFD maintains strong integration with departments involved in planning, environmental policy, and social wellbeing. This enables direct coordination on land use, procurement policy, and zero-carbon initiatives, while retaining credibility with national and international food networks that value civic involvement. The in-house model supports continuity of partnerships with local growers, start-ups, and community food organisations, and ensures alignment with broader policy objectives around inclusion, climate action, and resilience.

Council-Controlled Organisation (CCO) Model

Under a CCO, GFD's role could shift from civic facilitation to programme delivery. While external governance might offer more flexibility for partnerships or funding, the portfolio's dependence on internal Council relationships — particularly planning, property, and policy — means key collaborations would need to be formalised through service agreements. Separation from Council could reduce access to planning, regulatory, and environmental expertise, limiting GFD's ability to influence urban food policy and land-use decisions. Additionally, the credibility and neutrality associated with Council involvement in community resilience initiatives might be harder to maintain under a commercially oriented model.

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Destination Management Portfolio Overview and Impact Assessment

Portfolio Overview

The Destination Management portfolio coordinates Dunedin's tourism, marketing, business events, and major/community events functions. Its purpose is to promote Dunedin as a distinctive, sustainable, and year-round destination for visitors, residents, students, and investors.

The portfolio leads the implementation of the Ōtepoti Dunedin Destination Plan, which sets the framework for managing Dunedin's visitor economy in a way that balances economic growth, environmental responsibility, and community wellbeing. It integrates multiple sub-portfolios—Destination Marketing, Trade Tourism, Business Events Bureau, and Major & Community Events—under a single strategic approach.

The team works closely with Tourism New Zealand, MBIE, Tourism Industry Aotearoa, and regional partners to ensure that Dunedin's visitor economy aligns with national policy, regional development priorities, and local values such as Te Taki Haruru (Māori Strategic Framework) and Zero Carbon 2030. The portfolio's focus is not only on attracting visitors, but on ensuring that tourism and events deliver long-term social and environmental benefits for Dunedin communities.

Core Dependencies and Relationships

Partner / Function	Description of Connection and Dependency
Tourism New Zealand (TNZ)	National tourism body; provides co-operative marketing, data insights, and funding for campaign alignment. Partnership ensures Dunedin's inclusion in national promotions and trade platforms.
Local Tourism Operators and Industry Groups	Key partners for product development, campaign coordination, and visitor servicing. Collaboration supports a unified city message and strengthens sector capacity.
Māori Partnerships and Te Taki Haruru	Provides strategic guidance to ensure visitor economy initiatives reflect mana whenua values, support Māori tourism development, and contribute to cultural capability building.
Events and Venues Dunedin, Otago Museum, University of Otago, and Forsyth Barr Stadium	Collaborate on event attraction, programming, and logistics. Shared planning ensures consistent promotion and efficient use of city venues.
Port Otago and Cruise Action Group	Coordinate seasonal cruise schedules and visitor experience planning. Cruise visitors generate significant local spending and are a key driver of the visitor economy.
Marketing, Communications, and Digital (Council)	Integration ensures consistent branding, shared storytelling, and cross-promotion between tourism, talent attraction, and lifestyle campaigns.
Regional Partners (Film Otago Southland, Tourism Waitaki, Great South)	Joint initiatives enhance South Island regional tourism development and leverage shared resources for trade shows and marketing collaborations.
National Business Events Network (Business Events Industry Aotearoa)	Provides partnership opportunities, data, and lead generation for national and international conference bids. Supports alignment with national business events strategies.

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Sub-Portfolio Analysis

Destination Marketing (Consumer)

Destination marketing in Dunedin is led by Enterprise Dunedin, which works to position the city as a compelling place to visit, live, study, work, and invest direct to consumers in external target markets. The strategy is guided by the Ōtepoti Dunedin Destination Plan, which outlines a coordinated approach to marketing and managing Dunedin as a destination.

The destination marketing team focuses on direct-to-consumer marketing through the marketing funnel from increasing awareness through to conversion through commercial partnerships with travel providers and multi-channel paid and earned media. The focus areas include:

- Amplifying Dunedin Voices – Celebrate local stories and identity.
- Raising Our Profile – Promote Dunedin nationally and internationally.
- Creating Compelling Experiences – Develop and support high-quality, distinctive visitor experiences.
- Delivering a Year-Round Destination – Encourage visitation across all seasons.
- Developing Capacity and Connectivity – Strengthen infrastructure and partnerships to enable access to the city.
- Collecting and Sharing Insights – Use data to inform and adapt marketing efforts.

Trade tourism

This function refers to the strategic engagement with travel trade partners—such as wholesalers, travel agents, inbound tour operators, and online travel platforms—to promote Dunedin as a destination. This work is led by Enterprise Dunedin, in collaboration with Tourism New Zealand, DunedinHOST, and other regional stakeholders.

The work in this area involves:

- Positioning Dunedin as the Southern Hub: Encouraging visitors to use Dunedin as a base to explore the wider Otago region through RTOI partnerships in the Southern Way
- Product Extension and Development: Creating and packaging branded experiences with operators that appeal to trade partners and international markets.
- Connectivity and Infrastructure: Advocating for improving air access and transport links to support trade tourism growth at the local and national level.
- Trade Engagement: Participation in trade shows, famils (familiarisation trips), and B2B marketing campaigns.

Business Events Bureau

Dunedin Business Events focuses on securing conferences, incentive travel, and business events that generate year-round visitation. The bureau showcases Dunedin's academic, scientific, and cultural assets and works with local partners to develop bids and host city familiarisations.

It provides free, impartial support to help plan and deliver successful business events in Dunedin. Its services include:

- Venue and accommodation recommendations.
- Tailored site inspections and familiarisations.

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- Connections to local experts, academics, and industry leaders.
- Bid support for national and international conferences.
- Marketing collateral and delegate offers in the form of deals and packages.
- Coordination of incentive packages.

Major & Community Events

Supports both large-scale events that enhance Dunedin's national profile and community events that strengthen local identity and pride. Collaboration across Council teams ensures logistical coordination, access to venues, and promotion.

Dunedin's events strategy is guided by the Dunedin Festivals and Events Plan 2025, which includes dedicated Implementation Plans for both Major & Regional Events and Community & Local Events across the city. These plans are managed by Enterprise Dunedin, with support from Dunedin Venues Management Ltd (DVML) where events are held inside venues.

Major Events events aim to:

- Boost Dunedin's profile as a leading events destination.
- Drive economic growth and social prosperity.
- Integrate events into destination marketing.
- Celebrate Māori heritage and values.
- Increase the number and scale of major events hosted through a proactive events procurement strategy and through funding external events via the premier events grants program.

Community events focus on:

- Celebrating local identity and diversity.
- Encouraging civic pride and social connection.
- Providing affordable/free access to events for all.
- Supporting amateur sports, arts, and cultural activities.
- Growing grassroots events into regional showcases through grants funding.

Comparative Assessment

In-House Model (Enhanced Status Quo)

Maintaining destination functions within Council provides strong integration with Enterprise Dunedin portfolios and ensures alignment with city strategy, regulatory processes, and public accountability.

- Enables coordinated delivery of marketing, events, and business attraction.
- Ensures consistency of messaging across civic and commercial campaigns.
- Retains established relationships with Tourism New Zealand, Port Otago, and local operators through a trusted Council interface.
- Facilitates internal coordination with Māori Partnerships, City Development, and Zero Carbon teams, embedding sustainability and cultural values in destination planning. The in-house model supports both economic and community outcomes, balancing brand promotion with civic inclusion.

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Council-Controlled Organisation (CCO) Model

A CCO could offer greater operational flexibility for campaign delivery, faster decision-making, and agility in responding to market trends. It may strengthen relationships with private-sector tourism partners and enable more innovative marketing approaches. However, separation from Council would require new systems for approvals, policy alignment, and integration with infrastructure and community strategies. Coordination between events, tourism, and other Council functions could become more formal and process-driven. Relationships dependent on government or civic credibility — such as Māori Partnerships, cruise coordination, and national tourism representation — would require clear protocols and oversight to maintain consistency. Transition costs and new governance requirements would need to be considered alongside potential efficiency gains.

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Study Dunedin (International Education) Portfolio Overview and Impact Assessment

Portfolio Overview

The Study Dunedin portfolio promotes Dunedin as a leading education destination and supports the local sector to attract and retain international students. It is managed by one full-time Economic Development Advisor – Study Dunedin, who coordinates citywide and national partnerships across schools, tertiary institutions, and government agencies.

International education contributes approximately NZD \$288 million annually to the Dunedin economy (August 2024). Each international student adds an estimated \$74,551 to GDP, with total enrolments of 3,865 international students across Otago institutions. These students are considered high-value visitors who contribute both economically and socially by enriching the city's cultural diversity and talent base.

Since COVID-19, the sector has achieved 59% recovery in Otago (compared to 72% nationally). The University of Otago remains the key driver of growth, with approximately 80% recovery of international enrolments, followed by 67% in the school sector. The University's Pae Tata Strategic Plan 2030 targets increasing international students to 20% of total enrolments (currently 9%)⁶. The New Zealand Government's Going for Growth plan (2025) seeks to double the national sector's value to \$7.2 billion by 2034.

The portfolio facilitates the Study Dunedin Advisory Group (SDAG), established in 2013, which brings together schools, tertiary providers, and education partners under an independent chair to promote sustainable, inclusive, and collaborative sector development.

Core Dependencies and Relationships

Partner / Function	Description of Connection and Dependency
University of Otago	The anchor institution for international education in Dunedin and the region's largest contributor to student enrolments. Collaboration includes joint marketing, participation in the Study Dunedin Advisory Group (SDAG), and support for market diversification. The University's <i>Pae Tata Strategic Plan to 2030</i> guides international growth targets and strategic alignment with city objectives.
Secondary Schools (10 active institutions)	Collaborate through SDAG to coordinate recruitment, student welfare, and market development. Study Dunedin provides shared resources for marketing, digital storytelling, and agent engagement.
Education New Zealand (ENZ)	National partner for global marketing, scholarship promotion, and relationship management with overseas education agents. Collaboration enhances Dunedin's visibility in priority markets and alignment with national strategies.

⁶ University of Otago. (2022). *Pae Tata: Strategic plan to 2030*. Dunedin, New Zealand: University of Otago. Retrieved from https://www.otago.ac.nz/_data/assets/pdf_file/0029/314885/download-pae-tata-strategic-plan-to-2030-0245908.pdf

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National Associations (SIEBA, ISANA, RIENA, INZ, MoE)	Provide professional development, regulatory guidance, and national coordination for international education. Study Dunedin represents the Dunedin sector within these national forums.
Destination Management and Marketing (Enterprise Dunedin)	Integrates Study Dunedin’s messaging into citywide campaigns for talent attraction, student recruitment, and lifestyle promotion. Ensures consistent branding across “Study, Work, Live” narratives.
Events and iSITE Visitor Centre	Coordinates student welcome events, cultural festivals, and hosting of agent and education delegations. iSITE supports visitor logistics and family arrivals.
Policy and Partnerships (Māori Cultural Capability)	Works with Council’s Māori Partnerships team to embed Te Taki Haruru and Te Ao Tūroa into international education projects, promoting inclusive cultural capability and respect for mana whenua.

Comparative Assessment

In-House Model (Enhanced Status Quo)

Operating within Council allows Study Dunedin to remain closely aligned with destination management, marketing, and wider economic development functions. This alignment supports integrated storytelling, cross-sector branding, and consistency in promoting Dunedin as a study, work, and lifestyle destination.

The in-house model ensures credibility in government and diplomatic engagement, maintaining access to networks such as Education New Zealand, High Commissions, and national education associations. It also enables collaboration with other Council teams, including Māori Partnerships, Zero Carbon, and Community Development, to embed sustainability and inclusion in sector initiatives. This structure provides continuity for the Study Dunedin Advisory Group (SDAG) and ensures transparent accountability under Council’s governance and reporting systems.

Council-Controlled Organisation (CCO) Model

A CCO arrangement could offer more flexibility in marketing, funding partnerships, and campaign delivery. It may allow faster decision-making and more tailored approaches to specific international markets. However, such a model would reduce direct integration with Council’s policy and destination management teams and require formal service agreements to maintain consistency in messaging and branding.

The portfolio’s effectiveness relies heavily on civic credibility and government-to-government engagement. If transferred to a CCO, Study Dunedin may face limitations in representing the city in official or diplomatic settings, where local government status is often a prerequisite for recognition. Maintaining sector confidence and engagement—particularly with ENZ, tertiary partners, and schools—would depend on establishing clear governance mechanisms and preserving Council oversight.

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iSITE Portfolio Overview and Impact Assessment

Portfolio Overview

The iSITE Dunedin Visitor Information Centre is a core public-facing function within Enterprise Dunedin, delivering visitor services, local business promotion, and event support. It operates under the national iSITE network (Visitor Information Network Inc.), managed by Tourism New Zealand, and adheres to national quality and service standards.

The centre provides information, booking, and customer service for visitors, residents, and cruise passengers. It also supports the wider Council through community campaigns, emergency coordination, and event hosting. In the 2024–2025 financial year, the Dunedin iSITE generated approximately NZD \$1.26 million in total revenue, with around \$909,000 from international cruise visitors. iSITE Dunedin’s services contribute to local tourism, regional visibility, and civic engagement. National research indicates that visitors who use iSITEs spend more, stay longer, and engage more deeply with cultural and nature-based experiences than non-users.

Core Dependencies and Relationships

Partner / Function	Description of Connection and Dependency
Tourism New Zealand and iSITE New Zealand (VIN Inc.)	Provides national brand accreditation, service standards, and access to the IBIS nationwide booking and reporting system. Ensures Dunedin aligns with national visitor information and quality assurance frameworks.
Enterprise Dunedin (RTO)	Integrates iSITE operations with citywide tourism marketing, destination promotion, and event coordination. iSITE provides front-line service delivery and local intelligence supporting Enterprise Dunedin’s strategy.
Port Otago Ltd and Cruise Action Group	Operates information counters at Port Chalmers and Toitū Otago Settlers Museum during cruise season. Collaborates on the annual Cruise Calendar, logistics briefings, and post-season reviews to manage visitor flows and promote local tours.
Local Tourism and Hospitality Operators	Provides booking, promotion, and display services for local and regional operators. Offers affordable marketing exposure to small businesses and facilitates sales across accommodation, attractions, and transport sectors.
Community and Emergency Services (DCC, Civil Defence, ORC)	Acts as a public information and coordination hub during emergencies, including floods, earthquakes, and public health events. Has provided call-centre and translation support during crises.
Department of Conservation (DOC)	Serves as Dunedin’s public access point for DOC information, following closure of the DOC Visitor Centre. Provides up-to-date safety alerts, track information, and sells DOC hut tickets.
Events and Education Partners	Supports the Masters Games, FIFA Women’s World Cup, and university events, providing logistical and accommodation coordination. Assists with orientation activities for international students alongside Study Dunedin.

Portfolio Analysis

The Dunedin iSITE functions as the public-facing service arm of Enterprise Dunedin, bridging the gap between Council operations, tourism businesses, and the visiting public. Its primary activities include visitor servicing, regional promotion, and support for major events and cruise operations.

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The iSITE's value lies in its multi-purpose capability: beyond visitor information, it assists in community engagement, crisis response, and public communications. This positions it uniquely among Council functions as both an economic development service and a civic information hub.

Financially, the centre operates under a hybrid funding model combining Council support, commission revenue, and commercial partnerships. Across New Zealand, over half of all iSITEs are managed by local authorities, a structure that allows alignment with public objectives while maintaining consistency with national standards.

As part of the national iSITE network, Dunedin's centre benefits from shared technology systems, industry training, and national data insights. Locally, its contribution to cruise tourism is substantial, with more than \$900,000 in international tourist revenue generated annually across its city, port, and pop-up operations.

Comparative Assessment

In-House Model (Enhanced Status Quo)

Under Council management, the iSITE remains part of Enterprise Dunedin's integrated tourism and visitor services portfolio. This model sustains strong alignment with city policy, ensures equitable promotion of local operators, and maintains direct accountability to Council and the public.

The in-house structure supports neutral, community-oriented service delivery and enables rapid responses to civic priorities such as emergency communications and event support. It preserves established partnerships with Tourism New Zealand, DOC, Port Otago, and local operators under a trusted public-service framework.

Operational flexibility is maintained through its ability to redeploy staff across Council departments as needed (e.g., Masters Games, FIFA events, and emergency operations).

Council-Controlled Organisation (CCO) Model

Transferring iSITE operations to a CCO—either independently or under an existing entity—would create a more commercial governance environment. While this could enable greater flexibility in partnerships or marketing, the iSITE would lose direct Council oversight and its formal role as a municipal service provider.

A CCO structure could complicate national accreditation, as the iSITE network's quality and compliance systems are designed for public or RTO-operated centres. The absence of direct government accountability may weaken public trust in service neutrality, particularly in visitor referrals and local operator representation.

The iSITE's participation in emergency coordination and cross-departmental city services would also be more complex under a separate governance model. Any transition would require formal agreements to ensure continuity in cruise operations, DOC collaboration, and community engagement.

Attachment 6: Implementation Roadmap (if CCO preferred)

Should the Council choose to proceed with establishing a CCO for Enterprise Dunedin, the following phased roadmap is suggested:

February to June 2026 – Planning Phase

- Form a Transition Steering Group (including Council and key stakeholder representatives) to guide the establishment.
- Transition Steering Group to prepare a CCO establishment plan for Council agreement, including:
 - The intended objectives, functions and structure of the CCO
 - The key elements that will be included in a constitution or trust deed for the CCO, including the legal name, statements of objectives, functions, structural and governance arrangements, shareholding, entity name, and reporting requirements.
 - The expectations for the entity's operations over the establishment phase and short-term. The advice should set out a realistic establishment process and what is achievable over the first 12-24 months.
 - A proposed plan and process to guide the transition to the new entity. Amongst other things, this should cover processes related to setting up establishment leadership and appointments (an Establishment Board), change management, and the development of accountability documentation.
 - Identification of key risks and risk management strategies for the establishment phase, including related to personnel, funding, business continuity, stakeholder support.
 - Costs associated with the establishment process, including recruitment, governance, legal, financial, administration costs, and initial funding requirements for the entity.
 - Engagement and communication plan for stakeholder outreach
 - Recommendations for the Council, including appointing the Establishment Board.

July 2026 to June 2027 – Transition and Establishment phase

Key tasks for the transition phase would include:

- Public consultation on the proposal
- Establishing a stakeholder advisory group/revitalising the Dunedin Growth Partnership to oversee an update of the economic development strategy. Commission an update of the strategy (to be completed by December 2026)
- Finalising the CCO's constitution/trust deed
- Appointing an Establishment Manager.
- The Council developing a draft Letter of Expectation for the CCO.
- The Establishment Board developing a preliminary Statement of Intent for the new CCO, based on agreed priorities and activities, in consultation with Council.

- The Establishment Board and Manager preparing the first business plan for the new entity based on the SLA. The business plan would set out the purpose, objectives, activities, budget, performance measures and reporting requirements of the new entity, with an initial focus on the first 12 months of the agency's operations.
- Recruiting for and appointing the inaugural board of directors.

Key tasks for the establishment phase would include:

- Board recruiting for and appointing a Chief Executive
- Transferring staff to the new CCO structure; putting in place service agreements for any support needed from Council (IT, HR, etc.). Implementing financial and other systems for the CCO.
- Transition portfolios from the Council, with the CCO taking over responsibility for all ED services by the end of June 2027
- Launching the new agency's brand, website and social media.
- CCO producing its first quarterly or 6 monthly reports and annual report and presenting these to the Council and stakeholders. Refining KPIs or priorities as needed.

July 2028 to December 2028 – Review and consolidation phase

- After about 12-18 months of operation, undertaking a checkpoint evaluation – what's working, what needs tweaking (this could be an independent review or a formal report by the CCO and Council staff together). Any adjustments to governance documents or processes made as required.