

Far North District Council – i-SITE Review and Strategy January 2023

Overview

Morrison Low was commissioned to review the delivery of the Far North (FNDC) and Whangārei (WDC) District Councils' i-SITE visitor information centres (i-SITEs) in accordance with Section 17A (s17A) of the Local Government Act 2002 (the Act). The two councils sought efficiencies through completing the review together.

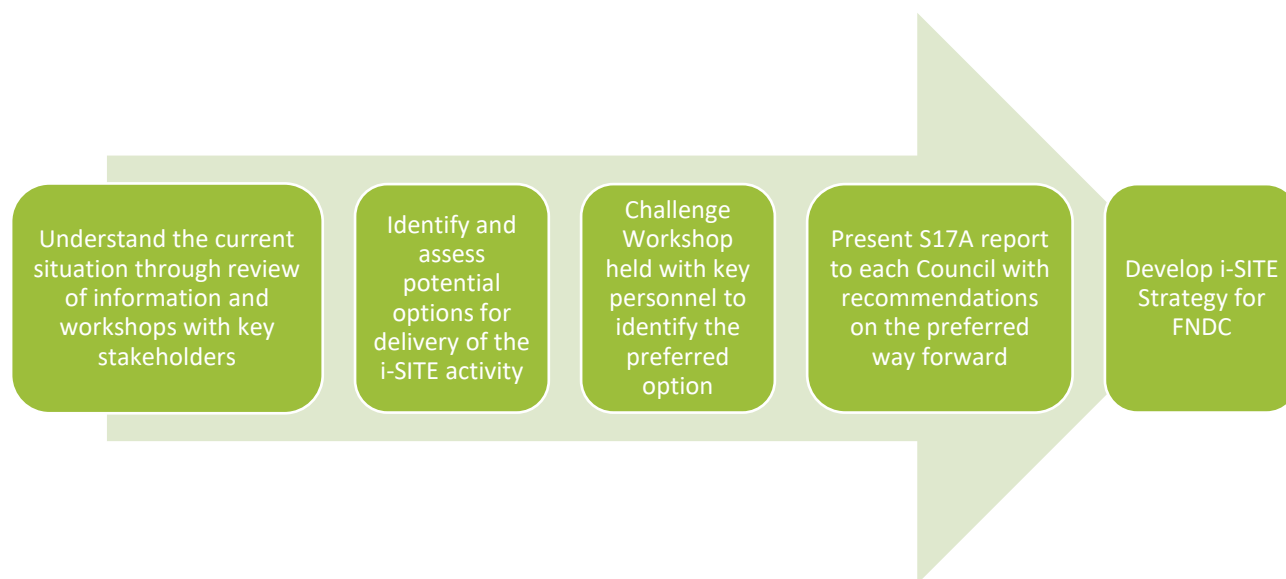
Service delivery reviews are required under s17A of the Act which states:

“A local authority must review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services and performance of regulatory functions.”

The review looked at challenges being faced and performance of the current arrangements and then considered potential future service delivery options to increase the effectiveness and efficiency of the service.

The scope included development of an i-SITE Strategy for FNDC.

The approach taken is shown below:



Why have we done this review?

FNDC has a vision for i-SITES that was considered in the review *“to encourage visitors to stay longer, enjoy more activities, and spend more money in the Far North by providing them with a positive image of our district”*.

Reduced visitors over the last few years through Covid and changes in the way people access visitor information (information accessed online), has meant that the current arrangements need to be reviewed.

This review also considered the national i-SITE New Zealand review conducted in 2021 with a proposed tier system of facilities.

Our challenges

Key issues and opportunities identified include:

- Visitor numbers and revenue reduced as a result of Covid and changing use of i-SITEs. However there has been a bounce back in the 2022/23 summer
- Sites need to be 'visible' to increase foot traffic
- Shared arrangements for other services, agencies or businesses at i-SITEs may generate more foot traffic and subsequently more revenue
- We need to facilitate the gap between online information and personal service and convert enquiries into sales.
- Recruitment and retention of i-SITE personnel can be challenging
- Are our facilities in the right locations and are they fit-for-purpose?

Strategic objectives

The following Strategic Objectives were developed for consideration of potential options:

1. A service that supports Council's vision of sustainable prosperity and well-being
2. Providing information to visitors to promote the Far North and support economic wellbeing, embracing our unique culture and heritage
3. Delivering a sustainable, meaningful and cost-effective activity for ratepayers

Where are we now?

The Far North has i-SITEs in Paihia, Kaitaia and Hokianga. The Whangārei i-SITE is located alongside State Highway 1 in Raumanga. Kaipara District Council does not operate any i-SITEs.

The sites are resourced through a mix of permanent and casual staff to service the peak summer season. Each i-SITE is open year-round with FNDC also sharing resources across customer services.

Recommended future direction

Following an assessment of options for against strategic objectives and agreed assessment criteria, the recommended way forward is to **'retain the i-SITEs in their current locations but to optimise those sites and the network by providing additional services, such as pop-up sites or virtual sites, to meet demand during the peak season and also to strengthen the collaborative partnering with other interested stakeholders'**.

The results were similar for both FNDC and WDC, supporting the two councils continuing to work together.

Some context on the recommended option is provided below:

Extent of services

Options	<ul style="list-style-type: none"> • Status quo • enhanced site (some benefit) • enhanced site with additional peak services (preferred) • reduced sites (would impact service across wide geographic area) • new site (Awanui) – capital and operational costs would outweigh benefits
Recommended way forward	<ul style="list-style-type: none"> • Retain the current i-SITEs but encourage additional foot traffic through increased visibility and enhancements. • Additional services at peak times could include pop-up or mobile i-SITEs. • Virtual sites could be an option, such as when physical sites are unstaffed.
Cost and revenue considerations	<p>Costs dependent on enhancements:</p> <ul style="list-style-type: none"> • Improved signage would be relatively low cost and would make sites more visible • Improved IT / systems would make services more ‘relevant’ • On-site leases such as cafes or retail would generate revenue • Additional peak season services would require additional resources but would generate more revenue • Virtual services would have capital outlay but minimal resource needs

National direction

Options	<ul style="list-style-type: none"> • Tier 1 - sites rebranded with standardised national systems such as booking engines, data sharing and nationally integrated digital assets • Tier 2 - similar to current arrangements with a modified sub-brand to link i-SITEs to the network • Opt out of VIN network
Recommended way forward	<ul style="list-style-type: none"> • Mix of Tier 1 (Paihia) and Tier 2 sites (Kaitaia and Hokianga), in line with previous discussions within Council. • The Tier 1 site would support Tier 2 sites in both Far North and Whangārei.
Cost and revenue considerations	<p>Costs dependent on the ‘Tier’:</p> <ul style="list-style-type: none"> • Capex - Tier 1 sites – 50/50 split FNDC and central government with indicative fit-out costs of \$200,000 - \$500,000. This would require new funding from within FNDC • Annual costs – Tier 1 \$5,000 - \$10,000 per annum / Tier 2 \$1,500 - \$3000 per site per annum / opt out would have no VIN fees but would not have the supporting network benefits (compares to current fees of \$1,650 - \$2,805 per site)

Service delivery

A number of options must be considered under a s17A review including in-house and out-sourced options for both governance and service delivery.

Options	<ul style="list-style-type: none"> • Status quo • Enhanced status quo with more collaboration (preferred) • Outsource operations (possible but loss of control and loss of benefits of sharing resources across Council) • Shared services (not recommended in a formal arrangement - can be complex with limited benefit) • CCO / partnership (can be complex and expensive for a relatively small operation) • Opt out (No control over operation which may impact on tourism promotion)
Recommended way forward	<ul style="list-style-type: none"> • Council would continue to deliver the service through in-house governance, management and operations but with greater partnering with interested agencies such as neighbouring councils, Department of Conservation, Northland Inc and local businesses. • Minimal cost impact with the potential for significant benefit across the region.
Cost and revenue considerations	Operational costs similar to current arrangements but benefits of working collectively could be significant in terms of revenue and supporting local businesses.

Development of an i-SITE Strategy

What will the Strategy look like?

The key purpose of strategic planning is to set goals for an activity and to develop a plan to achieve them.

The Strategy will consider:

- Its purpose including Strategic Objectives
- The context – the current environment the i-SITEs are operating in and background information
- Strategic alignment – how this Strategy will support and align with other strategic documents such as the FNDC Long Term Plan and the VIN Inc. i-SITE Future Strategy, Tai Tokerau Northland Inc. Destination Management Plan
- The current and future role of the i-SITE network
- How we will deliver on the Strategic Objectives

What else do we need to do?

In parallel with the i-SITE Strategy, the following is recommended:

- Work with WDC in the first instance to investigate formalising collaboration and then extend to other partners. This could include a collective Memorandum of Understanding (MOU).
- Assess specific service improvements e.g. signage, pop-ups and virtual sites on a cost-benefit basis.

Input from Elected Members

Options for Elected Member input are:

1. **No input** – look forward to delivery of I-Site strategy
2. **Workshop** – one-off workshop where Elected Members provide input into strategic directions
3. **Working group input** – one or two elected members with an interest in I-Site service delivery are identified to provide input into the strategy