



## **Minister for Tourism and Hospitality**

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# **Tourism and Hospitality portfolio**

## **Vote Business, Science and Innovation**

Report in relation to selected non-departmental appropriations for the year ended 30 June 2024

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## Contents

<b>Foreword</b> .....	<b>3</b>
<b>Statements of Performance</b> .....	<b>4</b>
<b>Non-Departmental Output Expenses</b> .....	<b>4</b>
Tourism: COVID-19 Tourism Response.....	4
Tourism: Regional Events Fund .....	5
<b>Non-Departmental Other Expenses</b> .....	<b>6</b>
Tourism: Tourism Infrastructure Fund .....	6
Tourism: Tourism Strategic Infrastructure and System Capability.....	7

## Foreword

Ministers are responsible for reporting the financial and non-financial performance of non-departmental appropriations to Parliament. This report provides information on the year-end performance results of non-departmental appropriations that have not been included in any other reports to Parliament.

This report provides the 1 July 2023-30 June 2024 results of relevant non-departmental appropriations for the Tourism and Hospitality portfolio within Vote Business, Science and Innovation. The relevant appropriations are:

### Non-departmental output expenses:

- *COVID-19 Tourism Response*
- *Regional Events Fund*

### Non-departmental other expenses:

- *Tourism: Tourism Infrastructure Fund*
- *Tourism: Tourism Strategic Infrastructure and System Capability*



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Hon Matt Dooney

**Minister for Tourism and Hospitality**

21 / 10 / 2024

## Statements of Performance

### *Non-Departmental Output Expenses*

#### Tourism: COVID-19 Tourism Response

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#### Scope of appropriation

This appropriation is limited to domestic visitor marketing, and destination planning and management, and supporting actions in response to the tourism sector impacts of COVID-19.

#### Intention Statement

This appropriation is intended to achieve the delivery of a domestic tourism campaign in the most affected regions.

#### Assessment of Performance

##### Non-financial

Performance Measures	2022/23 Actual Result	2023/24 Budget Standard	2023/24 Actual Result
Percentage of contracts that have been monitored and assessed in line with contract requirements	On Track	100%	100%

##### *Comment*

All contracts were monitored and assessed against milestones and timeframes. The Fund is completed.

##### Financial

Expenses (\$000)	2022/23 Actual \$000	2023/24 Estimates \$000	2023/24 Supplementary Estimates \$000	2023/24 Actual \$000
Total Appropriation	261	18,000	339	236

##### *Comment*

This appropriation is underspent by \$103,000 (30%) year ended 30 June 2024. It contains the Tourism Innovation Programme for Tourism Recovery (ITPR) and had minimal spend in 2023/24 before the programme was stopped for reprioritisation by the new Government.

## Tourism: Regional Events Fund

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### Scope of appropriation

This appropriation is limited to the funding of entities to support the delivery of events that will stimulate domestic tourism.

### Intention Statement

This appropriation is intended to achieve an increase in the levels of domestic tourism in New Zealand.

### Assessment of Performance

#### Non-financial

Performance Measures	2022/23 Actual Result	2023/24 Budget Standard	2023/24 Actual Result
Percentage of contracts that have been monitored and assessed in line with contract requirements	On Track	100%	100%

#### Comment

Contract monitoring and assessment of the remaining contracts against milestones and timeframes is ongoing.

#### Financial

Expenses (\$000)	2022/23 Actual \$000	2023/24 Estimates \$000	2023/24 Supplementary Estimates \$000	2023/24 Actual \$000
Total Appropriation	14,200	9,405	9,405	9,324

#### Comment

This appropriation is underspent by \$81,000 (1%) year ended 30 June 2024. This is a minor variance.

## ***Non-Departmental Other Expenses***

### **Tourism: Tourism Infrastructure Fund**

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#### **Scope of appropriation**

The appropriation is limited to supporting communities to respond to tourism-related pressures on existing infrastructure.

#### **Intention Statement**

This appropriation is intended to achieve infrastructure that will contribute to quality experiences for visitors.

#### **Assessment of Performance**

##### **Non-financial**

<b>Performance Measures</b>	<b>2022/23 Actual Result</b>	<b>2023/24 Budget Standard</b>	<b>2023/24 Actual Result</b>
Percentage of contracts assessed against their objectives and critical steps in line with contract requirements	100%	100%	100%

##### *Comment*

Contract monitoring and assessment of active contracts against milestones and timeframes is ongoing. Contract terms were varied where necessary. The Fund is fully allocated.

##### **Financial**

<b>Expenses (\$000)</b>	<b>2022/23 Actual \$000</b>	<b>2023/24 Estimates \$000</b>	<b>2023/24 Supplementary Estimates \$000</b>	<b>2023/24 Actual \$000</b>
Total Appropriation	16,660	25,887	27,444	11,313

##### *Comment*

This appropriation is underspent by \$16.131 million (59%) year ended 30 June 2024 due to the timing of payments to Councils as compared to funds committed. An in-principle expense transfer (IPET) was approved by joint Ministers to a maximum value of \$17.5 million. There is no funding ongoing from 2024/25.

## Tourism: Tourism Strategic Infrastructure and System Capability

### Scope of appropriation

This appropriation is limited to investment in tourism-related infrastructure and systems, including capability, in accordance with an agreed International Visitor Conservation and Tourism Visitor Levy (IVL) Investment Plan.

### Intention Statement

This appropriation is intended to improve and expand visitor-related infrastructure and build the capability of the tourism system. Together with investment managed by the Department of Conservation, the funding will support a more sustainable tourism sector that enriches New Zealanders and supports a quality visitor experience.

### Assessment of Performance

#### Non-Financial

Performance Measures	2022/23 Actual Result	2023/24 Budget Standard	2023/24 Actual Result
Percentage of contracts assessed against their objectives and critical steps	On Track	100%	100%
Projects build tourism sector capability	On Track	Achieved	Achieved

#### Comment

Contract monitoring and assessment of active contracts against milestones and timeframes is ongoing. Contracts terms were varied where necessary.

#### Financial

Expenses (\$000)	2022/23 Actual \$000	2023/24 Estimates \$000	2023/24 Supplementary Estimates \$000	2023/24 Actual \$000
Total Appropriation	6,195	35,243	35,163	1,868

#### Comment

This appropriation is underspent \$33.295 million (95%) year ended 30 June 2024. This appropriation (which is managed via a notional memo account for the IVL collected) variance relates to lower forecast spend as new Ministerial priorities for the levies are agreed. The notional memo account is in surplus and is available to be allocated new projects.