Full Council

12 November 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [6]

Department: Strategy & Policy

Title | Taitara: Economic Development and Events Annual Reports 2025/26

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to provide an overview and assessment of economic development and event activities undertaken in the district from 1 July 2025 to 30 June 2026 and the impact of these on the community.

Executive Summary | Whakarāpopototaka Matua

Economic Development and Events supports the Community Outcomes of *Thriving people*, *Opportunities for all*, *Breathtaking creativity* and *Pride in sharing our places*. The strategic direction is provided through the Destination Management Plan, Economic Diversification Plan and the Events Policy.

Commentary from Infometrics, a national economics consultancy, indicates that the local economy in 2025/26 performed strongly with growth in jobs and GDP, and tourism numbers. The reduction in tourism's proportion of the economy indicates that diversification is occurring.

The 2025/26 ratepayer investment in tourism promotion, destination management and economic development totalled $10.01 million. This included $6.89 million of targeted rates passed directly through to Destination Queenstown, Lake Wānaka Tourism and the Arrowtown Promotion and Business Association. Of the remaining investment, $1.03 million funded events delivery, $0.54 million economic development projects and $1.55 million staff and operational costs.

Council destination management investment to cope with visitor flows goes well beyond economic development. It has been estimated that the cost of tourism related Council infrastructure and operational costs (including water) is tens of millions of dollars per annum.

Three annual reports summarise initiatives and impact across:

- Destination Management – including electrification, place branding, member capability;
- Economic Diversification – including supporting new businesses and growing new industries; and
- Events – including streamlining venue/parks booking and ensuring public safety.

These reports also outline future opportunities for Council to play an active role in helping shape our future economy. These include helping refresh how the the destination is managed for the good of locals and visitors alike, being a conduit to help reduce the load on the electricity system, and working to ensure we keep our people safe at large events.

Recommendation | Kā Tūtohuka

That the Council:

1. **Note** the contents of this report.

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12 October 2026

Reviewed and Authorised by:



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Title: General Manager, Strategy & Policy
12 October 2026

Context | Horopaki

1. Economic Development and Events support the Community Outcomes of *Thriving people, Opportunities for all, Breathtaking creativity* and *Pride in sharing our places*.

2. The following commentary supplied by Infometrics Principal Economist, Nick Brunsdon offers an overview of the local economy strengths and challenges.

    a. *The Queenstown-Lakes district economy continues to grow strongly, buoyed by further tourism growth even as the district surpasses pre-pandemic levels of tourism activity. Although tourism is leading growth, the district's economy is substantially more diverse than pre-pandemic.*

    b. *Employment of Queenstown-Lakes residents rose 2.1% in the year to June 2026, a world away from the national employment decline of 0.3%. Strong employment growth is closely tied to strong population growth, with Queenstown-Lakes' growth of 1.7% in the year to June 2025 the second strongest in the country.*

    c. *International visitor arrivals to Queenstown Airport rose by a strong 29% in the year to June 2026, despite having surpassed pre-pandemic levels in 2023. Tourism accounted for an estimated 12,500 of the district's jobs in the year to March 2025, accounting for 36% of all jobs, well below the pre-pandemic highs of over 50%. The fact that tourism's share of employment is well below pre-pandemic levels when tourism activity is above pre-pandemic levels points to the growing diversity of the district's economy.*

    d. *Beyond tourism, high-value services and goods-producing industries each account for 20% of the district's employment in 2026. Goods-producing industries include construction and manufacturing, with their growth reflecting demand from a growing population. High-value services include the district's professional services sector (including tech), which has substantial room to grow given that the sector makes up 33% of employment nationally.*

    e. *Challenges that remain for Queenstown-Lakes households, none is greater than housing, with the average house value amounting to 11 times the average household income. Queenstown-Lakes's average household income of $120,000 in the year to March 2026 is the same as the national average, but is driven by larger households with more earners, with average earnings per job of $72,900 well below the national average of $82,000.*

    f. *Growth in tourism and non-tourism sectors continues to propel Queenstown-Lakes forward, with the economy in a stronger, more diverse position than 2019. However, ongoing strong growth is not addressing fundamental challenges for housing affordability.*

3. The strategic direction for economic development and events is provided through the Destination Management Plan (DMP), Economic Diversification Plan EDP), and the QLDC Events Policy (EP). Council plays a variety of roles to help action these strategies/policy including:

- Delivering – direct management of projects by the Economic Futures team (e.g. New Years Eve, Digital Catalyst project, Film permits);

- Strategic partnering – identify strategic opportunities and outsource delivery to partner organisations (e.g. Destination Queenstown, Technology Queenstown, Queenstown Electrification Accelerator);

- Funding – Managing criteria, applications, funding panels and monitoring (e.g. Annual events fund, Diversification Fund 2025/26 pilot);

- Tactical Support – after assessing alignment with strategies/policy (e.g. film professional development courses);

- Facilitating – connecting relevant people and encouraging collaboration to help businesses and support organisations flourish;

- Infrastructure and operational roles – outside the Economic Futures team there are many parts of Council that help manage the impact of tourism, and support delivery of events and film (e.g. roading, parks); and

- Researching – help inform decisions (e.g. Tourism productivity research).

4. Ratepayer investment in 2025/26 in Economic Development and events totalled $10.01 million, which included:

    - $6.94 million Destination management and marketing – including $6.89 million targeted rates passed onto Destination Queenstown ($5.3m), Lake Wānaka Tourism ($1.36m) and Arrowtown Promotion and Business Association ($236,000). Commercial ratepayers contributed 95% of the targeted rate, with residential ratepayers contributing 5%;

    - $0.486 million Diversification Plan initiatives – including industry support, the economic diversification fund, Film office activities and Startup support; and

    - $1.03 million supporting the Events Policy – including events facilitation, delivery and funding. Income to other Council departments from events related activities such as venue and equipment hire, monitoring, licensing, permits, building services, traffic management and resource consent charges is estimated at $287,000.

5. Unlike Council functions that have sole responsibility for providing a service, economic development and events rely heavily on others. Entrepreneurs willing to employ others and event organisers willing to take the risk of organising an event are critical. So too are organisations external to Council, sponsors and the many volunteers who offer their time and expertise to support their community.

6. Other organisations that actively supported economic development and events delivery during the 2025/26 financial year included the Wānaka and Queenstown Business Chambers, Technology Queenstown, Mountain Club, Startup Queenstown Lakes, Queenstown and Wānaka Women in Tech, Wānaka Tech meetup, Queenstown Coders Group, Kuma, Film Otago Southland, Wānaka Women in Business, Flint, MBIE, Three Lakes Cultural Trust, University of Otago, Queenstown Resort College, NZ Trade and Enterprise, InvestNZ, Regional Business Partners, Mainland Angels, Better Events group and Sustainable Queenstown.

7. There are three annual reports appended as attachments covering Destination Management, Diversification and Events. They highlight the community efforts and the Council investment that have contributed towards *Thriving people*, *Opportunities for all*, *Breathtaking creativity* and *Pride in sharing our places.*

Analysis and Advice | Tatāritaka me kā Tohutohu

Summary of key 2025/26 District economic development and events

8. The tables below summarise initiatives that have had the majority of 2025/26 funding/effort from Council and/or ratepayer funded organisations (e.g. Destination Queenstown).

Destination Management

9. The Destination Management plan aims to protect and enhance the wellbeing of our environment, our communities, and everyone who visits or calls this place home.

Key issues	Progressed	Council contribution	Focus for 26/27
Infrastructure funding	Advocacy by both RTOs and QLDC resulted in all political parties recognising the need for tourism related infrastructure funding. $1.3m secured from International visitor levy (IVL) for public toilets	Submission on future IVL investment and successful funding application for local infrastructure. Research, liaison and advocacy regarding tourism funding (including regional deal negotiations).	Advocacy post election to secure tourism related infrastructure funding.
Community Electrification	Queenstown Electrification Accelerator (QEA) was established and identified over $20m in savings for businesses and households.	Co-funding of QEA household and business electrification initiatives ($100,000). Successful application to EECA for $2.1 million in subsidies for businesses to install industrial batteries.	Supporting businesses to access EECA battery funding + boost household and business solar uptake.

Key issues	Progressed	Council contribution	Focus for 26/27
Place branding	Queenstown community values identified through 'Place DNA' process	Support for two campaigns showcasing creative and tech professionals from Diversification fund	Translating values into future place branding for Queenstown.
Member capability	Well attended events and workshops helped upskill the industry. Tech uptake pilot completed with four businesses.	Welcoming communities information digitised + tech uptake pilot led by Economic Futures.	Measures of behaviour change + advance regional deal tech uptake agreement.
Research	Resident sentiment measured + Otago University research expanded	Tourism productivity research completed by OU PhD student + other research topics offered	Boosting industry engagement with Otago University + developing industry environmental measures
Reporting	Regular reporting shared via Regenerative tourism website	QLDC initiatives reported	Building stronger impact measures

10. More detail is contained in Attachment A – DMP Progress Report FY25-26

Economic Diversification

11. Economic diversification aims to create a more diverse range of career and income opportunities.

Key issues	Progressed	Council contribution	Focus for 26/27
Skills beyond tourism	Talent networks (e.g Women in Tech) connected hundreds of locals. Internships and promotion of creative careers exposed young people to local technology and creative careers. Otago University committed to expanding courses within the district.	2025/26 Diversification Fund ($25,000) supported a showcase of creative careers. Launch attracted over 250 young people and their parents.	Encouraging collaboration amongst local talent networks. Support Otago University expansion.
Supporting new and existing businesses to grow	Development of 'best-fit' business list in collaboration with NZ Trade and Enterprise (NZTE). Startup Queenstown Lakes (SQL) supported	Direct contact with key exporters to check on local barriers to growth. SQL operational funding ($175,000).	Grow collaboration with NZTE to offer streamlined support to exporters. Continue to broaden outreach to ensure startup support is

Key issues	Progressed	Council contribution	Focus for 26/27
	over 200 locals interested in launching a business, and coached 26 startup founders with high-growth potential. SQL built stronger local sponsorship and secured co-funding from MBIE.	Welcoming communities liaison with SQL to support migrant founders.	accessible to all parts of the community.
Growing new industries	Technology Queenstown (TQ) launched an international tourism-tech conference (WiT) and secured 17 sponsors (held early July 2026) Food and Beverage industry group of 17 businesses formed to explore common barriers to growth.	Economic Futures led food and beverage group formation. TQ funding to support tourismtech cluster ($80,000). Wildtech cluster facilitation ($60,000). Diversification Fund supported showcase of technology businesses ($25,000).	Food and beverage transport logistics project to identify potential savings. Launch of 'More than Just a Playground' campaign. Wildtech cluster review to focus on barriers to growth for scalable businesses.
Film	The Queenstown Lakes Film Office engaged with 115 productions and offered a range of professional development opportunities including a Directors placement, school set visits, and a Documentary Accelerator.	In-house Film Office + industry initiatives support including contribution to Film Otago Southland Trust ($47,000).	Advance regional deal agreement to streamline location access. Support Screentime to retain Remarkable studios.

12. More detail is contained in Attachment B - Economic Diversification Annual Report 2025-2026

Events

13. Events aim to bring people together in ways that boost community wellbeing.

Key issues	Progressed	Council contribution	Focus for 26/27
Venue/reserves booking system	Potential to streamline 6000 annual venue/parks bookings identified. Supplier chosen and project initiated.	Bookable system ($42,000 per annum) committed to, and staff allocated to build/test/launch programme.	Launch and refine of Bookable system.

Key issues	Progressed	Council contribution	Focus for 26/27
Event sustainability and safety	All events funding allocated for 2025/26 events focussed on waste minimisation and public safety.	Funding allocated via annual events funding round ($287,000). Support for small community events ($150,000)	Respond to Police recommendations regarding safety in crowded spaces. Trial measuring event carbon impact.
Expansion of New Year activations	Wānaka New Year activations extended to 5 days responding to uncontrolled crowds gathering beyond New Years eve.	Additional costs extra costs allocated to New Years eve ($32,000).	Monitor public safety feedback from police and Red Frogs, and refine approach if required.

14. More detail is contained in Attachment C - Events Report 2025-2026

Implications for Council

15. Activities across each of the programme areas have some implications for Council going forward. These are summarised as follows:

16. Destination management – With political parties all recognising the need to ensure that tourism-related infrastructure needs alternative funding, there will be a need to advocate that these promises turn into sustainable funding options. Council has a unique opportunity to support electrification and the business community by working with the Queenstown Electrification Accelerator to help businesses access the EECA subsidy. With the DMP having been in place for three years a refresh of the strategy will be due in 2026/27. Council will be a key partner in the review of the plan and how it is governed in future.

17. Diversification – there are a range of groups contributing to diversification across the district. This mix is positive but there is a need to encourage them to collaborate or there is a risk they may start to compete for resources/participants. The 2025/26 Diversification fund required multiple applicants to apply together and the 2026/27 round will continue to emphasise the need to work alongside other groups. The place brand for the district is also moving beyond tourism, with two of the projects supported by the 2025/26 Diversification fund focussed on promoting careers beyond tourism.

18. Events – Streamlining the Bookable system for event organisers and staff will be key to creating the maximum benefit from Council investment in this system. Event funding applications, monitoring and debriefs need to be revised to assess how well events are aligning with the policy.

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

19. This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy 2024 because the annual reports outline past actions informed by strategies and policies that were developed after public consultation.

20. The persons who are affected by or interested in this matter are residents/ratepayers of the Queenstown Lakes district community. The Council undertook consultation with the public when developing the plans and policies which guide the activities undertaken.

Māori Consultation | Iwi Rūnaka

21. The Council consulted with Iwi when developing the Destination Management Plan, Diversification Plan and Events Policy.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

22. This matter relates to the Strategic/Political/Reputation risk category. It is associated with RISK10003 Economic impacts and prosperity in the QLDC Risk Register. This risk has been assessed as having a low residual risk rating.

23. The approval of the recommended option will allow Council to implement additional controls for this risk. There are significant macro-economic influences on the local economy which are beyond the control of Council, local risks and mitigations include:

Risk	Mitigation
Economy remains dominated by tourism which restricts incomes and career choices	Economic diversification is fostered through support for alternative industries and founders
Tourism loses social licence due to its impact on the community and environment	Destination Management plan actions aim to create a regenerative tourism industry
Events do not meet the expectations of the community (e.g. safety and waste minimisation)	Events funding is focussed on public safety and waste minimisation

Financial Implications | Kā Riteka ā-Pūtea

24. This report relates to funding allocated in 2025/26 so there are no direct financial implications related to these activities.

Council Effects and Views | Kā Whakaaweawe me kā Tirohaka a te Kaunihera

25. The following Council policies, strategies and bylaws were considered:

- Reference alignment with and consideration of the principles of the Strategic Framework including the Vision Beyond 2050: Our Strategic Framework | Queenstown Lakes District Council;
- 2024-2034 Queenstown Lakes District Council Long Term Plan;
- Travel to a thriving future: A Regenerative Tourism Plan (endorsed by Council 2023) The Plan | Regenerative Tourism NZ;
- New Pathways to a thriving future: Queenstown Lakes Economic Diversification Plan (endorsed by Council 2024) https://www.qldc.govt.nz/media/hmvpntis/queenstown-lakes-economic-diversification-plan_final.pdf; and
- 2025 Events Policy https://www.qldc.govt.nz/your-council/council-documents/policies

26. This matter was included in the Long Term Plan/2025/26 Annual Plan.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kīaka

27. Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; (b) to meet the current and future needs of communities for good-quality, cost-effective, and local — (i) infrastructure; (ii) public services; (iii) performance of regulatory functions; and (c) to support local economic growth and development by fulfilling the purpose set out in paragraph (c). The initiatives outlined in this report support a healthy local economy and cultural well-being fostered through events. As such, the recommendation in this report is appropriate and within the ambit of Section 10 of the Act.

28. The recommended option:

- Can be implemented through current funding under the Long Term Plan and Annual Plan;
- Is consistent with the Council's plans and policies; and
- Would not significantly alter the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

Attachments | Kā Tāpirihaka

A	Destination Management Plan Progress Report 2025-26
B	Economic Diversification Annual Report 2025-2026
C	Events Report 2025-2026

Attachments circulated separately.