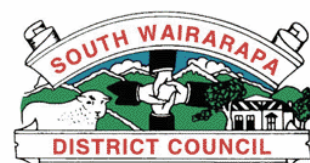


Wellington Regional Strategy



In association with Positively Wellington Business

Draft

**Growth Framework Discussion Document
for member council comment**

Date: 5 July 2005

**Prepared by: Wellington Regional Strategy Project Office
Authorised for release: Murray McCaw – WRS Independent Chairperson**

Please note this is a TEXT VERSION ONLY. Page layout and graphic design content is under development and is not included in this document.

COVER PAGE

Wellington ... a sustainable growth framework for our region

Discussion document

[Include a stylised map of the region making it clear from the outset that this is a regional initiative]

DRAFT

INSIDE FRONT COVER

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What's the purpose of this document?

The purpose of this document is to tell you about the Wellington Regional Growth Framework and to seek your feedback. It represents initial thinking on the things the region needs to do to ensure its economic prosperity and sustainable quality of life, with particular emphasis on the next 10-20 years.

Feedback from this initial Growth Framework document will be used in forming the Wellington Regional Strategy which is due to be released in mid 2006.

We also want to hear from you on specific matters concerned with transport. This is to help the development of the next Regional Land Transport Strategy that is also due to be released in mid 2006.

FIRST SECTION

Strong introductory paragraphs go here (and group photo) signed by Mayors, Ara Tahi, PWB and Independent chair. [draft example below]

Help us secure the Wellington region's prosperity and quality of life. Relying on 'more of the same' is not going to be good enough. We need a clear agenda for action around sustainable economic development... and we need your input.

Our region is blessed with much strength. "Vitality and fizz" describes what we are about. We have smart, talented, passionate people; diverse, strong communities; and a varied and spectacular range of environments. Our current situation is positive. We rate well within New Zealand on many factors such as income per capita, and overall perceptions of quality of life.

The Wellington region is recognised internationally as of outstanding quality. In 2005, for regions of less than 1 million persons, we achieved the highest score globally on quality of living¹ ratings!

For all the good news, our future wellbeing isn't assured. We see worrying trends and risks around how our economy operates. Unless we do some things differently, forecasts are for our region to languish in terms of jobs and population. Our prosperity, quality of life and social cohesion are at stake. Overall we have potential for mismatches between where our residents live and where they work, what skills they have, and the jobs available. We risk losing our best and brightest from the region in the face of global competition. We need to find the means of keeping people here and attracting others.

Proactive leadership and action is needed from our private and public sector leaders to tackle these challenges. We want to pinpoint our opportunities to do better, as well as reduce our risks. We seek to foster an attitude of 'innovation – not imitation'.

We recognise that our best chances of success are from working together. Having a common vision, direction, and commitment to act are fundamental.

You can help make a difference by giving us your views – for you and the wellbeing of your children's children.

Regional Mayors

¹ Mercer Human Resource Consulting, Quality of Living Survey March 2005

Our region

The Wellington region covers the lower part of the North Island from Cook Strait up to Masterton and across to the Kapiti Coast. Close to 460,000 people live here, in an area of 813,000 hectares with 497 kilometres of coastline.

The region has nine local authorities.

- Kapiti Coast District
- Porirua City
- Upper Hutt City
- Hutt City
- Masterton District
- Carterton District
- South Wairarapa District
- Wellington City
- Greater Wellington Regional Council

These nine local authorities are formally working together under a joint committee known as the Wellington Regional Strategy Forum. Positively Wellington Business (the regional economic development agency) and iwi (via the advisory committee, known as Ara Tahi) are also partners in this process.

Within the region we enjoy a deep sense of pride in our heritage, cultural richness and natural landscape. There is much economic and geographic diversity with our cities, towns and transport networks being shaped by the rivers, harbours, hills, ranges, valleys and coastline. Our geography in particular presents major constraints (for example roading) and major opportunities (for example tourism) to the region

Our Approach

The approach we are taking.....

'keyhole diagram' of our process & links to other regional issues / strategies goes here

The Growth Framework looks at two key areas. One key area is the economy - what are the things the region should be doing to ensure it prospers and supports our "quality of life"?

The second key area is "spatial" – this refers to qualities of areas and the way in which we manage our physical assets such as land, roads, rail, where we build our industrial areas versus residential, and so on. The quality of our "spatial" decisions affects people's quality of life and perceptions of community cohesion and safety, which in turn impact on opportunities for economic growth in the region.

It's important to have a strategy because a strong regional economy and the things that support it won't just happen. As you will see in this document there are a number of things the region needs to do to ensure its future well-being.

[visual depicting diversity of region – include info on transport / Public Transport]

What is the Wellington Regional Growth Framework and why do we need it?

Starting in June 2004 the local authorities, in consultation with a range of stakeholders, have been working on a “Growth Framework” for the region. The intention of the Growth Framework is to set a broad direction for sustainable economic growth and development. From the Framework detailed strategies for action will be developed. This discussion document is a first step. It represents the collective thinking of the group so far.

Set out below are the stages we need to go through before the Wellington Regional Strategy is launched in 2006

August 2005

- Growth Framework launched

August / September 2005

- Receive public feedback on Growth Framework

October – December 2005

- Public feedback collated and used in developing a draft Wellington Regional Strategy document
- From October develop the draft Wellington Regional Strategy, including opportunities for public feedback.

Mid 2006

- Wellington Regional Strategy document launched

Our links to the Regional Land Transport Strategy

Transport is an important consideration for economic and social functioning and future development of our region. Transport issues come up in three of the focus areas highlighted in this discussion document. The Wellington region is making major investment in transport over the next 10 years and beyond so how these relate to our strategic direction is important.

Of particular relevance is the Regional Land Transport Strategy (RLTS) review that is underway and mirrors the Growth Framework timetable for consultation and adoption. These two processes are being kept in alignment.

The Growth Framework discussion document is accompanied by a “Strategic Transport Options” paper. This is put forward by the Wellington region’s Regional Land Transport Committee, and is being consulted on in parallel to the Growth Framework. It is a co-ordinated, but separate process of consultation and public feedback. You can get a copy of this document via our website link or by telephoning 04 384 5708.

How has the region's economy performed?

The Wellington region accounted for 12.8% of all the goods and services produced in New Zealand (GDP or Gross Domestic Product) in 2004. This amounted to \$17.5 billion. (GDP measures the level of activity in the economy).

An equally important measure is the level of GDP produced per head of population. This tells us something about the level of real wealth being created. Wellington has performed well in this area. In 2004 our regional GDP per capita was \$36,700. This is the highest regional figure in New Zealand and 14% higher than the national average.

So as a region we compare well with the rest of the country. But the picture is changing and we can't be complacent. Between March 1998 and 2003 our per capita GDP rose 1.6% compared to a national average of 2.3%. The same applies to jobs in the region which are growing, but at a slower rate than the national average.

Overall, within the New Zealand context, the region's economic performance has been good, but there is a risk that this will not be the case in the future... unless we take action now. This is the main driver behind the Wellington Regional Strategy process and this Growth Framework document.

[graph on economic growth]

The region benefits from being the centre of government especially in providing services to that sector. This provides a stable and high value source of income. The downside is that the scope for growth from this sector is limited and as a share of national GDP is declining.

[NZIER industry profile diagram here]

The regional economy is vulnerable to major movement of a key age group – the 25-35 year olds – moving overseas and not returning.

Changes in our economy are also having an effect. There has been a decline in the traditional manufacturing and industrial base in the region. A process of change in the specialised nature of manufacturing is under way.

The region's population

Population growth is projected to be modest with an extra 40,000 people expected to live here by 2016. Because it will be modest, it will be especially important to develop local workforce skills to match business needs.

[graph showing historical and forecast popn growth]

The overall figures disguise uneven population growth around the region. This will make worse an existing problem of underused infrastructure (for example sewerage and roads) in some parts of the region. It will also increase the growth pressures and costs for new infrastructure which are being felt in other parts of the region (for example water supply and stormwater)

Under projections of future births, deaths and migration developed by Statistics New Zealand, Wellington City and Kapiti are likely to receive most of the population growth, while other areas will remain stable or possibly decline.

[table showing regional population growth]

The make-up of our households varies greatly around the region, in terms of age, household size and structure. Kapiti Coast for example has a very high proportion of people over 65 years, and children, and a major gap in the middle. Porirua in contrast, has a large younger population, often living in extended family situations. Household size is declining across the region. This trend reflects a lifestyle choice and national / international trends.

As a result there is considerable variation in the range of services people need (including hospital services and transport) and the nature of local workforces.

[economic geography diagram here]

The question therefore, is what are the things we should be doing to ensure strong, region-wide prosperity. Some ideas are proposed later in this document.

What are “spatial” considerations and why are they important?

The layout (or spatial form) of the region is important to people’s quality of life, sense of community cohesion and safety, and flows into opportunities for economic growth in the region. Spatial form refers to the way road and rail is located; how our ports (airports and seaport), centres and neighbourhoods are linked to the transport systems; and our range of housing and workplaces and where they are located. It also refers to the quality of our local areas, and how easy it is to walk, cycle or use public transport locally. We are fortunate that Wellington region has many of the characteristics of a “successful” metropolitan area. The task is to support, protect and build on what we have.

Want to know more?

See our Research reports section at www.wrs.govt.nz/

SECOND SECTION

Regional issues and opportunities

There are many issues and opportunities we need to be mindful of in forming a strategy for the region. These are detailed below.

The issues are grouped together according to how they are relevant to developing the Growth Framework. Not all of these issues will be directly addressed through the Growth Framework and the following Wellington Regional Strategy. The Wellington Regional Strategy Forum will look at these other issues with the councils and identify processes to address them. These issues are at the end of the list below.

Overall Issues

Issues/ Opportunities	Explanation
1. Region wide cooperation	<i>The region could do better at cooperating. Often we've been "competing instead of complementing". This affects our ability to attract investment from Central Government and from outside the region. Some excellent cooperation is already happening, but we need to do more.</i>
2. Our ability to adapt in response to structural change in the economy.	<i>Our economy will evolve and we need to adapt to the changes that occur. For example we need to ensure that those affected by a decline in manufacturing are able to turn their skills to the "new economy", especially higher value services.</i>
3. Ability to sustain strong relative and absolute economic performance (GDP per capita)	<i>Economic prosperity is a key driver of community wellbeing. It will affect our ability to afford services in the future.</i>

Population Based Issues/ Opportunities

Issues/ Opportunities	Explanation
4. Major loss of 25-35 year olds leaving the region for overseas.	<i>A disproportionate number of 25-35 year olds leave the region. This affects the structure of our workforce and the skills available.</i>
5. Moderate population growth and uneven distribution in the region.	<i>According to New Zealand Statistics, population growth for the region will be slow in later years and the uneven distribution will continue.</i>
6. Significant growth among Maori, Pacific Islanders, other ethnic groups, and an ageing population generally	<i>More Maori are gaining qualifications and employment and incomes are increasing. As a result the Maori economy and population are growing at a faster rate than the national economy. There is a need to plan for these changes including the needs of future population mixes, opportunities for the workforce, skills training, social infrastructure etc.</i>
7. Iwi will become a more significant economic presence	<i>Maori economic growth is projected to be greater than the economy in general and this needs to be factored into planning</i>

Economy Building Blocks: Issues/ Opportunities

Issues/ Opportunities	Explanation
8. Relatively low labour force productivity	<i>The Wellington region's productivity is relatively good within the New Zealand context. When measured against other parts of the world however (e.g. Australia, U.S.A.) our productivity is relatively low. There are several reasons for this including Research & Development investment levels, investment in plant, a shortage of skilled labour, an ageing population, and Wellington people moving to jobs overseas. We also need to be better at ensuring our education sector turns out graduates with the skills relevant to business.</i>
9. Limited industrial land available	<i>The region has a limited supply of suitable industrial land – in other words land that is located within good proximity of markets and infrastructure</i>
10. International recognition of our tertiary and research sectors.	<i>Our tertiary education and research sectors need to be consistently well recognised within New Zealand and internationally. Also we're not as good as we could be at linking our research, education and investment. This limits our ability to be proactive (as opposed to reactive) in the global economy</i>
11. Improving access to venture capital and becoming more entrepreneurial.	<i>We're good at coming up with the ideas but often we don't have strong mechanisms for knowing how to commercialise them or good international connections or the investment to take those ideas to the world</i>

Transport Infrastructure: Issues/ Opportunities

Issues/ Opportunities	Explanation
12. Maintaining the current good balance between private and public transport, walking and cycling.	<i>At present we're high users of public transport which is good. We need to continue investment in this area and ensure our urban design decisions are "public transport friendly" and maximise the investments we're making into public transport.</i>
13. Capacity of and access to the seaports and airport	<i>The ability of our port and airport to cope with movement of business-people and tourists, and also for import and export volumes is critical to the performance of the whole region</i>
14. Rising traffic congestion on key road routes	<i>This is a key issue. Traffic congestion affects freight and commuter reliability and therefore the economy as a whole. It also affects perceptions of quality of life in the region.</i>

Regional Marketing: Issues/ Opportunities

Issues/ Opportunities	Explanation
15. Projecting the region's image.	<i>Campaigns such as "Absolutely Positively Wellington", "Send yourself to Wellington" and "NZ's Capital Country" have contributed to an improvement in the region's image overall. However there are still opportunities to increase the region's visibility.</i>

Physical Growth Management Issues/ Opportunities

Issues/ Opportunities	Explanation
16. Quality of our land-use	<i>Smart planning and targeted interventions are needed to</i>

planning in and on the edge of the urban areas.	<i>unlock development opportunities around the region. We need to understand how our economy relates to land-use issues and have the right tools and systems in place to achieve this.</i>
17. Maintaining and enhancing our environmental advantages	<i>We have much environmental diversity within the region and even within our cities. For example Pauatahanui Inlet, Kapiti Island and the Karori Wildlife Sanctuary which is just 3 kms from the Wellington CBD.</i>
18. Dealing with negative impacts of growth on urban character and our natural environment amenity	<i>We need to ensure that growth does not erode or dilute the heart and soul of our cities, towns or rural areas. We need to be clear what makes for the 'sense of place' within different parts of the region.</i>
19. "Urban vitality and fizz" – a sense of place, needs to exist throughout the region	<i>Strong communities have a sense of place or community buzz about them. This sense of place varies greatly within the region. A strong sense of place will attract and retain people and businesses</i>

Key Infrastructure Issues/ Opportunities Directly Affecting Economic Growth

Issues/ Opportunities	Explanation
20. Poor understanding of long-term energy infrastructure investment needs.	<i>We have a poor understanding of energy consumption needs, emission levels, the need for new electricity generation (including windfarms) and our positioning relative to the Kyoto protocol</i>
21. Poor understanding of long-term communication infrastructure investment.	<i>The region doesn't have a good understanding of what its long term communications infrastructure, especially telecommunications, will look like. We also need a better understanding of the investment intentions of the major players such as Telecom, TelstraClear and Vodafone</i>
22. Infrastructure funding	<i>The region needs to ensure that it has the funding in place to support its future needs in roading, communications, public transport and so on. We also need to ensure that we can prevent regional isolation in the event of a natural disaster.</i>

Social Cohesion and Economic Growth Issues/ Opportunities

Issues/ Opportunities	Explanation
23. Potential impact of economic growth and change on current high levels of social tolerance and integration	<i>The region prides itself in being unpretentious and socially tolerant. We need to retain these values in an economy and a population mix that is evolving towards greater ethnic diversity.</i>
24. Some areas are less prosperous than others	<i>There are currently significant "prosperity gaps" within the region. One of the aims of the regional growth strategy is region-wide prosperity. Concepts such as 'human capital' and what it takes to achieve 'social cohesion' need to be part of our thinking.</i>

Other Significant Regional Issues/ Opportunities Requiring a Future Response

Issues/ Opportunities	Explanation
25. Changing number of landfills and waste disposal options brings	<i>We need to be smarter about the way we deal with waste and reduce the amount of rubbish we create overall.</i>

greater opportunities for waste reduction.	
26. Increased intensity of storms.	<i>In some areas ground water levels are higher than historical levels and storms occur more frequently. This affects urban development and our stormwater systems. We also need to be mindful how long term climate change impacts on our region</i>
27. Sustainable water supply – capacity	<i>Water supply in some parts of our region is near capacity. Climate change is relevant here too.</i>
28. Optimise our recreational assets	<i>There is a need to ensure we make the most of the visitor, and local recreational opportunities.</i>

What do you think?

Do these issues cover your own concerns? We realise that there are many other regional issues (e.g. future health issues around the obesity epidemic) however we have endeavoured to focus on those matters clearly affecting the economic performance of the Wellington region.

In this context are there any issues we have missed?

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THIRD SECTION

Our vision and the outcomes we desire

Our vision

[N.B. Marketing advice to come following Growth Framework confirmation]

In 2025, Wellington* is recognised as one of the top Asia-Pacific regions.

Our thriving diversified economy will reinforce sustainability, foster strong communities and tangata whenua, and celebrate our cultures and natural advantages. These include:

- being the centrally located capital of New Zealand linked to the world,
- having a smart and diverse population,
- a dramatic setting with unique natural environments; and,
- being home to a range of successful, innovative enterprises and institutions.

*Wellington refers to the Wellington region.

The outcomes we desire

What are the high level outcomes we desire from the Wellington Regional Growth Strategy?

We propose:

1. Community Prosperity – Everyone will enjoy and prosper from a strong and growing economy that continues to attract and retain a highly skilled, productive population base and business sector.

2. Connected – Wellington will be connected locally and globally by offering world-class accessibility and linkages. That includes high capacity communication networks, top quality ports, well-functioning highways and local links and excellent public transport services.

3. Entrepreneurial and innovative culture – We will be recognised as a place of new ideas. Innovation and creativity underpin the development of new fields of endeavour and business, and drive strong sustainable economic growth. We will capitalise on being the seat of government and our excellent educational and research institutions will foster cross fertilisation.

4. Healthy environment – Wellington will offer a beautiful ecologically sustainable natural environment. That environment will offer numerous opportunities for recreation and healthy living.

5. Lifestyle – Wellington will have an exceptional quality of life where living is easy, safe and fun and there is a wide range of affordable healthy lifestyle options underpinning a strong community spirit. We will be celebrated for our arts, sports and entertainment scene.

6. Regional foundations – People and businesses will have high quality, secure essential services for their everyday living. They will be retained and developed in a manner that is consistent with the sustainable growth of Wellington.

7. Sense of place – Wellington will have a rich, diverse sense of place as a sophisticated city-region encompassing its intimate urban core, capital city status, magnificent harbours, rivers, centres of learning, extensive coastlines, its rolling hinterland and diverse centres and neighbourhoods, which are all treasured by its citizens.

8. Strong and tolerant communities – We will have inclusive, caring, friendly and participative communities that embrace newcomers, are open and welcoming to different lifestyles and celebrate diversity. The relationship with tangata whenua and ethnic communities will be important to the vibrancy of the community tapestry.

Growth Framework Principles – your views?

In the pursuit of the outcomes above we have developed principles to guide and assess the choice of actions and initiatives we might pursue. These will be very important to our decision-making and we would like your comments on these. They are set out in Appendix 1 to this document.

Measuring our success

Measuring our region's success requires a broad based assessment across economic, environmental, social and cultural dimensions. We propose to use an approach called the 'Genuine Progress Indicator' (or GPI) to assess our progress towards our community outcomes. The GPI is under development and our approach is described in Appendix 2.

What do you think?

Do you relate to the outcomes, principles and our ideas on measuring progress? Are these the things that matter to you? Please tell us what you think. Ways for you to give us your views are set out in section 5.

Want to know more?

See our section on the WRS development process at www.wrs.govt.nz

FOURTH SECTION

Things we need to focus on

Research on successful cities and regions internationally highlights a need to get right a complex mix of elements such as export orientation, strength of our value chains, inward investment, depth and breadth of career opportunities, effective leadership, social cohesion and lifestyle quality. Attitude and spirit are also important – and the Wellington region is fortunate in that we are already seen as being innovative and possessing ‘fizz and vitality’.

Putting all this together results in a community that attracts new income from outside its boundaries and circulates that income through expenditure (for example spending on locally based goods and services and housing). Such communities are more likely to generate jobs and a high quality of life. This, in turn, strengthens the area’s appeal as place to invest, work and live, which further enhances its effectiveness as an exporter. This process is called a virtuous cycle of economic growth and development.

[insert ‘virtuous economic cycle diagram – including sustainable development concepts goes here]

Before putting forward recommendations on the things most likely to establish and maintain a virtuous economic cycle in the region we sought the views of economists and urban design specialists. A great deal of material was collated and discussed and can be viewed on our website at www.wrs.govt.nz under the ‘Research Reports’ tab.

From our research we have developed four Focus Areas.

These are:

- 1. Effective leadership and partnerships**
- 2. Quality regional form and systems**
- 3. Unlocking economic potential**
- 4. Internationalisation**

We will use the focus areas we agree on as the base from which the strategy for the Wellington region will be developed. Details of each Focus Area and their associated actions follow.

FOCUS AREA 1: Effective leadership and partnerships

A key characteristic of cities that do better than their peers is the quality of the governance of those cities or city regions. As one of the background papers to this Growth Framework document said...

“Holding all else constant... the common features of success are largely attributable to a proactive and innovative local government²...”

Local government cannot do it on its own however, and leadership towards economic prosperity has to occur in partnership with the private sector and Central Government. This requires forging strong links, trust and a shared vision.

Four key themes are identified as being important under the heading of “effective leaderships and partnerships” These are

Action area 1.1 Working for the regional good

Working for the regional good means what it says. It’s about local authorities coordinating their policies and actions. For example ensuring that region-wide transport and planning functions complement each other. Success in this area also comes from ongoing dialogue and action, not only between councils but also with Central Government and the private sector. We need to capitalise on existing channels and activities for dialogue, including strengthening or formalising these. Opportunities exist for getting better engagement between public institutions, the government and private sector.

Working for the regional good also means communicating regularly with residents to ensure they understand what we do now and the opportunities and issues facing the region.

Action area 1.2 Engagement with Central Government

Central Government is more important to this region than any other. For a start, it’s our largest employer. It also sets the policy and tax framework within which businesses operate, funds much of our regional infrastructure, delivers programmes that help disadvantaged households, sets the framework for legislation, and so on.

Central Government is a key influencer of economic performance and therefore critical to the Wellington Regional Strategy. If we want strong regional economic growth, we need to be a strong advocate for national policies that support growth. We need to be proactive with submissions, and build good engagement models that achieve action.

² MacroPlan Australia , Successful Cities – Lessons for the Wellington region, Working paper 5, November 2004

Action area 1.3 Reducing barriers to achieving regional outcomes

The efficiency and effectiveness of local authority processes are important to economically competitive regions. Within the region this means taking advantage of efficiencies of scale, pooling of technical expertise, consistent service delivery etc. Some of this is happening now, for example through Positively Wellington Business our economic development agency and local government initiatives e.g. around a common approach to the Building Act within the region. But more can be done. For example, the Wellington Regional Strategy provides opportunity for a more consistent set of policies under Resource Management Act 1991.

Another barrier is the lack of good quality integrated information. This affects our ability to make quality decisions especially in addressing market failures or in unlocking development opportunities.

Success in reducing barriers requires a commitment from Councils to fostering a closer alignment of their policy, planning, and quality standards.

Establishing an information base (statistics, building data, demographics etc) for decision making and mechanisms for delivering the Wellington Regional Strategy, are two examples suggested as steps we could take to reduce barriers to economic success.

Action area 1.4 Shared benefits – making sure no-one falls behind

High unemployment and low skills increase benefit dependency reduce productivity and are a social waste, especially when we have a skills shortage. In some pockets of the region we have high “deprivation levels”. This is not good for the individuals involved or the community as a whole because it affects social cohesion and our sense of well being. Co-ordinated regional leadership is needed from the public, private and institutional sectors to tackle these issues.

This leadership needs to include addressing the conditions needed to promote social cohesion as it affects economic performance – these conditions include individual opportunity (education, jobs, health), family wellbeing, building strong communities, and recognising the role of community identity.

Leadership also requires specific action around our urban form – the look and feel of our cities and around our “connectedness” – the extent to which our centres are accessible to jobs, entertainment, shopping and so on. We also need to engage Central Government because it is the funder of many of the programmes which help disadvantaged households and is the main education and public housing provider. A good starting point is the ‘regional leaders forum’, and this needs to be supported as an ongoing means of discussing regional issues.

Examples of things we could do to facilitate effective leadership and partnerships

- Ensure we build on existing region wide leadership and partnership forums. For example there are regular meetings between local government, Central Government, government agencies (e.g. District Health Boards) and strategic partners (e.g. business). These need to continue with an emphasis on the best regional, as opposed to local outcomes.
- There needs to be on-going engagement with Central Government on the Wellington Regional Strategy. For example the things we do to enhance skills and productivity in the region need to dovetail into Ministry of Economic Development and Department of Labour programmes.
- Reducing barriers would see Councils having greater consistency relating to resource management and quality standards around the delivery of services.
- Establishing a one-stop shop for regional development information including statistics, building data, demographics, locational opportunities etc.

Want to know more?

See our section on Focus Areas at www.wrs.govt.nz

What do you think of this Focus Area and its actions?

Please give us your thoughts and ideas. Tell us what you like and what you think should be changed.

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FOCUS AREA 2: Quality Regional Form and Systems.

Quality regional form and systems means towns and cities that are well designed, have good accessibility to jobs, entertainment, shopping, recreation etc, and have a strong sense of community and personal safety. These attributes are important factors in the wellbeing of local populations and to economic growth.

Generally, the Wellington region performs well in this area but there are a number of areas for action that would improve quality of life and support growth of the economy. The region faces some major transportation investments in coming years and this strategy links to development of the Regional Land Transport Strategy process of prioritisation and emphasis.

Further Strengthen Current Good Regional Form

Action Area 2.1 Reinforce and Improve Compact Corridor Form.

The Wellington region has a very strong corridor pattern, starting from the airport to the south, proceeding to the Wellington City CBD and then branching into a 'Y'. The two branches are the western corridor through Porirua to Kapiti Coast, and the eastern corridor up the Hutt Valley and out along the Wairarapa main highway. Many of the region's centres are located on or close to these corridors.

This form is a real strength for the region. It helps reinforce local centres and supports passenger transport. It reduces the costs of energy and makes services more accessible.

There are two weaknesses in this overall pattern that need to be addressed. First, there are limited east/west transport linkages, which focus freight and commuter movements along the north / south corridors. The result is increasing congestion on some major routes. Second, the strong corridor pattern starts to break down in some of the flatter areas, especially Kapiti Coast. This reduces transport efficiency, the strength of some centres and their potential to grow as employment areas.

Action Area 2.2 Maturing our sub-regional centres

Our research suggests we have a number of sub-regional centres which have the potential to play a more significant role, especially in economic growth. These centres include:

- Hutt City Centre
- Johnsonville
- Kilbirnie
- Masterton
- Paraparaumu
- Petone
- Porirua City Centre
- Upper Hutt City Centre

The centres have varying complexity of land uses including retail, offices, courts, educational providers, and leisure facilities. The challenge is to develop the sub-regional centres to their full potential. Current reliance on retail and civic functions does not optimise the potential arising from wider employment and housing choices. Good quality medium density housing around the centres could provide better housing choice, and provide increased use of services, rail and bus transport. Such development can also relieve pressure on the traditional low density suburbs. There are also opportunities to grow local employment around the centres and give people more choices about where they work. These opportunities should relieve pressure on the road system.

As the regional CBD (Central Business District) prospers, it is likely that some uses will move to the sub-regional centres. There are very real economic benefits from this happening.

Action Area 2.3 Reinforce a strong regional CBD.

The Wellington regional CBD ('downtown' Wellington City), supported by the sub regional centres, the ports and Central Government, is a major driver of growth for the region. It is the major entry for investment, high value business activities and new people who can drive the 'new economy'.

A strategy which emphasises a strong regional CBD and maturing sub-regional centres appears likely to work best for the Wellington region. A strong CBD grows and attracts investment. A consequence of this is higher land values which encourages re-location of some types of businesses to sub-regional centres. This in turn can help get a better match between the number of local people and local jobs. As a result commuter congestion does not increase as quickly along major routes. Everyone benefits. There are signs of this happening in the Hutt Valley and Porirua.

Action Area 2.4 Strengthen Green Belts and Open Space Corridors.

The Wellington region is well known for its amount of its open space resource and the way the green corridors are part of the urban environment. From a quality of life perspective, such as good local access to green spaces, health and recreation, attractiveness, the emphasis is on reinforcing this general pattern of development. The economic role of these areas is also significant. The quality of the natural environment, so close to where people live is a major attractor of people who will drive economic change and of tourists.

Continue to deliver Good Quality Urban Environments.

Action Area 2.5: Design Major Roads to support Our Centres.

The Wellington region is also well-known for its good quality rail system and the high level of use. Both it and the major roads are generally well-linked to our major centres, the main exception being links to Hutt City centre. However, there is a need to make sure that the desire for improved roading access does not have unacceptable impacts on local communities and especially the local and neighbourhood centres. Good roading design has the capacity to support and improve local centres, to

encourage use of passenger transport, walking and cycling. In turn, if the centres are well-designed and linked to stations and walkways and cycleways, they can help relieve pressure on the roading system. At present these design issues are not well-addressed.

Action Area 2.6 Build on Culture and Place

A feature of the Wellington region is the varied and very strong character of local places. People value this difference and it plays a major role in defining the uniqueness of the region as a whole. The areas range in type from Aro Valley, the south coast, Plimmerton, Titahi Bay, Eastbourne, the low density suburbs of Upper Hutt, the old Petone area, the church centres of the Pacific Island communities in places such as Porirua east, Naenae and the state housing areas, to the coastal settlements of Kapiti Coast and the unique towns of Wairarapa.

Equally important are the emerging centres for new immigrants. Many of these communities are focused on places of worship.

These and other areas are an important part of people's sense of belonging and they play an important role in the economy. A sense of difference, variety and safety attracts people and provides a marketing tool. Some areas – for example Petone – have been successful in maintaining a unique sense of place. In Petone's case this is an older "mainstreet" feel. By comparison, Kapiti Coast residents are generally not satisfied with their town centre. There is potential to build on the qualities of these areas across the region.

Action Area 2.7 Support Marae As Centres for Change.

Maori business is growing strongly and is potentially an economic growth engine for the region. Tikanga lies at the core of how Maori business development will unfold and the cultural structures of whenua, whanau, hapu and iwi driving development. Marae are the heart of these cultural structures. The profile and place of marae needs to be given more attention in the same way that sub regional centres are a focus for growth and change.

Many marae are located near commercial centres – in fact some centres developed because there was a strong Maori settlement in the first place. In spite of this many in the community are not aware of the importance, or indeed presence of marae in or near commercial centres.

The importance of marae justifies a regional enhancement strategy including regional support and increasing general understanding of the importance of marae.

Maintaining Long Term Adaptability

It is important that any 'urban system' is able to adapt to change. The economy will change, the workforce will change and the location of business will change. If the regional form is too 'locked in' then there will be real limits on employment choice and business growth. Such change can bring costs to local communities as areas decline, or as areas come under unsustainable growth pressure.

Action Area 2.8 Improve Range and Location of Housing Stock.

Work to date has identified a lack of housing choice in some parts of the region. Apart from the Wellington CBD, there is limited access in other centres and on the edge of the newer suburbs, to medium density housing and one and two bedroom accommodation. For older people, for example, this can be a problem and they are often forced to use retirement homes, stay in the larger homes, or move out of their communities. These effects can cause isolation and can be costly.

This lack of housing choice can mean higher costs for families and can also limit business development opportunities, if the workforce is not available. The concentration of public housing in some areas and the lack of it in others, also limits the choices of very low income households.

These limitations make it difficult for communities to adapt over time to changing household size, to the ageing of the population and changing lifestyle choices.

Action Area 2.9 Make Sure Land and Infrastructure is Used Efficiently

The Wellington region has an important landscape of ridges and hills. It has a limited resource of flat land, good soils and climate, which can contribute to local food production and employment and to wider orchard, crop or wine growing sectors. Some communities across the region are struggling with the need to invest in infrastructure, such as water, sewerage and stormwater services.

Decisions about development on the edge of the main urban areas and in rural areas, and decisions about redevelopment of older areas can, if not done well, undermine valued landscapes, and lead to unnecessary loss of rural lands and increased infrastructure costs. Uncoordinated decisions about rural development can lead to demand for new services, while there is under use of capacity in other areas, suggest a need for greater co-ordination.

Examples of things we could do to facilitate quality regional form and systems.

- Strengthen east / west transport links (including the potential for complementary new links);
- Encourage housing choice around our main centres;
- Develop mechanisms to strengthen the integration of region wide transport, urban form and urban design considerations into decision-making.
- Promote high value, new economy activities in sub regional locations and invest in transport systems and other infrastructure that supports growth in those centres.
- Continue to grow and enhance the Wellington City CBD – it's a major catalyst for growth in the region. At the same time enhance sub-regional centres.
- Renew and revitalise areas of low cost housing to improve overall "liveability" and individual wellbeing

- Increase the focus on high quality design (including safety considerations) in our towns and cities and “unlock” existing land with the best location and accessibility advantages.
- Develop a policy that links marae more closely to urban form decisions and increase understanding of the role and importance of marae.
- Develop a region wide approach to rural land use.
- Develop a region wide vision for our green belts and public open spaces. For example, what should we acquire, what should we develop, and how can they support good urban structure and quality of life.

Want to know more?

See our section on Focus Areas at www.wrs.govt.nz

What do you think of this Focus Area and its actions?

Please give us your thoughts and ideas. Tell us what you like and what you think should be changed.

Connection with the Regional Land Transport Strategy

The Regional Land Transport Strategy (RLTS) sets the overall direction for planning and developing the transport system across the region, including state highways, local roads and public passenger transport. The issues being addressed in this Growth Framework, including the outcomes sought and the principles adopted, are very relevant as an input to the preliminary stage in the review of the current RLTS. Specific matters relating to transport are set out in the accompanying companion document on regional transport issues.

There is a separate consultation process for the RLTS detailed questions, however we are interested in your feedback on the outcomes and principles as they affect transport and also on those specific transport ideas we have flagged. Such feedback will help us as we progress the review of the Wellington Regional Strategy.

Where we receive comment relevant to the RLTS we will ensure these are passed on for inclusion in that process.

FOCUS AREA 3. Unlocking economic potential

The region has a number of strengths but we are not reaching our potential. There are a number of things we can do to lift our productivity.

Action Area 3.1 Plugging the gaps

There are strong links between investment in infrastructure (airports, ports, telecommunications etc) and boosting economic growth. For example, Auckland Airport, handles 85% of all freight coming into New Zealand, and 70% of all tourists, and is an important driver of the Auckland economy. Wellington's airport business travel, tourism and freight volumes are hindered by the size of the runway. New aircraft technology may solve this problem; however we need to ensure we get them flying to Wellington.

Telecommunications, especially broadband, are similarly important. While the region is "well wired" by national standards, the competitive advantage we had in the 90s is diminishing.

Transport is another area of potential exposure. While we have good public transport services, traffic congestion is growing. This affects our desirability as a freighting hub, especially compared to other ports.

We also need to move people. Porirua, Hutt, Upper Hutt and Kapiti have 58% of the people but just 38% of the jobs. Better roading and new links between the east and west of the region should increase productivity and open up new job opportunities.

Action Area 3.2 Putting underutilised land to better use

The quality of land for business use is impacted by such things as accessibility for suppliers, workers and customers and the quality of services. The region has large areas of land in metropolitan areas that meet these criteria but we haven't been good at identifying them and "unlocking" them for residential or business and manufacturing purposes. We also need to determine if it's necessary for each local authority to cater for every industrial/commercial land use type. The alternative is to collectively decide the best land use activities as a whole, rather than each Council considering it in isolation. The region also has large areas of rural land, particularly in the Wairarapa that has considerable economic potential and could be further developed, particularly by irrigation.

Action Area 3.3 Addressing skill shortages

By New Zealand comparisons we have a well qualified workforce in the region and high productivity per person. However we don't stack up well alongside Australia, as an example. We have capacity to increase productivity through better training, and the tools and technology we use. Two areas of potential for increasing participation in the workplace are increasing the number of women and older people in the workforce. This requires good quality childcare and for business to value the contribution mature workers can make.

We're also seeking more flexibility in our working hours – something businesses are likely to adapt to given labour shortages.

Skilled labour shortages are a particular concern, especially in the 25-35 year old age group who go offshore initially for OE but with no guarantee of their return to New Zealand, let alone Wellington. A strong growing economy, with career choice and an attractive quality of life is our best defence against the loss of skilled workers to the region.

Action Area 3.4 Generating wealth from our ideas

Our region receives over \$100 million in research funding through its universities, medical school, Crown Research Institutes, Polytechs and Te Wananga O Aotearoa. However too little of this funding turns into tangible commercial activity. This is because the links between business and research are not strong and there is limited capability and capital to translate ideas into successful business outcomes. In other words, we might be knowledge and idea rich, but we're not good at translating the ideas into a saleable product.

There are gaps in our 'value chains', for example we currently do not have some types of niche manufacturing within our region to turn good research into commercial products.

[Insert Value Chain diagram here]

Our historic strength in Science (through our Universities, Polytechs and Crown Research Institutes) needs to be taken to another level and leveraged for the benefit of our region

Action Area 3.5 Make the most of what we're good at and create new opportunities

We're strong in services, including business services, government administration, marketing, computing services, hospitality, legal, and accounting. Also we have emerging "star" sectors including film and design. While we're good at these things there's no guarantee it will stay that way and we need to continually lift our game. We need to be developing new opportunities that complement our existing strengths. Some of these opportunities may be in areas we haven't previously targeted.

However, while we know what we're good at, we know less about the "value chain" of each of these sectors – the activities that occur between initial product or service idea through to product / service sale and follow up. A better understanding of the value chain would put us in a better position to compete globally.

Action Area 3.6 Making it easier to do business.

A business friendly environment is one which embraces entrepreneurship and wealth creation. This especially applies to rules and bylaws which need to be conducive to business growth. Central Government has identified three areas for focus, being better regulation, providing quality information (for example better government web sites) and more effective implementation (for example reducing duplication from ACC, IRD etc). Such initiatives would be complemented locally.

Examples of things we could do to unlock economic potential

- Develop a “connect our region” strategy. In other words integrate land use and transport networks (including ports and airport), and upgrade our telecommunications (e.g. broadband). Such integration would improve our business-to-business connections and also the ease of access of our workforce.
- Launch an “innovation explosion”. This takes advantage of the substantial research that occurs within the region, by bridging the gap between ideas and products. It could include business sponsorship of university research which has high commercial growth potential, getting better access to venture capital – for example through hosting an international venture capital fair, etc
- Establish an effective mechanism for identifying and marketing underutilised land, or potentially even intervening and developing land.
- Work to align and make consistent our plans under the Resource Management Act.
- Develop, with Central Government, a region-wide labour market strategy to address skills shortages. This could include a targeted international campaign to attract skilled expatriates, providing support centres for migrants, supporting childcare facilities, bonded scholarship programmes, targeted events for 25-35 years olds etc.
- “Grow globally”. In other words add to the number of global firms or clusters already within Wellington. For example cluster a stronger export oriented industry around our strength in public policy.
- Explore options to strengthen the science component of the region’s tertiary education offering and grow the education sectors relationship with Crown Research Institutes and the Commercial sector.
- Investigate how taking a ‘value chain’ assessment focus might refine or reorientate our approach to business cluster support.
- Developing an internationally renowned centre for science.
- Reduce red tape by streamlining processes between and within local authorities in the region.

Want to know more?

See our section on Focus Areas at www.wrs.govt.nz

What do you think of this Focus Area and its actions?

Please give us your thoughts and ideas. Tell us what you like and what you think should be changed.

FOCUS AREA 4. Internationalisation

Internationalisation refers to the extent to which we can sell our region and our goods and services to the world. Six opportunities have been highlighted.

Action Area 4.1 Export - Increase the emphasis on export oriented goods and services

We've tended to focus on selling our products and services within the region and within New Zealand, to the extent that only 14% of our GDP comes from exports. However, because of the size of the domestic market, the potential to sell more in New Zealand is limited - the real growth opportunities are in exporting.

Regional public sector interventions in Wellington should facilitate potentially productive relationships that will enable firms to enter and sustain export business, and ensure that Wellington regional firms are aware of and have access to the broad range of central government programmes that are available.

Focus for development activities should be on areas of the economy that have the potential to catalyse the development of internationally competitive industries.

Services are a strength in the Wellington regional economy, accounting for up to 85% of our economic output. International trade in services (for example, professional advice, tourism, education) is growing rapidly and provides a major export opportunity for the region. Wellington is well endowed with high quality human resource which underpins the service sector.

Action Area 4.2 Market - Implement a Wellington region marketing strategy and brand

We have a number of brands and strategies within the region, but no single region wide marketing or branding strategy. Developing a region-wide strategy and brand enables us to promote the things that are unique (e.g. Wellington's capital city status; high quality human resource/creativity) and valued in the region.

The Government's Growth and Innovation Framework notes: "*For New Zealand to attract the talent and capital required to sustain growth and innovation, we also need to update our international image and be seen as a dynamic place to live and work*"

This statement is also true of the Wellington region. We need to establish a point of difference that makes this region stand out as a great place to do business, live and visit. Thus a brand, supported by a strong marketing strategy, should underpin both our domestic and international marketing of Wellington as a destination for business location or for inward direct investment. It is also essential in tourism marketing, where the region itself is the product.

Central government agencies have invested significant resource developing and promoting Brand New Zealand (now positioned as "New Zealand – new thinking") and, where appropriate, Wellington region exporters of niche products and services might utilise this brand so they can leverage its characteristics. Regional branding and

marketing is arguably less helpful for export marketing. In particular, the move towards services and niche, high value manufacturing will require specific, niche international markets, where key success factors will be quality and value rather than the source.

Action Area 4.3 Develop global businesses, networks and connections

Reflecting the New Zealand economy, Wellington's business sector is characterised by small enterprises which may not have the scale or resources to export. Typically export involvement is more likely to be reactive, in response to limited domestic opportunities or increased domestic competition. This is less so in the services sector where the production of intellectual property is less reliant on size.

New Zealand has few genuinely global businesses and, as a country and a region, we don't make the most of our limited international connections. Conventional wisdom historically was that we should develop the domestic market before considering offshore opportunities. But our population base provides little scope to do more in New Zealand. The last decade has seen the advent of new, smaller companies often described as "born global" – that is, specifically started with the international market in mind. A standout example of this in the region is Icebreaker.

Apart from the size/scale to fulfil orders, to export successfully, companies need know-how (e.g. in the form of good design/technology/intellectual property), basic business capability, capital and in-market knowledge and networks. Developing global connections can help in supplying the latter two. With regard to all these characteristics, Wellington businesses need to be encouraged to access the full range of assistance and opportunities available from central government agencies

Action Area 4.4 Attract - Bring the world to Wellington

Our campaign to bring the world to Wellington should focus on four elements: foreign direct investment; business location, skilled inward migration; and tourism, which is addressed under Action Area 4.6. In all these cases, our targets need to have a compelling reason to come here, but with the exception of tourism, Wellington tends to under perform. For example, the region accounted for 4.3% of total overseas investment in New Zealand between 1999 and 2003, proportionately less than it should be for our size.

Wellington could position itself as the "ideas capital", leveraging its position as the seat of government and the site of the country's strongest services sector. In this respect, areas of strength that could be developed include public policy, finance, technology, R&D, design and other niche service sectors that have sprung from distinctive natural characteristics (for example expertise in dealing with natural hazards). The concept of "adding value" should also be exploited in respect to our niche manufacturing and food processing sectors.

These are the sorts of areas in which we can aspire to be world class. To strengthen them we should focus our attraction activities on appropriate businesses, people and investors. For example, in education or research the attraction of as few as 3 – 5 of

the right people, could strengthen current capability and potentially result in new business lines being developed.

Action Area 4.5 Connect - Take Wellington to the world

This is about making Wellington more accessible to the world. For example the length of the runway at Wellington airport is often cited as a limiting factor. Aircraft technology may solve this problem, but there is no guarantee the airlines will chose to route these aircraft through Wellington. We need to be proactive and ensure this happens.

Also, we have an excellent shipping port but limited capacity to grow the freight volumes it handles. Private sector entities are making decisions that will affect our port. We need to support efforts to ensure our port grows in significance. This may include the provision of appropriate land transport infrastructure.

The need for appropriate infrastructure for information and communications technology (ICT) is also critical. In a “virtual” world, we must ensure the free flow of information and ideas connecting Wellington and its people to the world.

Action Area 4.6 Visit - Make Wellington a great place to visit

The tourism industry is a major contributor to our economy, with domestic and international tourists spending \$1.4 billion in 2003. All indications are that international travel will increase (to \$2.1 billion by 2010) because there are greater numbers of healthy, wealthy people with time on their hands. We need to make sure that this increase happens and we have our share.

The region has well-established public and private sector partnerships to present international visitors with a full complement of experiences. Opportunities exist to grow these partnerships and the presence of the region, which internationally is still considered to be an emerging destination.

Cultural, eco-tourism and leisure are areas expected to expand in New Zealand and represent opportunities for the region for international and domestic visitors. Wellington City’s status as the “events capital” provides good positioning. There is opportunity to expand this position throughout the region, and also to develop regional tourism product incorporating ‘food and wine’ aspects provided by the Wairarapa. There is also opportunity in the convention and conference market. At present Wellington (and indeed New Zealand) does not have a convention centre capable of handling a large international conference.

Examples of things we could do to “internationalise” the region

- Investigate opportunities to show Wellington services to the world - Wellington could define the world’s perception of New Zealand’s services standards.

- Exploit our strengths of being the seat of Government and in specific areas such as international consultancy (for example natural hazards and public policy)
- Develop a marketing strategy and brand that targets visitors, skilled migrants and businesses
- Build on the ability of universities and CRIs to attract education and research based activities focussed on Wellington strengths . For example, public-private sector sponsorship of a Professorial Chair in a particular area to help build up world class expertise.
- Use local “heroes” to promote targeted inward attraction of people, investment and businesses from chosen offshore markets
- Identify ways to reduce the cost of business entry into international markets, in particular by ensuring that Wellington businesses are able to access the full range of assistance and opportunities available from central government agencies.
- Be clear about the areas in which we are or could be world class and aim to attract key people who “fit” with areas the Wellington region is targeting to grow.
- Promote Wellington as a relationship hub with the rest of the world, including as the location for international associations and conferences.
- Attract international investment by initiating one or more projects with international appeal, for example an urban design competition
- Understand operational requirements of, airlines, shipping companies and ports/airports.
- Develop a regional iconic feature that promotes international recognition, along the lines of the Sydney Opera House)
- Develop a region wide approach to tourism including a regional calendar of events, environmental attractions, cultural tourism etc. This could include extending Positively Wellington Tourisms (PWT) role to cover the whole region.

Want to know more?

See our section on Focus Areas at www.wrs.govt.nz

What do you think of this Focus Area and its actions?

Please give us your thoughts and ideas. Tell us what you like and what you think should be changed.

Uncertainties And Risk

Our strategy faces a number of external trends, either at a global level or a national level. These present risks to strategy development for our region. Four ‘mega trends’ or uncertainties are identified that may call into question some of the assumptions or directions of our strategy over time. These are:

- Impacts of natural disasters e.g. earthquake, flooding, climate change;
- Growing costs of fossil fuels, often called ‘peak oil’;
- Competition from Europe and elsewhere for the 25- 45 workforce, as global populations age;
- Global disruption and conflict;
- Major swings in national policies – particularly relating to energy, international markets, transport, governance and immigration.

A few examples of ways the Wellington region could try and ‘future proof’ against impacts are:

- Ensuring recovery and post disaster restoration plans are in place
- Promoting local centres based employment;
- Promoting energy efficiency and alternative sources of energy production;
- Developing regional risk plans to address identified issues.
- Becoming more innovative about the way work opportunities are structured, and the way older people enter and leave the workforce.

These and other risks and trends have been used to inform the development of the focus areas for action that are set out later in this draft growth framework.

Want to know more?

If you wish to know more see www.wrs.govt.nz/growthframework/Risks and also the Kate Delaney research paper.

What do you think?

Please give us your thoughts and ideas around the issue of risk.

FIFTH SECTION

What happens now?

We want your feedback on this document. To recap, this Growth Framework represents our initial thinking on the things the region needs to do to ensure its economic prosperity with particular emphasis on the next 10-20 years.

Do you agree with our suggestions? Have we identified the right Focus Areas? Do you have other ideas on what it will take to ensure the region's economic prosperity?

Let us know what you think by completing the relevant section of the web site www.wrs.govt.nz. Alternatively you can complete the form that comes with this booklet and return it in the post.

What happens to your feedback?

Your feedback will be gathered and used to help shape the development of the Wellington Regional Strategy. This will occur over the rest of 2005 and into early 2006.

A further public consultation process will take place in 2006 when our Growth Framework thinking is translated into a full draft of the Wellington Regional Strategy.

The Strategy will set out detailed direction and action plans, including what the various initiatives are, and how they will be achieved.

Your views can also help shape the councils' 2006 – 2016 long term plans under the Local Government Act, and the next Regional Land Transport Strategy. Please see the document on our website that specifically addresses transport issues at www.wrs.govt.nz/transportpaper

Want to know more?

See our section on the relationship and links to Long Term Council Community Plans and other regional processes by visiting our WRS Process section at www.wrs.govt.nz

APPENDIX 1

Overarching principles for promoting sustainable prosperity for the Wellington Region

1. Efficient use of resources

There is a high level of connectedness between settlement, transport and existing community wealth

2. Shared benefit

Every part of the region shares in the benefits of growth

3. Collaboration

Co-operation will drive regional decision-making by Wellington civic, business and community leaders.

4. Resilience

Our planning and actions address the need to be able to cope with, and recover from, shocks and changes.

5. Tangata whenua

Tangata whenua values, including the preservation of taonga tuku iho, the protection of mauri and the exercise of kaitiakitanga, are recognised and respected.

Sustainable economic development principles

1. Benefits and supports local communities

The benefits of economic growth are available to communities in a way that supports social cohesion.

2. Highly skilled communities capable of change

That economic growth fosters and communities that are adaptable and able to accommodate change.

3. Innovative, diverse and adaptable

That the economy which drives economic growth is innovative, diverse and able to adapt easily to change.

4. Open to external investment and opportunities

That the economy is open to external investment, ideas and opportunities, where these show local / regional benefit

5. Avoids environmental harm

That the nature, volume and scale of any economic growth does not lead to parallel levels of environmental harm. Economic growth is 'decoupled' from environmental harm.

Sustainable urban development principles

1. Well structured and designed

That urban areas, places and spaces have a high standard of design.

2. Delivers good access to a wide range of services and facilities

That people and businesses are able to easily access services and facilities.

3. Respects local sense of place and identity

Respects cultural values, including the character, sense of place, identity of local areas, places, heritage and areas of significance to Tangata Whenua.

4. Maintains and protects natural systems

That urban form maintains vital life supporting functions of the environment

5. Mixes natural spaces and built urban areas

That there is a high degree of interweaving of natural and built urban areas

6. Copes with change

That urban form is responsive to changing demands and technologies and provides a range of opportunities and alternatives

Sustainable transport system principles

1. Creates an integrated land transport system

That transport infrastructure provides greater transport choice, integration and flexibility

2. Provides equitable access for all sectors of the community

That people have access to social, economic, educational and recreational activities and freight moves around efficiently

3. Supports a thriving economy

That the transport system maximises the efficient movement of people, goods and services

4. Copes easily with change

That the transport system is responsive to changing demands and technologies and provides a range of opportunities and alternatives

5. Assists safety and personal security

The transport network provides for a social environment that is safe

6. Is environmentally sustainable

The transport system is managed in a way that optimises allocation and use of resources, including non-renewable energy sources.

7. Protects and promotes public health

Allows for social participation and interaction and healthy communities and increases the uptake of physical activity (sport, walking and cycling).

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APPENDIX 2

Measuring Our Success

Measuring our region's success requires a broad based assessment across economic, environmental, social and cultural dimensions.

Having developed a number of possible action areas (**focus areas**), it is critical that we are able to measure our performance and ensure that the actions we are taking are addressing the regional issues we have previously identified.

In particular, we need to know -

- Are we becoming more internationally competitive?
- Are we achieving *sustainable* economic growth?
- Are there costs to that growth which we had not considered?
- Are there impacts arising from our economic growth which are undesirable?

Measuring our performance a little differently from usual

Gross Domestic Product (GDP) has traditionally been used as the most common way in which countries and communities measure 'success' and compare economic growth. Changes in GDP show the rate at which the economy is growing or declining and which parts are doing best.

However, GDP growth rates don't allow us to know whether the desired economic activity is actually causing us harm eg. Crime, pollution, accidents and natural disasters. Simply because money has to be spent on rebuilding soil, cleaning up pollution, lawyers, doctors, drugs etc, does not mean we value it as contributing to our well-being. GDP is often misused when it is treated as a measure of individuals or societies well-being – a purpose for which it was never intended.

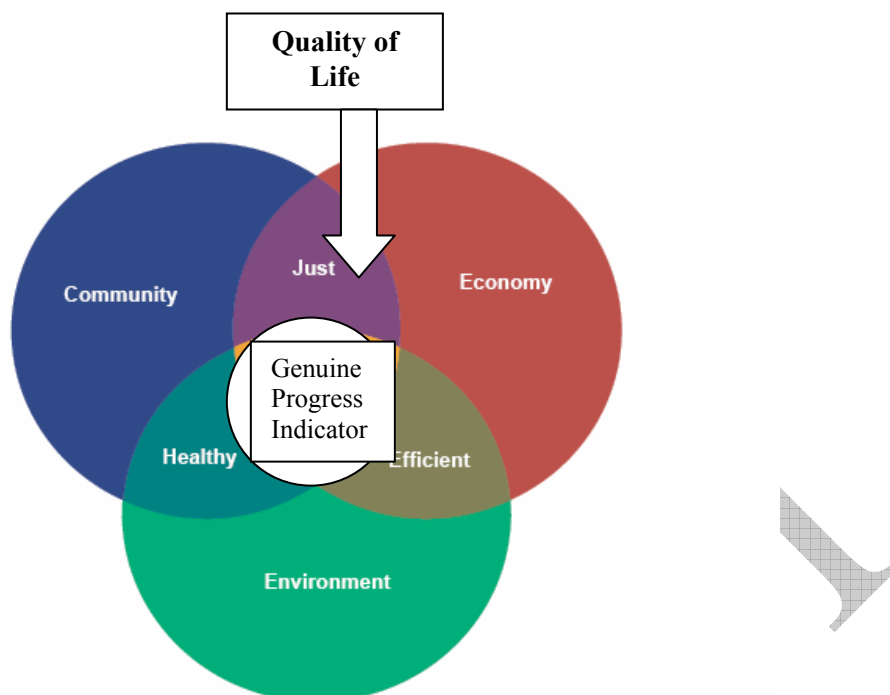
Robert Kennedy (1968): It (GDP) measures everything except that which makes life worthwhile

Over recent years, a new system of measuring our whole performance (rather than just economic performance) has been developed. This technique is known as Genuine Progress Indicator (GPI). The purpose of GPI is to measure progress or the quality of our lives – something which is quite different from measuring our level of economic activity.

In the Regional Strategy project, we intend to measure ourselves using **both** techniques. Gross Domestic Product (GDP) will provide a pure assessment of economic growth while the Genuine Progress Indicator (GPI) will measure all those aspects which give our lives the quality we are seeking.

The diagram below shows conceptually the inter-linkages relating the index measure that we propose to look at.

This is known as the Genuine Progress Indicator (GPI).



The Wellington Regional Growth strategy has a narrower focus on economic development and land use (including transportation). A subset of the overall Genuine Progress Indicators are therefore proposed to be used.

For the Wellington Regional Strategy two specific matters are proposed for assessment and measurement.

1. Gross Domestic Product per capita within the Wellington Region; and an,
2. Urban Form assessment (using methodologies such as the INDEX³ measurement approach used in Portland Oregon).

Want to know more?

For further information see our website www.wrs.govt.nz/researchreports/gpi/

³ see www.criterion.com for further detail on this

APPENDIX 3

Glossary

[Definitions to be further developed and other items to be added on finalisation of discussion document]

Ara Tahi – the iwi committee of Greater Wellington Regional Council who act in an advisory role to the WRS Forum on matters of significance to tangata whenua.

GDP – gross domestic product. A measure of economic performance.

Go Wairarapa – Economic development agency funded by the Wairarapa councils.

GPI - genuine progress indicators. A more holistic measurement set for assessing economic, environment, social and cultural considerations.

PWB – Positively Wellington Business. Economic development agency funded by the metropolitan councils of the region.

PWT – Positively Wellington Tourism. Tourism development agency funded by some of the metropolitan councils of the region.

Regional Land Transport Strategy (RLTS) - a statutory document that Greater Wellington Regional Council must produce. It is a key tool for setting transport policy and investment priorities through providing the blueprint for regional land transport investment over the next 10 years. It must contribute to an overall aim of achieving an integrated, safe, responsive and sustainable land transport system.

Regional Leaders Forum – A regular forum bringing together Wellington ministers of parliament, the mayors of the region, with input from other key agencies and institutions on issue specific matters.

R & D – Research and Development

Strategic Partners Forum – a advisory group of more than 50 institutions and businesses who play key roles in the Wellington region. This group has provided input to the thinking set out in the discussion document.

Value Chain – the specific activities through which firms can create a competitive advantage. These are a set of interrelated generic activities common to a wide range of firms. See www.quickmba.com/strategy/value-chain/ for more detail.

WRS Forum – a joint committee established under the Local Government Act with representation from all councils within the Wellington Region. PWB and Ara Tahi are also partners to the process having observer status. The WRS Forum has an agreed Project Plan and terms of reference for progressing strategy development.