

## Report 07.22

# Interim Wellington Regional Strategy Committee

Minute extract from meeting held on 30 January 2007

## Wellington Regional Strategy Hearings Subcommittee Recommendations on Submissions to the Wellington Regional Strategy and LTCCP Amendment

*Resolved*

*That the Committee*

1. *Receives the report.*
2. *Notes the content of the report, as amended during discussion at this meeting.*

**Resolved**

**That the Committee recommends that Council:**

3. **Agrees to recommend to Greater Wellington the following changes in relation to the WRS:**
  - a. **Change the WRS text to strengthen recognition of factors influencing the Wellington regional economy, particularly those around private sector activity and central government's role and actions.**
  - b. **Address the perceived lack of analysis and evaluation by including reference in the WRS to background work such as:**
    - **Business sector analysis by 3 digit ANZSIC codes (Kemp),**
    - **Regional Full Time Equivalent projections by 1 digit ANZSIC codes (NZIER),**
    - **Floor space projections for office, industrial and commercial (Property Economics)**
    - **Housing segment demand information (Property Economics and SGS**

economics and planning)

- Cluster performance information (Infometrics, BERL and NZIER and MED).
  - WRS evaluation and development process information
- c. More strongly incorporate sustainability and climate change considerations into the WRS in the introductory text and principles and assessment criteria for WRS projects.
  - d. Note that ongoing discussion will occur with stakeholders such as the Wellington Regional Chamber of Commerce and Business Porirua around specific analysis expectations beyond the current work available.
  - e. Make more explicit that the WRS promotes a high degree of interaction and working together of all parties able to progress WRS concepts. Accept the various offers of resource support and input to progress components of the WRS (through the proposed implementation agencies/forums) including entities such as Go Wairarapa and from the Wellington Regional Chamber of Commerce, Employers & Manufacturers Assn, Tertiary Education Providers, Central Government Agencies and Crown Research Institutes.
  - f. Confirm that the WRS provides a high level framework and that the details of the implementation initiatives are appropriately left to the EDA to determine.
  - g. Include some additional background detail and justification as to benefits accruing from WRS initiatives.
  - h. Strengthen references to the fact that business plan detail and specific benefit analysis will occur at implementation level via the regional EDA and as ad hoc projects arise.
  - i. Amend the text on page 2 of the WRS beginning “We need to do better...” by replacing the discussion on the role of 4% economic growth with a more aspirational statement as follows:

“We need to do better. To improve prosperity in our region we need to develop better paying jobs and sustain ongoing business investment. For the next decade we need to aim to roughly double our economic growth rate”.

Add new text on page 2 after that in 5.3.2 (a) above to make clear that actions of the private sector and central government have a significant bearing on prosperity prospects.

- j. Include in the WRS an undertaking to investigate development of the regional economy in ways that align to ‘carbon neutral’ goals.
- k. More strongly emphasise sustainability objectives (including addressing climate change risks) in the WRS.
- l. Signal that consideration will be given to setting a target date for the Wellington region to become ‘carbon neutral’ / ‘carbon zero’ and include research to be

undertaken into actions to examine the feasibility of this goal.

- m. Signal that the potential for a ‘centre of excellence’ around practical application of ‘green technologies’ in the Wellington region will be explored (e.g. energy related applications such as wind, current, and biomass sources, and building technologies).
- n. Incorporate the importance of sport and active leisure into the WRS, especially in relation to the region’s community outcomes and its economy.
- o. Incorporate ‘sport and active leisure’ in the WRS vision and/or community outcomes.
- p. Confirm the change areas set out in the WRS and note these will be progressed through separate public processes and be informed by principles under the N.Z. Urban Design Protocol.
- q. Change the description for the Pauatahanui and North Waikanae Change Areas to make clear that these are not being promoted for strong growth, but rather careful management in light of environmental and / or servicing issues.
- r. Modify the text in relation to the Grenada to Gracefield change area to make clear that proposals to explore broadening housing choice in some parts of the change area, and to address roading links will proceed through local community based planning processes. These will be informed by principles under the N.Z. Urban Design Protocol.
- s. Include in the WRS the definition of “environment” suggested by NZHPT.
- t. Make a recommendation from the WRS Interim Committee to GWRC’s Environment Committee that the Regional Policy Statement review include consideration of a region wide agreement on heritage principles and practices.
- u. Confirm the WRS intention to provide mechanisms for regular and focused involvement of infrastructure providers with the WRS processes. In particular the WRS keeper committee will have a role in keeping informed of, and contributing to consideration of regional infrastructure issues and the prioritisation and funding of these. This will require liaising with the Regional Land Transport Committee and other entities addressing regional infrastructure provision and maintenance.
- v. Add new to page 40 of the WRS, following the discussion under

**“LAND FOR BUSINESS GROWTH”:**

#### **RURAL INDUSTRY GROWTH**

The region has a strong rural industry sector, centred primarily in the Wairarapa. This sector makes a contribution to the regional economy, especially through the viticulture industry. While the rural sector has potential to grow, in the Wairarapa predicted shortages of water limit capacity to both grow current production and also limit the opportunities to convert to more intensive land uses.

An irrigation scheme would enhance the growth opportunities in the Wairarapa and for this reason an irrigation project has been initiated by Go Wairarapa. Like all major projects any future scheme would need to attract significant funding and would be subject to the requirements of the Resource Management Act. Potential effects associated with damming water and the impacts of potential future land uses would need to demonstrate their environmental sustainability.

- w. Incorporate into the WRS the importance of farming and forestry across the region in both an environmental and economic sense, especially in relation to the region's proposed carbon neutral objectives.
- x. Note the potential to harness the Wairarapa's food and wine opportunities through the Cuisine School in the WRS.
- y. Incorporate greater emphasis on existing businesses including what the WRS proposes to improve business retention and include an action step to work with other key stakeholders on this.
- z. Include the following:
  - i. That, within a decade, all of the Wellington Region will have affordable access to an interactive, open access, broadband network capable of supporting applications and services using integrated layers of voice, video and data, with sufficient symmetrical capacity to meet the ongoing information and communications needs of the city's residents, businesses and institutions, and help catalyse a transformation in regional economic development.
  - ii. That as an interim target, the Wellington Region build on the definition of fast broadband in the Government's digital strategy. In this strategy, fast broadband is defined as data transfer at a rate greater than 5 Megabits per second (Mbps). Therefore it is recommended that the Committee suggests an interim target (say by 2010) for the WRS regionally of a 5 Mbps symmetrical data rate. Further, that it recognises that this will quickly be inadequate to meet the needs to the Region, and therefore endorses a more aggressive objective of removing data transfer speeds as a constraint on the Region's ability to maximise the economic and social benefits of broadband. For example, in the Wellington CBD and Miramar (centres of digital content creation) this will mean facilitating access to 10Gbps services as soon as possible.
  - iii. That urgency be given to implementing the broadband strategy, with priority given to actions that will lift labour productivity, assist in transforming the economic development of the Wellington Region and deliver major social benefits (e.g. through health care, schools and libraries) to the communities of the region.
- aa. Acknowledge and explain the importance of the Port to the regional economy, acknowledging the importance of good transport links, as follows:

“Wellington's Port handles 1.7 million gross tonnes of freight and 28000 cruise liner tourists and crew, annually. It is vital to the exporting objectives of the WRS. The WRS can add value to the Port's operation through the

**‘regional form’ initiatives detailed later in the document, especially those that facilitate efficient road and rail transport to and from the port**

**The WRS can also play a part in the development of a coastal shipping strategy for the benefit of the region.”**

- bb. Confirm that Centres of Excellence be established under the Economic Development Agency (EDA) auspices. This will provide for consistency of approach, cross sectoral learning and idea generation and a cost effective support infrastructure.**
- cc. Confirm one region-wide EDA for the region but discuss with the key stakeholders of existing EDAs (e.g. Go Wairarapa and Enterprise Coast) how any integration will occur. This to be undertaken by the new EDA Board when it has been appointed.**
- dd. Confirm a merit based EDA Board comprising 7 people with the capability and experience to govern a successful EDA.**
- ee. Confirm that the EDA be established as soon as possible (a transition from the current state to the new entity should occur during the first half of 2007) in order that it can determine its priorities, complete the analysis on its identified priorities and move quickly to implementation.**
- ff. Increase emphasis on the role of education in the WRS, especially its potential to increase export earnings and to close the skills gap. Ensure that its inclusion is consistent with the overall strategy by aligning student attraction work to centres of excellence.**
- gg. Incorporate direct reference to Education Wellington International in WRS and ensure ongoing funding support**
- hh. Tie student attraction programme into sister city relationships.**
- ii. Confirm the concept of consolidation of regional incubator in the WRS.**
- jj. Note submitters’ interest in further dialogue on incubators, and that a consolidation approach will form the basis of further dialogue between WRS representatives and relevant stakeholders.**
- kk. Confirm WRS concepts for promoting greater co-ordination and, where appropriate, alignment of activity around destination marketing, migrant attraction, educational opportunities and related matters.**
- ll. Incorporate information on the region’s climate into marketing material generated.**
- mm. Confirm WRS proposals to provide a mandate for a ‘keeper’ committee on the basis of the current timetable.**
- nn. Confirm WRS proposals to provide a regional Economic Development Agency on the basis of the current timetable.**
- oo. Note the intention for engagement and partnerships across all strands of the**

**WRS via development of an Implementation Project Plan.**

pp. Include in the terms of reference or statement of intent for the regional EDA a requirement to actively consider a broad range of working arrangements for progressing sector related development activity, including scope for private sector lead and funded options acting independently but reporting back through appropriate WRS channels.

qq. Confirm funding be made available for the WRS at the levels proposed in the WRS consultation documents.

4. Agrees to make text changes to the WRS document as discussed during consideration.

5. Agrees to recommend to Greater Wellington the following changes in relation to the proposed LTCCP Amendment:

i. Confirm the proposed Greater Wellington standing committee as the “keeper” of the WRS.

ii. Confirm the proposed standing committee membership structure, with details to be agreed by the participating Councils through the Multi-Party Agreement.

iii. Confirm Greater Wellington’s role as host of the WRS standing committee.

iv. Confirm a regional economic development agency, in the form of a not-for-profit Council Controlled Organisation, and that further detailed work be carried out to determine its relationship with Go Wairarapa and Enterprise Coast, in consultation with the “owners” of those agencies.

v. Confirm the appointment of a merit-based board to the EDA.

vi. Agree to a targeted economic development agency rate of \$4.0 million (plus GST) for 2007/08, to be allocated on the following basis (allocating 42% to businesses and 58% to non-businesses):

a. A uniform annual charge to residential ratepayers of \$12.50 plus GST.

b. A uniform annual charge to rural ratepayers of \$25.00 plus GST.

c. The remainder of the cost of the EDA being charged to business on the basis of their capital values.

vii. Confirm the quantum of funding for the EDA of \$4.0 million plus GST in 2007/08 and up to \$5.0 million in 2009/10 (plus GST).

viii. Endorse the following review provisions as appropriate:

a. An independent review of the effectiveness of the entire Wellington recommendations for changes to the strategy. This will include consideration of whether the WRS Committee and / or its funding and other arrangements should continue.

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| <p>b. The first review to be commissioned 5 years after the adoption of the WRS.</p> <p>c. The subsequent reviews to be undertaken on a 3-yearly cycle to coincide with LTCCP cycles.</p> <p>6. Instructs officers to prepare a report to Greater Wellington based on the matters agreed to in (3 and 4).</p> <p>7. Delegates to the Chairman of the Interim WRS Committee the final approval of the report to Greater Wellington.</p> |
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**Noted**

With regard to section 5. vi.c.:

- Greater Wellington is to be asked to consider a transitional arrangement for the rate for the EDA in the first year.
- Mayor Guppy asked that his vote against this section be recorded.