



If calling, please ask for Democratic Services

Wellington Regional Leadership Committee

Tuesday 26 July 2022, 10.00am

Council Chamber, Hutt City Council, 30 Laings Road, Lower Hutt

Members

Hon. Tracey Martin

Chairperson

Councils

Mayor Anita Baker

Porirua City Council

Mayor Campbell Barry

Hutt City Council

Mayor Alex Beijen

South Wairarapa District Council

Mayor Andy Foster

Wellington City Council

Mayor Wayne Guppy

Upper Hutt City Council

Mayor K Gurunathan

Kāpiti Coast District Council

Mayor Greg Lang

Carterton District Council

Mayor Lyn Patterson

Masterton District Council

Council Chair Daran Ponter

Greater Wellington Regional Council

Mayor Bernie Wanden

Horowhenua District Council

Ministers of the Crown

Hon. Dr Megan Woods

Minister of Housing

Hon. Michael Wood

Minister of Transport

Iwi organisations

Darrin Apanui

Rangitāne Tū Mai Rā Trust

Kelly Bevan

Te Rūnanga o Raukawa Inc.

Helmut Modlik

Te Rūnanga o Toa Rangatira Inc.

Huia Puketapu

Port Nicholson Block Settlement Trust

Di Rump

Muaūpoko Tribal Authority Inc.

Recommendations in reports are not to be construed as Council policy until adopted by Council

Wellington Regional Leadership Committee

Tuesday 26 July 2022, 10.00am

Council Chamber, Hutt City Council,
30 Laings Road, Lower Hutt

Public Business

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1.	Apologies		
2.	Conflict of interest declarations		
3.	Public Participation		
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Please note these minutes remain unconfirmed until the Wellington Regional Leadership Committee meeting on 26 July 2022.

Report 22.242

Public minutes of the Wellington Regional Leadership Committee meeting on Tuesday 31 May 2022

Council Chambers, Porirua City Council
16 Cobham Court, Porirua, at 9.06am.

Members Present

Hon. Tracey Martin

Chairperson

Councils

Mayor Anita Baker

Porirua City Council

Mayor Campbell Barry

Hutt City Council

Mayor Alex Beijen

South Wairarapa District Council

Mayor Andy Foster (from 9.38am)

Wellington City Council

Deputy Mayor Free (until 9.38am)

Wellington City Council

Mayor Wayne Guppy

Upper Hutt City Council

Mayor K Gurunathan

Kāpiti Coast District Council

Mayor Greg Lang

Carterton District Council

Mayor Lyn Patterson

Masterton District Council

Council Chair Daran Ponter

Greater Wellington Regional Council

Mayor Bernie Wanden

Horowhenua District Council

Ministers of the Crown

Hon. Dr Megan Woods (until 9.45am)

Minister of Housing

Iwi organisations

Darrin Apanui

Rangitāne Tū Mai Rā Trust

Huia Puketapu (from 9.46am)

Port Nicholson Block Settlement Trust

Observers

Council Chair Rachel Keedwell

Horizons Regional Council

Daphne Luke

Te Matarua o Maui

Minister Woods, Mayor Foster, Deputy Mayor Free, and Huia Puketapu participated at this meeting remotely and counted for the purpose of quorum in accordance with clause 25B of Schedule 7 of the Local Government Act 2002.

Karakia timatanga

The Committee Chair invited Council Chair Daran Ponter to open the meeting with a karakia timatanga.

Public Business

1 Apologies

Moved: Mayor Guppy / Mayor Beijen

That the Committee accepts the apology for early departure from Minister Woods, apologies for lateness from Mayor Foster, and Huia Puketapu, and apologies for absence from Helmut Modlik and Di Rump.

The motion was **carried**.

2 Declarations of conflicts of interest

There were no declarations of conflicts of interest.

3 Public participation

There was no public participation.

4 Confirmation of the Public minutes of the Wellington Regional Leadership Committee meeting on 22 March 2022 – Report 22.126

Moved: Mayor Patterson / Mayor Baker

That the Committee confirms the Public minutes of the Wellington Regional Leadership Committee meeting on 22 March 2022 – Report 22.126.

The motion was **carried**.

5 Endorsement of Complex Development Opportunities – Report 22.202

Allen Yip, Programme Manager, Wellington Regional Leadership Committee Secretariat, spoke to the report.

Moved: Mayor Beijen / Council Chair Ponter

That the Committee:

- 1 Endorses the list of Complex Development Opportunities.
- 2 Endorses the list of Projects to Watch.
- 3 Approves the next steps as outlined in this report.
- 4 Notes that the Committee will receive regular Complex Development Opportunities project reports.

The motion was **carried**.

Noted: The Committee noted, with regard to the reference to the West-East connection in paragraph 11 of the report, that Waka Kotahi should be listed as the lead agency.

6 Iwi Capacity and Capability Scoping Report – Report 22.191

Kim Kelly, Programme Director, Wellington Regional Leadership Committee Secretariat, spoke to the report.

Moved: Mayor Lang / Darrin Apanui

That the Committee:

- 1 Endorses the following recommended iwi capacity and capability building activities for focus:
 - a Work with local tertiary providers to promote career pathways in local government and iwi organisations, through Careers Evenings and/or promoting Internship Programmes.
 - b Establish reciprocal work placements/employment (of iwi members in local and/or central government organisations) of no less than six months with an agreed funding split.
 - c Establish fixed-term (three to six months) secondments of central government or local government technical or system experts into iwi organisations.
 - d The Wellington Regional Leadership Committee (the Committee), through the Chair, provides letters of support, where appropriate, for specific or general iwi proposals/applications for capacity and capability funding through other avenues (e.g. philanthropic trusts).
 - e Local government and central government partners supporting iwi members to build governance capability/experience through sitting on council-controlled organisations and other relevant boards.
- 2 Authorises the Committee Chair, on behalf of the Committee, to provide letters of support, where appropriate, for specific or general iwi proposals/applications for capacity and capability funding through other avenues (e.g. philanthropic trusts).
- 3 Notes that the Committee partners will, when resourcing permits, also look to implement some of the ideas outlined in the “next steps” section of the full iwi capacity and capability Scoping Report.
- 4 Notes that the WRLC Programme Director and Chair have been advocating to central government for improved central government funding levels to support iwi participation in regional spatial planning processes, both currently with the WRLC and for future Regional Spatial Planning under Resource Management reform.

The motion was **carried**.

Noted: The Committee noted the limited ability of smaller councils to support these initiatives.

7 Programme Director's Report – May 2022 – Report 22.190

Kim Kelly, Programme Director, Wellington Regional Leadership Committee Secretariat, spoke to the report.

Moved: Mayor Wanden / Mayor Guppy

That the Committee endorses the direction of work outlined in the Programme Director's Report.

The motion was **carried**.

8 Wellington Regional Leadership Committee – Year Two Projects – Report 22.203

Allen Yip, Programme Manager, Wellington Regional Leadership Committee Secretariat, spoke to the report.

Moved: Council Chair Ponter / Mayor Guppy

That the Committee:

- 1 Endorses the commencement of the following year-two projects:
 - a Future Development Strategy and HBA
 - b Kāpiti and Horowhenua Greenfield
 - c Upper Hutt Structure Plan.
- 2 Approves in principle bringing forward the Regional Sustainable Food Production Strategy from Year Three to Year Two, subject to resource availability.
- 3 Notes the Year-One projects that will progress into subsequent years.

The motion was **carried**.

Mayor Foster joined the meeting at 9.38am, during the above item. Deputy Mayor Free vacated the table on the arrival of Mayor Foster.

Minister Woods left the meeting at 9.45am, during the above item.

Huia Puketapu joined the meeting at 9.46am, during the above item.

9 Regional Economic Development Plan – Update – Report 22.207

Kim Kelly, Programme Director, Wellington Regional Leadership Committee Secretariat, introduced the report. John Allen, Chief Executive, and Stuart Taylor, Programme Manager, WellingtonNZ spoke to the report.

Moved: Mayor Guppy / Mayor Lang

That the Committee:

- 1 Endorses the key components of the Regional Economic Development Plan (Attachment 1)

- 2 Notes that the final draft of the Regional Economic Development Plan, including a chapter on each of the specific sectors and enablers, and associated initiatives, will be presented for approval in July 2022.

The motion was **carried**.

10 Wellington Regional Leadership Committee Programme Reporting – May 2022 – Report 22.201 [For Information]

Allen Yip, Programme Manager, Wellington Regional Leadership Committee Secretariat spoke to the report.

Noted: The Committee requested that future programme reports include data at the Territorial Local Authority level in the indicator dashboard.

Karakia whakamutunga

The Committee Chair invited Council Chair Daran Ponter to close the meeting with a karakia whakamutunga.

The public meeting closed at 10.08am.

Hon. Tracey Martin

Chair

Date:

Wellington Regional Leadership Committee
26 July 2022
Report 22.319



For Decision

REGIONAL ECONOMIC DEVELOPMENT PLAN

Te take mō te pūrongo

Purpose

1. To advise the Wellington Regional Leadership Committee (the WRLC) of the completed draft of the Wellington Regional Economic Development Plan (REDP) and to provide an overview of how Greater Wellington Regional Council (GWRC) is going to utilise the Regional Economic Development Rate (the Rate).

He tūtohu

Recommendations

That the Committee:

- 1 **Approves** the Wellington Regional Economic Development Plan (**Attachment 1**)
- 2 **Delegates** to the Committee Chair to make any minor amendments and editorial changes to the Wellington Regional Economic Development Plan prior to publication.
- 3 **Notes** that the Regional Economic Development Rate will be used to support the delivery and oversight of the Wellington Regional Economic Development Plan.

Te horopaki

Context

2. Officers have continued to finalise the REDP working closely with the Steering Group and building on the endorsed key components, presented to the WRLC in May 2022 (Regional Economic Development Plan Update - Report 22.207). The key components included a positioning diagram, regional snapshot, and overarching Wellington Regional Framework. These are all included in the final REDP.
3. The final draft REDP includes a forward from the Committee Chair and whakataukī from Kura Moeahu, the focus areas by sector (Including initiatives) and an implementation approach.
4. Over the past six months the Steering Group has been working on identifying and highlighting a range of initiatives across the region that can support the sectors and enablers of the REDP. These initiatives have come from Steering Group members, businesses, community groups, iwi/Māori and other stakeholders.
5. Te Matarau a Māui assisted with the assessment of initiatives and developed the Māori Economic Development Chapter. AATEA Solutions (Māori consultants) provided advice

and a stronger Māori perspective into the REDP and supported Kura Moeahu (Chairman of Te Rūnanganui o Te Āti Awa) to develop and socialise a whakataukī for our region.

6. The REDP has been through a thorough process, including desktop research, independent analysis and advice, feedback from across the Region (place based and sector based), chapters developed by subject matter experts for each of the key focus areas, multi-criteria assessment of initiatives, peer reviews and Steering Group approvals.

Te tātaritanga Analysis

The Regional Economic Development Plan (REDP)

7. The REDP is both a strategy and an economic action plan – with enough detail to guide and enough vision and direction to lead. It includes a cluster of initiatives and concrete steps which, if pursued together, will boost the prosperity of our region.
8. The initial set of 33 initiatives in this REDP are expected to:
 - Contribute towards creating 5,000-10,000 new decent jobs over ten years
 - Reduce some of the disparities across the region with a particular focus on Māori, and
 - Support sustainable and productive growth to improve quality of life of residents in our region.
9. It is a living document that will evolve and adapt as conditions change, relationships are built, and new initiatives come to the surface that address some of the issues and opportunities identified.

Implementation

10. The Steering Group will be refreshed and be responsible for the successful delivery of the plan and incorporate different perspectives from across the Region. The group will include business, mana whenua, local and central government representatives.
11. It is proposed that WellingtonNZ establish an ongoing Programme Management Office (PMO) to co-ordinate planning, reporting and advice to the Steering Group and the WRLC. The PMO and wider WellingtonNZ team will support project leads of initiatives to identify support required, networks and funding pathways, to help successful delivery of the initiatives as well as supporting the pipeline of new initiatives for future years.

REDP Funding

12. GWRC strikes a Targeted Rate across the Region for Regional Economic Development activities. In previous years this was to support the Wellington Regional Strategy (WRS) and oversight and direction for this rate was provided by the WRS Committee. As the Region has worked towards establishing a new REDP, the focus for funding directly from the Rate will move from supporting the WRS to supporting the delivery of the REDP.
13. The rate for 2022/2023 has been set at \$15.00 per rating unit across the region with a capital value charge for businesses. This collects over \$4 million per annum.

14. Each initiative has their own unique complexities, challenges, and relationships. The initiatives contained in the REDP have a wide range of funding requirements from seeking additional funding from \$80,000 through to multimillion dollar projects. In many cases the initiatives require support, connections and development to unlock additional funding from either central government and/or the private sector.
15. A meeting with relevant central government officials has been scheduled to identify funding pathways for initiatives.
16. A multiyear funding agreement is being negotiated with WellingtonNZ to focus on delivery of the initiatives in the REDP. In addition, for the first time this year there will also be a funding agreement with Te Matarau a Māui, to deliver and support projects funded directly from the Rate.
17. It is anticipated that in the first year WellingtonNZ will focus on supporting:
 - business case and feasibility study development to take many of these initiatives forward,
 - initiative leads to find the appropriate funding pathway,
 - initiatives that are ready to commence implementation, and,
 - facilitation of the multiple partners who will need to support many of the initiatives contained in the REDP.

Ngā hua ahumoni

Financial implications

18. These are covered in the Analysis section above. Regular reporting will be provided to the WRLC on funding for the REDP including an overview of funding received from other parties.

Ngā Take e hāngai ana te iwi Māori

Implications for Māori

19. The REDP has a key strategic aim on improving quality of life across the Region and have thriving Māori communities. The REDP Initiatives including those led by Te Matarau a Māui, mana whenua and mātāwaka will support Māori to thrive and lead to greater outcomes for all in our region.

Ngā tikanga whakatau

Decision-making process

20. The matters requiring decision in this report were considered by officers against the decision-making requirements of the Local Government Act 2002.

Te hiranga

Significance

21. Officers considered the significance (as defined in Part 6 of the Local Government Act 2002) of the matters for decision, taking into account Greater Wellington Regional

Council's *Significance and Engagement Policy* and Greater Wellington's *Decision-making Guidelines*. Officers recommend that the matters are of low significance given their administrative nature.

Ngā tūāoma e whai ake nei

Next steps

22. The next steps are:

- The approved plan will be finalised for design elements and then published across the region
- A PMO will be established and regular reporting on delivery will begin.

Ngā āpitihanga

Attachment

Number	Title
1	Draft Wellington Regional Economic Development Plan

Ngā kaiwaitohu

Signatories

Writer	Kim Kelly – Programme Director
Approver	Luke Troy – General Manager, Strategy

<p style="text-align: center;">He whakarāpopoto i ngā huritaonga Summary of considerations</p>
<p><i>Fit with Council's roles or with Committee's terms of reference</i></p> <p>The WRLC has responsibility for Regional Economic Development.</p>
<p><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></p> <p>The REDP will be a key strategic and action document for the Committee.</p>
<p><i>Internal consultation</i></p> <p>The REDP has been consulted across officers and officials through the region both within the Steering Group and WRLC Senior Officers and WRLC Chief Executive Groups.</p>
<p><i>Risks and impacts - legal / health and safety etc.</i></p> <p>While the successful delivery of the REDP will contain a number of risks, approving the REDP does not create a risk.</p>



Attachment 1 to Report 22.319



Wellington Regional Economic Development Plan

AUGUST 2022 – 2032



Attachment 1 to Report 22.319

About the Wellington Regional Leadership Committee (WRLC)

WRLC members have partnered to achieve better shared outcomes for Te Upoko o Te Ika. Our region faces many cross-boundary growth-related challenges. By joining forces, we can solve our regional challenges, maximise our potential, improve existing communities and develop new communities to be places where we all want to live and work.

The WRLC provides a platform to positively influence and drive the region's future, unlock opportunities and address shared challenges. We have three inter-dependent areas of responsibility:

1. Wellington Regional Growth Framework - WRGF Spatial Plan
2. Regional economic development
3. Regional economic recovery

We are looking at change from a systems-level, covering all inter-related aspects that underpin how we live and work. These include housing, infrastructure, transport, iwi/ Māori housing, climate change, resilience and economic development. The WRLC recognises that to progress regional economic development there is a need for a new approach and more dynamic and collaborative plan. We are focusing on better co ordination and alignment across our region, to build a better future, together.

Photo: Johnny Hendrikus

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Foreword

Our region's economic future

It is with pleasure that I present the Wellington Regional Economic Development Plan (REDP). This REDP has been delivered as part of the Wellington Regional Leadership Committee (WRLC) work programme. This is the first REDP for the committee and over time we will continue to build on this document.

The WRLC is a union of councils, iwi and central government in the Wairarapa-Wellington-Horowhenua region, formed to work together to positively shape the future of the region. The REDP covers this same geographical area.

The vision for this REDP is “to build a future-focused, creative, sustainable and thriving region for all to be proud of”.

Our approach focuses on:

- Acceleration of key sectors to build on our competitive advantage and future opportunities. Sectors we will focus on are screen, creative and digital; science, technology, engineering and high-value manufacturing; visitor economy (including tourism, arts and hospitality) and primary sector, food and fibre
- Acceleration of key enablers to build from solid foundations. These enablers are Māori economic development; skills, talent and education; water accessibility and security; and resilient infrastructure.

At the heart of this REDP is an agreed set of initiatives that will enable us as a region to achieve our vision, strategic objectives, growth and employment in our region. These initiatives have received unified support from the committee to emphasise the importance to our region and will be reviewed by the committee on an ongoing basis to ensure the focus on relevant sectors remains strong.

Photo: Johnny Hendrikus

This REDP has been shaped with input and critique from a large number of partners and stakeholders, including through workshops and one-on-one meetings and developed through a joint local government, central government, iwi and economic development partners steering group. It is all the better and stronger with this input and I thank all those who have contributed.

Successful implementation will be a job for us all – working together to make these opportunities a reality.

HON. TRACEY MARTIN

Independent Chair Wellington Regional Leadership Committee

Moemoea for the people of Te Upoko o Te Ika



Ka eke ki te taumata ikeike o Rangiatea
Ascend the highest summit of potentiality

This whakatauākī encourages individuals to set goals and to strive, to the best of their ability. We feel this is relevant for all people residing in the takiwā (region), including mātāwaka - or Māori of other iwi and kāinga, and all cultures who have chosen Te Upoko o Te Ika as their home. Many whānau have contributed to our marae and the repatriation of our cultural practices, and to us as uri of the mana whenua. We acknowledge these relationships and the care we feel for their uri also.

Our expectation is that our takiwā is a positive place for all to reside. We see that the strengthening of mana whenua supports all to thrive – including Māori, uri of Te Moananui a Kiwa, and all other nations. It is difficult to manaaki manuhiri when you are not at full potential or with thriving wellbeing.

'Rangiatea' is a name of a building that resides in the uppermost heaven where the 'mareikura' and 'whatukura' resided. It is important to note that every iwi will have their own narratives, based on their respective whare wānanga as it highlights in the following saying, 'Tō piki amokura nōu, tōku piki amokura nōku'.¹



Te Ahi kā roa tupua rau, he auripo i te manga nui, he kaitiaki ki te whenua

The Ahi kā roa of many phenomena, a ripple in the great water tributaries, a guardian on the land

Ahi kā is a reference to the fire that one must keep burning on their whenua, as a symbol or sign of their occupation of that whenua. Ahi kā is a metaphor too for the home people of the pā, who keep the home fires burning. The word 'kā' means to burn, kāinga which means home, derives from the kupu 'kā' - so another rendering of kāinga means 'where the fire burns' - where the ahi kā burns.

The ahi kā of the pā keep the ahi burning so when one returns home, they feel the warmth of the ahi, the warmth of our whare, the warmth of the wharekai.

As Māori it is important for whānau to make an effort to return home, more often than 'once and a while' - and not just for tangihanga. It is also important for them to take their tamariki and mokopuna so that they have a sense of belonging. It is our responsibility to continue to keep the 'ahi kā' going from one generation to the next, so that our children and mokopuna continue to carry on the roles and responsibility of 'ahi kā'. If our tamariki or mokopuna do not feel the warmth of the ahi, it is our responsibility to get them closer to that fire, to bring them home and remind them of the responsibility as 'ahi kā roa'.

KURA MOEAHU

Tiamana/Chairman of Te Rūnanganui o Te Āti Awa ki te Upoko o Te Ika a Māui Inc

Interlinking strategies in Te Upoko o Te Ika

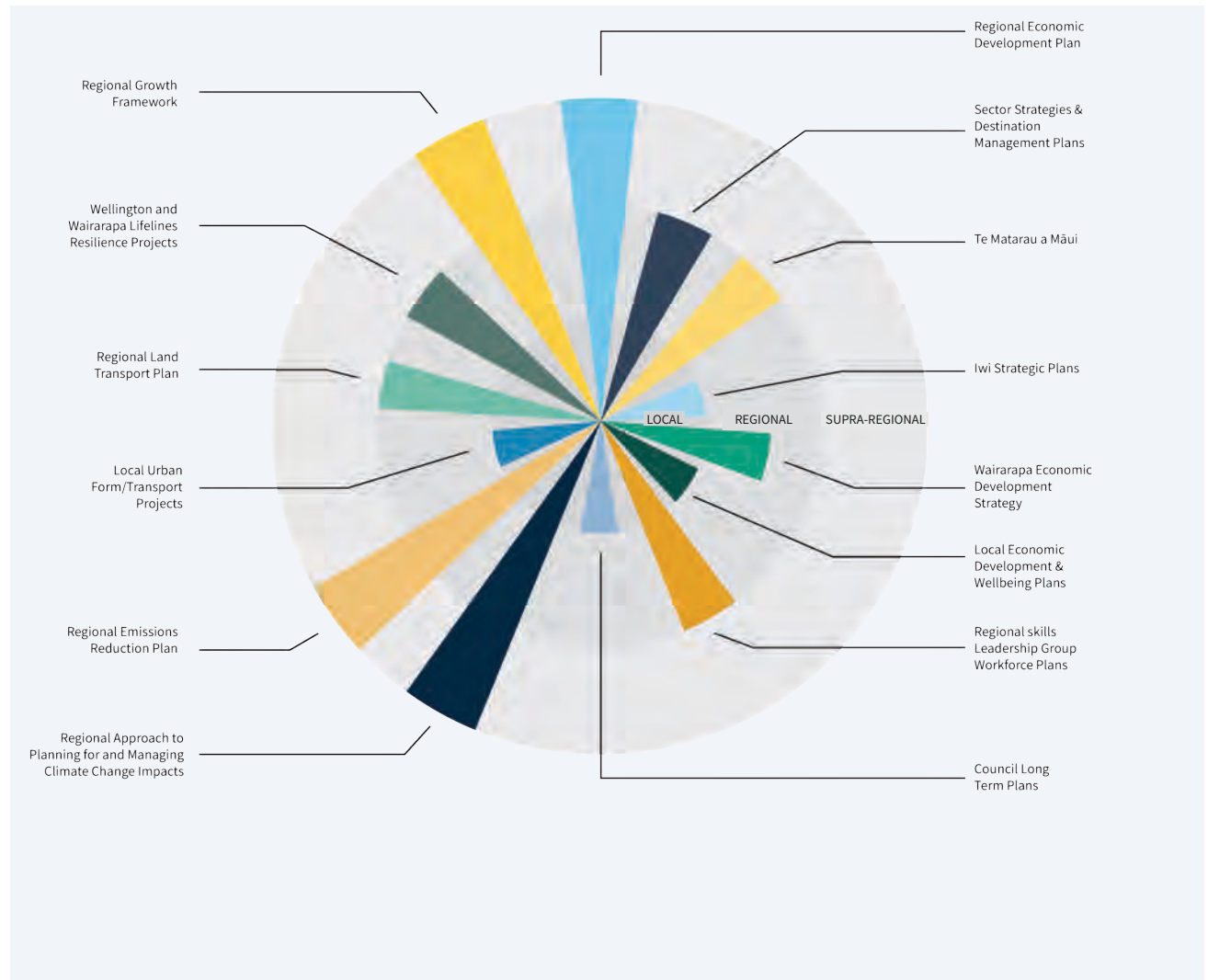
At first, we must consider how our plan is positioned and its relationship with other strategies and plans across the wider region with economic impacts.

This diagram highlights the importance of agencies working across boundaries to ensure that strategies and plans integrate, information sharing occurs, and we achieve scale when collaborating on regional and national economic development projects. It is not a hierarchy but rather shows the link between those plans, our local communities, and how they support and intersect with each other.

The Wellington Regional Growth Framework and Regional Economic Development Plan sit in the supra-regional sphere. This includes territorial authorities and iwi across our region as well as central government.

At a regional level we include Te Matarau a Māui, Destination Management Plans and the Regional Land Transport Plan as reflecting the scope of our whole region. Sector strategies of relevance are included as one grouping. There are also several sub-regional plans, providing regional benefits across localities but with a narrower geographic focus, such as the Wairarapa Economic Development Strategy.

There are then local plans which remain important though governed at local level. Importantly, these include any local economic development or wellbeing plans and council long-term plans, district plans and iwi strategic plans.



Purpose

Our Regional Economic Development Plan will guide the long-term direction of our economy, identify issues and opportunities in key focus areas and help prioritise initiatives over the next 10 years, to contribute towards creating decent jobs for our growing population and continuously improving quality of life in our region.

We aim to help:

1. Create some of the 100,000 new decent² jobs needed in our region over the next 30 years because of the expected increase in population
2. Improve quality of life by supporting our region to be more productive, resilient, inclusive and sustainable with thriving Māori and Pasifika communities

We will initially do this by elevating 33 initiatives that will make a difference from a regional or sub-regional perspective. These will complement and not replace individual local development plans and generally require alignment of multiple councils, iwi, business stakeholders and central government.

We heard a strong emphasis on the need for action while engaging with a range of stakeholders and iwi. This plan is a cluster of opportunities and the concrete steps which, if pursued together, will boost the prosperity of our region. It is both a strategy and an economic action plan – with enough detail to guide and enough vision and direction to lead.

The plan is intended to be a living document that will evolve and adapt as conditions change, relationships are built, and new initiatives come to the surface that address some of the issues and opportunities identified. We intend to refresh this plan every one to two years to maintain momentum and focus. A well-connected region with an agreed plan will help us and potential funders know what regional priorities could potentially be supported. This is about building a better future for our residents and our region, the place we call home.

Photo: Jet Productions



Introduction

One of six challenges identified in the Wellington Regional Growth Framework (WRGF) is creating more employment opportunities for our projected population increase.³ As our regional population grows, we'll need to create more decent jobs closer to where people live, along with sustainable transport networks. Research undertaken for the WRGF suggests a scenario of up to 200,000 additional people living in the Wairarapa-Wellington-Horowhenua region in 30 years' time, leading to a need for about 100,000 more jobs. This would equate to a regional population of 780,000 people, however there is no certainty as to if or when this may occur.

How the plan was developed

Our plan has been created on behalf of the region by WellingtonNZ as the Regional Economic Development Agency, in partnership with representatives from across central and local government, iwi and business. The process included the following:

- In mid-2021, Henley Hutchings analysed more than 300 documents and data sources⁴ that relate to economic development to identify sectors, enablers and areas of alignment to provide the foundations for our plan
- In October 2021, a steering group made up of representatives from across central and local government, Māori economic development and business was formed to lead the development of our plan, guided by the central government PRISM Framework⁵

- There have been many engagements and discussions across our region to identify the overarching Wellington regional economic development framework, key focus areas, clarify the issues and opportunities, and gather information on potential initiatives that will make a difference
- In April 2022, we received independent advice from Martin Jenkins for consideration, including data analysis, key trends, drivers and strategic uncertainties. The Martin Jenkins Independent Review and Advice – Final Report 11 April 2022 forms the bases of the statistics referenced in this plan.⁶ A regional snapshot with data and insights is available on our website
- The approach agreed is to focus on areas that can be influenced in key sectors to build our competitive advantage and key enablers to create solid foundations for building our diverse regional economy
- The steering group members and WellingtonNZ staff then developed the chapters by key focus areas and regular progress updates were provided
- In May 2022, WRLC approved the overarching Wellington regional economic development framework. Potential initiatives were assessed and prioritised by an assessment panel and endorsed by the steering group
- In July 2022, the WRLC approved this plan



Regional summary

Our region is an important location for Aotearoa and New Zealanders. Wellington is the head of the fish of Maui, the harbour – Te Whanganui-a-Tara and Wairarapa Moana are the eyes of the mythical fish, and the great bay between them is the fish’s mouth.

Māori have lived in Te Upoko o Te Ika since the time of Maui, Kupe, and Whātonga – and more than 80,000 live in our region today – constituting more than 14% of the region’s population.⁷ Sixteen percent affiliate to one or more of the mana whenua groupings of Ngāti Kahungunu ki Wairarapa, Taranaki Whānui ki te Upoko o Te Ika, Ngāti Toa Rangātira, Te Ātiawa ki Whakarongotai, Ngāti Raukawa ki te Tonga, Muaūpoko and Rangitāne o Wairarapa.

Our region has strong cultural connections, with more than 20 marae and 39% of Māori adults speaking some Te Reo. Māori-owned entities play a key role in commercial property, housing and social developments, and Māori in business have a strong presence in the screen, technology, business services and food and fibre sectors. Mātauranga Māori knowledge and Te Ao Māori perspectives have an increasing and important role to share knowledge and support better outcomes for all.

With an abundance of opportunities, our region offers a great lifestyle for residents. It is culturally, economically, and geographically diverse, and our cities, towns and transport networks are shaped by stunning natural landscapes, including rivers, harbours, hills, ranges, valleys and coastlines.

In 2021, our regional GDP was estimated at about \$44.87 billion, about 13.7% of the national economy, and our region provided around 310,000 jobs or 12.1% of national employment.

Our region also has seismic resilience challenges, with a higher risk of exposure to earthquakes compared to the rest of New Zealand and ongoing discoveries of structural vulnerabilities.⁸ This impacts the insurability of our buildings and makes achieving compliance with regulatory requirements challenging, making it uneconomical to complete the required strengthening and repair work on some buildings. A significant earthquake would create serious economic and social disruption for our region and beyond, and we need to proactively enhance our resilience where possible to reduce risk to our economy.

We have a strong base of innovation and technical skills, with 47% of our workforce employed in knowledge-intensive occupations compared to a national average of 33% in 2021, and the largest research, science and innovation workforce in the country. Our industry make-up and relatively high levels of education mean we are well-placed to adapt to changes in the future of work.

Wellington, as the capital of New Zealand, is the home of Government and associated professional services, which make up a quarter of jobs in our region. Our plan aims to leverage our capital city status and focus on key sectors and enablers that can be influenced to shape our diverse regional economy.

The key sectors of focus identified in the research were validated with industry and our steering group, and include screen, creative and digital; science, technology, engineering and high-value manufacturing; visitor economy; and primary sector, food and fibre. Performance of our key sectors, and therefore our region, depends on the quality of the underlying enablers of prosperity and wellbeing. The key enablers include Māori economic development; skills, talent and education; water accessibility and security; and resilient infrastructure.



Successful enterprises of all sizes and sectors have started out in our region, including Wētā Workshop, Sharesies, Fix & Fogg, Henry, Fraser Engineering, Port Nicholson Fisheries, Kāpiti Island Nature Tours, Whittaker’s, Farm Focus, Merino Kids, Storypark and more. Innovative and high-value businesses excelling in global markets are key to our region’s success, and we want to enable enterprises like these to continue flourishing while supporting new start-ups to establish and grow into market leaders.

A summary of our region, based on the data, key trends, drivers and strategic uncertainties, is included below. A more detailed regional snapshot and references to supporting evidence is available on our website.

Our region has:

- High levels of earnings and incomes. In 2021, the mean annual earnings (\$73,500) and mean household income (\$128,800) in our region were higher than national levels (\$65,900 and \$113,700 respectively)
- High productivity levels, at about \$143,500 compared to \$124,900 nationally (2021 estimates from GDP per employee). Rural areas, including Carterton, South Wairarapa and Horowhenua, have had the strongest productivity growth in recent years
- GDP per capita above the national average. However, GDP per capita growth for the period 2010-2020 has been one of the lowest of all regions at 2.8% per year, only above growth achieved in the West Coast and Taranaki
- Scale in several high productivity sectors such as information media and telecommunication, financial and insurance services, and utilities. Several of our lower productivity industries are small in scale, such as agriculture, forestry and fishing
- A lower emissions profile than other comparable regions (Auckland and Canterbury). However, evidence shows that increasing greenhouse gases are contributing to higher temperatures and that our region is particularly vulnerable to the economic and environmental impacts of climate change, so we must do our bit to lower emissions. Moving to a low carbon economy means reducing carbon dioxide (CO²) emissions produced or consumed by our regional economy to an acceptable level
 - Wairarapa, which accounts for about 8% of the population, accounted for 34% of our emissions in 2020. In the same year, Upper Hutt, which had a

similar sized population, only accounted for 4% of emissions, and Wellington city, which accounts for just under 40% of the population, contributed about 20% of our emissions

- Transport accounts for the largest share of emissions, followed by agriculture and then stationary energy. Industry and waste account for less than 5% of total emissions respectively. Most of the agriculture emissions are from Wairarapa and Horowhenua
- A successful capital city that has flow on benefits across our region. We can be proud that Wellington, as our capital city, was ranked:
 - 7th safest major urban area in the world in The Economist's Safe Cities Index 2021,⁹ which considers digital, health, infrastructure, personal and environmental security
 - 50th most liveable city (out of 173) in the Global Liveability Index 2022, by the Economist Intelligence Unit (down from fourth in 2021)¹⁰
 - 98th out of 500 on the Innovation Cities Index Global Rankings Programme 2021.¹¹ The Innovation Cities Index measures and compares cities across all business innovation, including sustainability, technology/digital, entrepreneurship and many more indicators

We also have:


- A high quality of life. In 2020, 89% of our region's residents rated their quality of life as positive compared to the national average of 87%. However, only 56% of residents reported having enough or more than enough income to meet their everyday needs in 2020. The ability to meet every day needs is likely to get worse as the cost-of-living/ Consumer Price Index increases, global supply chains are affected by the global pandemic, and strained international relations lead to global consequences¹²
- Regional disparities. For example, Wellington city contributes more than 60% of GDP and has high mean earnings (\$82,700) with the other local government areas having mean earnings lower than the New Zealand mean (with relatively low mean earnings in rural areas)
- An unemployment rate of 4.5% in 2021, just below the New Zealand rate of 4.7%. Unemployment represents unfulfilled potential in our region. Unemployment and underutilisation vary considerably across the region with Māori and Pasifika experiencing higher levels of unemployment and Pasifika having lower labour participation compared to European and Asian people. For example, in 2021, the unemployment rates in our region were 7.9% for Māori and 7.5% for Pasifika, compared to 3.7% for European and 4.8% for Asian. Horowhenua, Porirua and Wellington city have relatively high unemployment rates compared to other territorial authorities in our region. Our plan aims to address these variations through helping to reduce disparities



50TH MOST LIVEABLE CITY



98TH ON THE INNOVATION CITIES INDEX



LOW EMISSIONS PROFILE
Compared to similar regions like Auckland and Canterbury



7TH SAFEST MAJOR URBAN AREA IN THE WORLD



GDP PER CAPITA ABOVE THE NATIONAL AVERAGE



HIGH PRODUCTIVITY LEVELS
At \$143,500 compared to \$124,900 nationally in 2021



HIGH QUALITY OF LIFE
89% of our region's residents rated their quality of life as positive



HIGH LEVELS OF EARNINGS AND INCOMES
The mean Wellington household income was \$128,800, nationally it was \$113,700 in 2021

Impact of Covid-19

Our region was relatively insulated from the economic impact of the Covid-19 pandemic and our employment rate did not fall as significantly as other regions, partly due to our diverse industries. However, the pandemic has and will continue to have long-term impacts, including skills shortages through border closures, sector innovation, population changes, the normalisation of flexible remote working and desire for greater work/life balance.

While not every industry can implement new, flexible ways of working, these changing habits and perceptions present opportunities for others. Changing ways of working, shopping and accessing services are likely to continue to influence the nature of business, especially in Wellington city, as central government employees have greater options to work remotely from home or in the satellite offices being developed in Porirua and the Hutt Valley. We need to consider unique and exciting ways to activate city centres across our region to create vibrancy and attract people to be out and about supporting our regional economy.

Societal values and consumer preferences are also evolving in the face of Covid-19 and wider global trends. Key changes include communities being more conscious about environmental, social and cultural sustainability, and consumers looking to support local enterprises with a greater focus on equity, such as living wage accreditation or sustainability standards.



Overarching Wellington regional economic development framework

Ngā moemoea
Vision

To build a future-focused, creative, sustainable and thriving Wellington region for all to be proud of
Ka eke ki te taumata ikeike o Rangiatea | Ascend the highest summit of potentiality

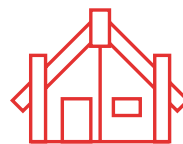
Ngā pou
Strategic Objectives



To be a leader of change using our competitive advantage in key sectors



To build a prosperous and creative region to improve our quality of life



Te Ahikāroa will enhance and empower the takiwā of Te Upoko o Te Ika



To build our workforce and resilience in our infrastructure to support economic development



To support a transition to a low carbon economy and responsibly manage our natural resources for future generations

Ahunga
Approach

Acceleration of key sectors to build on our competitive advantage and future opportunities

Acceleration of key enablers to build from solid foundations

Ngā mahi
Focus areas/
actions

- Screen, creative and digital
- Science, technology, engineering and high-value manufacturing
- Visitor economy
- Primary sector, food and fibre
- Māori economic development
- Skills, talent and education
- Water accessibility and security
- Resilient infrastructure

Vision

Our vision is **“to build a future-focused, creative, sustainable and thriving Wellington region for all to be proud of”**.

We are collectively aiming for an entirely better life and world in its broadest sense for all our children and mokopuna.

Our vision is based on feedback from the Wellington Regional Leadership Committee, iwi and communities. The reason for each aspect is:

- **Future-focused** – We are a region full of aspiring leaders with a drive for positive change locally, nationally and globally
- **Creative** – Creativity is in our DNA, as demonstrated through our creative arts, events, food, fibre, technology and manufacturing
- **Sustainable** – Our region is vulnerable to the economic and environmental impacts of climate change and we support a transition to a low carbon economy
- **Thriving region for all** – We recognise disparities exist across our sub-regions and ethnicities, and aim for our region to be inclusive to all, so every resident enjoys a high quality of life and good overall wellbeing.¹³

All communities require economic health and development to thrive. A resilient and diverse economy is one where community members have choices, access to decent jobs and wages, and employment prospects over the long-term.



Strategic objectives

After careful consideration of the opportunities and challenges we have heard about, we have decided on five broad strategic objectives of importance across our region.



1.

To be a leader of change using our competitive advantage in key sectors

Through innovation, partnerships and supporting our diverse sectors we will enable our region to be internationally competitive and highly productive, therefore contributing to our positive global reputation



2.

To build a prosperous and creative region with improved quality of life

We recognise our urban and rural potential, as well as variations in wellbeing across our region, and seek to create an enabling environment for the positive standard of living we all aspire to. While our regional economy performs strongly in some areas, there are wide disparities, especially for Māori and Pasifika



3.

Te Ahikāroa will enhance and empower the takiwā of Te Upoko o Te Ika

Ahikāroa are those who stoke the home fires, supporting the vibrancy of our takiwā. Initiatives including those led by Te Matarau a Māui, mana whenua and mātāwaka will support Māori to thrive and lead to greater outcomes for all in our region



4.

To build resilience in our workforce and infrastructure to support economic development

We need to attract, retain and develop our workforce to meet increasing demand and grow our industries. By developing resilient infrastructure, we create new opportunities and minimise impact to our regional economy from future disruptions such as earthquakes



5.

To support a transition to a low carbon economy and responsibly manage our natural resources for future generations

We have an opportunity to be a national leader in the deployment and adoption of climate change technology. We support initiatives that lower overall carbon emissions, to protect the wellbeing of the people and environment in our region both now and in the future

Approach

To deliver our agreed objectives, our plan focuses on two key areas:

1. Accelerating key sectors to build on our competitive advantage and future opportunities

The following sectors have been identified because of potential growth opportunities, annual average growth over the last decade, creation of skilled employment, and contributions to our regional identity. These sectors are:

- Screen, creative and digital
- Science, technology, engineering and high-value manufacturing
- Visitor economy
- Primary sector, food and fibre

2. Accelerating key enablers to create solid foundations for building our regional economy

The following enablers have been identified because they unlock, leverage and build resilience in our businesses, iwi and communities. These enablers include:

- Māori economic development
- Skills, talent and education
- Water accessibility and security
- Resilient infrastructure

We have focused on key sectors and enablers that can be

influenced to shape our diverse regional economy. Other sectors have been considered such as central government and professional services, but their size and potential growth are mainly influenced by factors outside of our region's control. Health and construction are also potential growth sectors, though opportunities are largely workforce-related and subsequently included in the Regional Workforce Plan being developed by the Regional Skills Leadership Group.

Future development areas were identified in the WRGF.¹⁴ For consistency we have used the terminology in this plan where appropriate:

- Western Growth Corridor refers to the area from Tawa to Levin
- Eastern Growth Corridor refers to the area from the Hutt to Masterton
- Wellington Growth Corridor refers to the Wellington city area

To achieve our vision, we need to remain inclusive, innovative and future-focused. Implementation will require contributions from central and local government, iwi and hapū, businesses, education and research providers.

Photo: Johnny Hendrikus

Sectors and enablers

Each of the sectors and enablers have different contexts, complexities, opportunities, issues and stakeholders. The following chapters have been developed with a focus on outlining the issues and opportunities to set direction. The initiatives were reviewed against multiple criteria by an assessment panel, endorsed by the steering group and considered to be projects that, with support, can generate positive action.

The economic development targeted rate collected by Greater Wellington Regional Council will be used to administer the plan and activate some projects, such as validating the case for investment or co-funding initiatives to leverage other complementary funding from private investors, local and central government.

The first set of initiatives included in each chapter is a start that will help to create new jobs and achieve the strategic objectives. We expect other initiatives that address the issues and opportunities to be included in the future as they are identified. The initiatives tables include estimated timeframes and stages that range from planning, research and advocacy through to developing business cases, attracting investment and project delivery. Project leads are expected to undertake detailed planning and manage effective projects or programmes.

Icons are used to indicate which of our strategic objectives (SO) each initiative contributes to, based on the key to the right.



Be a leader of change using our competitive advantage in key sectors



Build a prosperous and creative region to improve our quality of life



Te Ahikāroa will enhance and empower the takiwā of Te Upoko o Te Ika



Build our workforce and resilience in our infrastructure to support economic development



Support a transition to a low carbon economy and responsibly manage our natural resources for future generations

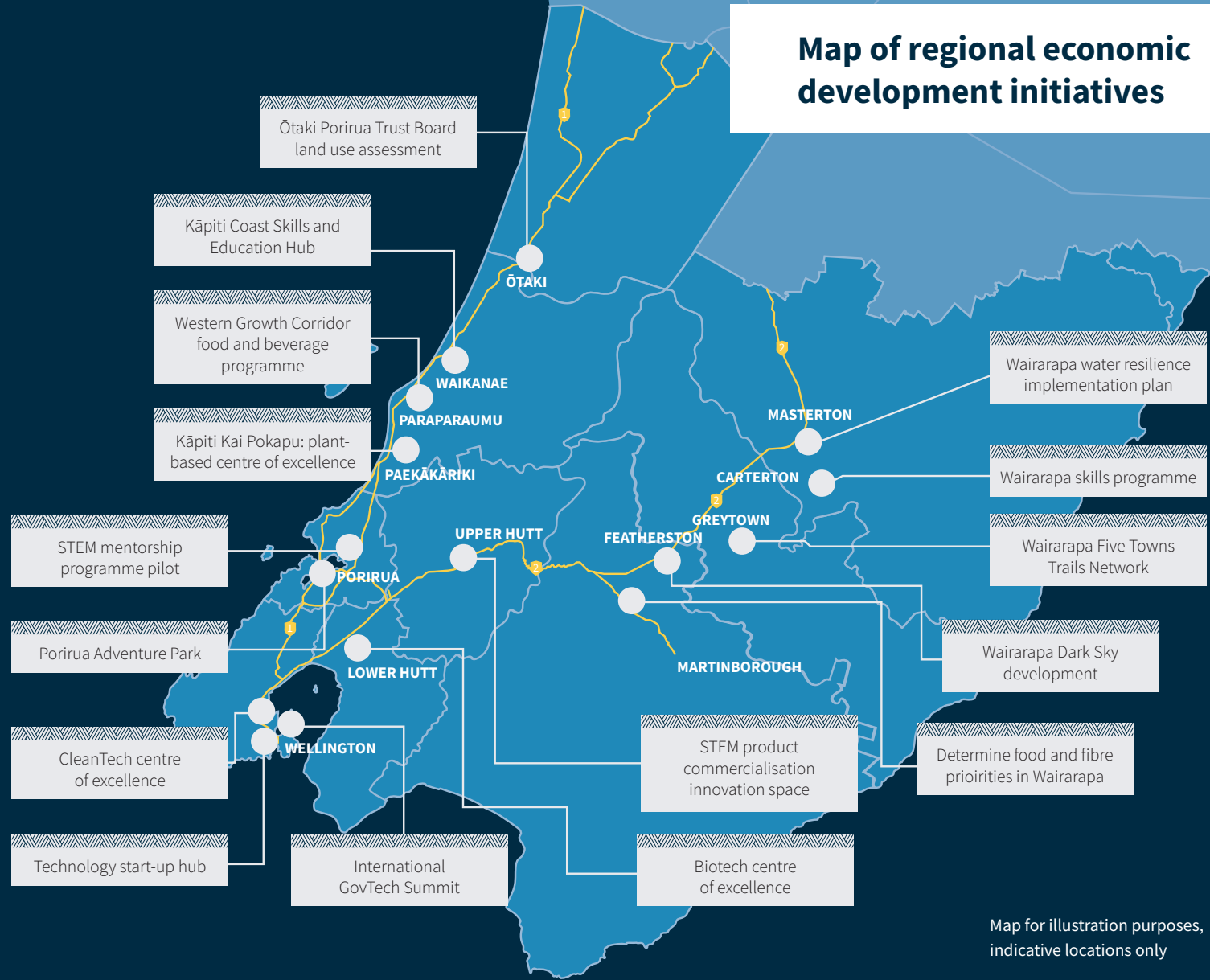
The following map indicates how the initiatives are spread across our region. While some initiatives are place-based, each initiative has been identified as an opportunity that will have a positive impact across our region. Several initiatives focus on shared spaces, centres of excellence or innovation hubs. These are recognised approaches¹⁵ to enable firms to develop and commercialise value-added products or services for local and export consumer markets, share learnings and support innovative Kiwi businesses of all sizes to grow.¹⁶



Map of regional economic development initiatives

Region-wide initiatives

- Hui Taumata – Māori Economic Summit
- Te Pokapū Pakihi – Māori business digital hub
- Pasifika business enablement
- Screen Centre of Excellence
- Scale-up CreativeHQ start-up programmes
- International Screen Attraction Programme
- Visitor economy sustainability programme
- Summer of Engineering
- Technology leadership training series
- Expanded House of Science programme
- Wellington Education 2 Employment Centre
- Inclusive employment programme
- Expanded social procurement commitment
- Ka Kaha Ake – socail procurement training
- Advocacy for rail slope stability
- Advocacy for seismic strengthening of 33kv cables
- Research industrial and business park land requirements



Map for illustration purposes, indicative locations only

WELLINGTON

REGIONAL ECONOMIC DEVELOPMENT PLAN

Solutions Focused IDEAS

RECOGNISING SUB REGIONAL STRENGTH



tinder FOR BUSINESS HELPING TO CONNECT UP



COORDINATED INVESTMENT WITH ROOM FOR FAILURE



QUICK DECISION MAKING



THAT'S MY FUTURE



LESS EMISSIONS ECONOMY



HELPING YOUNG PEOPLE TO SEE OPPORTUNITIES

CONNECT WITH THE WORLD SHARE



CONNECT TO WELLINGTON REGION IS IMPORTANT

LISTEN TRANSFORM CONNECT ACROSS AN INDUSTRIES

CONNECT + GROW COLLAB, IDEAS COMBINED STRENGTH

COLLABORATION BETWEEN INDUSTRIES IS ESSENTIAL

WORK CAN BE FUN

CREATE OPEN FUN WORK SPACES FOR YOUNG PEOPLE * WRAP AROUND SUPPORT *



SECTOR

Screen, creative and digital

EMPLOYMENT



7,974

GDP



\$1.08b

The screen, creative and digital sector can be defined as companies and individuals creating narratives, content and ways in which it is consumed. Screen production covers film, television series, games, interactive media, animation, visual effects, sound and other storytelling processes and mediums, plus software and hardware platforms used for the creation and consumption of compelling moving images and associated content.

Our region has a proud history in the creatively and culturally important screen sector. We are best known as home to *The Lord of the Rings* films, *King Kong*, *Avatar*, local television talent including *Flight of the Concorde* and *Wellington Paranormal*. Gaming is an emerging area of growth and our region has a growing gaming industry who leverages the experience and facilities developed by our special effects expertise.

We have high quality purpose-built studios and directors and crew with experience working on high-profile and highly technical projects. Our two universities, Victoria and Massey, are heavily invested in training the next generation of film-makers, and both have cutting edge facilities for student and commercial projects. We also have a rich array of locations including beaches, wilderness, mountains, industrial and suburban, which can be accessed within a short drive from our studios.

Wellington is a UNESCO City of Film, which provides the sector with a competitive advantage that benefits our region. In a recent survey¹⁷ 71% of Wellington businesses agreed that we need to leverage our capital city status to attract more visitors and tell our national and local stories. The UNESCO Creative Cities programme and its network promote, demonstrate and reinforce the role of creativity as a catalyst for building more sustainable, resilient and

inclusive cities. The programme improves access to and participation in cultural life as well as the enjoyment of screen culture, goods and services, notably for diverse, vulnerable groups and individuals.

Our region has become the centre of New Zealand's digital and gaming community over the last two decades, due in part to our innovative and successful screen industry.¹⁸ Screen is predominantly a service-based sector, which conservatively generated \$261 million of GDP for our regional economy¹⁹ in 2019 and accounts for 22% of the 14,000 screen sector employees across New Zealand.²⁰

The sector's growth in our region has mainly been in post-production. A Wellington Regional Screen Sector Strategy²¹ has been developed to encourage higher performance for employment, earnings, and productivity. The strategy identifies an opportunity for an additional 680 decent jobs and \$88 million GDP to be created for our regional economy.

Issues and opportunities

There are five key issues and opportunities to grow and maintain a sustainable and thriving screen sector.

1. Industry stability to grow and scale – The sector is predominantly made up of small, fee-for-service-based businesses operating within a work stream of larger but intermittent projects. The cyclical and unpredictable nature of these projects means a lack of continuous work, producing significant uncertainties over workflow and therefore making the sector unstable. This can create an inability to plan and retain talent, which limits growth and keeps the sector in a state of constant reaction.

Investment into the early-stage development, creation and export of local intellectual property will lead to companies of scale with international partnerships and the ability to create new, high-value opportunities and economic returns beyond one-off projects. Support is required to establish new sources of funding to enable more diverse projects to take off, new business models to thrive, and more talent to be sustained in the sector.

2. Improved co-ordination – Our screen sector needs to improve its alignment and coordination because it has the potential and reputation to be a beacon for content and innovation for the world. A better-connected eco-system will ensure opportunities are created for all areas of the sector, including research and development, export and investment partnerships, and education and training opportunities.

Implementing the Wellington Regional Screen Strategy will help co-ordinate, unify and provide direction to the sector, stakeholders and opportunities of cross-collaboration between sub-sectors.

3. Raise awareness - Our region's unique screen sector offering needs to be better communicated to New Zealand and the world. Support is required to:

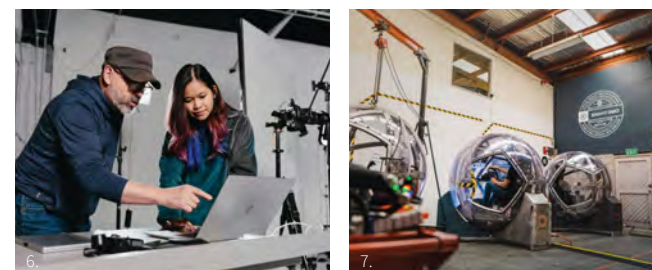
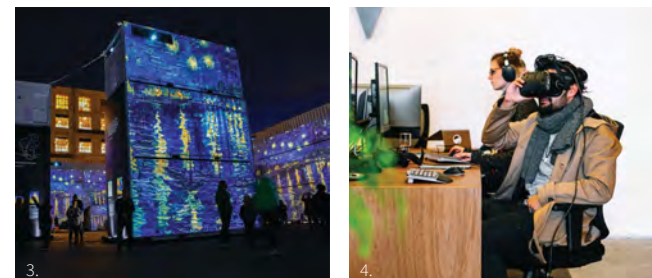
- Raise awareness of the value to our region and the New Zealand economy
- Raise awareness of our region's offering and the content produced here
- Partner with iwi and mana whenua to embed Te Ao Māori into the screen sector and develop new opportunities for indigenous storytelling
- Attract investment, suitable projects, and build enduring export partnerships
- Attract, secure and retain talent to develop a robust workforce
- Raise the value of Wellington as a creative region to visit and live.

4. Improve access and ease of doing business - Sustained effort and investment is required to retain our 25-year film-friendly reputation and ensure our region remains known as an attractive and easy place to do business. A particular focus is needed to support local councils to make informed decisions on changes to land use, permitted activities and other related local government bylaws and directives, to ensure that screen production is supported and not adversely affected or restricted.



More support is required to scale up the sector, including connecting game development and interactive media opportunities to forge new frontiers in the convergence of film, gaming and interactive content mediums and technologies to create new, exportable intellectual property.

5. Attract and retain high-value workforce - Talent attraction has been increasingly difficult during the Covid-19 pandemic, and with borders reopened talent retention is an added challenge. The successful growth of screen in other regions has led to many crew and line producers to relocate permanently, making our region less attractive to international productions that rely on access to local talent. Jobs in this sector are high-value and rewarding, and there is an opportunity to promote careers throughout the pipeline from school age through to adults looking for a career change.

These five opportunities and the actions outlined in the initiatives below can start to connect the nexus of storytelling, digital technology and business development opportunities to scale the sector for our region and New Zealand as a weightless, equitable and exportable industry.



Photos: 1. Celeste Fontein | 2. Jason Boland | 3. Celeste Fontein | 4. Anna Briggs | 5. Johnny Hendrikus | 6. Grace Gemuhluoglu | 7. Johnny Hendrikus

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Strengthen and grow our regional screen sector						
	Screen Centre of Excellence Develop a Screen Centre of Excellence as a central, physical hub that allows all aspects of the creative and digital sectors to come together in a fully equipped 'weightless' business development and content creation facility, contributing to building the eco-system and addressing challenges and opportunities for the sector. The centre will inspire and support entrepreneurship, incubate high-growth businesses, introduce mātauranga Māori and Tikanga into future screen technologies, develop internship programmes with a specific focus on rangatahi, provide an accessible community space to raise awareness and create an opportunity for all to engage with the sector, including international visitors	Grow the screen eco-system online and generate support towards sharing a physical space	Screen Wellington	WCC, GWRC, mana whenua, other centres of excellence, Callaghan Innovation, MBIE, MCH, private sector, Toi Mai WDC, tertiary institutes, CHQ, NZ Film Commission, NZ On Air, UNESCO City of Film, Business NZ and Export NZ	2022 – 2023	Delivery
		Develop a business case for the Screen Centre of Excellence, including early analysis of a physical space			2022 – 2023	Business case
		Secure partnership commitments from public and private entities			2023 – 2024	Investment attraction
		Secure a suitable complex to establish the Screen Centre of Excellence (should it prove feasible)			2024 – 2025	Delivery
	International Screen Attraction Programme To support growth of the screen sector in our region we can help attract international projects, improve the ease of making a production here, and support the development of our local producer and director talent who are likely to create the next generation of Wellington region-made television and streaming service shows and films. These initiatives will contribute to a steadier pipeline of work, helping to attract and retain a high-value workforce	Establish a steering group to represent what our region has to offer, identify skill gaps, improve coordination and establish the practical development requirements to support a sustainable eco-system of productions	Screen Wellington	Toi Mai, screen sector representatives	2022 – 2023	Investment attraction
		Develop and deliver the international screen attraction programme including famil trips for location scouts, a showreel promoting why producers should consider our region, and promotion of the creative businesses that support the sector			2022 – 2023	Delivery
		Develop and deliver the ease of business improvements programme including a searchable database of filming locations, crew database that producers can use to find staff and an efficient permitting service			2022 – 2023	Delivery
		Develop and deliver a talent programme to upskill our producers in pitching projects, connect local talent with screen companies and raise the profile of emerging talent			2022 – 2023	Delivery

SECTOR

Science, technology, engineering and high-value manufacturing (STEM)

STEM is a growing sector of importance for our region to support improved productivity and population growth. For the purposes of this plan maths is included in all components of STEM and we have identified technology as a particularly strong focus area. These focus areas are outlined in the next two sub-chapters, with initiatives grouped together at the end.

EMPLOYMENT

**28,169**

GDP

**\$5.49b**

Science, engineering and high-value manufacturing

With New Zealand long-known for a history of “Kiwi ingenuity”, our region has carved a reputation for high-tech, high-value and manufactured design enabled by science, technical expertise, engineering skills, and innovations in metal, plastics, composites, and new materials. For example, Fraser Engineering²² builds and distributes fire trucks to the world and WEBBCo²³ built the first all-electric carbon free passenger ferry operating in the Wellington harbour.

The sector contributes \$5.49b²⁴ to our regional GDP and accounts for about 28,169²⁵ jobs. Key contributors to GDP include computer systems design and related services \$1.53b, engineering design \$477m, scientific research service \$238m, scientific testing and analysis services \$101m, other machinery and equipment manufacturing \$102m, and veterinary pharmaceuticals and medicinal product manufacturing \$60.5m.

Our region has the largest research, science and innovation workforce in the country with 6,315 workers compared to Canterbury’s 4,856 and Auckland’s 4,675, and the second highest proportion of this workforce relative to total employment with 2% compared to 0.9% across New Zealand. We are the main home of Callaghan Innovation, New Zealand’s innovation agency which focuses on activating innovation and helping businesses grow faster for a better New Zealand. For example, the Innovation Quarter in Gracefield, Lower Hutt, is a high-energy environment with world-class, state-of-the-art facilities, workshops, pilot plants, labs and equipment.

High-value (advanced) manufacturing largely happens in the Hutt Valley and Western Growth Corridor, while science and engineering expertise is centred in Wellington city and Hutt Valley with key sub-sectors focused on materials and equipment. This sector offers economic

development potential across our region. For example, Hutt City has identified growing science, technology, engineering and manufacturing businesses as a key area of focus, including opportunities to provide improved infrastructure and amenity for these businesses, such as awards, accelerators, developing a suitable workforce through the likes of internships and scholarships, and increasing research and development spend in these businesses.

Central government prioritised advanced manufacturing for an Industry Transformation Plan due to its scale and potential to significantly increase productivity, higher wage jobs and a globally-competitive low emissions sector. Two key trends provide an opportunity to accelerate growth of this sub-sector over the next 20 years:

- Advanced manufacturing is undergoing a fundamental shift through the application of advanced technologies and processes
- More focus than ever is being placed on economic activity that is sustainable, circular and low emissions.

Issues and opportunities

We have an abundance of science and science research-orientated businesses to attract further talent and investment. Circular economy manufacturing provides real potential to add value, Industry 4.0 is becoming more pervasive - linking well with our technological strengths, and there is growing participation and leadership of Māori in these areas.

There are three key issues and opportunities to grow and maintain a sustainable and thriving science, engineering and manufacturing sector.

Attachment 1 to Report 22.319

1. Recognition - The advanced manufacturing sub-sector lacks public recognition, in part because much of what we manufacture is an input into a domestic or global supply chain rather than a final retail product for the public. There are few large manufacturers in our region²⁶ and celebrating the success of small and medium enterprises could raise the profile of what is occurring in our region, encourage collaboration and innovation, and attract future investments.

2. Skills shortages - This sector has an aging workforce, high levels of skill shortages, and the manufacturing sub-sector is increasingly seeking workforce directly from secondary schools. About 31% of all jobs in New Zealand are at a high risk of automation, possibly within the next 20 years, with Wellington city having the highest proportion of jobs at-risk to automation in the near term, including in scientific services and manufacturing.²⁷ Sustained focus is required to build and attract a skilled workforce, upskill the current workforce, and increase leadership and management capability.²⁸ There is a need to increase enrolment in STEM subjects at school by making information available about the value and opportunities of these skills and identifying successful programmes which could be extended to schools regionally.

3. Support for start-ups to commercialise - Local companies with innovative ideas such as climate adaption mechanisms or high-value health manufacturing technologies have anecdotally said they often struggle to gain access to capital to commercialise ideas and meet their customers' needs. High productivity countries such as Finland, Singapore and Sweden focus their innovation policy on growing innovation eco-systems around several large firms or sectors.¹⁶ We can learn from them and place a particular focus on creating an eco-system to deliver globally-leading innovation support services, help with the commercialisation of science, support Māori innovation, shift to a high-value economy through new founders, and grow high-potential businesses.



Technology

A key focus of this plan is on the technology aspect of STEM because our region has a particular opportunity to create more jobs and improve residents' wellbeing by nurturing and supporting more businesses in this high-growth area. Technology is changing the way we work and companies that use technology to create products which scale are growing faster than ever. This represents both a threat and an opportunity for our region.

Twenty years ago most local advertising dollars were spent on television, radio and print. Now, New Zealand businesses spend more than \$1b per year on Google and Facebook advertising.²⁹ Ten years ago almost all tourists booked into local hotels. In 2017, New Zealand travellers booked more than 1.5 million nights of accommodation through the Californian-owned website Airbnb.³⁰

The internet has enabled smart companies to reach a global audience, disrupt local businesses and emerge as multi-billion-dollar "winners" in their category. With the Covid-fuelled trend to work remotely, these global businesses have begun to hire workers in New Zealand, competing with our local businesses for talent.

Our region has a choice. We can either be a consumer of products made by international technology giants with our brightest technical minds contracting as remote workers, or we can be a leader of change and build technology companies that can attract global customers, with the intellectual property and headquarters based here in our region.

As a region we have proven we have the talent to compete with the rest of the world. Locally-founded accounting software company Xero is valued at \$15.4b and employs more than 4,500

people globally.³¹ Recently Sharesies, incorporated in 2017, raised \$50m in venture capital at a valuation of \$500m³² and it plans to expand its headquarters in Wellington. Fin-tech start-up Hnry raised \$16m, valuing the company at \$100m,³³ and sustainability start-up CoGo raised \$6m to help consumers lower their carbon footprint.

Competing with global mega-companies is difficult and the start-up eco-system is not as mature as other countries, which have easier access to talent, investment, and the executive leadership experience of scaling a global technology business.

Government, businesses and economic development organisations can play an important role in fuelling the growth of start-ups. Cities such as Vancouver,³⁴ Atlanta and Sydney have launched Government-led initiatives to accelerate their technology sectors, including programmes to increase the quantity and quality of new companies and to support high-potential companies to scale.

With support, a regional eco-system can be established, become self-sustaining and enable productivity in other sectors. Employees of locally-headquartered companies will learn from their experience and become the next generation of technology entrepreneurs.

The founders of Sharesies were themselves employees of Xero when they started the business. As the investors in these breakout companies achieve high returns, they reinvest into the next group of companies. As a result, our region will thrive and be a leader of change in the decades to come.

Issues and opportunities

There are four key issues and opportunities to grow and maintain a sustainable and thriving technology sector.

1. Profile of innovation and quantity of entrepreneurs - To compete globally, we must harness the entrepreneurial talent of mana whenua and our wider community to ensure those with good ideas are motivated and supported to turn these ideas into businesses. This will involve lifting the profile of our successful founders, more exposure to entrepreneurship at school and in tertiary institutions, providing greater visibility of Māori entrepreneurial success, encouraging by Māori for Māori models of innovation and prosperity, better connections between research and commercialisation, and structured pathways and support for new technology businesses through arming our founders with important knowledge about capital structure, technical architecture, recruitment, leadership and wellbeing.












2. Skills shortages - We have a critical shortage of work-ready software developers, product leaders, user-experience designers and digital marketers. As more founders develop scalable businesses in our region, we must prioritise initiatives that train and prepare these workers, to capitalise on the potential of our region's talent and increase the number of people in high-value employment. There is an opportunity to support the untapped potential in our Māori and Pasifika communities to succeed in technology-related employment, by establishing tuakana/teina (mentor/mentee) relationships between those with experience in the sector and rangatahi who are new to it.









3. Leadership - High-growth companies and investors in our region have identified a lack of experience at a senior leadership team level puts our businesses at a disadvantage to their international competitors. For example, a typical Head of Marketing, Chief Technology Officer or Chief Operations Officer at a scale-up company in San Francisco or Sydney would likely have experience working at a similar stage of business and easier access to mentors. Businesses need support to upskill executive talent at our high-potential companies, so each business can reach its full potential. Technology businesses have raised this as an issue because they can grow quickly and solutions to capability building should be transferable to other sectors with similar issues.

4. Investment - Our angel and venture capital investors are in early-stage development compared to other markets. Funds established in leading international technology markets have led to start-ups achieving multi-billion-dollar valuations, therefore enabling the funds to scale-up investment in new companies and attract foreign capital. To develop more business and accelerate developments the focus must be on supporting businesses with venture capital attraction and providing direct investment or loans where appropriate. We must focus our efforts and aim to become a magnet for talent and investment in particular sub-sectors where we have an advantage, including clean-tech, fin-tech and government innovation.

We will initially focus on initiatives to support STEM innovation and develop our future workforce.



SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Develop hubs equipped for STEM innovation and collaboration, raising the profile of the STEM sector						
 	Biotech Centre of Excellence Develop a shared, inter-connected facility to accelerate growth and innovation of existing and new biotech companies working on biomanufacturing and clinical therapies. The centre will contribute to a successful eco-system that enables our region to be at the forefront of biotechnology, attract talent, investment and international pharmaceutical companies	Finalise business case for Biotech Centre of Excellence	BridgeWest Ventures	Victoria University, Canterbury University, Hutt Valley Chamber of Commerce, MBIE, Callaghan Innovation, independent developers	2022 – 2023	Business case
		Confirm developer, industry and central government support for the centre				Investment attraction
		Secure suitable laboratory complex/es and establish the centre in phases				Delivery
 	STEM product commercialisation innovation space Establish an innovation space pilot to guide, nurture and support STEM businesses from across our region to succeed, with an on-site workshop for prototyping and product creation, a wrap-around network of specialist providers and support programmes. This will support the creation of high-value jobs in successful start-up ventures, growth of existing companies and development of commercial opportunities related to the transition to a low carbon future	Develop a business case to establish a suitable facility with a fully equipped innovation space and wrap-around support services	The Settlement	Callaghan Innovation, MacDiarmid Institute, NZ Product Accelerator, mana whenua, Hutt Valley Chamber of Commerce, HCC, UHCC, MBIE	2022 – 2023	Business case
		Confirm commitment to establish the innovation space/s and secure a suitable complex (should it prove feasible)				Investment attraction
		Develop a parallel innovation programme for the space targeted at STEM-focused start-ups				Planning
    	CleanTech Centre of Excellence Focusing a range of programmes on the clean-tech sector will create new high-growth firms and attract talent to the industry. The centre will support the commercialisation of research into clean-tech, new innovations that companies want to pursue, and attract businesses to relocate here, helping our region become a leader in sustainability	Develop investment proposal and secure commitments from key partners	CreativeHQ	Clean-tech sector, mana whenua, Te Matarau a Māui, private investors, WNZ	2022	Investment attraction
		Establish the CleanTech Centre of Excellence targeting innovation in sustainability, to grow the capacity and output of the sector and help our region become a leader in clean-tech				Delivery
		Deliver a three-month programme to accelerate 20 climate-focused ventures through early-stage development				Investment attraction
 	Technology start-up hub and business incubation programme The hub will be in a high-profile location, connecting creative industries, start-ups, business, Government and innovation together in one place and driving cross-industry collaborations. The businesses located in the facility will be in high growth areas, leading to an increase in revenue and jobs	Develop a business case to establish a technology start-up hub in a high-profile location with a sustainable financial model	CreativeHQ	WNZ, local government, private investors	2022 – 2023	Business case
		Confirm investment in securing a building/s and operating arrangements (should it prove feasible)				Investment attraction
		Develop and implement a 6-12 month business incubation programme to identify, support and grow 20 new start-up businesses per year				Delivery

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Build and upskill our workforce						
	Summer of Engineering Pilot a Summer of Engineering internship and placement programme (based on the successful Summer of Tech model) to facilitate recruitment of engineering students and graduates, helping them to acquire necessary work experience and attract, retain and develop our workforce	Pilot a Summer of Engineering programme in a selected area of engineering, matching 20 engineering graduates with employers	Engineering New Zealand and Summer of Tech	WNZ, engineering businesses	2022 – 2023	Delivery
		Fully establish the Summer of Engineering programme across the wider engineering industry, securing placements for 100-plus graduates a year			2023 – 2024	Investment attraction
   	STEM mentorship programme This programme is a partnership between Ngāti Toa and Victoria University, aiming to raise awareness of and interest in STEM subjects in low decile schools. Māori and Pasifika university students will be awarded credits towards their degree for participating as mentors	Pilot a programme for Māori and Pasifika university students studying STEM subjects to mentor year eight classes	WNZ	Ngāti Toa, Victoria University	2023	Delivery
		Evaluate success of pilot programme and consider expanding to more classes across our region			2024	Delivery
  	Technology leadership training series The training series will involve bringing eight international experts from companies including Netflix, Canva, Atlassian and AirBNB to our region to train and consult with leaders from our high-potential technology businesses. The series will be designed to upskill the senior leadership teams of our brightest companies, to ensure they have the best chance at becoming global leaders and major local employers	Run a series of training workshops in conjunction with ChristchurchNZ and Auckland Unlimited to upskill senior leadership teams from 30 high potential technology businesses across our region	WNZ	Businesses, Christchurch NZ, Auckland Unlimited, MBIE	2022 – 2023	Investment attraction



SECTOR

Visitor economy

EMPLOYMENT



51,865

GDP



\$3.64b

Famous for a vibrant, creative culture, fuelled by great food, wine, craft beer, coffee and events, we are a cosmopolitan region with an energetic personality. The visitor (manaaki) economy is important because it is our responsibility to look after our manuhiri (visitors) and residents. Manaaki denotes 'mana' and 'a-ki' (mana comes from what others say about you and your ability to care for others). Our positive reputation as a destination is hard-earned and requires consistent, affirming experiences and a binding vision for all who contribute to how people experience Te Upoko o Te Ika a Maui.

The visitor economy generated more than \$3.64b of GDP for our region in 2021. Key contributors to GDP include passenger transport \$600m, hospitality over \$600m and retail over \$450m. Before the pandemic, it was estimated that visitor spend in our region was \$2.86b³⁵ in the year ending March 2020, comprising \$1.94b domestic spend and more than \$900m international visitor spend. Our international visitors are high-value, spending on average \$232 per day, compared to \$155 a day per domestic visitor or \$74 a day per local resident.³⁶ Through this international spend, tourism supports amenities locals and New Zealanders enjoy that would not otherwise exist.

The visitor economy is built around experiences and attractions, hospitality, events, arts, retail and accommodation. Iconic experiences and events drive visitation to our region, while accommodation, restaurants and shopping are usually supporting factors. Our destination is rebuilding after the reopening of international borders that closed to manage the health risks of a global pandemic with hospitality, accommodation and supporting businesses gearing up for more visitors to arrive. The sector is a large employer in our region, accounting for 51,865 filled jobs in 2021.

Domestic access to our region is good with regular flights from all around the country and SH1 and SH2 providing paths around our region. We have commuter, intra and inter-regional train services and two Cook Strait passenger ferry companies. Wellington Airport is a vital hub in the domestic aviation network and connects to most New Zealand airports and several ports in Australia. Outside of Australia, Fiji and the currently hibernating Singapore Airlines service via Australia, our region has no direct international flights. Given that 99% of New Zealand's visitors arrive by air, securing further direct international flights would make our region more accessible to visitors, highly-skilled migrants, international students, business connections and friends and family who live abroad.

Our region has a significant number of natural assets which connect visitors to the natural environment, including Kāpiti Island, Zealandia, regional trails and Cape Palliser. Our visitors get to experience the many creatives, innovators, chefs and growers telling stories that give visitors a deeper appreciation of our hospitality, events and exhibitions.

Destination management³⁷ involves managing all aspects of a destination that contribute to a visitor's experience. Our Regional Destination Management Plan builds on the five sub-regional Destination Management Plans of Wellington city, Hutt Valley, Kāpiti Coast, Porirua and Wairarapa. The Horowhenua sub-region also has a Destination Management Plan.

These Destination Management Plans are the primary vehicle for sector development at a local level and have been developed by canvassing the aspirations of communities, mana whenua, visitors and tourism businesses across our region.³⁸ Product development is a complementary and particular focus of this plan that will build on and use the business development capabilities within WellingtonNZ, as the regional economic development agency, and create regional alignment to focus our resources.

The three strategic priorities of the Wellington Regional Destination Management Plan are:

1. **Tangata – Valuing our people:** Our people are our greatest asset and we must value and empower them to achieve our community aspirations.
2. **Whenua – Valuing our place:** Te Upoko o Te Ika a Maui is home to key natural taonga (treasure), and our visitor economy can't be developed at the expense of our natural assets. By rebuilding the balance and health of our natural environments, we contribute to the ongoing wellbeing of our people.
3. **Korero – Valuing our stories:** Stories connect our people and places and bring them to life. Engaging stories within the natural environment grab visitors' attention and take them on a journey of discovery, helping to build critical and lasting connections between visitors, tourism operations and destinations.

A regional model for implementing destination management is being developed and recognises strong iwi partnerships are essential to enable informed decision-making, deliver positive impacts to communities and provide opportunities for locals and visitors to better connect with mana whenua. Across our region, some iwi initiatives are identified or under way already, while other relationships are emerging from the destination management planning process.

Together, the Wellington Regional Destination Management Plan's ambition is to derive greater social, cultural, environmental and economic wellbeing for residents and visitors to our region. This is consistent with the Tourism Strategy 2025.³⁹

Issues and opportunities

There are six key issues and opportunities to grow and maintain a sustainable and thriving visitor economy.

1. **Increasing spend and demand** – Our region has a lack of paid tourism experiences and many attractions are free, like Te Papa and cycle trails. We must encourage high-value visitors that give back more than they take by developing and marketing iconic experiences for each sub-region and attracting events, shows and exhibitions year-round. This will provide more reasons to visit, and see the benefits shared with local communities across our region.
2. **Partnering with mana whenua to share Māori stories and experiences** – By showcasing our cultural identity and tikanga, manuhiri will experience Māori culture and build our global brand through projects such as Te Uruhi (Kāpiti Gateway project), Te Aro Pā and many others.





3. Improving access and lowering visitor emissions - For domestic and international visitors via road, rail, sea and air. We have constrained international air capacity and growing this would generate more demand in new visitor markets. Our public transport network has a commuter focus and better visitor access and services would enhance the visitor experience and help lower carbon emissions. We can help achieve this by providing better wayfinding to encourage greater use of the public transport network and supporting businesses to transition to a low carbon and sustainable model.

4. Leveraging new developments to increase accommodation supply – Accommodation demand is likely to increase in the medium term, especially with new developments like Tākina – Wellington Convention and Exhibition Centre which can host up to 1,600 delegates and Lane Street Studios, a new world-class film studio and production facility in Wallaceville that can cater for up to 500 cast and crew. By understanding current and future accommodation needs we can plan for future scenarios.

5. Improving international visitor awareness of what our region has to offer compared to other New Zealand visitor destinations - Collaborative marketing efforts are under way to raise awareness and generate demand through the Regional Trails Framework, Classic New Zealand Wine Trail touring route, Ngā Haerenga The New Zealand Cycle Trails, the Wellington Region & Wairarapa Marketing Alliance, public/private partnerships and leveraging Tourism New Zealand's domestic and international marketing programmes. We can increase awareness by leveraging Wellington's capital city status to provide a deeper visitor experience and create stronger business benefits across our region.⁴⁰

6. Attracting and retaining talent – Securing a workforce after a global pandemic remains a challenge. We need to provide more opportunities to develop and grow our workforce, creating a regenerative visitor economy which attracts talent and is consistent with the Tourism Industry Transformation Plan⁴¹ goals.

Many of these issues and opportunities are a focus of the Destination Management Plans. Our first set of initiatives elevate regional priorities to improve sector performance through an integrated destination management and marketing approach which enhances the sustainability of tourism operators and develops iconic experiences in partnership with mana whenua.

SO	Opportunity	Actions	Lead	Key partners	Attachment 1 to Report 22.319 Estimated timeframe	Stage
Support a transition to low carbon and sustainable visitor economy						
	Visitor economy sustainability programme	Confirm size, scope and costs of the capability building programme, considering the learnings from the sustainability pilots	Business Central	Hospitality NZ, Restaurant Association NZ, WNZ, local government, Wellington Culinary Events Trust	2022	Investment attraction
	Expand the successful WNZ tourism sustainability programme and Chamber of Commerce bootcamp pilots to more tourism operators and hospitality businesses across our region, helping them become more sustainable and carbon neutral	Deliver a capability building programme which supports visitor economy businesses on a journey to becoming carbon neutral			2022 – 2024	Delivery
Improve the value and sustainability of tourism across our region through developing iconic attractions						
	Porirua Adventure Park	Confirm support, business structure and secure the remaining capital required for establishment	Ngāti Toa and Select Contracts	Private investors, PCC, DOC, WNZ, MBIE	2022 – 2023	Investment attraction
	Develop a world-class paid tourism attraction that will create jobs, celebrate the stories of Ngāti Toa, provide education/ Mātauranga opportunities, and regenerate the Rangituhi/ Colonial Knob reserve	Finalise design documentation for building consents			2023	Delivery
		Construct the buildings and infrastructure on site			2023 – 2025	Delivery
	Wairarapa Dark Sky development	Announce result of UNESCO Dark Skies accreditation bid	WEDS	Destination Wairarapa, Rangitāne, Ngāti Kahungunu, local government, WNZ, MBIE, TPK, MCH, tourism operators	2022	Delivery
	A programme of activities to leverage the Dark Sky accreditation through existing tourism offerings, new iconic experiences and Māori tourism. This will contribute to a more diverse, year-round tourism offering that will attract new visitors and encourage existing visitors to extend their stay and spend	Secure funding to market and leverage existing Matariki events and offerings through collaborations, branding, promotion, developing a Dark Skies trail and calendar, and ensuring businesses can cater for Dark Skies tourism			2022 – 2023	Investment attraction
		Develop a 10-15-year implementation plan for progressing the Dark Skies offering and identify and scope iconic experiences and attractions with a focus on Māori tourism, sustainability and regenerative activities			2023 – 2024	Business case
		Identify long-term funding options and investment for implementing the iconic experiences and attractions identified			2024 – 2026	Investment attraction
	Wairarapa Five Towns Trail Network	Establish a delivery entity to manage the development of the trail network	CDC, SWDC, MCC	Wairarapa Trails Action Group, GWRC, Trust House, Rangitāne, Ngāti Kahungunu, WNZ, Waka Kotahi	2022 – 2023	Planning
	Develop the Five Towns Trail Network as a signature experience to showcase our strengths, attract domestic and international visitors and enhance the wellbeing of our residents	Develop a multi-year phased implementation programme and secure investments			2023 – 2033	Investment attraction

SECTOR

Primary sector, food and fibre

EMPLOYMENT



13,000

GDP



\$1.81b

The food and fibre sector covers the primary sector production, processing and services industries along the value chain from producer to final consumer, including providers of transport, storage, distribution, marketing and sales.

Like the rest of New Zealand, the food and fibre sector is a key part of our regional economy, contributing \$1.81b to regional GDP in 2021 and employing more than 13,000 people. This is seen in the shops, cafes, and restaurants of our urban areas through to the food and fibre producers further afield. Our productive sub-regions of the Kāpiti Coast, Horowhenua and Wairarapa play a particularly big part in our regional food and fibre story.

The Western Growth Corridor (Porirua, Kāpiti Coast and Horowhenua) has a strong focus on horticulture, livestock, poultry, sustainable foods and high-value fibre product manufacturing, while the Eastern Growth Corridor (Hutt Valley and Wairarapa) has a strong focus on meat, livestock, viticulture, forestry and related processing. Each of these focus areas has its own unique complexities, challenges and opportunities.

Issues and opportunities

There are five key issues and opportunities to grow and maintain a sustainable and thriving food and fibre sector.

1. Climate change - Our region is likely to warm significantly due to the impacts of climate change. Rainfall may decrease in Wairarapa, with an increase in droughts, and increase in the Western Growth Corridor.⁴² The implications of the changing climate for our region include:

- Warmer temperatures may allow different crops to be grown

- More droughts may limit pasture production and crop growth
- Sea level rise may impact coastal communities and infrastructure
- Water supplies are likely to be under increased pressure (see water accessibility and security chapter).

Primary producers are already adapting their practices in the face of our changing climate through partnerships such as He Waka Eke Noa,⁴³ which is equipping our farmers and growers with the knowledge and tools they need to reduce emissions while continuing to sustainably produce quality food and fibre products for domestic and international markets.

2. Consumer preference - Consumer preferences are changing, particularly around expectations in areas like animal welfare, environmental sustainability and social justice.⁴⁴ In recent years there has been a continued move away from the “traditional” New Zealand diet, with the rise of artisanal products, meat alternatives and diversification of cuisines in New Zealand through the influence of different cultures.

Some producers are exploring opportunities to diversify, and our region is well-served with artisanal producers meeting these changing consumer expectations and highlighting the great products being produced within our region and exported around the world.

3. Land use - There is contention over how some productive land is used (such as for housing) and there is a significant opportunity to support iwi and Māori land owners in our region.⁴⁵ The rural nature of many land holdings means there is a chance to support greater Māori participation and productivity in the food and fibre sector. Local chefs like Monique Fiso have shown there is interest in, and potential to showcase, indigenous Māori kai and techniques to the world.

4. Regional connectedness - Our region is well-served by its proximity to Palmerston North, which has the Fonterra Innovation Centre, FoodHQ and the Food Innovation Network food pilot facility. However, parts of our region are separated by the Tararua Range, adding to the challenges created by time, travel and maintaining connections when taking a regional approach to this sector. Connectedness at a sub-regional level is also a challenge, particularly for Wairarapa, which does not have an agreed set of priorities or initiatives for the sector.

5. Other challenges - Primary producers face the same challenges as other sectors, such as availability of workforce, innovation that transforms by-products into high-value products, lack of infrastructure development and access to capital, scale and support options. Industry transformation plans for agri-tech, forestry/wood products and food and beverage touch on some of these important issues.⁴⁶

How these issues are taken forward and opportunities realised needs further discussion and focus is required to:

1. Support innovation to add value, increase scale and improve access to markets to increase returns from investment
2. Support iwi and Māori land owners to sustainably maximise the productivity of land assets
3. Add greater value to our food and fibre sector by telling our provenance stories better and ensuring we are adding more value through the paddock to plate journey, both locally and internationally.

Events like Visa Wellington on a Plate provide unique opportunities to showcase local produce and tell a story about the growers, unique artisan producers and restaurants in our region. Similarly, in Horowhenua, the Taste Trail showcases local producers, giving tourists a unique opportunity to visit producers who provide much of the fruit and vegetables for the central and lower North Island.

A Regional Food Production Strategy will be developed through the WRLC work programme. Local areas of focus are outlined below because our food producing areas have different land use challenges and opportunities either side of the Tararua ranges.

Wairarapa

Food and fibre contributed \$557m to GDP in 2021 and employed 4,200 people in the Wairarapa sub-region. This sector is the main source of income and employment for Wairarapa, being a diverse area stretching from the valley plains through to the forested back-country and rugged coastlines. It provides the support structure for wholesale exporters, manufacturers and local artisan producers alike. These intersecting identities create a culture rich in diversity, innovation and opportunity for the Wairarapa brand.

Mana whenua have had a constant presence since first occupation of Wairarapa, from early settlement of the coastline through to modern-day operation of commercial farming and forestry enterprises. Local iwi Ngāti Kahungunu and Rāngitane o Wairarapa are concluding historic Tiriti o Waitangi settlements and local investment is likely to align with sustainable land management and the principles of kaitiakitanga. This will see a greater focus on sustainable and renewable farming practises, investment in skills and education, and exploring alternative land use strategies.

The Taratahi Agriculture Training Centre is being re-established under the ownership of Ngāti Kahungunu, providing an opportunity to create a modern facility to sustain the food and fibre sector for generations to come.

Wairarapa has an existing reputation for quality products and a small but growing visitor economy, reflected in the increase in visitors during the Covid-19 pandemic. Sustained focus is required to leverage these strengths and explore value-added products and processes, new technologies, and encourage collaborative investment to develop untapped potential.











Kāpiti Coast and Horowhenua

Food and fibre contributed to \$338m to GDP in 2021 and accounted for 3,423 people in employment in the Kāpiti and Horowhenua sub-regions. There is a rich history of food production from supplying many generations of iwi and hapū off the fertile soils and micro-climates from Taitoko to Te Horo, to the myriad of artisan businesses now producing and serving consumers across New Zealand with jams, craft beer, chocolates, artisan breads, pesto, hemp products, hot sauces, roasted coffee, gin and vodka. From Paekākāriki to Levin, these artisans have chosen to live on the coast and share their expertise, service and experiences through the delicious foods they produce and distribute.

Aspirations of mana whenua are connected to the land, water, and all it produces. It will become increasingly important to protect our productive lands for current and future generations as our population grows. We need to nurture our food producers as food sustainability and accessibility become even more important with inflationary pressures, access to and affordability of workforce, kaitiakitanga, land-use optimisation and water quality.

The arrival of two food and beverage manufacturing entities relocating into the former Kāpiti Cheese Factory has presented the opportunity to consider the development of a plant-based foods centre of excellence as a point of difference and aims to gain a strong foothold in this relatively new food and beverage market to increase its competitive and comparative advantage.

We will initially focus on initiatives which support innovation in our regional food and fibre sector.

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Identify and develop innovative and sustainable new food and fibre opportunities across our region						
    	Western Growth Corridor food and beverage programme (including Kāpiti Kai Pokapu)	Develop an over-arching food and beverage strategy	Kāpiti Coast Economic Development Kotahitanga Board	KCDC, HDC, Horowhenua Company, WNZ, MPI, MBIE, Kānoa	2022 – 2023	Delivery
	This programme aims to raise the profile and quality of the sector, facilitate partnerships, retain, grow, and continue to attract businesses of all sizes and types across the value chain, create high-value jobs, train the workforce, progress the foodie vibe and strengthen overall sustainability positioning and activity	Procure a facilitator to establish a cluster of Kāpiti and Horowhenua food and beverage businesses, enhancing innovation, collaboration and knowledge sharing to support our regional, national and global competitiveness	Kāpiti Coast Economic Development Kotahitanga Board	KCDC, HDC, Horowhenua Company, WNZ, MPI, MBIE, Kānoa, iwi/hapū/ Māori landowners, growers, retail stores and researchers	2022 – 2023	Planning
	The programme will explore more sustainable ways to grow and distribute food, including future-proofing manufacturing and packaging technologies for energy efficiency, waste minimisation, carbon footprint and establishing circular economies	Establish partnerships, business and governance models to pilot a regenerative horticulture production programme with iwi and hapū, to sustainably produce fresh vegetable varieties. This will involve mātauranga Māori and kaitiakitanga along with other proven regenerative farming methods	Kāpiti Coast Economic Development Kotahitanga Board and Nga Hapū o Ōtaki	KCDC, HDC, Horowhenua Company, WNZ, MPI, MBIE, Kānoa, mana whenua	2022 – 2029	Investment attraction
		Develop a business case for a Kai Pokapu in Kāpiti, a sustainable food manufacturing and plant-based centre of excellence that supports companies throughout our region in their journey from innovation through to manufacturing	Kāpiti Kai Pokapu	KCDC, Kānoa, Sustainable Foods, Kāpiti Coast Economic Development Kotahitanga Board	2022	Business case
		Establishment of Kai Pokapu (should it prove feasible)			2023 – 2024	Delivery
    	Determine food and fibre priorities in Wairarapa	Collaborate with the Wairarapa community and food and fibre sector to identify priorities and tangible initiatives to address issues and opportunities identified	WEDS	Wairarapa food and fibre sector and community	2022 – 2023	Planning
Identify opportunities to grow jobs, value and connections in the food and fibre sector in Wairarapa, contributing to our regional food story while considering climate change impacts						

Māori-led assessment of options for land use



Ōtaki Porirua Trust Board land use assessment

Develop sustainable land use options to support the transition from the former dairy operation within urban Ōtaki, to benefit the iwi and community through new employment, improved wellbeing and providing education scholarships

Complete a feasibility study, land use assessment and environmental plan

Develop a business case to implement recommendations

Determine investment options to implement change over the next 5-10 years to a more sustainable model (should it prove feasible)

Ōtaki & Porirua Trusts Board

J R McKenzie Trust, Ngāti Raukawa, Te Āti Awa, Ngāti Toa Rangatira, MPI, TPK

2022 – 2024

Feasibility

2022 – 2024

Business case

2024 – 2029

Investment attraction



40 Photos: 1. Celeste Fontein | 2. Andy Spain | 3. Andy Spain | 4. Anna Briggs | 5. Johnny Hendrikus



Photo: Ryan Domenico

ENABLER

Māori economic development

Since the time of Ngake and Whātaimai (the two taniwha of Wellington harbour), the early Māori occupants of our region were strategists, doers, initiators and builders. They established themselves in Aotearoa as tangata whenua, defined by their connection to the whenua, moana and whakapapa. The connections inherited from Māori ancestors continue to guide journeys to the distant horizon.

Māori, and in particular, māna whenua, are determining their own future and the positive impact their leadership and identity provides Te Upoko o te Ika. This chapter expands on the key issues and opportunities Māori face in our society and the initial set of initiatives to create a better life for all our children and mokopuna.

Issues and opportunities

Inequality in areas including home ownership, employment and education must be systemically addressed for Māori to thrive. Fortunately, Māori are a young and growing population whose working age population will grow significantly in future.

Iwi within our region are at various stages of completing their Tiriti o Waitangi settlements. Many iwi have significant assets and are actively engaged in land development, employment initiatives, training for rangatahi, and iwi development. Māori are traversing new territory, revealing unseen pathways and pushing boundaries. Today, it is as digital warriors, investors and operators in numerous aspects of the value chain, business, economic and social development.

One reality of having 84% of our Māori population whakapapa to iwi from across Aotearoa rather than local mana whenua is ineffective co-ordination and engagement across that significant portion of the Māori population. Five years ago, the Greater Wellington Regional Council's mana whenua collective supported the development of a Māori economic development strategy to:

1. Provide a point of co-ordination for the already significant economic activity under way within our iwi/Māori communities
2. Be a vehicle for enhancing and developing new ideas and collaborations
3. Enable greater self-determination for Māori in developing prosperous communities across our region.

Te Matarau a Māui, the regional Māori economic strategy,⁴⁷ emerged with a purpose to bring together an economic vision for Māori in our region, Te Upoko o Te Ika. It speaks to the opportunities available to develop fresh ideas within collaborations that resonate with Māori aspirations, world views and values.

Though this is an economic development plan, in Te Ao Māori all things are inter-connected. A prosperous and well-balanced Māori economy creates healthy whānau, healthy whānau contribute to a thriving environment, a thriving environment forms the backdrop to a developing economy, and so on.

Te Matarau a Māui as the primary lead for Māori economic development seeks to support the expression of rangatiratanga to drive outcomes for Māori in our region. This will be achieved by aligning with, enabling, and supporting local strategies and initiatives such as those supported through this plan.















Te Matarau a Māui focuses on key strategic priority areas or pou that seek to make a difference in Māori communities in our region. These opportunity areas are:

- Māori communities are connected and capable
- Iwi organisations and Māori businesses are key drivers in the local, regional and national economy
- Across the region Māori know who, what, why and how to participate and collaborate in the Māori economy
- A skilled and successful Māori workforce that contributes to its community and pursues its aspirations
- Māori leadership and governance is engaged and collaborating to achieve impact.

The opportunity areas connect to create and support the over-arching vision of Te Matarau a Māui, that Māori are uplifted to reflect, create and live with resilience, harvesting their capabilities for greater community economic outcomes.

Our plan supports the Te Matarau a Māui vision to connect with, and reinforce their vision for Māori in Te Upoko o Te Ika. Through partnerships, shared visions and compelling combinations, the strategy, supported and resourced appropriately, will deliver more for Māori in our takiwā, our regional communities and beyond.



SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Regional economic development collaborations by and for Māori						
   	Hui Taumata – Māori Economic Summit - Poneke 2022 Following hui held in 1984 and 2005, it is timely for another to provide impetus to Māori economic activity, identifying issues and opportunities where Māori can collaborate to shape solutions, therefore creating new jobs and contributing to wellbeing outcomes. Part of the hui will be dedicated to Māori workforce development and supporting rangatahi to assume the mantle of leadership	Secure funding for a two-day summit that will provide better understanding of the Māori economy in our region and help identify how to plan and implement impactful economic, educational and developmental programmes	Te Matarau a Māui	Ngāti Toa, Ngāti Raukawa, Te Ātiawa ki Kāpiti, Rangitāne, Muaūpoko and their respective hapū, Te Wānanga o Raukawa, Victoria University School of Business, WNZ, MBIE, GWRC, TPK, and the four Māori business networks in the region	2022	Investment attraction
		Hold a two-day Māori economic development hui for and by Wellington Māori to drive Māori economic activity in our region			2023	Delivery
  	Te Pokapū Pakihi - Māori business digital hub Develop a digital hub to provide lean Māori businesses with back-office support, opportunities to learn from each other and grow their businesses through technology and skills development in a virtual community. The hub will encourage Māori business growth and increased productivity and employment	Secure funding for an online digital Māori business hub underpinned by Microsoft Teams to help Māori business network members grow their businesses	Awarua Māori Business Network (Porirua) and Te Rōpū Pakihi (Kāpiti-Horowhenua)	Te Rōpū Pakihi Inc, Kāpiti & Horowhenua MBN, Awarua Inc, Porirua MBN, Te Matarau a Māui, The ART Confederation including Ngāti Toa, Ngāti Raukawa and Te Ātiawa ki Kāpiti, Connect Global, Te Wānanga o Aotearoa, Te Puni Kōkiri, MBIE	2022	Investment attraction
		Establish and operate the Māori business digital hub			2022 – 2024	Delivery
Build capacity and capability of Māori enterprises in social procurement processes						
   	Ka Kaha Ake - social procurement training A programme to provide training and support to Māori small-medium enterprises that don't have the relationships, experience, processes and/or resources to prepare and submit tender documents for social procurement opportunities. This will encourage Māori business growth and consequently increase employment of Māori in construction, infrastructure, digital skills and professional services	Secure funding to design training for Māori small-medium enterprises to engage in social procurement opportunities	Te Matarau a Māui	Māori business networks, iwi, Amotai, WNZ, Victoria University, TPK, MBIE	2022 – 2023	Investment attraction
		Deliver kaupapa Māori social procurement training to Māori small-medium enterprises			2023 – 2024	Delivery
  	Te Upoko o Te Ika a Māui social procurement commitment A commitment to use procurement as a tool for building social and economic prosperity was signed by several councils across the region in 2021. Increasing the number of entities signed up will increase spending with diverse local suppliers, generate new employment, help to build local business capability, create a more agile and resilient supply chain, and grow our regional economy	Advocate to expand the number of public sector entities signed up to the commitment, to grow employment among local Māori, Pasifika and social enterprises and increase the amount spent with social providers year on year	GWRC	Central and local govt, Te Matarau a Māui	2022 – 2023	Delivery

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Skills, talent and education

He aha te mea nui o te ao? Māku e kī atu, he tangata, he tangata, he tangata
What is the most important thing in the world? It is the people, the people, the people

For our region to thrive and grow we need people with skills to live and work here, people to grow the businesses that provide decent jobs enabling good quality of life, and people equipped with the knowledge needed to address issues that will affect the future of the region, including climate change and sustainable practices.

Our labour force participation rate (the proportion of working-age people 15 years and over who are either employed or actively looking for work) of 73.6% in 2021 was above the New Zealand average of 70.3%. Our regional unemployment rate of 4.5% in 2021 was just below the New Zealand average of 4.7%.

Skills, talent, and education are key enablers of regional economic development and productivity.⁴⁸ Together they play a role in ensuring our people can successfully work here, and employers can access the workforce they need now and for the future, especially when projections indicate there will be 100,000 more jobs to be filled over the next 30 years.¹⁴

Having decent job opportunities locally is important to maintaining a sense of community and family ties, particularly for Māori and Pasifika. Enabling quality education and training for our rangatahi and access to decent jobs locally is therefore imperative for a more equitable workforce.

Our regional workforce has three notable characteristics:

1. Our workforce is skilled. Our region has a high level of educational attainment and training participation, and a good base of tertiary education, knowledge and skills. The percentage of employees classified as highly skilled or skilled in our region is 57% compared to 51% nationally.⁴⁹ This is mainly due to the presence of central government, a strong professional services sector and the largest research, science and innovation workforce in the country.
2. There are large disparities across local territorial areas and ethnic groups, in terms of educational attainment, unemployment and participation.
3. Critical skills shortages are a growing regional issue for all our focus areas.

Particular attention and resource is required to achieve more inclusive and equitable workforce participation in key focus areas. As we developed our plan, the Wellington Regional Skills Leadership Group (RSLG), a regionally-led group appointed by Government, was developing the Regional Workforce Plan for the next three years. The RSLG plan will highlight labour supply and demand trends for our region and identify where change is needed to achieve a highly skilled and co-ordinated regional labour market, leading to better outcomes for all. Our plan is not a workforce plan, however it is complementary and will focus on initiatives that align with the priority focus areas outlined in this document.

Locally-focused workforce plans are being developed or have been completed in most sub-regional areas. These plans will address locally-relevant skills needs, while the Regional Workforce Plan and this plan will continue to be developed together to ensure alignment as we work towards a thriving regional labour market.

Issues and opportunities

There are two key areas that need to be addressed to build solid foundations for skills, talent and education.

1. Skills shortages - The shortage of skilled people is the big issue being felt across our region, nationally and globally. The global skill shortage and lifting of border restrictions mean a net outflow of Kiwis attracted by higher salaries offshore is expected, while tighter immigration settings are likely to limit work visas to a narrower range of high-skilled occupations.⁵⁰ The skill shortage is expected to persist in the longer term, exacerbated by an aging workforce and declining birth rate.

Skills shortages are widespread, and each key sector in our plan is affected by the need for skilled people. Other sectors like construction, health and education that are important to the future of our region and the Wellington Regional Growth Framework also face similar workforce demand skill challenges.



There are several examples of sector groups and employers now working together to develop strategies to overcome the issues. Flexible working conditions and providing career pathways, upskilling opportunities, professional development and support to attain qualifications are examples of initiatives required to attract and retain a skilled workforce from New Zealand and overseas.

The establishment of six workforce development councils, each focused on a grouping of sectors, will facilitate the alignment between industry needs and education and training. In addition, the RSLG will ensure regional needs are heard, and the Regional Workforce Plan includes actions and activities that build on this approach.

2. Education - While the immediate skills shortages are concerning, we have an opportunity to look ahead at education to grow talent. We know the workforce of the future will be more technology-based and, combined with increasing automation, there will be more jobs in skilled and highly-skilled work. For our region to thrive and prosper we need high levels of participation and skills across all the priority sectors of our regional economy, all of which are facing growing demand for skills.

Vocational awareness and education that offers alternative pathways for students and leads to meaningful and rewarding work across sectors in trades and service industries is of equal importance. Employers are working with workforce development councils to influence development of “earn and learn” training and pathways that work for their sector.













Young people’s career aspirations form at a young age and can be predictive of later study and employment-related choices,⁵¹ which reinforces the need for early exposure, particularly to less visible work and career opportunities.







Additionally, early intervention needs to address equity. There is a major mismatch between education and skills versus those required by employers in our region, particularly for Māori. A smaller proportion of Māori are in high-skilled jobs (30% relative to 47% for non-Māori) and more are in labouring, machinery operation and sales jobs.⁶ Pasifika face similar challenges.


Sustained effort is required to build the skills and workforce needed to support our key sectors. We need to develop local talent to grow our own people, particularly Māori and Pasifika, mitigate against the risks of reliance on skilled migrants and support the building of thriving communities. This will be in parallel with attracting skilled talent needed by employers from offshore, particularly in specialist areas in the short and medium terms.

To enable our key sectors to thrive, build solid foundations and achieve more inclusive and equitable workforce participation, our skills, talent and education efforts will initially focus on the following initiatives.

Photo: Anna Briggs

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Future-proofing the skills of our people and the needs of our sectors in STEM						
	Expanded House of Science programme	Secure funding to resource wider implementation of the House of Science programme across the region	House of Science NZ Charitable Trust	WNZ, mana whenua, local government, schools, businesses, crown research institutes, MBIE, MOE	2022 – 2025	Investment attraction
	Expand the design and development of bilingual science resources kits so all primary and intermediate schools and their students have consistent access to a foundational education in science. This programme was created to address the lack of effective science programmes in primary and intermediate schools and is a long-term investment in developing our future science and technology workforce					
						
						
						
Address regional and ethnic disparities in education and employment opportunities						
	Kāpiti Coast Skills and Education Hub	Complete a feasibility study for local learning hub(s) to improve access to vocational and tertiary training	Kāpiti Coast Economic Development Kotahitanga Board	KCDC, Ngāti Toa, Te Ati Awa, Ngā Hapu o Ōtaki, Te Wānanga o Raukawa, Te Pūkenga, Horowhenua Learning Centre, Te Puna Oranga, Te Rōpū Pakihi, Work Ready Kāpiti and local high schools	2022	Feasibility
	The hub will enable residents to access training opportunities in the areas they reside in and have ties to, benefitting their wellbeing and removing location-based barriers to meeting requirements for higher-skilled roles. This will support and encourage businesses to establish in the district and grow their productivity through the availability of high-skilled employees, providing greater employment and career opportunities for workers including Māori, young people, people with disabilities and older people	Secure funding to deliver the education and training hub(s), based on recommendations from the feasibility study and needs assessment (should it prove feasible)			2023 – 2024	Investment attraction
						
						
	Wairarapa skills programme	Develop the concept for a collaborative skills programme, to submit to Te Pūkenga – NZ Institute for Skills and Technology	Wairarapa RSLG	Te Pūkenga, UCOL and other local education/training providers, high schools, local sector/industries, WEDS, MBIE, recruitment consultants	2022 – 2023	Planning
	Education and industry collaboration to deliver a refreshed, relevant and strengthened programme of vocational training offerings. The programme will develop pathways to provide in-school work experiences and link into local “earn while you learn” pathways with wrap-around support. It will consist of both physical and virtual co-operative hubs, improve productivity through retaining young people, offer relevant vocational employment and training for the local job market and upskill/reskill small businesses that need support to build capability and capacity					
						

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
	 Wellington E2E Centre The E2E (Education to Employment) Centre is an inclusive initiative to increase educational and career prospects by partnering with youth-friendly employers to transit rangatahi into future work and life confidently, helping to reduce the number of youth not in employment or education. The initial focus will include establishing a sustainable scholarship programme to equip female Māori and Pasifika rangatahi for the workforce in key focus areas	Pilot the E2E business model by developing a Wellington city Education to Employment Centre	Wellington E2E Centre	Focus Futures, WNZ, commercial investors, business, MSD, MOE	2022 – 2023	Investment attraction
		Expand the E2E centre to include locations in the Hutt Valley and Porirua			2023 – 2024	
		Further expand the E2E centre to include locations in Kāpiti and Wairarapa			2024 – 2025	
	 Inclusive employment programme This programme will help job seekers secure employment in roles fit for their skillset, while helping employers find skilled staff to grow their businesses. The programme will support Māori, Pasifika, migrants and other ethnic communities through their whole job search process, providing personalised resources, advice and referrals. It will work with businesses to improve the inclusivity of workplaces across our region, making them more representative of our communities	Implement a pilot programme to help individuals find suitable and sustainable employment relevant to their area of expertise and education	Business Central	Ministry for Ethnic Communities, Ministry of Pacific Peoples, TPK, INZ, WNZ	2022 – 2027	Delivery
		Secure funding to expand the Inclusive Employment Programme to ensure full coverage across our region			2023	Investment attraction
	 Pasifika business enablement Build relationships and identify opportunities to support Pasifika businesses grow capacity and capability, with the aim to reduce unemployment and increase participation in the workforce and therefore improve quality of life	Explore options to grow the capability and capacity of Pasifika businesses	Wellington Pasifika Business Network and WNZ	Pasifika Business Networks, Central Pacific Collective, Pacific Business Trust	2022 – 2023	Planning

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Leveraging programmes to encourage innovation, showcase our region and build on our global reputation						
	International GovTech Summit Position our region as a global leader by hosting a biennial GovTech Summit, shining a spotlight on public sector innovation and our region. The GovTech sector is expected to grow significantly and will help attract global talent and start-ups to our region, create and grow new companies and develop a highly-skilled workforce. The summit will attract Government leaders and changemakers worldwide, increase international visitors and students, grow international spend and build our global reputation for innovation	Deliver a biennial International GovTech Summit to showcase our region to the world	CreativeHQ	Businesses, local and central government, mana whenua, WNZ	2022 – 2027	Investment attraction
						
	Scale up CreativeHQ start-up programmes Scaling up CreativeHQ's start-up programme offering will provide founders with support on their full journey from idea to growth, leading to more quality founders and ventures, an increase in jobs, and improved connectivity of the start-up eco-system in our region. The programmes will include strong female and Māori representation and actively build collaborations and partnerships with iwi	Secure funding to deliver scaled-up start-up programmes	CreativeHQ	Mana whenua, Callaghan Innovation, WNZ	2022 – 2027	Investment attraction
		Introduce a robust pre-incubation programme to upskill and prepare founders not yet ready for incubation/acceleration, building a pipeline of companies to be founded				
		Expand incubation and acceleration programmes, to increase the number of programmes run and founders supported per year, anchoring founders in our region to build growth businesses here				
		Introduce post-programme support to alumni companies, helping founders overcome early hurdles and secure investment to scale-up				

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Water accessibility and security

Ko te wai oranga o ngā mea katoa
Water is the life giver of all things

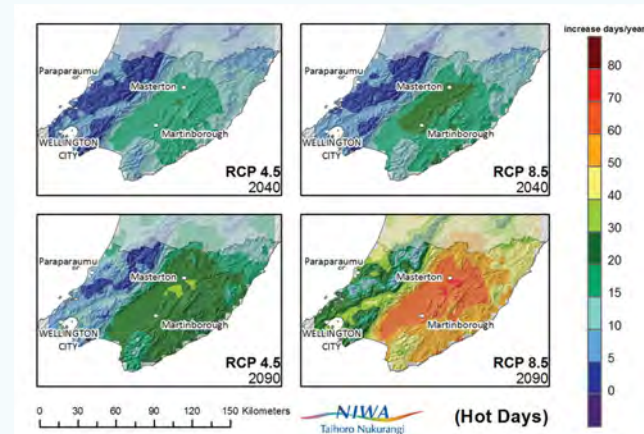
Water is the blood of the earth mother Papatūānuku and the rivers are her veins. It is her who has given us life from time immemorial and it is with her that solutions to climate change lie. Water is critical to our lives, our wellbeing, and our potential. Our water system needs to be carefully balanced now while we have the time to protect, safeguard and enhance our natural environment, while developing resilient water sources, education, recreation and businesses.

The principles of Te Mana o te Wai, embodied as a fundamental concept in the National Policy Statement for Freshwater Management,⁵² reflect the vital importance of water and how all resourcing decisions must be prioritised (in this order):

1. The health and wellbeing of water
2. The health needs of people
3. The ability of people and communities to provide for their social, economic and cultural wellbeing.

Recent climate change studies⁵³ forecast that our region will experience increased variability and extremes of weather conditions, to the extent that water reliability and security will become critical in some areas. While the Western Growth Corridor is projected to be slightly wetter, Wairarapa is expected to be drier and warmer as the most severely affected part of our region, creating significant challenges to our economy and urban development.

The maps below depict the projected increase in hot days across our region for two climate change scenarios (referred to as Representative Concentration Pathways or RCPs). Emissions in RCP 4.5 on the left assume emissions peak around 2040 and then decline, though now we are trending close to RCP 8.5 based on business-as-usual high emissions. This means that by 2040 inland Wairarapa may experience up to 30 more hot days (with a maximum temperature higher than 25°C) a year and by 2090 most of Wairarapa may have up to 70 more hot days a year – a significant increase given Wairarapa currently has about 24 hot days per year. Emissions in RCP 4.5 on the left assume emissions peak about 2040 and then decline.



In the face of climate change effects coupled with the need to ease pressures on the natural environment through the introduction of the Te Mana o te Wai and Whaitua Implementation Plans,⁵⁴ access to reliable water (run-of-river and aquifers) will diminish in many areas, especially in Wairarapa, at critical times of the year.

Water is delivered to urban and rural businesses across our region through municipal supplies, direct extraction from surface waterbodies or groundwater, all of which add pressure on water sources. Water sources can run dry or be deprived of naturally occurring elements resulting in the need to resort to back-up sources. For example, when river levels are low in Kāpiti, a river recharge scheme takes water from Waikanae River and tops it up with groundwater below the treatment plant.

Reliable water means security for businesses to continue to operate and guarantees quality, quantity and growth of production. Compared with Wairarapa, there is a good water storage buffer in the Wellington metropolitan area, including Upper Hutt, Lower Hutt, Porirua and Wellington city. In addition to the Hutt Valley aquifers, the Te Mārua lakes can supplement supplies for two to three months depending on demand and the amount of water available from other sources. Despite this, further ways to supplement storage and sources for the metropolitan area are being investigated.

The possibility of water metering as one tool towards water management is being considered by Wellington Water on behalf of its council shareholders.⁵⁵ Most properties on the Kāpiti Coast already have water metering, which has resulted in water consumption reducing by 26%. There is a need to continue implementing demand management across our region to build resilience and support the development of new businesses and industry.

Issues and opportunities

Rural and urban Wairarapa is projected to be most severely impacted by the effects of climate change and is already facing an unreliable water supply, accessibility and security issues. Wairarapa needs appropriate infrastructure, environmental management and overall settings to be available to take advantage of economic development opportunities, especially in agriculture and tourism.

1. Water quality - Wairarapa's urban areas experience relatively frequent "boil water notices" due to malfunctions in municipal supply networks like infiltration of pathogens or high sediment loads from floodwater contamination.

The main sectors that contribute to the Wairarapa economy and major employers like accommodation and hospitality, primary industries, food and fibre and manufacturing are all heavily reliant on access to a good, secure water supply.

The collective impacts of climate change and tighter rules and regulations for water management will, and already are, impacting on the existence of established business, inhibiting new business and constraining population growth in Wairarapa. This is testing the viability of some existing processors and access to water is increasingly identified as a barrier to investment.

2. Water quantity - In the primary industries, water storage supplied by direct extraction from surface and groundwater is currently limited to a few farms and vineyards, however hydrology knowledge of Wairarapa catchments is limited. Reliable water provides certainty to rural activities as it improves the quality, quantity and timing of crops.






Masterton has an average of one day of municipal water storage during winter which reduces to just half a day in summer.⁵⁶ Other towns in Wairarapa have similar issues and their small councils are already facing considerable costs for upgrading and maintaining their municipal water infrastructure relative to their rating base. Without additional storage, together with other water resilience modes, this situation will only get worse with climate change and population growth compared to other parts of our region.

Over the summer months, some businesses already report experiencing reduced operations to conserve water resulting in lost productivity, reduced hours and lower income for employees.⁵⁷ Wairarapa's rural sector will continue to suffer, if not decline, if it's unable to adapt or take up new opportunities that climate change will bring. A catchment-wide rather than individual farm holding approach is required to enable the scale and nature of such changes to be successfully implemented.⁵⁴

3. Collaboration and partnerships are the future - We need to work together in partnership with all interests towards solutions that offer multiple benefits, including through a range of complementary actions across demand, supply, data and information, regulatory systems and frameworks.

The complexity of the issues and range of solutions has brought several organisations together, including regional and local councils, Wellington Water, Rangitāne Tū Mai Rā Trust Wairarapa, Ngāti Kahungunu, the Wairarapa Economic Development Strategy, WellingtonNZ, central government and other local interest groups. The local councils have ongoing work programmes to manage urban water conservation, including the provision of potable water.

Looking ahead, the Wairarapa Economic Development Strategy places emphasis on water resilience and the Water Resilience Strategy⁵⁸ creates a 10-year vision for water resilience planning. Strong leadership, sustained focus and tangible action is required to meet the sustainable water challenges, improve productivity and build resilient infrastructure for a better future.

SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Implement solutions to enable water accessibility and security in Wairarapa						
    	Wairarapa water resilience implementation plan Wairarapa requires secure, safe and optimised water solutions to provide for continued economic development and growth	Finalise the refreshed Wairarapa Water Resilience Strategy (WWRS), develop an implementation plan to give aligned guidance on direction and priorities for Wairarapa and implement actions	GWRC	GWRC, MDC, CDC, SWDC, Wairarapa Committee, WEDS, Wellington Water, iwi	2022 – 2025	Planning
		Develop an implementation plan among key stakeholders and define the initial governance structure and project list/programme of work	WRLC Secretariat	GWRC, MDC, CDC, SWDC, Wairarapa Committee, WEDS, Wellington Water, iwi, MPI, MBIE, MFE, Wairarapa Water Users Group, Federated Farmers	2023 – 2024	Delivery
		Appoint staff to form part of the WRLC secretariat for a period of two years, to co-ordinate the various initiatives to be undertaken by individual agencies to ensure integration and direction and to drive the initial stages of the implementation entity	WRLC Secretariat	GWRC, MDC, CDC, SWDC, Wairarapa Committee, WEDS, Wellington Water, iwi, MPI, MBIE, MFE, Wairarapa Water Users Group, Federated Farmers	2023 – 2025	Delivery
		Incentivise/co-fund and support businesses to find innovative or more efficient options for water usage, such as Reverse Osmosis Systems, to reduce reliance on public supply networks	WRLC Secretariat	GWRC, MDC, CDC, SWDC, industry bodies, iwi, businesses, Callaghan Innovation, MBIE, MPI, MFE, Wairarapa Water Users Group, Federated Farmers	2022 onwards	Planning

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Resilient infrastructure

Public infrastructure is infrastructure owned by and/or available for use by the public and is a fundamental part of how local and central government contributes to the wellbeing of our communities. Our infrastructure provides many of the services that make our region a great place to live, work and play, while also having essential functions that impact the quality of our environment.

Strategic public infrastructure investment can provide a range of economic benefits and economic development opportunities. For example, infrastructure decision-making can impact our transition to a low carbon economy and increase our resilience to climate change. The WRGF has a priority focus on infrastructure and our plan aims to complement this from the perspective of improving our economic resilience.

Investment in public infrastructure raises GDP. For example, a 1% increase in infrastructure expenditure by central government raises regional GDP by 0.14%.⁵⁹ The economic benefits are more than just the creation of short-term stimulus into the economy through employment and act as an enabler for the longer-term conditions for future growth and prosperity.

Our region aims to become the headquarters of the publicly-owned water entity in the three waters reform package. Our ambition is to develop the skills and capability needed to build and enhance water infrastructure across our region and beyond. We are well-placed to work with councils and communities to deliver better health and wellbeing outcomes, protect our environment for future generations and build on our established education and skills development facilities such as the Wellington Water Infrastructure Skills Centre.

Our region is planning investments across a range of transformational public infrastructure in coming years. These projects bring possible benefits and risks for urban, social and economic development in their surrounding communities. It is important to take an intentional and co-ordinated approach so the wider benefits of these projects are optimised and realised.

Long-term plans for all councils across our region indicate infrastructure expenditure of more than \$6b over the next 10 years, including about:

- \$1.12b in transport over the next three years and potential for spending up to \$2.28b⁶⁰
- \$273m of infrastructure to be delivered by Wellington Water over the same period⁶¹
- \$377m construction activities in the wider public sector over the next three years⁶²
- \$400m initial capital investments on the regeneration of CentrePort and the roll-on-roll-off ferry terminal⁶³
- \$4b on the Let's Get Wellington Moving programme⁶⁴

The challenge is how to leverage these investments for maximum economic, social and environmental benefit, including protecting against economic loss from emergency events. We will continue to work with other sectors and enablers to ensure investments being made in infrastructure projects over the coming years lead to increased skills, talent, education and technology opportunities.

Issues and opportunities

There is an opportunity to align with, and complement, the WRGF to enable, support and, in some cases, activate certain aspects of the WRGF such as exploring a regional spatial view on industrial and business parks or investigating the need for a regional distribution centre instead of distributing inbound goods on road from Auckland. Our region has not previously demonstrated a co-ordinated approach towards industrial land use nor taken a region-wide view on how and where to bring businesses into our region.

Building enabling infrastructure will help realise the opportunities and unlock potential in the key sectors. Initiatives that improve connectivity of freight and commuters will become increasingly important as our regional population grows, for example, the electrification of the rail service north of Kāpiti to Levin, and improvements to the safety and resilience of the Ōtaki to north of Levin transport corridor. Our plan will continue to support development of the Wellington rail programme business case to invest in addressing inconsistent customer experience and capacity, updating infrastructure to safely accommodate additional trains and configuring the network to make it less vulnerable to disruptions.

There are four key areas we need to target to build solid foundations that support our focus areas:

1. Direct benefits - The current and planned investment will lead to an increase in direct employment across our region, not only in construction work but also in ancillary supporting services, in addition to the new assets. This will create a direct economic impact from employee expenditure.

The public infrastructure investment will create options for private sector capital and development to add further investment into the region.⁶⁵ Decisions around local investments should demonstrate and articulate the wider community benefits.

The scale of investment means there are opportunities to provide direct and targeted equitable benefits to a more diverse supplier base, through targeted supplier development and purchasing initiatives for the likes of Māori and Pasifika businesses which often face barriers to public procurement processes.








2. Indirect benefits - Robust and accessible infrastructure positively contributes to wellbeing and central government has made it a priority for infrastructure investment to add to the health and wellbeing of current and future generations.⁶⁶ Some indirect benefits will support our region to be a destination of choice, improve quality of life and develop a liveable attractive region where it is easy to live, work and play.

3. Resilience - There are a range of strategic economic benefits that flow from, or can be achieved by, infrastructure investment. Supporting and enhancing regional resilience would ensure our region could continue to work or recover quickly in the aftermath of an adverse event. For example, the Hutt Valley is likely to be isolated after a major earthquake.

Improving our regional resilience has economic and wellbeing dimensions. It fits well within the PRISM framework⁵ and there are several regionally-significant projects in the Wellington Lifelines Group business case which could be supported to deliver a more reliable and resilient region. Some of these could be coordinated with planned development such as potential rail improvements.

4. Skills shortages - The growth in infrastructure investment will require the development and growth of the construction and infrastructure sector workforces. These sectors have already grown in recent years and are currently experiencing skills shortages. Construction and infrastructure have been identified as two of the six priority sectors by the Wellington Regional Skills Leadership Group, which also highlights the opportunity for increasing diversity in these workforces as they grow.⁶⁷



SO	Opportunity	Actions	Lead	Key partners	Estimated timeframe	Stage
Future-proofing the skills of our people and the needs of our sectors in STEM						
	Seismic strengthening of 33kV cables Wellington Electricity's Asset Management Plan identifies this project as a key enabler of operating several other infrastructure types. It will benefit the entire region and have direct public health benefits through improved resilience of electricity supply to hospitals, medical facilities and provide greater access to power lines for charging electric vehicles and other non-fossil-fuel-run facilities	Advocate for an accelerated programme to strengthen the 33kV cable network within 21 years rather than 50 years, increasing resilience in the electricity network	WRLC	Wellington Electricity, Wellington Lifelines	2022 – 2024	Advocacy
						
	Rail slope stability The Wellington Lifelines Regional Resilience Project identified the significant risk of slope failure in an adverse event and that seismic strengthening of the structures and slopes is required along the North Island trunkline and Hutt Valley to Wairarapa line. It would enable freight and commuter trains to be back running earlier and with greater reliability after a seismic event	Advocate for an accelerated programme to implement seismic stability work on the regional railway network increasing resilience in the freight and commuter rail network	WRLC	KiwiRail, Wellington Lifelines, MOT, GWRC as rail operator	2022 – 2024	Advocacy
						
Research to prepare our region for commercial and industrial developments						
	Research industrial and business park land requirements Research is required to ensure sufficient available land is ready to support commercial and industrial developments across our region. This will support and retain new and emerging businesses and attract others to our region, enabling ongoing sustainable development for our regional workforce to grow through employment opportunities, and amenities that will allow additional people to live within our region	Identify the requirements for industrial and commercial land in our region considering social and environmental aspects, and interventions needed to provide land	WRLC	GWRC, territorial authorities, iwi, large industrial land users including CentrePort, large developers/land owners, WNZ	2022 – 2023	Research
						
						

Implementing the plan

Overall governance, management, and how we will work alongside each other to implement the Regional Economic Development Plan is highlighted in the table below:

Governance	Steering group	Programme management office	Initiatives
<p>Overall programme governance sits with the WRLC as decision-makers across the region with responsibility for this plan.</p> <p>The WRLC is supported by the WRLC secretariat, responsible for oversight, monitoring and reporting on the three focus areas of the WRLC.</p>	<p>The steering group made up of business, mana whenua/Māori economic development, and local and central government representatives will be responsible for the successful operational delivery of the plan and incorporate different perspectives from across our region. It will be chaired by the Chief Executive of WellingtonNZ, the regional economic development agency.</p>	<p>The Programme management office (PMO) co ordinate planning and reporting to the steering group and WRLC secretariat to ensure requirements are met, including inputs to decision-making forums that support the WRLC.</p> <p>The PMO and wider WNZ team will support project leads of initiatives to identify support required, networks and funding pathways, to help successful delivery of the initiatives.</p>	<p>Ultimately, the accountability and success of each initiative remains with the project lead. Project leads and teams will manage their initiatives and work with the PMO to identify support required and report on progress, risks and issues on a regular basis. This will contribute to a dashboard to oversee the operational delivery of the plan and outcomes achieved.</p>



Monitoring and reporting

The following table highlights how we will monitor our regional performance. This will be complementary to the WRLC dashboard reports that provide a holistic measure on interrelated areas such as infrastructure, transport and the transition to a low carbon economy.

MONITORING METRICS: Indicators to be used to monitor progress against our strategic objectives	
REGIONAL INDICATORS: Indicators to be monitored at a regional level	
<h3>QUALITY OF LIFE</h3> <p>Overall satisfaction with life Measuring the overall satisfaction with life of residents will provide an indication on social well-being. <i>Frequency: Biennially</i> <i>Source: Quality of Life Survey, Nielsen's</i></p> <p>The ability of income to meet every day needs Monitoring the percentage of residents' ability to meet every day needs with their income provides an indication of the social and economic health of the residents of the region. <i>Frequency: Biennially</i> <i>Source: Quality of Life Survey, Nielsen's</i></p>	<h3>EMPLOYMENT</h3> <p>Jobs filled The number of jobs filled across our region will give an indication of our regional economic performance. <i>Frequency: Quarterly</i> <i>Source: Jobs filled, StatsNZ</i></p> <p>Labour force participation rate by ethnic group (European, Māori, Pasifika and Asian) <i>Frequency: Quarterly</i> <i>Source: Household Labourforce Survey, StatsNZ</i></p> <p>GDP per capita will be used to capture the average economic wellbeing of our region overtime <i>Frequency: Annual</i> <i>Source: Regional GDP from StatsNZ divided by estimate population, StatsNZ</i></p>
<p>Population It's important to monitor the population growth over time to understand the infrastructure and resource needs of our region. <i>Frequency: Annual</i> <i>Source: Estimated population, StatsNZ</i></p> <p>Estimated working-age population Monitoring the change in the working-age population by ethnic group in each corridor will provide an indication of the changing workforce over time. <i>Frequency: Annual</i> <i>Source: Estimated population, StatsNZ</i></p>	<p>Jobs and outcomes created through the initiatives in this plan Will indicate the impact of our plan <i>Frequency: Annually</i> <i>Source: Reports from project leads</i></p> <p>Unemployment by ethnic group (European, Māori, Pasifika and Asian) <i>Frequency: Quarterly</i> <i>Source: Household Labourforce survey, StatsNZ</i></p> <p>The average income per capita determines the average per-person income and evaluates the standard of living of our population. <i>Frequency: Annual</i> <i>Source: Infometrics</i></p> <p>The number of people on the Work-Ready Job Seeker benefit is a timely measure that provides an indication of how many people in our regional economy are ready and seeking work. <i>Frequency: Quarterly</i> <i>Source: Main Benefits report, MSD</i></p>
<h3>GROWTH CORRIDORS: Indicators to be monitored at a growth corridor level</h3>	
<h3>KEY SECTORS</h3> <p>GDP contribution to the region <i>Frequency: Annual</i></p> <p>Growth in the number of jobs filled <i>Frequency: Annual</i></p> <p>The number of business units <i>Frequency: Annual</i></p>	

Glossary

The following Māori terms have been used in this plan:

Hapū	Sub-tribe/kinship group	Mātāwaka	Tribe/kinship group	Te Moananui a Kiwa	
Iwi	Tribe/extended kinship group	Moemoea	Vision	Te Upoko o Te Ika	Wellington region
Kāinga	home/land	Mokopuna	Grandchild/ren	Teina	Mentee/junior relative
Kaitiakitanga	Guardianship	Pā	Fortified village	Tikanga	Correct procedure/custom
Kupu	Word	Pou	Pillars	Tuakana	Mentor/more senior branch of the family
Manaaki	Hospitality/ take care of	Rangatahi	Youth	Uri	Descendant/successor
Mana whenua	Authority over land or territory	Rangatiratanga	Chieftainship	Whakapapa	Genealogy
Manuhiri	Visitor	Takiwā	Region	Whakatauāki	Whakatauāki
Marae	Meeting ground	Tamariki	Children	Whatukura	Male spiritual being
Mareikura	Female spiritual being	Tangata whenua	Local people/people born of the whenua	Whānau	Family
Mātauranga	Knowledge/wisdom	Tangihanga	Funeral	Whenua	Land

Acronyms

The following acronyms have been used in this plan:

CDC	Carterton District Council	MCH	Ministry for Culture and Heritage	TPK	Te Puni Kōkiri
CHQ	Creative HQ	MDC	Masterton District Council	UHCC	Upper Hutt City Council
DOC	Department of Conservation	MFE	Ministry for the Environment	UNESCO	United Nations Educational, Scientific and Cultural Organisation
HCC	Hutt City Council	MOE	Ministry of Education	WCC	Wellington City Council
INZ	Immigration New Zealand	MOT	Ministry of Transport	WDC	Workforce Development Council
GDP	Gross Domestic Product	MPI	Ministry for Primary Industries	WEDS	Wairarapa Economic Development Strategy
GWRC	Greater Wellington Regional Council	MSD	Ministry of Social Development	WNZ	WellingtonNZ
HDC	Horowhenua District Council	PCC	Porirua City Council	WRGF	Wellington Regional Growth Framework
KCDC	Kāpiti Coast District Council	RSLG	Regional Skills Leadership Group	WRLC	Wellington Regional Leadership Committee
MBIE	Ministry of Business, Innovation and Employment	STEM	Science, technology, engineering and manufacturing		
MBN	Māori Business Network	SWDC	South Wairarapa District Council		

End notes

- 1 You have your house of knowledge, I have my house of knowledge
- 2 Decent work (ilo.org)
- 3 Wellington Regional Leadership Committee (wrlc.org.nz)
- 4 Wellington Regional Economic Development - Phase 1: Literature and Data Review - 11 June 2021 (gw.govt.nz)
- 5 The PRISM Regional Economies Framework (growregions.govt.nz)
- 6 Martin Jenkins Independent Review and Advice on WREDP – Final report 11 April 2022
- 7 BERL - Māori Economy in the Greater Wellington Region - 30 March 2018 (wrgf.co.nz)
- 8 Seismic Policy, Operations, and Research Uses for a Building Inventory in an Earthquake-Prone City - 2020 (doi.org/10.1007/s13753-020-00313-7)
- 9 The Economist (safecities.economist.com)
- 10 Global Liveability Index 2022 Report - Economist Intelligence Unit (eiu.com)
- 11 Innovation Cities™ Index - City Rankings (innovation-cities.com)
- 12 Exploring Omicron's potential economic impact on New Zealand (infometrics.co.nz)
- 13 As measured by Nielsen bi-annual Quality of Life Survey. In 2020, 89% of Wellington region's residents quality of life was positive, while only 56% of residents reported having enough or more than enough income to meet their everyday needs.
- 14 Wellington Regional Growth Framework Report - July 2021 (wrgf.co.nz)
- 15 New Zealand firms: reaching for the frontier - Final report April 2021 (productivity.govt.nz)
- 16 A new wave of innovation hubs sweeping the world (forbes.com)
- 17 Wellington Chamber of Commerce Business Confidence Report 2022
- 18 New Zealand's most creative city in 2021 (infometrics.co.nz)
- 19 Note data not available for Horowhenua
- 20 Economic context to the Wellington Regional Screen Sector Strategy 2022
- 21 Wellington Regional Screen Sector Strategy 2022
- 22 Fire Appliances Archives - Fraser Engineering (fraser.org.nz)
- 23 Our Boats — WEBBCo (electricboatbuilders.co.nz)
- 24 Infometrics - GDP contributions by industries 2021
- 25 Infometrics - employment by industries 2021
- 26 New Zealand has relatively few large manufacturers to give the sector public recognition, for example, only 4% of New Zealand's 21,528 manufacturing firms have more than 50 employees.
- 27 Megatrends affecting NZ's working environment (infometrics.co.nz)
- 28 Industry transformation plans (mbie.govt.nz)
- 29 New Zealand Advertising Authority Report 2019 as reported in NZ Herald (nzherald.co.nz)
- 30 Deloitte Economics Report into the Economic Impact of AirBNB in Aotearoa 2018 (airbnb.com)
- 31 About Xero (xero.com)
- 32 Sharesies raises \$50 million, says it's now valued at \$500m (stuff.co.nz)
- 33 Kiwi fintech Hnry raises \$16m at \$100m valuation as 'The Great Resignation' fuels freelancing boom (nzherald.co.nz)
- 34 A West Coast Innovation Hub - Trade and Invest British Columbia (britishcolumbia.ca)
- 35 Monthly Regional Tourism Estimates for Greater Wellington Region – tables for year ending March 2020 (mbie.govt.nz)
- 36 Research for Tourism New Zealand shows that it takes 12 overnight trips from Kiwis to equal the spend of one international visitor and foreign tourists spend up to three times more a day than locals
- 37 Destination Management and why it's important (mbie.govt.nz)
- 38 Destination Stakeholder Consultation Feedback Research, WellingtonNZ and Tourism Recreation Conservation Consultants, March 2021; and Colmar Brunton Destination Management Plan Wellington Domestic Research, December 2020
- 39 Tourism 2025 & Beyond (tia.org.nz)
- 40 Wellington Chamber of Commerce survey 2022 - 71% of businesses surveyed agreed that "It is important that the Council and WellingtonNZ leverage our Capital City status to attract more visitors and tell our national and local stories."
- 41 Tourism Industry Transformation Plan (mbie.govt.nz)
- 42 Climate change projections for the Wellington and Wairarapa region (environment.govt.nz)
- 43 He Waka Eke Noa - Primary Sector Climate Action Partnership with industry, Māori and government (hewakaekenoa.nz)
- 44 As detailed in reports including Beef + Lamb New Zealand's Future of Meat report (beeflambnz.com)
- 45 Growing the productive base of Māori freehold land – further evidence and analysis (mpi.govt.nz)
- 46 Industry Transformation Plans (mbie.govt.nz)
- 47 Te Matarau a Māui (tematarau.co.nz)
- 48 Productivity Commission (productivity.govt.nz)
- 49 Infometrics, 2021
- 50 Labour market pressures here to stay (infometrics.co.nz)
- 51 Tertiary Education Commission - Drawing the Future research report, 2019 (tec.govt.nz)
- 52 National Policy Statement for Freshwater Management 2020 (environment.govt.nz)
- 53 Water Availability and Security in Aotearoa New Zealand, MPI (April 2021), Climate Change Projections for the Wairarapa, NIWA (September 2021), Climate Change & Variability Wellington Region, NIWA (June 2017)
- 54 Greater Wellington Regional Council — Whaitua: protecting the waters of your area (gw.govt.nz)
- 55 Wellington Water Economic Case for Providing Residential Water Consumption Information, October 2020 (wellingtonwater.co.nz)
- 56 Water Supply Asset Management Plan, Masterton District Council, June 2021
- 57 The Value of Resilient Raw Water Supply to a Community, UTILITY, December 2020
- 58 Wairarapa Water Resilience Strategy 2021
- 59 New Zealand Infrastructure Commission, Investment gap or efficiency gap? Benchmarking New Zealand's investment in infrastructure, December 2021 (tewaihanga.govt.nz)
- 60 Wellington Regional Land Transport Plan 2021 (gw.govt.nz)
- 61 Our water, our future - Wellington Water Statement of Intent 2021-2024 (wellingtonwater.co.nz)
- 62 Te Waihangā - New Zealand Infrastructure Commission pipeline (tewaihanga.govt.nz)
- 63 Ministry of Transport, Kiwirail's Interisland Ferry Replacement and the Wellington Ferry Terminal, November 2020
- 64 Greater Wellington Regional Council, Wellington Rail Programme Business Case - Wellington's Strategic Rail Plan, June 2022
- 65 A. Grimes, Infrastructure and Regional Economic Growth, (2021) Handbook of Regional Science
- 66 Global Infrastructure Hub, New Zealand puts wellbeing at the centre of infrastructure development, December 2020 (gihub.org)
- 67 Wellington Regional Skills Leadership Group - Wellington Regional Workforce Plan 2022



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Wellington Regional Leadership Committee
26 July 2022
Report 22.303



For Decision

WELLINGTON REGIONAL LEADERSHIP COMMITTEE ANNUAL REPORTING

Te take mō te pūrongo

Purpose

1. To advise the Wellington Regional Leadership Committee (WRLC) of the Annual Reporting for the 2021-2022.

He tūtohu

Recommendations

That the Committee:

- 1 **Agrees** to the content of the Annual Reporting as presented in [Attachment 1](#).
- 2 **Notes** that work on the format of the report is still to be completed.

Te horopaki

Context

2. In July 2021, the WRLC approved a number of projects as part of a programme of work.
3. The WRLC Secretariat has developed Annual Reporting that is intended to provide information and assurance to the WRLC and other stakeholders on how the programme of work has contributed to the WRLC's visions and objectives and a summary of project progress.

Te tātaritanga

Analysis

4. Annual Reporting on the activities of the WRLC is an important means of communicating the purpose of the WRLC, monitoring the alignment of projects against the overall objectives and providing an aggregate programme view and celebrating success.
5. Projects are included in the WRLC work programme on the basis that:
 - a They will significantly contribute to the WRLC's priority areas (housing, climate, iwi capacity, transport and economic development),
 - b The value of taking a coordinated approach to these particular projects includes a better approach to planning, involvement of key project partners and improved communications and engagement.

6. The report in **Attachment 1** tells the story of the WRLC for the last 12 months, as well as provides each project's highlights, and aspirations for the year to come.
7. As this is a report for 2021-2022, only projects that have commenced in this timeframe are included in the report.
8. Positive feedback was received from the WRLC CEO Group meeting of 15 July 2022 on the content of the report. The CEO Group agreed that the report effectively fulfils its purpose.

Ngā hua ahumoni Financial implications

9. While there are no funding implications from the Annual Reporting, it provides a summary of the annual financial activity and reflects the funding principles as agreed with local government and central government partners.

Ngā Take e hāngai ana te iwi Māori Implications for Māori

10. All projects listed include objectives to create better outcomes for Māori;
 - a to help overcome iwi capacity and capability challenges in being involved in all our projects (Iwi Capacity and Capability project)
 - b improving housing outcomes for Māori (Regional Housing Action Plan, Levin Taitoko Structure Plan, Te Mahere Tupu - Lower Hutt Structure Plan, Ōtaki Pilot Project, Complex Development Opportunities)
 - c ensuring that the Māori voice is reflected in our strategies and plans (Regional approach to climate change, Regional Emissions Reduction Strategy, Wellington Regional Growth Framework and Regional Policy, Future Development Strategy, West-East Connections)
 - d creating better economic development opportunities for Māori (Regional Economic Development Plan)
11. While there are challenges in ensuring that there is iwi representation in each project, iwi members sit on the WRLC, and they have been part of the programme decision making processes.

Ngā tikanga whakatau Decision-making process

12. The matters requiring decision in this report were considered by officers against the decision-making requirements of the Local Government Act 2002.

Te hiranga Significance

13. Officers considered the significance (as defined in Part 6 of the Local Government Act 2002) of the matters for decision, taking into account Greater Wellington Regional

Council’s *Significance and Engagement Policy* and *Decision-making Guidelines*. Officers recommend that the matters are of low significance given their administrative nature.

**Te whakatūtakitaki
Engagement**

- 14. None of the matters in this report required external engagement. The attached Annual Reporting has been discussed at the WRLC Senior Staff Group meeting on 6 July 2022 and the WRLC CEO Group meeting on 15 July 2022.
- 15. Feedback from both these meetings has been incorporated into the final Annual Reporting document.

**Ngā tūāoma e whai ake nei
Next steps**

- 16. When approval is given to the content of the report, it will be finalised by the designer.
- 17. The final report will then be made available on our website and through other sources.

**Ngā āpitihanga
Attachment**

Number	Title
1	Wellington Regional Leadership Committee Annual Reporting 2021-2022

**Ngā kaiwaitohu
Signatories**

Writer	Allen Yip – Programme Manager, Wellington Regional Leadership Committee
Approver	Kim Kelly – Programme Director, Wellington Regional Leadership Committee Luke Troy – Kaiwhakahaere Matua Rautaki General Manager Strategy

<p>He whakarāpopoto i ngā huritaonga Summary of considerations</p>
<p><i>Fit with Council's roles or with Committee's terms of reference</i></p> <p>The WRLC has specific responsibility for the work programme and other matters of regional importance. The reporting is to enhance the WRLCs ability to fulfil its responsibilities.</p>
<p><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></p> <p>The regular reporting to the WRLC will provide it with a mechanism to monitor the implementation of the Wellington Regional Growth Framework.</p>
<p><i>Internal consultation</i></p> <p>Information and analysis in this report has been discussed at the WRLC Senior Staff Group meeting and WRLC CEO Group meeting. Their views are incorporated into this paper.</p>
<p><i>Risks and impacts - legal / health and safety etc.</i></p> <p>There are no known risks.</p>

Wellington Regional Leadership Committee Annual Reporting 2021-2022

Note: content only at present – the document will be presented in a design format.

Forward from the Chair

It is a pleasure to present the first Annual Reporting for the Wellington Regional Leadership Committee (WRLC).

The WRLC is a joining of local government, iwi and central government in the Wellington-Wairarapa-Horowhenua region, formed to activate better cross-agency collaboration to work together to positively shape the future of the region. The WRLC members are identified in Section 2.2 of this report.

The WRLC is tasked with driving the implementation of the Wellington Regional Growth Framework and to oversee Regional Economic Development and Regional Economic Recovery in the region.

Highlights of year one of the WRLC include:

- Establishing the largest joint committee in NZ, a significant milestone in the history of our region. A new platform and way of working, connecting diverse partners to break down silos and support greater alignment and efficiency. We have drawn in stakeholders to consider issues from a collective-responsibility lens, to seek consensus through honest conversations, and enable thought-leadership.
- Implementing a comprehensive work programme across key issues of housing, iwi capacity, climate change, transport and economic development.
- Completing and getting signoff by the Committee for a Regional Housing Action Plan, an Iwi capacity and capability scoping report and a Regional Economic Development Plan.
- Holding an Inaugural Annual Partners Forum – we brought together governance members of all partners to the Committee, to socialise our work programme, enable networking, and workshop questions relating to the future development strategy. The 85 attendees included councillors, iwi board members and central government agency officials, along with WRLC project teams.

Key central government agencies actively involved in our work programme include the Ministry of Housing and Urban Development (MHUD), Kāinga Ora and Waka Kotahi. Throughout the year we have also been working with Te Puni Kokiri, Ministry of Education and Ministry of Business, Innovation and Employment.

I look forward to seeing the work that is currently underway being completed and excited by the new projects commencing in the 2022-2023 year. You can read about these projects in Section 1.1 of this report.

Hon. Tracey Martin, Independent Chair Wellington Regional Leadership Committee

Section 1: The Wellington Regional Leadership Committee Story

Since it was established in July 2021 under the Government's Urban Growth Agenda, the WRLC has progressed the agenda's purpose to improve alignment and coordination between central and local government and mana whenua in high growth urban areas.

Although daunting, a growth scenario of 200,000 more people in our region in the next 30 years, has catalysed a positive shift from a region where previously local government, central and iwi worked less together, with much duplicated effort, towards a more cohesive region with agreement on the importance of collective responsibility in order to unlock greater opportunities for our shared future,

In the first half of year one, WRLC agreed its [objectives](#), including to embed collective responsibility for growth-related issues, to look for opportunities for alignment and efficiency to maximise resources and impact, and shifted to a collective decision-making approach.

Partners have successfully established good working relationships and a culture of trust and cooperation, which has enabled the successful establishment and activation of 12 projects, three of which are now complete. These 12 projects each fall into one or more of the five key priority areas of transport, housing, iwi capacity, regional climate and emissions, and economic development.

Significant year one project milestones include completion of a Regional Housing Action Plan, Regional Economic Development Plan and an Iwi Capacity and Capability scoping report – to identify tangible action we can collectively take to empower iwi participation and partnership in future-shaping roles.

Activity is now occurring at a faster pace and in a more joined up local government, central government and mana whenua way than ever before in this region.

We are excited for year two and beyond, as the new platform of the WRLC works to make our growth story a positive one: continuing to unite as one voice for the region, enhancing opportunities for central government funding, more collaborations and alignment, and an increased focus on project implementation and increasing housing in the region through the focus on Complex Development Opportunities (CDOs) as outlined in the project section below.

We will continue to keep a line of sight with our objectives and desired outcomes: the wellbeing of all our region and its people. We will emphasise partnership values with iwi and aim to ensure that voice helps to shape our growth story.

1.1 Our projects during the 2021-2022 year

The WRLC has three areas of responsibility across our region. Information about our project is below in Diagrams 1 and 2 below and in Table 1.

Diagram 1: WRLC projects by key areas of responsibility

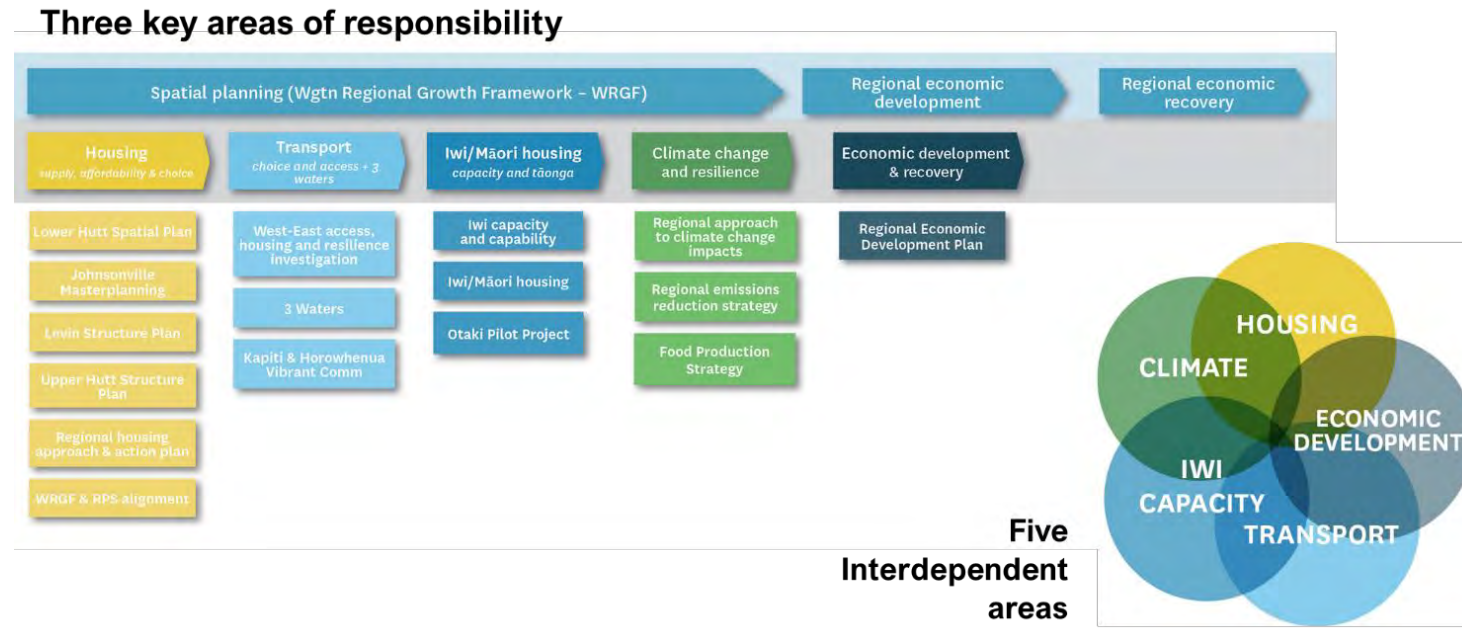


Diagram 2: WRLC projects by geographical area

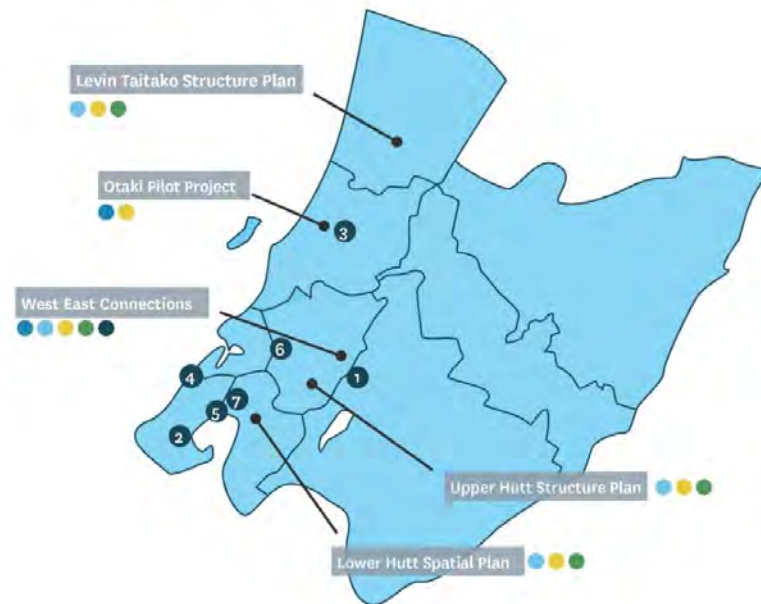
WRLC YEAR ONE PROJECT MAP

REGION-WIDE PROJECTS

- Iwi Capacity & Capability ●
- Future Development Strategy ●●●●●
- Regional Approach to Climate Change Impacts ●
- Regional Emissions Reduction Strategy ●
- Regional Economic Development Plan ●
- WRGF & RPS alignment ●●●●●
- Regional Housing Action Plan ●

- Complex Development Opportunities (CDOs) ●●●●●
- 1 Featherston Masterplan Development
- 2 LGWM - Courtenay Place to Newtown
- 3 Otaki
- 4 Porirua Northern Growth Area
- 5 Riverlink
- 6 Trentham
- 7 Waterloo Station Transport Oriented Development

LOCATION-SPECIFIC PROJECTS



KEY - FOCUS AREAS

- TRANSPORT
- CLIMATE
- HOUSING
- IWI CAPACITY
- ECONOMIC DEV

Attachment 1 to Report 22.303

An overview of our 2021–2022-year projects both active and complete is below. It should be noted that projects commenced at different times throughout the year. For further information on each project, please click on the link in each project.

WRLC Project	What happened this year?	And what will we be doing next year?
<p>Iwi Capacity and Capability Understand issues in iwi involvement in WRLC projects and identify preferred options to overcome capacity and capability challenges.</p>	<p>Workshops and one on one discussions with many stakeholders, to discuss options and help to inform a scoping paper.</p> <p>Completed. The Iwi Capacity and Capability scoping paper was approved by the Committee in May 2022. See Iwi capacity and capability - WRLC</p>	<p>The project will move into the implementation phase of the agreed opportunities in 2022-2023.</p> <p>The target is to establish active secondments, work placements or governance opportunities for each iwi partner to the WRLC.</p>
<p>Regional Housing Action Plan Develop a five-year plan that focuses on housing related interventions to 2027. It has been developed in the context of regional growth and significant reforms the government is proposing.</p>	<p>This project was commissioned and developed using a Steering Group of central and local government, mana whenua and the private housing sector</p> <p>Completed. The Regional Housing Action Plan was approved by the Committee in March 2022. See Regional housing action plan - WRLC</p>	<p>The project will move into the implementation phase to deliver quick wins and short-term success, achieving the Regional Housing Action Plan objectives.</p> <p>A joint implementation group will be responsible for delivery.</p>
<p>Regional Economic Development Plan Develop a Regional Economic Development Plan to identify priority sectors and initiatives for the next 10 years.</p>	<p>The key components for the Regional Economic Development Plan were agreed by the Committee in May 2022.</p> <p>Completed: The final Regional Economic Development Plan was approved by the Committee in July 2022. See [add link when approved and on website]</p>	<p>The project will move into implementation phase and building the pipeline of initiatives from the plan.</p> <p>A joint implementation group will be responsible for delivery.</p>

Attachment 1 to Report 22.303

WRLC Project	What happened this year?	And what will we be doing next year?
<p>Regional approach to climate change impacts Develop a regional understanding of the expected climate change impacts in the region over the next 100+ years and an approach that enables climate change adaptation</p>	<p>Underway: Work with a Beca-NIWA-GNS consortium has commenced to design the delivery of one of NZ's most complex climate change risk assessments.</p> <p>We have developed a bespoke methodology for the assessment and the consolidation of 200+ existing data sources already available into a centralised location.</p> <p>See Regional approach to climate change impacts assessment - WRLC</p>	<p>The next phase of the project will focus on the delivery of the assessment, design of an accessible GIS mapping tool that supports decision-makers across the region to incorporate climate risks</p>
<p>Regional Emissions Reduction Strategy Develop a collectively owned regional emissions reduction strategy which directs the transition to a no carbon region.</p>	<p>Underway: Work is underway to take stock of existing emission reduction plans in the region, identify gaps in emissions reduction action and analyse what issues that a regional emissions reduction strategy will need to address.</p> <p>See Regional emissions reduction strategy - WRLC</p>	<p>The project will move into the next phase which is to develop a collectively owned Regional Emissions Reduction Strategy which directs the transition to a no carbon region.</p>
<p>Wellington Regional Growth Framework and Regional Policy Develop the GWRC Regional Policy Statement (RPS) to provide the regulatory framework for the implementation of the Wellington Regional Growth Framework and give effect to national policy direction.</p>	<p>Underway: Development of Regional Policy Statement (RPS) Change 1 is underway and consultation is expected to commence in line with statutory requirements.</p> <p>See Wellington regional growth framework and regional policy statement - WRLC</p>	<p>In August 2022, proposed RPS Change 1 is expected to be approved for public submissions. Later in the process, hearings will be undertaken, under the formal plan-making process in Schedule 1 of the RMA, will follow.</p>

Attachment 1 to Report 22.303

WRLC Project	What happened this year?	And what will we be doing next year?
<p>Levin Taitoko Structure Plan Jointly develop a plan to transform community and housing development and maximise the benefits from changes occurring in road and rail services.</p>	<p>Underway: In first stage of this project, three scenarios for the future have been developed that present a range of exciting urban futures and clear spatial vision for the Levin/Taitoko region.</p> <p>See Levin structure plan - WRLC</p>	<p>The year ahead will see the testing of these scenarios and the deliverability of the ambition to ensure we have a credible and realisable plan with agreed responsibilities for delivery from the region's stakeholders.</p>
<p>Te Mahere Tupu - Lower Hutt Structure Plan Jointly create a plan guiding development of the valley floor that creates great places to live and work, improves health and wellbeing outcomes, providing a sense of community.</p>	<p>Underway: The project is in the initial phase. It has started with community engagements and hosted exhibitions in partnership with Victoria University where students explored different hypothetical design briefs to stimulate further thinking about how Te Awa Kairangi might evolve into the future.</p> <p>See Lower Hutt structure plan - WRLC</p>	<p>Next year the project team will undertake engagement with kahui/external stakeholder groups on current housing density implications and undertake a review of green spaces and transport.</p> <p>The spatial and structural plan for the City Centre will be finalised.</p>
<p>Ōtaki Pilot Project Facilitate housing development opportunities in Ōtaki, informing approaches to future housing provision (particularly papakāinga), and the development of supporting wider social and transport infrastructure, enabling people to live well, thrive and enabling the successful Māori-led housing responses.</p>	<p>Underway: This project is in its set up stage.</p> <p>See Ōtaki pilot project - WRLC</p>	<p>Te Puni Kokiri have agreed to lead this project as part of a broader initiative to support hapu and whanau in their papakāinga initiatives.</p> <p>The project is due to kick off in early 2022/2023 with a series of hui.</p>
<p>West-East Connections Explore opportunities for a new connection between the west and east of the region, providing transport, resilience, , housing and neighbourhoods, business and employment opportunities.</p>	<p>Underway: This project is in its set up stage.</p> <p>Waka Kotahi are working aligning the timing and resourcing of the Programme Business Case for this project with their Emission Reduction Plan.</p>	<p>The Programme Business Case for the West-East Connections will commence.</p>

Attachment 1 to Report 22.303

WRLC Project	What happened this year?	And what will we be doing next year?
	See West-east access, housing and resilience investigation - WRLC	
Future Development Strategy and Housing and Business Capacity Assessment Complete the Future Development Strategy by June 2023 to inform the 2024 Long Term Plans of councils, in a collaborative manner to reflect the WRLC partnership approach.	Underway: This project is in the setup phase. It has received Committee endorsement to proceed in 2022-23. See Regional Housing & Business Development Capacity Assessment 2022 - WRLC	Work will commence on the Housing and Business Capacity Assessment and Future Development Strategy with the aim of competing the Future Development Strategy in time to inform the Long-Term Plan process of councils in the region.
Complex Development Opportunities Create a partnership approach between local and central government and Iwi to deliver projects that are complex and significantly beneficial to the region	Underway: The following Complex Development Opportunity projects were selected by a task group, and approved by the WRLC: <ul style="list-style-type: none"> • Featherston Masterplan Development • LGWM - Courtenay Place to Newtown • Otaki • Porirua Northern Growth Area • Riverlink • Trentham • Waterloo Station Transport Oriented Development 	In the next year, the project groups will be formalised and the Complex Development Opportunity processes will be designed with the full participation of the project managers, project partners and the WRLC. We expect to see some accelerated housing development due to this work.

1.2 Our communication and engagement

Our first year focused on establishing our communications and engagement systems and processes, including writing our communications and stakeholder engagement strategy, building a website, developing a LinkedIn presence, and a monthly eNewsletter, which now goes to 515 subscribers. In year two as more projects move from planning to delivery, our communications will focus on building awareness of our work and why it matters for communities. Distribution of information will increasingly use our partners channels, and more news media.

We have had several thought-leadership pieces from those involved in the housing and urban development sector in our eNews – bringing innovative cross-sector thinking to our audience. Our contributors are briefed to craft a future-focused, vision-creating, relatable narrative. This will continue in year two, helping to bring partners and the community with us on this journey.

Attachment 1 to Report 22.303

Each WRLC project has a project lead, who manages the project team. Teams are generally comprised of local government, central government, iwi and private sector people. With our projects having many interdependencies, our communication across projects is vital. In year one we have held regular project lead meetings and several targeted project workshops such as iwi engagement. COVID has shifted many meetings to online, but we hope to have more in person meetings going forward.

In our first year we delivered two successful events, designed to increase awareness and support for our work. In June 2022 we held a breakfast meeting with Members of Parliament (MPs), presenting our work programme to the region's MPs. We shared our purpose, objectives, achievements so far, and our vision. We discussed how and why to support our work, and how we could help with their work. MPs were engaged and supportive.

Also in June 2022 we held our inaugural Annual Partners Forum, bringing together 85 attendees including elected officials from across the region, Iwi Board members, central government officials and the WRLC Project teams. Both events successfully created space for diverse stakeholders to join into dialogue, relationship building, and form new connections to amplify our collective impact.

1.3 Lessons so far

At the end of our first full year, our project leads, and the WRLC Secretariat reflected on what we have learnt, what we can apply to year two, and what these lessons might mean for others following us in this work in other parts of Aotearoa.

We would say:

1. Partnership is hard to achieve when not all partners start on an equal footing. Mana whenua input is critical, but project timelines don't always allow for the degree of participation required.
2. It's a slow job getting us all to work together, relationships and trust underpin everything, and while they can't be rushed, they save much more time in the long run.
3. Resourcing is a careful balance for partners – working on the WRLC versus business-as-usual work.
4. Funding is a thorny issue, but for most of the issues we are addressing in our work programme, it will cost the region far more later, if not addressed now, together.
5. Project teams for projects made up of local government, central government, Iwi/Māori and the private sector provides the most effective way to look at different opportunities and issues.
6. Collaboration to develop regionally consistent processes, information and tools is having far-reaching benefits across the region for the efficiency, equity, and effectiveness, beyond the delivery of the project outputs.
7. Clear communication messages are essential, especially reminding people about the reasons for the work, and its scope.
8. Regional collaboration/cooperation is full of promise – next year we will be leveraging the promise to land the commitment to delivery.

Section 2: The Wellington Regional Leadership Committee Compliance

2.1 How did we spend our money?

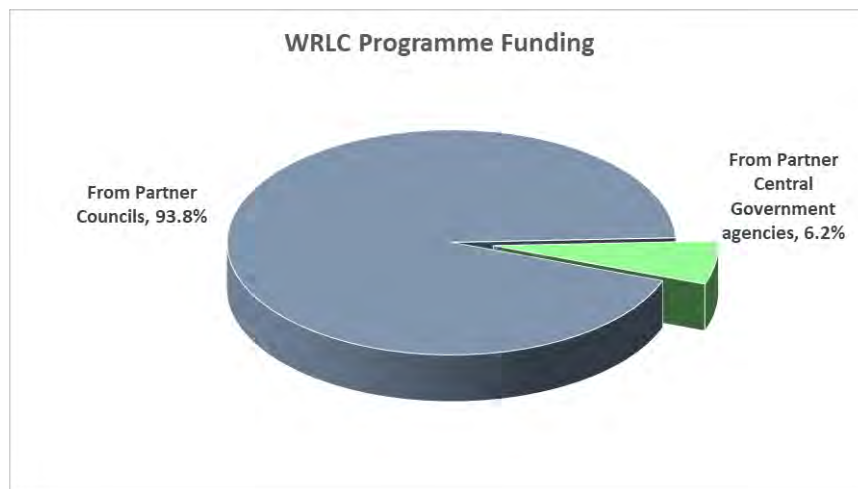
The WLRC and its work programme is funded through a couple of mechanisms.

The main focus of the WRLC Secretariat is project delivery and project funding is a key focus for us. A number of projects have a regional impact, and some may also be nationally significant. Some are oriented towards a local council area. The project’s emphasis determines how they are funded, and the WRLC’s level of interest in their financial management.

2.1.2 Operational funding

The WRLC operational costs are funded by all partner councils through both regional council rates and a separate contribution from Horowhenua District Council who are not in the rating district along with a contribution from central government. This can be seen in Diagram 3 below.

Diagram 3: WRLC operational funding by funder type



2.1.3 Project Funding

All councils contribute to projects with a regional impact, based on the proportion of their population in the region. Central government partners also contribute project funding to some projects with a regional impact, and of national significance. Ministry of Housing and Urban Development (MHUD), Kāinga Ora and Waka Kotahi have provided or committed funds for specific projects.

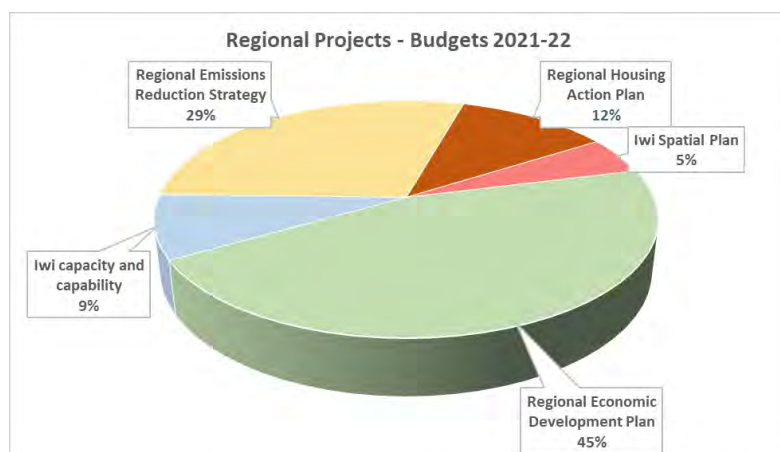
Due to this shared funding mechanism, the WRLC Secretariat is responsible for monitoring and reporting project financial management.

Projects that have a local focus are funded by the lead agency councils. While the WRLC has an interest in these projects' financial, they do not have responsibility for them.

Project costs are initially estimated at early stages of the project lifecycle, and the costs go through iterative cycles as the planning process matures. Approvals of cost provisions are an important part of the project authorisation process. This provides checks and balances that project teams are being careful with their project cost estimates, projects are scoped at an affordable level and project partners know what costs they are committing themselves to. While there is an abundance of thought and care in the costing process, the true costs cannot be known until the project is actually being delivered. The WRLC Secretariat's regular project status reporting helps to monitor this.

The summary of funding for regional projects expected to start in 2021-2022 can be seen in Diagram 4 below.

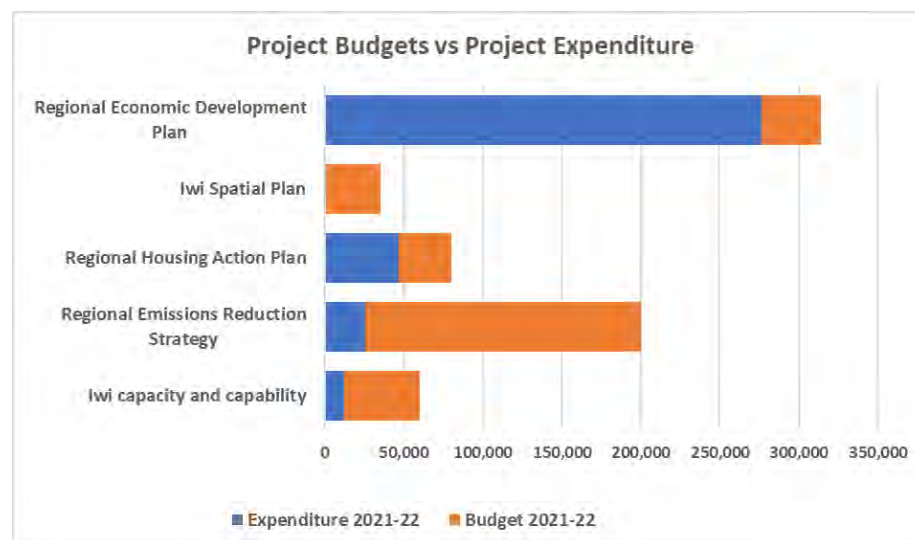
Diagram 4: WRLC project budgets



Attachment 1 to Report 22.303

The rate of project expenditure against budget is often a good indicator of progress against schedule. This is true for our projects. Diagram 5 shows how projects are tracking, noting that some projects are multiyear projects therefore we would not expect all the funds to be spent in this year.

Diagram 5: WRLC project budgets vs expenditure in 2021-2022



2.2 Who are we?

The WRLC is currently made up of representatives from the following:

- Local government representatives – Carterton District Council, Greater Wellington Regional Council, Horowhenua District Council, Hutt City Council, Kāpiti Coast District Council, Masterton District Council, Porirua City Council, South Wairarapa District Council, Upper Hutt City Council, Wellington City Council
- Iwi representatives - Rangitāne Tu Mai Rā Trust, Te Runanga O Toa Rangatira Inc, Port Nicholson Block Settlement Trust, Atiawaka ki Whakarongotai Charitable Trust, Te Runanga o Raukawa, Muaupoko Tribal Authority.
- Central government representatives - Minister Megan Woods (Minister of Housing) and Minister Michael Wood (Minister of Transport).
- Independent Chair – Hon. Tracey Martin



Attachment 1 to Report 22.303

The WLRC Secretariat includes a number of roles and is responsible for managing the process and work programme of the WRLC including WRLC meetings and agendas, project management, reporting, stakeholder relations and communications and engagement.

Wellington Regional Leadership Committee
26 July 2022
Report 22.311



For Decision

FUTURE DEVELOPMENT STRATEGY – WORKING CHALLENGES AND OBJECTIVES

Te take mō te pūrongo

Purpose

1. To update the Wellington Regional Leadership Committee (WRLC) on the Future Development Strategy (FDS) for the region.

He tūtohu

Recommendations

That the Committee:

1. **Endorse** the suggested new working Challenges and Objectives outlined in paragraphs 10 and 11 of this report.
2. **Note** that final wording for these Challenges and Objectives will be presented to the Committee at a later date.

Te horopaki

Context

2. At its meeting in March 2022, the WRLC agreed to support the proposed approach to undertaking the FDS and the next Housing and Business Development and Capacity Assessment (HBA) for the region.
3. The region currently has the Wellington Regional Growth Framework (WRGF) which is a 30-year spatial plan that describes a long-term vision for how the region will grow, change, and respond to key urban development challenges and opportunities in a way that gets the best outcomes and maximises the benefits across the region.
4. Work on the WRGF by our region began before the National Policy Statement on Urban Development (NPS UD) was released as a draft or adopted. Consequently, the WRGF was not prepared as an FDS, which is a requirement of the NPS UD for Tier 1 and 2 urban environments. Tier 1 and 2 urban environments in the Wellington-Wairarapa-Horowhenua area include Wellington City, Hutt City, Upper Hutt City, Porirua City and Kāpiti Coast District.
5. The agreed approach for the FDS is:
 - a. An FDS will be completed for the WRGF region and not just Tier 1 and Tier 2 councils.

- b This will be managed from the WRLC Secretariat and involve all partners and a wide range of stakeholders.
- c As the FDS is required to inform council Long Term Plans, the project timeframe must provide for having the FDS substantially complete by June 2023.
- d Whilst we need to complete the FDS from a compliance point of view, we can add other aspects into the FDS, and we should ensure that it meets our wider planning/urban development needs as well and is updated to reflect shifts in regional priorities and development.

Te tātaritanga Analysis

FDS activity update

- 6. Since the agreement in March 2022 to a joint regional FDS we have been completed or are currently undertaking the following activity:
 - e Commenced work on a project plan – an initial draft is complete and now needs input from the Steering Group and finalisation by the Project Lead.
 - f Commenced the process of recruiting a Project Lead on a fixed term contract to lead the work of the regional FDS and a regional HBA – this process is nearly complete.
 - g Commenced work on the HBA component of this project – this is being led by a resource from a partner council.
 - h Commenced the process of forming a Steering Group and working core team, as we did for the WRGF.
 - i Held a workshop at the WRLC Annual Partners Forum to test the Challenges and Objectives of the WRGF and the extent to which these are relevant for an FDS. Suggested changes to both the Challenges and Objectives based on this feedback are provided below and we recommend these are approved as “working” Challenges and Objectives.

Working Challenges and Objectives

- 7. The FDS development will require conversations and engagement with a wide range of stakeholders including as required under the NPS UD, infrastructure providers and developers. This is in addition to the local government, central government and iwi partners working together on the FDS.
- 8. Given we have already completed the WRGF, we are keen to commence these conversations with stakeholders with a set of working Challenges and Objectives based on that previous work.
- 9. They are “working” Challenges and Objectives in that they are a set to commence discussions and we would expect changes to these when they are brought back to the WRLC for final approval.
- 10. The information on Challenges is provided in the table below which includes comment from the WRLC Annual Partners Forum workshop on 27 June 2022. Suggested changes

in text in the last column are either underlined and in red for additional wording or crossed out.

WRGF Challenge	Changes suggested/thoughts	Suggested new working challenge for Future Development Strategy
<p>1. The region lacks sufficient and affordable housing supply and choice, housing affordability is declining and a significant investment in infrastructure is needed to enable enough housing and quality urban environments</p>	<ul style="list-style-type: none"> • Prioritise infrastructure spending given embodied carbon and need for lower emissions, transport and urban development • Intensification – where does it go? More into the city, higher, distribution? • Viable alternative to home ownership that allows stability/tenure building communities • Stigma of non-home ownership • Housing without implications – infrastructure, climate change 	<p>1. The region lacks sufficient and affordable <u>and quality</u> housing supply and <u>housing and tenure</u> choice, housing affordability is declining and</p> <p>2. A significant investment in infrastructure is needed to enable enough housing and quality urban environments, <u>with limited capacity to fund and deliver this and a limited ability to influence the infrastructure needed for “dense sprawl”</u>.</p>
<p>2. Many of the urban areas in the region are vulnerable to the impacts of natural hazards and climate change, and as the region grows and becomes more densely settled, it will become increasingly important to improve resilience and protect and enhance the region’s natural environment.</p>	<ul style="list-style-type: none"> • And carbon emissions 	<p>3. Many of the urban areas in the region are vulnerable to the impacts of natural hazards and climate change, and as the region grows and becomes more densely settled, it will become increasingly important to improve resilience and protect and enhance the region’s natural environment.</p>

WRGF Challenge	Changes suggested/thoughts	Suggested new working challenge for Future Development Strategy
3. There is inequitable access to social, educational and economic opportunities across the region.	<ul style="list-style-type: none"> • Inequity is getting worse • In debt for 30-50 years to home own -> “mana” • Educational = online hubs • Relates to income • Entrepreneurship • Digital capability • Social interaction • Public transport Collaborations 	4. There is <u>continuing</u> inequitable access to social, educational and economic opportunities <u>within</u> the region.
4. Mana whenua and Māori in the region have poor access to affordable housing choices.	Capacity building	5. Mana whenua and Māori in the region have poor access to affordable housing choices.
	<ul style="list-style-type: none"> • Suggested transport/housing challenge = Too many car dependent suburbs rather than transport orientated developments • Suggested transport challenge = mode change to fewer cars 	6. <u>If we don't have the right urban form (less car dependent), infrastructure, incentives and behaviours related to mode shift we will still largely use [petrol] vehicles to move people and freight around the region and we won't be able to meet our long-term climate change and emissions objectives.</u>

11. The information on Objectives is provided in the table below which includes comment from the WRLC Annual Partners Forum workshop on 27 June 2022. Changes in text in the last column are either underlined and in red for additional wording or crossed out.

WRGF Objective	Changes suggested/thoughts	Suggested new working objective for Future Development Strategy
1. Increase housing supply and improve housing affordability and choice.	<ul style="list-style-type: none"> • Alternatives to housing – not necessarily ownership • Definition of affordable inconsistent when tied to income within the region • Ownership structure • Change developers' packages/to see demand • Diverse housing e.g. aged • Has the environment changed? 	1. Increase housing supply, and improve housing affordability <u>and quality</u> , and <u>housing and tenure</u> choice.
2. Enable growth that protects and enhances the quality of the natural environment and accounts for a transition to a low/no carbon future.	<ul style="list-style-type: none"> • Behaviour changes <p>Could combine objective 2 and objective 5</p>	2. Enable growth that protects and enhances the quality of the natural environment and accounts for a transition to a low/no carbon <u>zero</u> future.
3. Improve multi-modal access to and between housing, employment, education and services.	None	<p>3. Improve multi-modal access to and between housing, employment, education and services.</p> <p>4. <u>Rethink urban form to be less car dependent, create behaviour change to rapidly reduce travel by vehicles in order to reduce emissions from transport and meet our regional</u></p>

WRGF Objective	Changes suggested/thoughts	Suggested new working objective for Future Development Strategy
		climate change objectives.
4. Encourage sustainable, resilient and affordable settlement patterns/urban form that make efficient use of existing infrastructure and resources.	<ul style="list-style-type: none"> • Up not out – greenfields not sustainable, travel emits carbon • Community and social infrastructure • Infrastructure lens – how our communities connect • Quality of urban areas/neighbourhoods – 20-minute neighbourhoods – sustainable/green 	5. Encourage sustainable, <u>quality</u> , resilient and affordable settlement patterns/urban form / <u>communities</u> that make efficient use of existing <u>built, social and community</u> infrastructure and resources.
5. Build climate change resilience and avoid increasing the impacts and risks from natural hazards.	<ul style="list-style-type: none"> • Internal view – what about other countries that have a similar environment. Acknowledge that other countries can afford this – can we? 	6. Build climate change resilience and avoid increasing the impacts and risks from natural hazards.
6. Create employment opportunities.	<ul style="list-style-type: none"> • Less impact • Targeted towards key areas • Rangitahi, disabilities, older people • Create SMEs • Closer to home/mixed zones • Create own work environments • Workforce development and upskilling – create an environment for this 	7. Create <u>local sustainable</u> employment opportunities.

12. The WRLC is being asked to approve the suggested working Challenges and Objectives.

Ngā hua ahumoni
Financial implications

13. There are no financial implications of the work to date. Funding for the Future Development Strategy is being provided by local government partners as part of their annual project funding to the WRLC programme of work.

Ngā Take e hāngai ana te iwi Māori
Implications for Māori

14. Iwi/Māori need to be a key partner in developing the FDS and an FDS needs to include a statement of iwi/hapū aspirations for urban development and housing.

Ngā tikanga whakatau
Decision-making process

15. The matters requiring decision in this report were considered by officers against the decision-making requirements of the Local Government Act 2002.

Te hiranga
Significance

16. Officers considered the significance (as defined in Part 6 of the Local Government Act 2002) of the matters for decision, taking into account Greater Wellington Regional Council's *Significance and Engagement Policy* and Greater Wellington's *Decision-making Guidelines*. Officers recommend that the matters are of low significance given their administrative nature.

Te whakatūtakitaki
Engagement

17. The matters in this report were discussed at the WRLC Senior Staff meeting on 6 July 2022 and the key matters they raised have been incorporated into the suggested wording for the Challenges and Objectives.
18. The matters in this paper were discussed at the WRLC CEO Group meeting on 15 July 2022 and one final wording amendment was suggested. This has been incorporated into the suggested wording for the Challenges and Objectives.

Ngā tūāoma e whai ake nei
Next steps

19. The next step for this project is commencement of the FDS project with partners and key stakeholders.

**Ngā kaiwaitohu
Signatories**

Writer	Kim Kelly – Programme Director WRLC Secretariat
Approver	Luke Troy – Kaiwhakahaere Matua Rautaki / General Manager, Strategy

<p style="text-align: center;">He whakarāpopoto i ngā huritaonga Summary of considerations</p>
<p><i>Fit with Council's roles or with Committee's terms of reference</i></p> <p>This work fits within the role and terms of reference of the WRLC particularly the regional growth aspect.</p>
<p><i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i></p> <p>This aligns with the WRLC's key strategies and policies</p>
<p><i>Internal consultation</i></p> <p>The matters in the paper have been discussed at a workshop at the Annual Partners Forum in late June 2022 and have been discussed with the WRLC Senior Staff Group and WRLC CEO Group.</p>
<p><i>Risks and impacts - legal / health and safety etc.</i></p> <p>There are no risks with the content of this paper.</p>

Wellington Regional Leadership Committee
26 July 2022
Report 22.310



For Decision

PROGRAMME DIRECTORS REPORT – JULY 2022

Te take mō te pūrongo

Purpose

1. To update the Wellington Regional Leadership Committee (WRLC) on the work of the Secretariat and other parties.

He tūtohu

Recommendations

That the Committee:

- 1 **Endorses** the direction of work outlined in the Programme Director's Report.
- 2 **Endorses** that as a matter of practice for the new triennium and beyond, the Deputy Mayor, or Deputy Chair for Greater Wellington Regional Council, is selected by way of position for the local authority alternate in every case.

Te horopaki

Context

1. This report is a regular update to the WRLC by the Programme Director on the work of the WRLC Secretariat and other administrative matters.

Te tātaritanga

Analysis

Complex Development Opportunities update

2. Since the WRLC endorsed the lists of Complex Development Opportunities (CDO) and Projects to Watch in March 2022, the WRLC Secretariat has:
 - a Had one-on-one briefing sessions with CDO project managers and central government partners to further gain engagement and further clarify the CDO concept.
 - b Held an introductory meeting with all CDO project managers and central government partners, where there was a good discussion on formalities of establishment of CDOs, the progress and performance reporting expectations.
 - c Drafted CDO project document templates for discussion with CDO partners.

3. The next steps will be a workshop with CDO partners to help design the CDO programme objectives and Key Performance Indicators (KPIs), task group terms of reference, project artifacts together.

National and regional level policy direction of interest

4. This is a regular item in the Programme Director's report to keep the WRLC informed of policy changes that are occurring at a national and regional level since the last meeting that are likely to have an impact on the work of the WRLC.
5. We consider the following policy changes are of interest. Most councils are wanting to work on these/submit to these "at the front end" as much as they can to better have a say on and influence outcomes. This takes considerable resource.
 - a Kainga Ora draft Urban Development Strategy. Consultation on this closed on 22 July 2022. A recent presentation on this given to the Senior Staff Group can be found in **Attachment 1**. Further comment is provided on this in a section below.
 - b The Wellington Rail Programme Business Case - see **Attachment 2**.
 - c Water Services Entity Bill – see a summary of on this [Factsheet-Water-Services-Entities-Bill-overview-June-2022.pdf \(dia.govt.nz\)](#). The closing date for submissions was 22 July 2022.
 - d Better Off Funding – see information on this [three waters reform programme reform support package - dia.govt.nz](#). Draft Funding Proposals can be submitted by local authorities any time between 4 April 2022 and 30 September 2022.
 - e National Policy Statement for Indigenous Biodiversity Exposure Draft [National Policy Statement for Indigenous Biodiversity – Exposure draft - Ministry for the Environment - Citizen Space](#). Targeted consultation on this closed on 21 July 2022.
 - f Pre-notification consultation draft Regional Policy Statement (RPS) Change 1 – this phase of Regional Policy Statement Change 1 consists of sharing a pre-notification draft with iwi, local government and relevant Ministers and finished on 13 July 2022. The WRLC has a project on aligning the Wellington Regional Growth Framework and the RPS. See [Wellington regional growth framework and regional policy statement - WRLC](#).

Kāinga Ora draft Urban Development Strategy

6. Kāinga Ora staff presented an overview of the organisations Urban Development Strategy at the WRLC Senior Staff meeting on 6 July 2022. This presentation is **Attachment 1**.
7. Attendees at the Senior Staff meeting asked questions and provided feedback to Kāinga Ora. It was agreed that whilst feedback at the meeting would be included in the feedback process, in addition the WRLC Secretariat would make a submission to the formal process. This has been completed.
8. This feedback would include the key feedback points made at the 6 July Senior Staff meeting which were:

- a The partnership with local government needs more emphasis and highlighting. Whilst it is covered in place in the overall document, it could be better emphasised on the “plan on a page” and in some other parts of the document.
 - b There was a suggestion to change the principle “we complement the private sector” to “we complement the private and public sector”.
 - c Climate change could have a higher/better emphasis. It was noted this is covered in the principles and outcomes but perhaps could be included more in the strategic priorities.
 - d Reinforcing the view that there is a need to fund/provide for capacity and capability of iwi/Māori in the implementation of the Strategy. It was noted that there is an emphasis in the document on Māori aspirations, for instance Strategic Priority 2: Support Māori aspirations for urban development and build development capacity and capability, and the meeting confirmed the need for this, particularly with pre-settlement iwi.
9. This item was also discussed at the WRLC CEO Group meeting on 15 July 2022. The feedback below was given:
- a The WRLC CE Group support the feedback provided by the WRLC Secretariat from the Senior Staff meeting – agreeing that:
 - i The Urban Development Strategy did not identify examples of partnering with Council and other Public Sector organisation and the role these parties have in achieving joint urban development outcomes with Kāinga Ora.
 - ii The Group wishes to further underscore the need of Kāinga Ora to assist iwi in developing capacity and capability.
 - b Additional comments were made and requested to be considered as a submission prior to 22 July 2022 close off date:
 - i The Urban Development Strategy was considered more housing focused and did not demonstrate/capture the role Public Realm has in creating a quality thriving urban environment.
 - ii The Urban Development Strategy if read as a standalone document does not clearly articulate what the other Strategies are that Kāinga Ora is working on and how they relate to one another.

Local government alternates on the Committee

10. Under the WRLC Terms of Reference, local government members are able to appoint an alternate as follows:
- a *The local authorities that are parties to this agreement may, in addition to the appointment of the relevant Mayor or Chair, appoint an alternate who, in exceptional circumstances where the Mayor or Chair is not able to attend a Joint Committee meeting, is entitled to attend that Joint Committee meeting as a member of the Joint Committee (and appointed by the relevant local authority).*
11. For the majority of local authorities on the Committee, the Deputy Mayor (Deputy Chair for Greater Wellington Regional Council) is the alternate by way of position.

12. With the upcoming local body elections and the possible changes required to the members and alternates for the WRLC, it is recommended that as a matter of practice, that for the new triennium, the Deputy Mayor (Deputy Chair for Greater Wellington Regional Council) is selected by way of position for the local authority alternate in every case.
13. This matter was discussed at the WRLC CEO Group meeting on 15 July 2022 where it was noted that members are appointed for different reasons to committees and sometimes the most relevant skill set for a committee may not sit with the Deputy Mayor at the time.
14. If this practice is agreed to then:
 - a This will be conveyed to relevant Democratic Services staff in each council.
 - b This change will be added to the Terms of Reference, next time this is updated.

Ngā hua ahumoni

Financial implications

15. There are no financial implications arising from this report.

Ngā Take e hāngai ana te iwi Māori

Implications for Māori

16. The Kāinga Ora Urban Development Strategy has a specific focus on Māori housing and feedback was provided to Kāinga Ora on the need to ensure there is support for this.

Ngā tikanga whakatau

Decision-making process

17. The matters requiring decision in this report were considered by officers against the decision-making requirements of the Local Government Act 2002.

Te hiranga

Significance

18. Officers considered the significance (as defined in Part 6 of the Local Government Act 2002) of the matters for decision, taking into account Greater Wellington Regional Council's *Significance and Engagement Policy* and Greater Wellington's *Decision-making Guidelines*. Officers recommend that the matters are of low significance given their administrative nature.

Te whakatūtakitaki

Engagement

19. None of the matters covered in this report required external engagement. All matters have been discussed at WRLC Senior Staff Group meetings and WRLC CEO Group meetings.

20. Feedback from the WRLC Senior Staff Group at their meeting of 6 July 2022 has been incorporated into this report in particular related to:
 - a Feedback on the Kāinga Ora Urban Development Strategy
 - b Relevant national level and regional level policy and noting that most councils are wanting to work on these/submit to these “at the front end” as much as they can to better have a say on and influence outcomes. This takes considerable resource.
21. Feedback from the WRLC CEO Group on 15 July 2022 has been incorporated into this report in particular related to:
 - a Feedback on the Kāinga Ora Urban Development Strategy
 - b The practice of appointing alternates to a Committee.

Ngā tūāoma e whai ake nei

Next steps

22. The relevant next steps from this report are:
 - a Work will continue on the Complex Development Opportunities
 - b If recommendation 2 is approved, then:
 - i This will be conveyed to relevant Democratic Services staff in each council.
 - ii This change will be added to the Terms of Reference, next time this is updated.

Ngā āpitihanga

Attachments

Number	Title
1	Kāinga Ora Urban Development Strategy presentation to the Senior Staff Group meeting on 6 July 2022
2	Wellington Rail Programme Business Case

Ngā kaiwaitohu

Signatories

Writer	Kim Kelly – Programme Director WRLC Secretariat
Approver	Luke Troy – Kaiwhakahaere Matua Rautaki / General Manager, Strategy

He whakarāpopoto i ngā huritaonga Summary of considerations
<i>Fit with Council's roles or with Committee's terms of reference</i> The Programme Director's report updates the WRLC on work programmes for which it has specific responsibility (e.g. the Wellington Regional Growth Framework) and on other matters of regional importance.
<i>Contribution to Annual Plan / Long Term Plan / Other key strategies and policies</i> The activity outlined in this report contributes towards the work of the Wellington Regional Growth Framework.
<i>Internal consultation</i> Information and analysis in this report has been discussed at the WRLC Senior Staff Group meeting and the WRLC CEO Group meeting. Related views are incorporated into this paper.
<i>Risks and impacts - legal / health and safety etc.</i> There are no known risks arising from this report.

Kāinga Ora Draft Urban Development Strategy

Presentation for Wairarapa-
Wellington-Horowhenua Urban
Growth Partnership

6 July 2022



Introduction

- Kāinga Ora is currently engaging and consulting on a number of its organisational strategies, plans and frameworks.
- We want our strategies and plans to have input from iwi and rōpū Māori and the people, organisations and communities who will be affected by our decisions and will work alongside us to deliver on the outcomes identified.
- We hope this input will create more collaborative ways of working and greater achievement of shared outcomes in the future.
- Today's presentation focusses on our *draft Urban Development Strategy*. A copy of the full strategy document and roundtable discussion can be found at [Let's Talk Kāinga Ora](#)



Overview

- Kāinga Ora has a dual role as a public housing landlord and an urban development agency. These functions are set out in the Kāinga Ora - Homes and Communities Act 2019.
- Under that legislation we are required to give effect to the Government Policy Statement – Housing and Urban Development (GPS HUD). In developing the strategy’s objectives, we focused on the expectations for Kāinga Ora in the GPS HUD as a guide, and we also linked each of the strategic priorities back to those expectations.
- When undertaking our urban development activities, we will also act consistently with other key Government policy positions eg the Emissions Reduction Plan, Government Policy Statement – Land Transport etc.
- We have a range of tools we can use to either deliver our own projects or to enable others to deliver their urban development projects, including some statutory powers to cut through barriers to development.



Overview

- As a Crown agency, we have a strong focus on working and partnering with Māori to deliver high quality urban development and to enable a supply of housing accessible to whānau Māori.
- We have prioritised the locations where there is highest need and where we will be concentrating our activities. We take a place-based approach to our work, meaning that what we do in a place responds to the specific opportunities, aspiration and challenges of that place, along with national direction.
- We are actively growing our urban development role and want to hear from you about how we can work with you and your community.



Urban Development Strategy



Attachment 1 to Report 22.310

KĀINGA ORA VISION

Building better, brighter homes, communities and lives
He oranga kāinga, he oranga hapori, he oranga tangata

TE RAUTAKI MĀORI VISION

He mana i te whenua, he kura kāinga, he whare haumarū, he puna ora, hei oranga tangata.
With pride of place, with a space to call home, with a protective house, let the spring of life prosper and bring wellbeing to all.

OUR PRINCIPLES

- We honour Te Tiriti o Waitangi
- We complement the private sector
- We create places people want to live in
- We are a market-leader
- We protect and enhance the environment
- We actively mitigate the impacts of climate change
- We are flexible and tailor our interventions

OUR OUTCOMES AND OBJECTIVES

- Thriving communities** – People live in well designed and well-functioning urban environments with access to jobs, public transport and social services
- Customer well-being** – People live in communities with strong human connections, high levels of social capital and social and cultural amenities
- Housing access** – increased housing supply in more places at lower cost, offering a greater variety of housing typologies and tenures
- Enabling Māori aspirations** – Māori are leading, delivering and contributing to housing solutions and urban development projects
- Environmental wellbeing** – Investment and design choices lower the emissions profile of a development and minimise impacts on biodiversity and water quality
- System transformation** – Our development activity strengthens the overall development system including growing the capability and capacity of the system

OUR STRATEGIC PRIORITIES

Strategic Priority 1

Grow housing choices and supply by increasing the supply of build ready land

- Ensure our urban development activities deliver beyond what the market would deliver alone
- Facilitate urban development by working with other key development partners
- Enable and deliver housing options accessible to whānau Māori to rent or own
- Ensure housing meets the needs of diverse communities
- Advocate for planning rules that enable intensification in urban areas
- Prepare a place based strategic land acquisition plan for the Kāinga Ora Land Programme
- Initiate the delivery of New Zealand's first low carbon neighbourhood

Strategic Priority 2

Support Māori aspirations for urban development and build development capacity and capability

- Actively pursue urban development partnerships with Māori
- Conduct stocktake of land available for housing
- Provide practical opportunities for Māori to lead and contribute to housing solutions
- Leverage new and existing programmes and funding to support Māori led development
- Build Māori urban development capacity and capability through facilitation and partnership
- Prioritise Māori as localised suppliers and vendors through Kāinga Ora procurement practice.
- Support iwi/rōpū Māori to better access technical advice to enable land development and housing supply

Strategic Priority 3

Provide certainty and stability of land and housing supply through market cycles

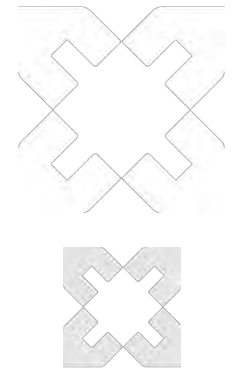
- Maintain a pipeline of future urban development projects to provide greater certainty to the infrastructure, development and building and construction sectors.
- Leverage our scale, supply chain partnerships and innovative construction techniques to reduce the cost of construction and improve productivity
- Address infrastructure funding and financing issues in collaboration with our partners
- Grow long-term relationships with development partners, including developing tools to de-risk investment

Strategic Priority 4

Use our statutory powers and our leverage to overcome barriers to high quality development

- Use our statutory powers under the UDA to unblock and expedite development
- Use our powers of compulsory acquisition to aggregate land for development, especially at key rapid transit nodes
- Use our statutory powers to drive low carbon urban development outcomes
- Address infrastructure funding and financing issues in collaboration with our partners
- Complement Government investment in significant transport infrastructure by taking a lead role in transit oriented development

GPS-HUD expectations



Shaping Our Future.



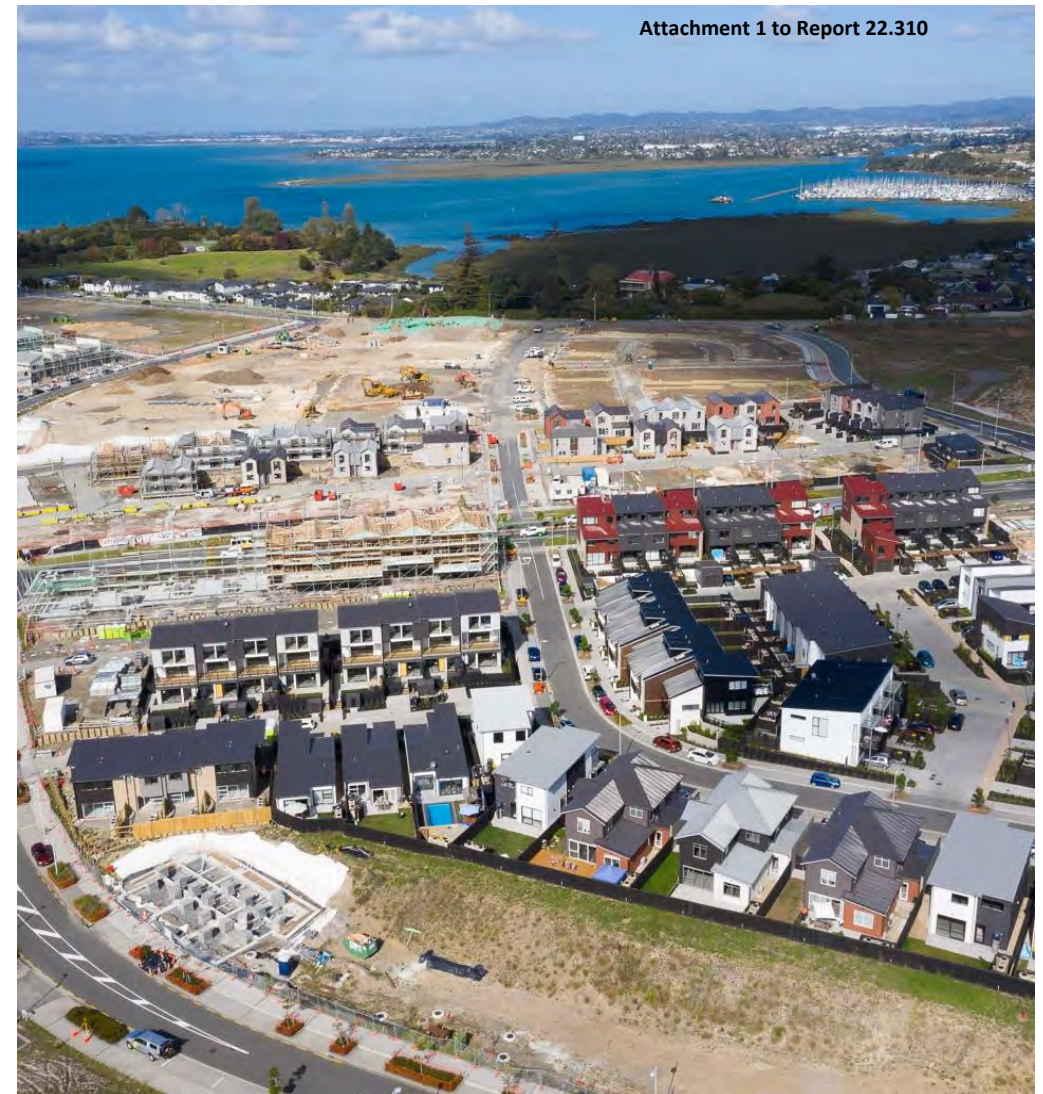
Discussion – how do we work together to implement the strategy?

- What aspects of the strategy work well for you? Are there parts that you think have missed the mark?
- Do the principles and strategic priorities resonate with you? Why or why not?
- What level of understanding do you think your organisation/community has of Kāinga Ora as an urban development agency?
- Should we be more proactive in promoting what we do and how we can help? If so, how?
- What do you see as the key challenges/barriers facing your organisation in delivering good urban development outcomes?
- We increasingly see our role as working with others to deliver their urban development aspirations or working in partnership to deliver joint projects - would you or your organisation be interested in working with us? How would you see this happening? What would success look like?
- What do you think should be the most important elements of the urban development projects that we facilitate or deliver? And why?



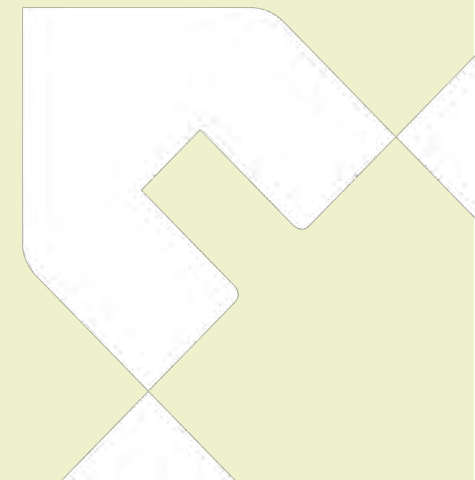
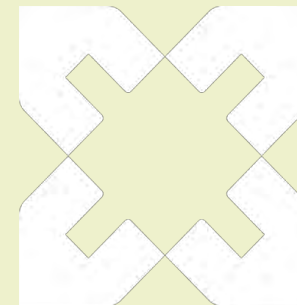
Next Steps

- We encourage you to submit feedback through our online engagement platform at letstalk.kaingaora.govt.nz or email engage@kaingaora.govt.nz by **22 July**.
- Following the engagement and consultation period, the feedback will be analysed and sorted into themes then provided to the teams undertaking the strategies for consideration.
- We will be finalising our strategy by September and we will be providing a report that shows the themes that have emerged through the engagement period and our response to these.



Attachment 1 to Report 22.310

Linda Taylor
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WELLINGTON RAIL PROGRAMME BUSINESS CASE

WELLINGTON'S STRATEGIC RAIL PLAN

June 2022



Executive Summary

This Wellington Rail Programme Business Case (PBC) has been prepared by Stantec New Zealand and Greater Wellington Regional Council (GWRC) in collaboration with KiwiRail, Transdev New Zealand (GWRC's current rail service operator), and Waka Kotahi New Zealand Transport Agency (Waka Kotahi). It replaces the Wellington Regional Rail Plan and sets out a new customer-driven strategic plan for the region's rail system for the next 30 years, outlining what is required beyond current investment to help drive the region's economic development and social wellbeing in an environmentally and socially sustainable and resilient manner. It covers the passenger services and infrastructure needed to deliver a modern transit system, and the network infrastructure required to support this system while also enabling a growing freight operation, both within the region and linking into the neighbouring Horizons Region. The PBC thus provides the investment pathway needed to achieve the long-term vision of the New Zealand Rail Plan in the region.

Background

Rail is a critical component of Wellington's transport system. It forms the backbone of GWRC's extensive Metlink network of public transport services north of the Wellington CBD, where three quarters of region's population lives, and it provides a crucial link to the region and between the North and South islands, which is strategically important to the national transport system.

Metlink rail services radiate out over four key lines – the Johnsonville, Kāpiti, Wairarapa and Hutt lines – as well as the short Melling branch, which are collectively known as the Wellington metro rail network. The network has been electrified and emission-free since 1955 (aside from Wairarapa services), contributing strongly to the region's position as the least carbon-emitting. The 400,000 residents of the rail service area have access to 2,250 Metlink rail services in a typical week, and customers made 14.32 million trips in the year prior to the COVID-19 pandemic, when peak services were close to capacity. This patronage was more than 20 per cent higher than a decade earlier, a growth rate double that of population, with the extra growth reflecting a strong customer response to improvements to infrastructure, rolling stock, and services. The 42,000 daily peak trips accounted for over 40 per cent of peak trips from the north and around 20 per cent of all peak trips into the Wellington CBD.

KiwiRail's freight and passenger services also use the network – more than one hundred freight trains and sixteen inter-regional passenger trains in a typical week. The Kāpiti Line has a prominent role as the southern end of the North Island Main Trunk (NIMT) railway from Auckland, with freight services connecting most parts of the North Island to local industry, international shipping, and the South Island via the interisland ferry connection. The tourist-focused Northern Explorer from Auckland and the weekday peak Capital Connection (Manawatū Line) commuter service from Palmerston North also use that line. The Hutt and Wairarapa lines connect forestry-related freight traffic from Wairarapa to the port and provide access to KiwiRail's primary engineering facility at Gracefield.

Rail sits outside of the Let's Get Wellington Moving (LGWM) programme, as do all other transport system elements north of Ngauranga Gorge, which lies just to the north of the Wellington CBD. LGWM will provide mass transit to the south and east of Wellington City, which will complement the rail system that makes up the rapid transit system to the north, and interface with it at Wellington Station to enhance cross-region travel options and support mode shift. The success of two programmes is consequently interlinked.

Growth Context

The region's rail system will need to respond to significant population growth over the coming decades. The 2021 Wellington Regional Growth Framework (RGF), a spatial plan developed by central government, local government, and iwi stakeholders, anticipates that the Wellington-Horowhenua region will need to accommodate an additional 200,000 people, a 35 per cent increase, and 100,000 jobs in the next 30 years. Three quarters of this growth is expected to occur to the north, along the eastern and western growth corridors that follow the primary rail corridors as shown in Figure 1. A substantial proportion of this growth is expected to occur in areas of the region with longer rail journey times, reflecting land cost and availability and recent improvements to the road link between Wellington and the Kāpiti and Horowhenua districts.

The RGF identifies the Metlink rail service as a key enabler of the growth to the north. It envisages intensification around railway stations and improved connections to stations to enable much of the additional transport demand associated with the expected growth to be borne by rail. Intensification around railway stations (as rapid transit stops) is required by the National Policy Statement on Urban Development (NPS-UD). The RGF recognises that rail capacity upgrades will be necessary to enable and meet this demand.

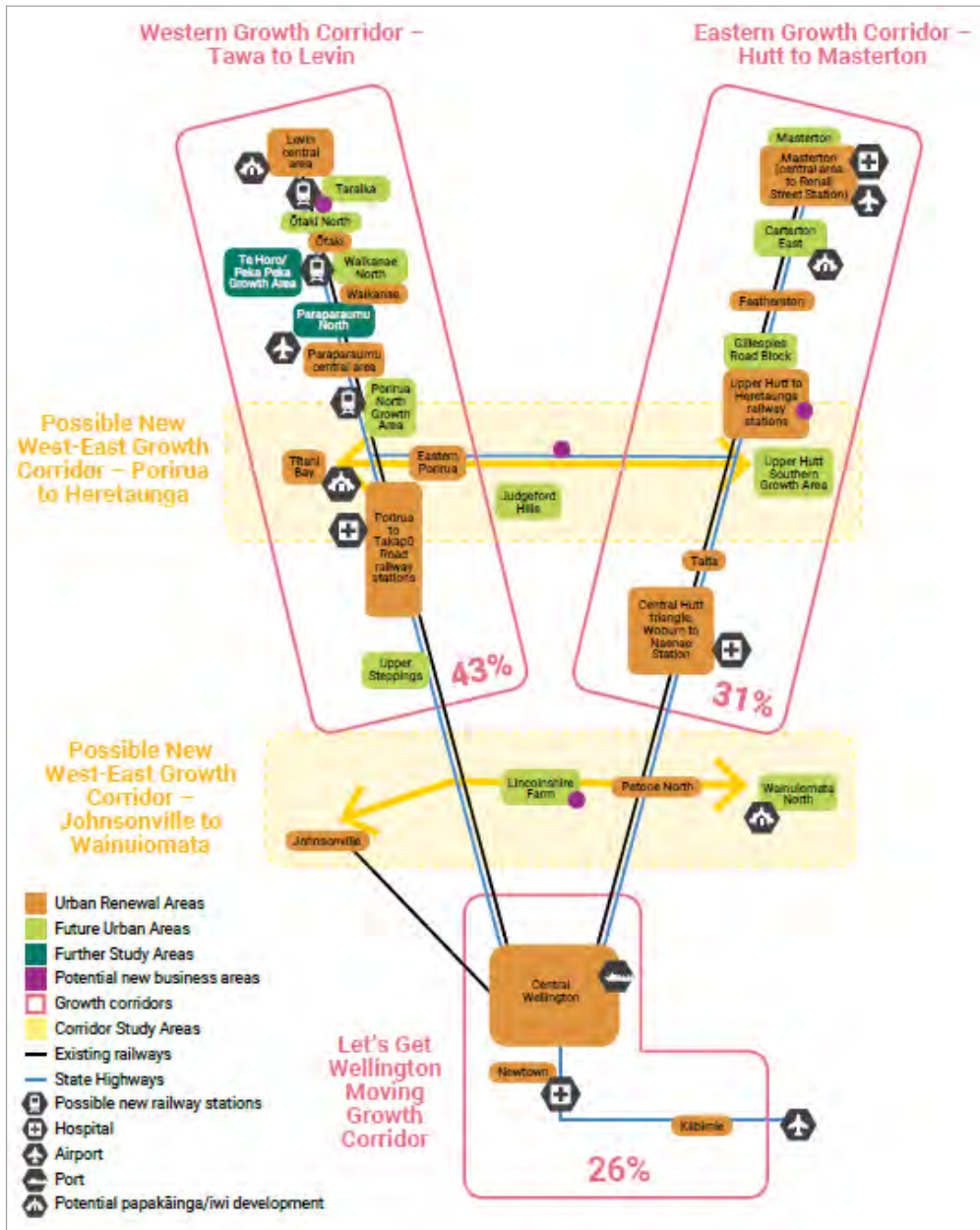


Figure 1: RGF growth corridors

Environmental Context

The region’s rail system will need to respond to significant mode shift requirements over the coming decades, reflecting regional and national targets. At the regional level, the 2021 Wellington Regional Land Transport Plan (RLTP) seeks to increase active and public transport mode share by 40 per cent and reduce carbon emissions by 35 per cent by 2030. At the national level, the Climate Change Commission’s 2021 Ināia Tonu Nei demonstration path requires an even greater level of uptake, assuming a 60 per cent increase in the distance travelled by public transport in Wellington by 2030. The 2022 Emission Reductions Plan, Te Hau Mārohi Ki Anamata, includes a key action to reduce reliance on cars by improving the reach, frequency, and quality of public transport, including service and infrastructure improvements in Wellington. An associated target aims to reduce total kilometres travelled by the light vehicle fleet by 20 per cent by 2035 through improved urban form and providing better travel options in the largest cities. These targets reflect the national net zero emissions by 2050 target set by the 2019 Climate Change Response (Zero Carbon) Amendment Act.

Rail is the rapid transit option for most of the region’s residents. The above mode shift targets require substantial increases in rail patronage on top of population-related patronage growth. The rail system will consequently need to be

attractive and convenient to use and have sufficient capacity to both encourage residents to forego private vehicle for most of their trips and comfortably accommodate them when they switch modes. The 2020 Wellington Regional Mode Shift Plan, developed by Waka Kotahi and endorsed by the Regional Transport Committee, therefore supports increased development density near railway stations and improved rail safety, capacity, infrastructure, and service levels to meet the regional targets. The RLTP also includes an investment priority to build rail capacity and reliability, and it prioritises five significant rail projects within the current investment programme, which are included in most programme options within this PBC.

Need for Investment

Stakeholders have identified three fundamental problems that need to be addressed through investment in the region's rail system. These are:

- Inconsistent customer journey experience and limited rail system capacity result in the network being unable to meet mode share targets, which prevent achievement of growth and environmental obligations
- Current infrastructure is not capable of safely accommodating additional trains, restricting the options available to accommodate future demand
- The condition and configuration of the rail network makes it vulnerable to service disruptions, which has a flow on impact onto the wider transport system.

The supporting evidence for Problem 1 confirms that declining levels of service linked to constrained capacity and strong patronage growth, along with variable and often poor station connectivity and amenity, will deter many potential customers and in turn limit the mode share that can be achieved. Capacity in this situation relates to both on-train capacity and rail network infrastructure capacity. It includes major physical bottlenecks at several key locations, and network-wide limitations such as traction power supply, which restrict the number and size of trains that can operate through the network to just above the current level.

Problem 2 evidence confirms that the antiquated signalling system that governs train movement, and the risk of collisions at multiple pedestrian and vehicle level crossings, limits the effective frequency that can be safely provided to customers to relatively low levels. It also recognises the potentially major safety impact of the failure of infrastructure such as track and slopes. Any of these elements could result in a crash or derailment, which could cause significant casualties and lead to a reduction or complete suspension of passenger services by the regulator.

Problem 3 evidence confirms that service reliability is (and increasingly will be) inhibited by the failure of aging network infrastructure and its proximity to natural hazards that are susceptible to weather-related failure and climate impacts. It also demonstrates that the network lacks operational resilience and is consequently vulnerable to operational events that hinder operations such as freight train derailments. Service delay and suspension deter customers, and major rail disruptions have compounded to cause significant and wide-ranging delay across the region's road network over the last decade.

The problems are weighted equally since they are interdependent. Fixing only one or two problems would have limited impact and prevent the rail system from achieving the benefits sought and the expanded role required by regional and national policies. The short timeframes associated with the mode share targets and the long lead times associated with rail infrastructure place considerable urgency on any response to the problems.

Investment Benefits and Objectives

Stakeholders have identified the following benefits of addressing the problems:

- Improved environmental outcomes (15 per cent of the overall benefit), supported by carbon emission and mode share measures
- Enable regional growth through improved access to economic and social opportunities (30 per cent of the overall benefit), supported by passenger capacity and freight path measures
- Improved customer experience (15 per cent of the overall benefit), supported by frequency, customer satisfaction, and punctuality measures
- Improved transport system resilience (20 per cent of the overall benefit), supported by system impact-related measures
- A safer rail system (20 per cent of the overall benefit), supported by safety incident and perception measures.

The investment objectives for this PBC were derived from the problems and benefits. They seek to deliver a rail system that:

- Provides capacity that supports access and growth (20 per cent of the overall objective)
- Is attractive and easy to use (25 per cent overall objective)
- Improves safety for all (20 per cent overall objective)

- Is adaptable to disruptions (20 per cent overall objective)
- Supports a sustainable future (15 per cent overall objective).

The investment objectives align strongly with all five of the enduring outcomes within the Ministry of Transport's (MOT) Transport Outcomes Framework: inclusive access, economic prosperity, healthy and safe people, resilience and security, and environmental sustainability. Each objective is supported by specific and timebound benefit KPIs. Overall success will be measured using an overarching success factor of increased rail passenger and freight use.

Option Development

A long list of nearly two hundred potential interventions expected to respond to the problems and help to achieve the investment objectives was developed with stakeholders in an 'all ideas welcome' environment through a series of meetings and workshops early in the option development phase of the PBC. Duplicates, specific minor works, business-as-usual, interventions considered not to contribute to an investment objective or enable an objective, and those that were out of scope were excluded at the early assessment stage. Interventions that remained following the early assessment were organised into the eight rail system investment programmes outlined in Table 1. All, other than the Do-Nothing and Do-Minimum programmes, sought to address all key problem areas, although each had a different focus and addressed each problem area to a greater or lesser extent or over a shorter or longer timeframe.

Table 1: Programme long list

Programme	Summary
Do-Nothing	Manage rail system decline while prioritising other modes. Lowest direct cost, but highest transport system and environmental cost.
Do-Minimum	Maintain a basic rail system while focusing investment on other modes. Low direct cost but high transport system and environmental cost.
Minor Improvements	Demand management with a focus on low-cost improvements to reliability, safety, and resilience. Lower cost but high transport system and environmental cost.
Moderate Improvements	Demand management with a focus on improvements to reliability, safety, and resilience, moderate capacity uplift, and station improvements. Moderate direct cost but still sizeable transport system and environmental cost.
Train Size Focus	Focus on maximising train size while holding frequency in the medium term to boost capacity while delaying the need to invest in infrastructure. Supported by a wide range of reliability, safety, resilience, and customer-focused improvements. Higher direct cost but lower transport system and environmental cost.
Frequency Focus	Focus on maximising frequency, particularly during peak periods, before later increasing train size as needed. Supported by a wide range of reliability, safety, resilience, and customer-focused improvements. Higher direct cost but lower transport system and environmental cost.
Mixed Focus	Balance train size and frequency, by pragmatically increasing train size first where frequency is difficult to enable, and frequency first where it is easier to implement. Supported by a wide range of reliability, safety, resilience, and customer-focused improvements. Higher direct cost but lower transport system and environmental cost.
Drive Mode Shift	Remove all barriers to a high frequency, reliable, and comfortable passenger rail experience, and accelerate network capacity improvements, to drive mode shift within the required horizon. Supported by a wide range of safety, resilience, and customer-focused improvements. Highest direct cost but lowest transport system and environmental cost.

Long List Assessment

The programmes were evaluated using a two-stage process. Long list programmes were firstly outlined at a high-level, then assessed by stakeholders against the five investment objectives and five other criteria using multi-criteria analysis (MCA), with the Do-Minimum option as the baseline for comparison. The results were sensitivity tested using eleven weighting systems.

The long list assessment showed that the Drive Mode Shift programme consistently ranked as the best programme, with the best or equal-best score across most criteria (including all investment objectives) and most sensitivity tests, although it was the poorest scoring option against the deliverability and affordability criteria and sensitivity tests. The Mixed Focus programme scored similarly and generally in second place behind the Drive Mode Shift programme but was much better performing against the deliverability and affordability criteria and sensitivity tests. These programmes were taken forward to the short list as the best scoring programmes.

The Moderate Improvements programme was selected to take forward to the short list as a more deliverable and affordable alternative. It provided the best balance between deliverability and affordability criteria, and the investment objective, outcome, and policy-focused criteria. It can be regarded as a 'middling' option with neither significant advantages nor disadvantages, although it would only partially realise the investment objectives.

The Train Size Focus and Frequency Focus programmes scored well, but did not offer the same investment objective, outcome, and policy-focused advantages as the Drive Mode Shift and Mixed Focus programmes, or the deliverability and affordability advantages of the Moderate Improvements programme. These were consequently discounted, along with the Do-Nothing, Do-Minimum, and Minor Improvements programmes, which scored poorly against the investment objective, outcome, and policy-focused criteria. The Do-Minimum programme was carried forward for comparison purposes only.

Short List Assessment

The three shortlisted programmes were further developed once identified, to define critical aspects, identify next steps and bundling, better define cost estimates, better understand timeframes, better understand operational issues, undertake more detailed patronage forecasting, and undertake initial economic analyses based on early-estimate benefits and costs. Table 2 provides the results of the initial economic analyses, showing that all three programmes would provide a positive return on investment, with the Drive Mode Shift programme offering the best potential value in terms of its positive mid and upper range incremental benefit cost ratio (BCR) and net present value (NPV), despite having the highest cost.

Table 2: Shortlisted programme value (60-year evaluation period)

	Benefit (\$m)	Cost (\$m)	Inc Benefit (\$m)	Inc Cost (\$m)	BCR	Inc BCR	NPV (\$m)
Moderate Improvements	\$1,780 - \$2,200	\$1,000	-	-	1.8 - 2.2	-	\$780 - \$1,200
Mixed Focus	\$2,450 - \$3,360	\$2,080	\$670 - \$1,160	\$1,080	1.2 - 1.6	0.6 - 1.1	\$370 - \$1,280
Drive Mode Shift	\$4,080 - \$5,890	\$3,820	\$1,630 - \$2,530	\$1,740	1.1 - 1.5	0.9 - 1.5	\$260 - \$2,070

The developed short list programmes were then reassessed by stakeholders through a second MCA process using an expanded scoring framework and the following wider set of criteria:

- the five investment objectives and overarching success factor (increased rail usage)
- two policy alignment criteria: national policies, and regional policies and investment
- six deliverability and wider outcomes criteria: funding availability, construction/engineering difficulty, consenting degree of difficulty, programme impacts from delays, economic impacts, and impacts to services during construction.

The status quo situation was used as the baseline for comparison. Results were sensitivity tested using three workshop and eleven other weightings, which emphasised specific criteria or criteria groupings, with the highest workshop priorities being given to the overarching success factor, economic outcomes, and improved safety.

The short list assessment reconfirmed the findings of previous assessment, finding the Drive Mode Shift programme to be the best programme, having the best or equal-best score across most criteria, including all investment objectives, the critical success factor, and the policy alignment criteria. Other than the Do-Minimum, it was the poorest scoring option against the deliverability and wider outcomes criteria, except for economic outcomes, reflecting the challenge of delivering a large programme of works quickly to meet mode shift requirements. It ranked as the first-choice option in most sensitivity tests, including all workshop tests.

The Mixed Focus programme generally ranked second to the Drive Mode Shift programme, again with a similar pattern to the previous assessment. Critically, it was well behind against the capacity and attractiveness investment objectives since it would deliver on these much later than the Drive Mode Shift programme. In contrast, it performed much better against the deliverability and wider outcomes criteria, mostly due to this delayed delivery. It ranked as the second-choice option in most sensitivity tests.

The Moderate Improvements programme again provided the best balance between the objective and policy focused criteria and the deliverability-focused criteria. It again offered neither significant advantages nor disadvantages, although it would only partially realise the investment objectives and would not support significant growth or mode shift in the short or medium term. It ranked as the third-choice option in most sensitivity tests, only coming first in the consenting focus test, reflecting its minimal infrastructure investment in the short and medium terms.

The Drive Mode Shift programme was selected as the best programme to take forward as the preferred programme based on the above assessments and conclusions.

Preferred Programme

The preferred programme delivers a 'fit for purpose', resilient, and safe rail system, enhances customer experience to encourage mode shift, and supports this with the capacity needed to meet and drive highest rail patronage growth, by providing:

- Highly connected stations in communities where people work, live, play and learn
- Accommodating stations that make any wait both pleasant and productive
- Frequent services that are faster and more convenient than by car
- Reliable services that recover quickly from disruption
- Links that facilitate convenient connections for national freight customers
- Infrastructure and safety systems that enable transport without undue conflict.

The programme includes a wide range of improvements, key elements of which are summarised in Figure 2, including:

- Station access improvements to make active and public transport more attractive as access modes, which will support first and last mile accessibility, reduce the reliance on private vehicle and park and ride in line with zero carbon objectives, and support intensification near stations as envisaged by the RGF and NPS-UD.
- Improvements to all aspects of station amenity across the network, including to accessibility, shelter, and information, which will ensure that accessibility obligations to disabled customers are met, that the waiting and overall customer journey experience is first-class, and that it is attractive to new customers for mode shift. These improvements will support increased at-station transit-oriented development where feasible.
- Progressive service frequency improvements, from the current 20-minute peak frequency to a 15-minute, then 10-minute, and finally 6-minute peak (turn up and go) frequency at most stations on the Hutt and Kāpiti lines, along with an improved 15-minute off-peak frequency within the electrified area and significantly improved service levels on long-distance services, which will provide better travel options for customers, support the region's growth, and deliver the capacity needed to drive and accommodate the required mode shift.
- Supporting electric multiple unit (EMU) fleet expansion to enable the higher frequencies, and replacement and expansion of the mixed and obsolete long-distance Wairarapa and Manawatū train fleets with new low emission trains to reduce rail emissions and provide system bridging capacity in first decade.
- Network resilience and operational flexibility upgrades, including improvements to slopes, bridges, culverts, track infrastructure, areas subject to sea level rise and storm surge, and operational patterns and maintenance, which will make the Wellington rail system safer and more resilient, particularly in the face of climate change, and ensure that it can recover quickly when events occur to minimise customer impact.
- Wellington throat capacity improvements, including a fourth main to enable the operational separation of Hutt and Kāpiti services, northern access to EMU stabling, and separated access to the Wellington freight terminal, which will significantly reduce conflict between passenger and freight services and improve network and service resilience and reliability.
- Full duplication between Pukerua Bay and Paekakariki (North-South Junction), a key single-track constraint with several tunnels, and addition of a third main in the Porirua-Tawa area, which will enable higher passenger frequencies and improve service resilience and reliability on the Kāpiti Line. This will make rail a more attractive travel option on that line, where population growth is expected to be highest, and ensure continued freight access to the network as passenger frequencies increase.
- Duplicated approach to the Waikanae Station, including a bridge and second platform, which will reduce conflict between passenger and freight services, improve service resilience and reliability, and enable higher passenger frequencies on the Kāpiti and Manawatū lines.
- Network resignalling, which will remove restrictions on the number of peak hour services, safely enable future frequency improvements, and improve operational flexibility, resilience, and reliability.
- Traction power upgrades, including additional substations and wider enabling power network upgrades, which will overcome current limitations and enable higher future train frequencies.
- Rail network segregation at all places where reasonably practicable, including improved fencing and grade separation of pedestrian and vehicle level crossings, which will significantly improve safety and the experience of surrounding communities as frequencies increase.
- Continuous improvement of systems, processes, and capability, including improved asset management.



Figure 2: Key improvements

Table 3 shows the strong alignment of the preferred programme with the five investment objectives.

Table 3: Alignment with the investment objectives

Objective	Preferred Programme	Alignment
Support a sustainable future	<ul style="list-style-type: none"> 34 per cent increase in peak hour passenger arrivals by 2032, and 82 per cent by 2052 (excluding long-distance), relative to 2019 Expected mode shift to rail of between 14.2 per cent and 20.5 per cent by 2031, with a similar reduction in vehicle kilometres travelled (11.8 million km per annum in the latter case) Mode shift related emission reductions of approximately 3 per cent (3,435 tonnes) per annum by 2031. 	High
Provide capacity that supports access and growth	<ul style="list-style-type: none"> EMU fleet expansion from 83 to 183 two-car sets by 2048 Long distance rolling stock fleet replacement and expansion from 32 to 88 carriage equivalents by 2028 Continued access and increased reliability for freight services. 	High
Attractive and easy to use	<ul style="list-style-type: none"> Progressive increases in frequency from 3 trains per hour (tph) to 10 tph at most stations in peak periods by 2042 Increase from 3 to 4 tph at most stations in off-peak periods Station accessibility and customer experience improvements, including improved shelter at all stations, improved cycle facilities at 38 stations, improved disabled access at 21 stations, community hubs/facilities at 13 stations, improved bus connection facilities at 10 stations, active modes change facilities at 10 stations, and maintenance to prevent flooding and improve attractiveness. 	High
Adaptable to disruptions	<ul style="list-style-type: none"> Improved network infrastructure and operations to minimise the likelihood and effect of disruption and mitigate climate change impacts Removal of bottlenecks, track changes, and a new signalling system to reduce conflict between trains, improve flexibility and reliability, and aid recovery from events Annual resilience benefits of \$9.1m by 2032 and \$17.9m by 2052. 	High
Improve safety for all	<ul style="list-style-type: none"> New signalling system to provide modern engineering control and significantly reduce the likelihood of train collisions Grade separation of 15 road level crossings to remove the risk of collision between trains and vehicles Grade separation of 6 pedestrian level crossings to remove the risk of collision between trains and pedestrians Improved fencing to reduce risk of accidental track access. 	High

The final programme has a BCR range of 1.1 to 1.5 (with a sensitivity range of 0.9 to 1.8), based on discounted economic benefits of between \$4,430m (lower patronage) and \$5,760m (higher patronage), and discounted economic costs of \$3,880m, over the 60-year evaluation period. Benefits are split across wider economic (24 per cent), road user (20 per cent), public transport user (19 per cent), land use (18 per cent), rail freight (14 per cent), and other benefits (6 per cent). The programme has a recommended National Land Transport Programme priority order rating of 2, based on the BCR range, a very high Government Policy Statement on Land Transport Alignment rating, and a high Scheduling rating.

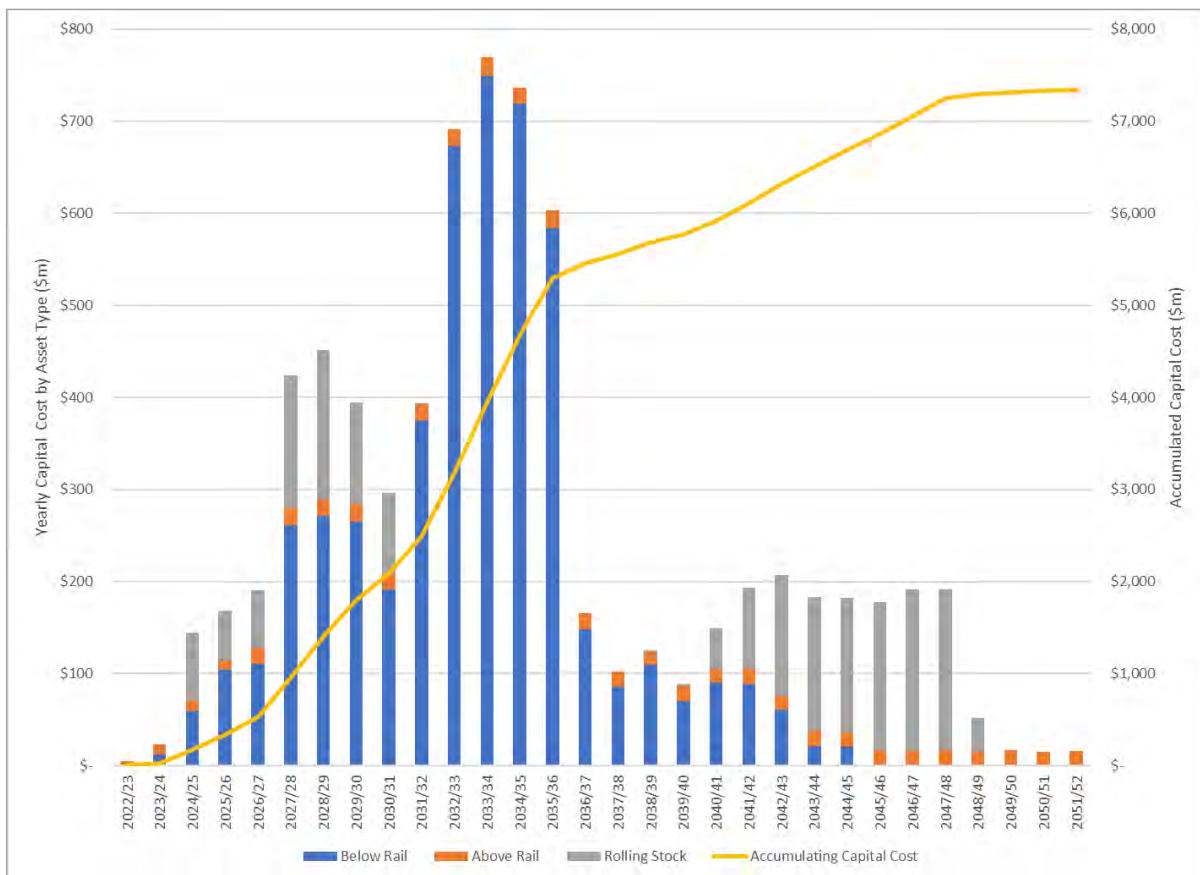
Financial Case

The expected (P50) preferred programme cost and revenue estimates are shown in Table 4, for the initial four three-year planning cycles of the programme, the remaining period, and the overall programme. Around 69 per cent of capital costs relate to below rail infrastructure (rail network infrastructure and network segregation), and 25 per cent to rolling stock (train fleet expansion and replacement). The balance relates to above rail infrastructure (station, station precinct, and station access improvements). The 95th percentile (P95) cost is 57 per cent higher at \$15,629.7m reflecting a similar increase in the capital cost P95 estimate.

Table 4: Expected programme cost and revenue estimates (2022 \$m)

Category	2021-24	2024-27	2027-30	2030-33	2033-52	Total
Capital	\$27.6	\$504.1	\$1,269.7	\$1,380.5	\$4,164.2	\$7,346.1
Network Maintenance	\$89.6	\$147.5	\$137.3	\$153.3	\$1,031.6	\$1,559.3
Service Operating	\$174.0	\$261.7	\$279.7	\$308.2	\$2,383.8	\$3,407.4
Fare Revenue	(\$113.1)	(\$179.3)	(\$192.9)	(\$210.6)	(\$1,686.8)	(\$2,382.7)
Total Net Cost	\$178.1	\$734.0	\$1,493.8	\$1,631.4	\$5,892.8	\$9,930.1

Figure 3 outlines the annual and accumulating P50 capital costs of the programme, showing the large amount of up-front investment in enabling infrastructure that is required in the first half of the programme, particularly between 2027-28 and 2035-36. The timing and scale of service level improvements and associated train fleet requirements will be able to be accelerated or decelerated depending on government priorities and the level of demand once this infrastructure is in place, taking account of relevant lead times, providing some flexibility.

**Figure 3: Annual and accumulating capital costs by asset type (2022 \$m)**

Funding arrangements have not been confirmed, but it is expected that contributions will come from passenger fares, regional council and territorial council rates and debt funding, the National Land Transport Fund through Waka Kotahi, Crown funding, the Climate Emergency Response Fund, new policy and regulatory approaches such as congestion charging, and potentially public private partnerships. Below rail capital improvement costs are substantial, and it is recommended that these are fully funded by Waka Kotahi and/or the Crown, as those assets are owned by KiwiRail (and therefore ultimately by the Crown), and the NIMT, where most below rail improvements are required, is a strategic freight

corridor of national significance. GWRC will need to bear a significant share of the remaining costs (for train fleet and station improvements, and service operations), which are unaffordable for that council through current standard funding arrangements. The contribution of each funding source will be determined by subsequent business cases and depend on the type of activity and funding body.

Commercial Case

Projects within the preferred programme range significantly in scale. Large investments will likely progress to indicative followed by detailed business cases, allowing a range of alternatives to be explored before determining the most appropriate investment. Relatively simple programme elements will be assessed through single stage business cases. Single specific investments, such as the train replacement will be progressed through detailed business cases. Each future business case will detail the procurement approach for the programme element that it is delivering, and, as appropriate, the approach to consenting (which will primarily apply to below rail capital projects) and risk sharing.

Management Case

It is proposed that a new Wellington Rail Programme Governance Group will oversee delivery of the overall programme on an ongoing basis. This group will be responsible for delivering the programme in accordance with the timelines outlined in Figure 4, ensuring coordination between programme components (e.g. network infrastructure, rolling stock, stations), managing programme risks, and achieving the benefits and outcomes outlined in this PBC. It will consist of GWRC (Chair and member), KiwiRail (member), Waka Kotahi (member), Metlink rail service operator (observer), and Ministry of Transport (observer). Regular reporting to the Wellington Regional Leadership Committee and Regional Transport Committee will ensure that iwi, territorial councils, and road controlling authorities are kept informed, and provide the means for determining the degree of their involvement at the programme and individual project levels.

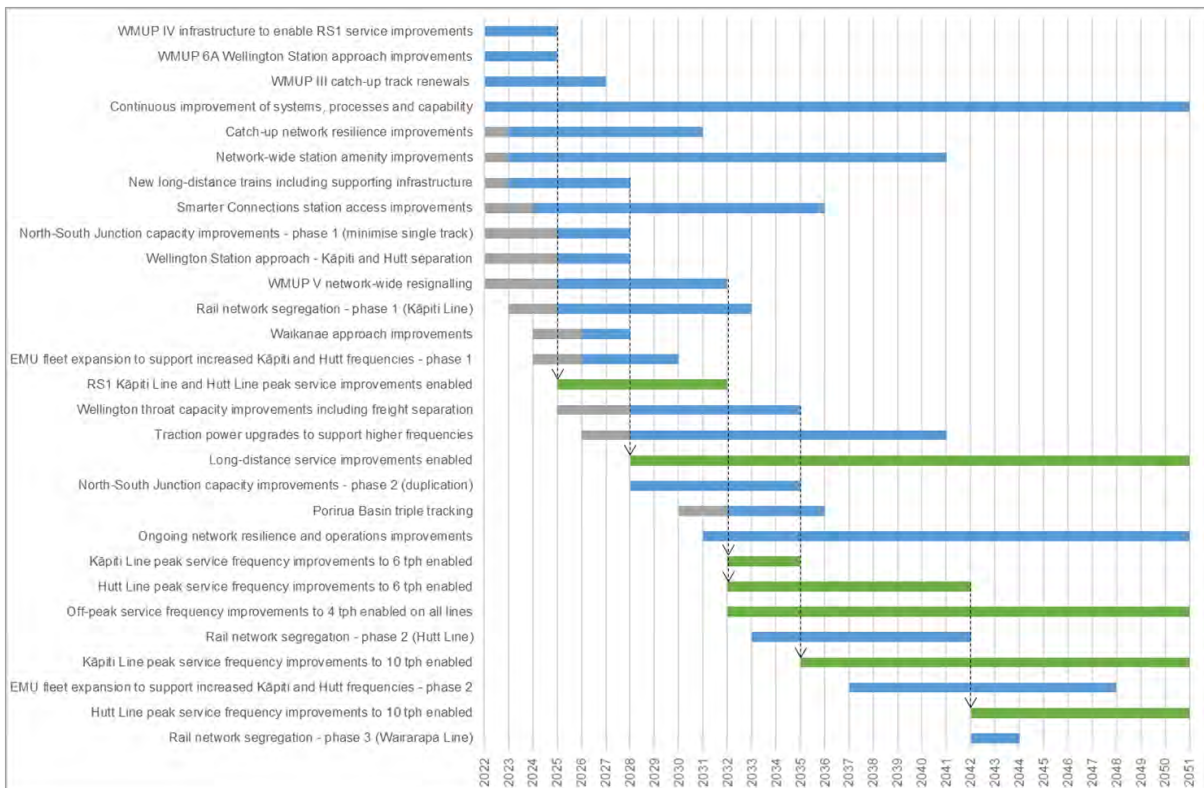


Figure 4: Outline programme plan¹

Particular programme risks that will need to be managed relate to demand (and the location and scale of growth), financial elements (funding availability and cost variability), planning, delivery, and other risks such as policy priority (particularly in relation to road investment climate change) and freight volumes.

¹ Grey relates to planning and business case timelines, blue to implementation timelines, and green to service improvements. Key dependencies are denoted by arrows.

Next Steps

This PBC provides a clear investment pathway for the region's rail system over the next 30 years, which will enable achievement of important regional and national growth and environmental policy objectives and provide significant value for investors. It is therefore recommended that decision-makers:

- Approve the overall investment programme as outlined in this business case, and commit to the associated investment requirements and timeframes, subject to the outcome of further business cases and other investigations
- Approve funding of the first three-year stage of the programme, which includes a series of further business cases and other investigations that will determine the optimal solution for and timing of key elements of the programme, particularly the below rail capital components on which the remainder of the programme is dependent
- Approve funding for implementation of the investment proposal outlined in the Lower North Island Rail Integrated Mobility Detailed Business Case, which is a key first decade element of this programme that reduces rail emissions and provides essential system bridging capacity to support growth and mode shift in the short term
- Confirm governance arrangements for delivery of the programme through a new Wellington Rail Programme Governance Group.

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