# ORDINARY MEETING OF PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC AGENDA

Time:	9:30am
Date:	Thursday, 2 June 2022
Venue:	Ngake (16.09)
	Level 16, Tahiwi
	113 The Terrace
	Wellington

## MEMBERSHIP

Mayor Foster Deputy Mayor Free Councillor Calvert Councillor Condie Councillor Day (Chair) Councillor Fitzsimons Councillor Foon Liz Kelly Councillor Matthews Councillor Matthews Councillor Paul Councillor Paul Councillor Rush Councillor Rush Councillor Woolf Councillor Young (Deputy Chair)

#### Have your say!

You can make a short presentation to the Councillors, Committee members, Subcommittee members or Community Board members at this meeting. Please let us know by noon the working day before the meeting. You can do this either by phoning 04-803-8337, emailing <u>public.participation@wcc.govt.nz</u> or writing to Democracy Services, Wellington City Council, PO Box 2199, Wellington, giving your name, phone number, and the issue you would like to talk about. All Council and committee meetings are livestreamed on our YouTube page. This includes any public participation at the meeting.

# AREA OF FOCUS

The Pūroro Rangaranga | Social, Cultural and Economic Committee has the following responsibilities:

- Arts, Culture, and Community Services
- Wellington City Social Housing
- Council's City Events
- Parking Services
- Parks, Sport and Recreation
- Community resilience
- Economic development
- Māori Strategic Development.

The Committee has the responsibility to discuss and approve a forward agenda.

To read the full delegations of this committee, please visit wellington.govt.nz/meetings.

Quorum: 9 members

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# 1. Meeting Conduct

#### 1.1 Karakia

The Chairperson will open the meeting with a karakia.

Whakataka te hau ki te uru,	Cease oh winds of the west
Whakataka te hau ki te tonga.	and of the south
Kia mākinakina ki uta,	Let the bracing breezes flow,
Kia mātaratara ki tai.	over the land and the sea.
E hī ake ana te atākura.	Let the red-tipped dawn come
He tio, he huka, he hauhū.	with a sharpened edge, a touch of frost,
Tihei Mauri Ora!	a promise of a glorious day

At the appropriate time, the following karakia will be read to close the meeting.

Unuhia, unuhia, unuhia ki te uru tapu nui	Draw on, draw on
Kia wātea, kia māmā, te ngākau, te tinana,	Draw on the supreme sacredness
te wairua	To clear, to free the heart, the body
l te ara takatū	and the spirit of mankind
Koia rā e Rongo, whakairia ake ki runga	Oh Rongo, above (symbol of peace)
Kia wātea, kia wātea	Let this all be done in unity
Āe rā, kua wātea!	

## 1.2 Apologies

The Chairperson invites notice from members of apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

## **1.3 Conflict of Interest Declarations**

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

#### **1.4 Confirmation of Minutes**

The minutes of the meeting held on 5 May 2022 will be put to the Pūroro Rangaranga | Social, Cultural and Economic Committee for confirmation.

#### 1.5 Items not on the Agenda

The Chairperson will give notice of items not on the agenda as follows.

# *Matters Requiring Urgent Attention as Determined by Resolution of the Pūroro Rangaranga | Social, Cultural and Economic Committee.*

The Chairperson shall state to the meeting:

- 1. The reason why the item is not on the agenda; and
- 2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Pūroro Rangaranga | Social, Cultural and Economic Committee.

# *Minor Matters relating to the General Business of the Pūroro Rangaranga* | *Social, Cultural and Economic Committee.*

The Chairperson shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Pūroro Rangaranga | Social, Cultural and Economic Committee for further discussion.

## 1.6 Public Participation

A maximum of 60 minutes is set aside for public participation at the commencement of any meeting of the Council or committee that is open to the public. Under Standing Order 31.2 a written, oral or electronic application to address the meeting setting forth the subject, is required to be lodged with the Chief Executive by 12.00 noon of the working day prior to the meeting concerned, and subsequently approved by the Chairperson.

Requests for public participation can be sent by email to <u>public.participation@wcc.govt.nz</u>, by post to Democracy Services, Wellington City Council, PO Box 2199, Wellington, or by phone at 04 803 8334, giving the requester's name, phone number and the issue to be raised.

# 2. General Business

# SUBMISSION ON MINISTRY FOR ENVIRONMENT DRAFT NATIONAL ADAPTATION PLAN AND MANAGED RETREAT

#### Korero taunaki | Summary of considerations

#### Purpose

- 1. This report to Pūroro Rangaranga | Social, Cultural and Economic seeks the Council's approval to submit on Ministry for Environment's draft National Adaptation Plan and Managed Retreat.
- 2. Submissions close 3 June 2022 and the final plan will be published in August 2022.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	<ul> <li>Functioning, resilient and reliable three waters infrastructure</li> <li>Affordable, resilient and safe place to live</li> <li>Safe, resilient and reliable core transport infrastructure network</li> <li>Fit-for-purpose community, creative and cultural spaces</li> <li>Accelerating zero-carbon and waste-free transition</li> <li>Strong partnerships with mana whenua</li> </ul>
Relevant Previous decisions	Nil.
Significance	The decision is <b>rated low significance</b> in accordance with schedule 1 of the Council's Significance and Engagement Policy.

#### **Financial considerations**

🖾 Nil	□ Bu Long-te	dgetary provision erm Plan	in Annual F	Plan / 🗆 Unbudgeted \$X
3.				
Risk				
	$\boxtimes$ Low	🗆 Medium	🗆 High	

# PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC 2 JUNE 2022

Author	Jamuna Rotstein, Principal Advisor, Climate Change Adaptation
Authoriser	Alison Howard, Manager Climate Change Response
	Liam Hodgetts, Chief Planning Officer

#### Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Rangaranga | Social, Cultural and Economic:

- 1) Receive the information.
- Consider the WCC submission on the Ministry for Environment's draft National Adaptation Plan and Managed Retreat, and approve the submission subject to any amendments agreed by the Committee.
- Delegate to the Chief Planning Officer the authority to amend the submission as per any proposed amendments agreed by the Committee at this meeting, and any minor consequential edits, prior to it being sent.

#### Whakarāpopoto | Executive Summary

- The purpose of Ministry for Environment's (MFE) consultation is to get public feedback on the first draft National Adaptation Plan and initial concepts regarding managed retreat, to inform the development of the Climate Adaptation Act. The consultation document is available at: <u>https://consult.environment.govt.nz/climate/nationaladaptation-plan/</u>
- 2. Officers presented the top 10 key findings at the Climate Adaptation Workshop on the 17 May.
- 3. Officers have responded to the 72 consultation questions ahead of the Committee meeting on 2 June.
- 4. Submissions close 3 June 2022 and the final plan will be published in August 2022.

#### Takenga mai | Background

- 5. MFE's consultation document has two parts.
- 6. The first part is the draft National Adaptation Plan (NAP) which focuses on the actions New Zealand will take over the next six years to address the impacts of climate change that can't be reversed. This includes three key areas:
  - (a) Reform institutions to be fit for climate change;

(b) Data, information and guidance to enable everyone to assess and reduce their own climate risks; and

- (c) Embed climate resilience across government strategies and policies.
- 7. The draft NAP also includes a number of objectives and key activities for each "outcome area", being:
  - a) System-wide actions
  - b) Natural environment.

#### PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC 2 JUNE 2022

- c) Homes, buildings and places
- d) Infrastructure
- e) Communities
- f) Economy and financial system.
- 8. The second part is the consultation on Managed Retreat, which is the Government's initial thinking on managed retreat, and the feedback received is intended to inform the development of the Climate Adaptation Act, that is expected to be introduced by the end of 2023. While managed retreat has been on the Government's agenda for some time now, the consultation document released alongside the NAP sets out further detail and seeks specific feedback in relation to the RMA reform.
- 9. Feedback is sought in relation to:
  - Proposed objectives and principles to guide the development of legislation and the approach to funding issues (including central government's funding responsibilities).
  - A proposed high-level process for a managed retreat process (recognising that the process will not be identical for every retreat).
  - How roles and responsibilities should be allocated between various parties, including local and central government.
  - The consultation document seeks feedback on the following categories:
    - Principles and objectives
    - Process of managed retreat
    - Roles and responsibilities
    - Property transfer
    - Implications for Māori

#### Kōrerorero | Discussion

- 10. Council officers have gathered the response to the submission in accordance with the following steps and timelines:
  - 13th of May Initial officer feedback
  - 17th of May Councillor Workshop on the high-level points
  - 20th of May additional officer feedback, compared and aligned with regional local government submissions where possible
  - 2<sup>nd</sup> of June WCC's submission considered by Committee
  - 3rd of June submission to MFE

## Kōwhiringa | Options

- 11. The Committee could decide:
  - Not to make a submission; or

- Agree the submission; or
- Agree the submission with amendments agreed by the Committee.

#### Whai whakaaro ki ngā whakataunga | Considerations for decision-making

#### Alignment with Council's strategies and policies

 This submission aligns with a number of Council's strategies and policies including Te Atakura; Draft District Plan; Planning for Growth; Green Network Plan; Tūpiki Ora and the 2022 priorities; Long-Term Plan 2021-31; Social Wellbeing Framework; Resilience Strategy 2017.

#### Engagement and Consultation

13. There is no requirement to consult on this submission. Officers in the relevant business units have contributed to this submission.

#### Implications for Māori

14. The submission includes feedback to the proposed NAP policy that seeks to strengthen outcomes for Māori, in alignment with Tūpiki Ora and Tākai Here.

#### Financial implications

15. The financial implications of proposals in MFE's draft NAP and Managed Retreat are included in the submission.

#### Legal considerations

16. Risks to Council from proposed or potential policy decisions by MFE are outlined in the submission.

#### Risks and mitigations

17. In the context of a strategic risk to Council and meeting its obligations under the Te Tiriti o Waitangi, the submission recognises and acknowledges the role of Mana Whenua in the NAP and highlights Council's commitment to partnership and inclusion of Maori in planning and local decision making. Climate Change impacts are also a strategic risk for Council and therefore this submission and the key points highlighted in it are of considerable importance for the communities and community assets that are vulnerable to the impacts of climate change.

#### **Disability and accessibility impact**

18. The proposed or potential policy decisions by MFE are outlined in the submission and will have downstream impacts on how we plan for and design resilience into communities and community assets with accessibility in mind.

#### **Climate Change impact and considerations**

19. Significant implications regarding Council's roles and responsibilities, as well as key policy tools for climate change adaptation will be affected by this proposed policy

change. The climate change adaptation implications of proposals in MFE's draft NAP and Managed Retreat are included in the submission.

#### **Communications Plan**

20. If the Committee agrees to make a submission, the Council's submission will be delivered to MFE by 3 June 2022.

#### Health and Safety Impact considered

21. None from this submission.

#### Ngā mahinga e whai ake nei | Next actions

22. If the Committee decides to agree the submission, any amendments also agreed will be incorporated and the document finalised as per recommendation 3 in order to meet the June 3, 2022 deadline.

#### Attachments

Attachment 1. WCC Submission on MFE draft National Adaptation Plan

3 June 2022

Attn: National adaptation plan consultation Ministry for the Environment PO Box 10362 Wellington 6143

#### Submission on the draft National Adaptation Plan

The Wellington City Council (WCC) welcomes the opportunity to provide feedback on the government's draft of the first National Adaptation Plan (NAP). We consider the draft NAP a very good start and commend your work in bringing together national adaptation policy into one place. Putting in place the framework has been complex and your work on it is a significant contribution, and urgently required.

The draft NAP actions largely relate to central government functions. Wellington City Council (WCC) is eager to get much needed direction from Central Government, and clarity on what parts of the plan we should prioritise and have regard to. The Council encourages stronger direction and coordination from Central Government to clarify local government roles and responsibilities, funding mechanisms, data collection and monitoring, and other tools to support and improve the efficiency and effectiveness of our work to lead adaptation planning at the local level.

In particular we note that:

- 1. System-wide transformative change is required give local government the policy levers, information, and practical tools to deliver adaptation at the local level. The draft NAP could better articulate the roles and responsibilities in relation to climate change adaptation, implementation and funding.
- 2. Adaptation actions cannot be implemented without clear funding mechanisms. WCC cannot afford to implement the extent of climate adaptation required without support from central government. Funding mechanisms and finance are urgently required to enable all communities to have access to timely climate resilience.
- 3. Actions that enable local government to deliver on adaptation need to be prioritised and delivered in the next two years. The current plan has timeframes out to six years for key workstreams that support local governments to deliver adaptation actions.
- 4. Greater resourcing needs to be made available more quickly to enable mana whenua to be Te Tiriti partners in adaptation. Many of the actions within the draft NAP are reliant on either involvement or partnership with Māori/iwi and they will need to be resourced adequately.
- 5. Local government needs more flexible land use planning instruments to implement adaptation strategies. The current planning system does not support agile responses and community aspirations. While regional authorities can extinguish existing use rights, this approach is blunt and has extreme impacts on property owners and the value of their land. Instruments that are more sensitive and allow more graduated responses and transitions to occur is needed.
- 6. Local communities and mana whenua need to be part of creating local solutions. Central Government needs to recognise that their primary role in climate change adaptation on a local scale is facilitating and supporting (through tools, information, resourcing, and funding) local government and mana whenua to make the right decisions for their local rohe and whenua, bringing communities, activities and values along for the journey that reduces climate change risk whilst building community resilience as much as possible.

#### 'Managed retreat'

7. A clear process is required to support locally led proactive adaptation pathways, including clarity of what funding and financing will be available. This must include new statutory instruments and funding mechanisms that enable councils to realistically and effectively lead and support communities through the difficult process of moving away from places and spaces that may be highly valued by communities. Nationally consistent mechanisms should provide local governments and communities with greater clarity

on what to expect (e.g. process, timelines, funding sources, compensation etc), and practically how to work together for intergenerational resilience outcomes.

- 8. 'Managed retreat' approaches should be fully aligned to a Te Tiriti o Waitangi approach and allow for Māori-led approaches. Central or local government processes need to be mindful of how climate change adaptation decisions are made to ensure they give effect to Te Tiriti.
- 9. Clear guidance would be helpful for managing land being moved from, and for selecting options for populations to move to. For example, land being moved from has biodiversity and climate change mitigation potential. For places being moved to, cultural and social values need to be supported, backed by planning instruments and funding.
- **10.** The language of 'managed retreat' isn't helpful. More productive engagement approaches could be framed around 'making room for nature', 'accommodating rising seas' or 'relocation towards safer and more resilient spaces and places'.

The Council is currently developing and implementing a varied climate adaptation programme focusing on increasing understanding of climate change impacts and risks and building capacity to deal with those risks. This workstream includes:

- A Climate Change Regional Impact Assessment in collaboration with Greater Wellington Regional Council and the seven other local and district councils in the Wellington Region.
- The development of a Digital Twin model to be able to visually communicate potential climate change impacts to communities and mana whenua.
- A Climate Change Adaptation Strategy and Action Plan which is in development and will provide for an overarching document guiding the Council's response to climate change.

The Council also has experience working with the Dynamic Adaptive Pathways Process outlined in MfE's *Coastal Hazards and Climate Change – Guidance for local government (2017)* through community led projects undertaken in Makara Beach and Ōwhiro Bay. However, this work also identified major barriers to implementation due to the lack of clarity on roles and responsibilities and access to regulatory /funding instruments.

WCC encourages central government to show the country their capability to lead the waka of Aotearoaincluding mana whenua, local government, organisations, and individuals through the choppy (and rising) seas ahead.

We welcome the opportunity to discuss our comments directly with MfE.

Yours sincerely

Andy Foster Mayor of Wellington Appendix 1. Submission from Wellington Regional Council on the draft National Adaptation Plan and the Adapt and Thrive consultation document

#		VCC Comments/explanation osition
Gene	ral Questions	
1.	How is climate change impacting you? This could be within your community and/or hapū and iwi, and/or your business/ organisation, and/or your region.	Wellington is a city highly exposed to natural resilience factors. As we move into a period of climate instability and impact, we are already seeing the effects of more frequent damaging storms in the city's most sensitive environments. In less than 20 years, parts of Wellington will see sea level rise reach 30 cm – enough to shift a 1 in 100-year storm event to an annual event. As a steep coastal city with many of our lifelines and other critical assets situated at or near sea level, the functioning of our city depends on adapting and building resilience to climate change. As a local government we plan and invest in the city for the long term, meaning the impacts and uncertainties of climate change are already having to be factored into decision making on the city's future.
2	The national adaptation plan focuses on three key areas. Please indicate <b>which</b> <b>area</b> is most important for you.	environment, communities, and governments. Our explanation is below.
	<u>focus area one</u> : reform institutions to be fit for a changing climate. This means updating the legislative settings so that those who are responsible for preparing for and reducing exposure to	<ol> <li>The Council supports the first focus area on reforming institutions to be fit for climate change resilience. These reforms need to enable local government to successfully adapt to climate change, through designated policy and funding. These reforms need to understand the dependencies and relationships between systems, eg between three waters and local government to enable an integrated and sustained adaptation to climate challenges.</li> </ol>
	changing climate risk will be better equipped. <u>focus area two</u> : provide data, information and guidance to enable everyone to assess and reduce their own climate risks. This means that all New Zealanders will have access to information about the climate risks that are relevant to them <u>focus area three</u> : embed climate resilience across government strategies and policies. This means that Government agencies will be	<ul> <li>2) The Council supports the second focus area on providing data, information, and guidance.</li> <li>It is difficult to act on climate change adaptation without data on climate change risks and impacts. The Council is working on increasing its knowledge of climate change risks and impacts as part of the Wellington Regional Climate Change Impact Assessment and communicating this information to the community as part of its Digital Twin modelling work, funded through the Bloomberg Mayors Award (WCC notes the inclusion of this in the draft NAP on page 32).</li> <li>As climate impacts become more general it is vital that there is further investment into localised downscaled projections and datasets that inform more fine-grained adaptation</li> <li>However, the emphasis in focus area two is on individual New Zealanders assessing their own climate risks and acting. Although this is important the Council considers the focus should instead be on local government, who will be responsible for taking much of the action on climate change for many communities.</li> </ul>

	considering climate risks in their strategies and proposals. Other / please explain.	<ul> <li>Additionally, providing "up-to-date" information will require a quick turnaround when new science data and information eventuates. There needs to be clear responsibilities on who will be hosting and maintaining data to ensure it is relevant and useful – many local councils undertake this work themselves which is inefficient when compared to a national platform providing equal access to climate risk data.</li> </ul>
		<ul> <li>3) The Council supports focus area three - embedding of climate resilience across government strategies and policies.</li> <li>Government strategies and policies need to be cohesive and aligned to ensure they are implementable and efficient.</li> <li>Local authorities already face struggles with poorly aligned legislative tools – for example, the 100-year timeframe for consideration of climate change under the New Zealand Coastal Policy Statement in contradiction to the 50-year timeframe of the New Zealand Building Act.</li> <li>The Council recommends the government ensures strategies and policies specify planning horizons that are appropriate for different types of development, as recommended by the Parliamentary Commissioner of the Environment in its 2015 report "Preparing NZ for Rising Seas"<sup>1</sup>.</li> </ul>
3	We all have a role to play in building resilience to climate change, but some New Zealanders may be more affected and less able to respond. There is a risk	Council considered the following actions essential for implementing climate adaptation locally and it is critical that the sequencing and prioritisation of the actions best supports local governments to act: Legislative reform that delivers clarity in roles, tools, and funding for local government
	<ul> <li>that climate change could exacerbate existing inequities for different groups in society. Appendix 3 sets out the full list of actions in this national adaptation plan.</li> <li>What are the key actions that are essential to help you adapt? Please</li> </ul>	<ul> <li>Climate Adaptation Act – this is crucial for statutory direction to local government on roles, responsibilities, funding mechanisms and planning tools for adaptation and managed retreat.</li> <li>Natural and Built Environments Act and Strategic Planning Act – will shape the regional and local strategic planning undertaken by local government. The Council recommends these are as specific as possible and consider local government implementation.</li> <li>Adaptation Information Portal - provide a much needed 'one-stop' resource for climate risk information and adaptation planning.</li> </ul>
	<ul> <li>list them.</li> <li>Which actions do you consider to be most urgent? Please list them.</li> <li>Are there any actions that would help ensure that existing inequities are not exacerbated? Please list them.</li> </ul>	<ul> <li>Produce guidance for dynamic adaptive pathways planning (DAPP)</li> <li>Develop 3D coastal mapping integrating bathymetric and topographic information</li> <li>Explore definitional tools to support greater investment (best practice)</li> <li>Produce guidance on using different socio-economic scenarios for adaptation planning</li> <li>Produce guidance for preparing adaptation plans – we recommend central government develops this guidance alongside local government to ensure lessons learnt and key messages from work undertaken so far are incorporated here</li> </ul>
	<ul> <li>Are there any actions <b>not included</b> in this draft national adaptation</li> </ul>	Legislative changes will likely have been made to Local Government Official Information and Meetings     Act 1987 to provide for improved natural hazard disclosure in LIMs by end of 2024 – we recommend

	plan that would enable you to	this is done as a matter of urgency to ensure property buyers and developers have access to all data on
	assess your risk and help you adapt?	properties and to decrease council liability in the future
	auaptr	Work with community housing providers to enable effective climate hazard response     Dravida access to the latest downscelled climate prejections data. There are globally interpretional
		Provide access to the latest downscaled climate projections data – There are already international
		climate analytics companies who can offer global asset-level climate risk analysis using the latest IPCC AR6 data. The longer this action point takes, the longer New Zealand is adapting without the most up-
		to-date information on sea level rise and other climate impacts.
		to-date information on sea lever rise and other climate impacts.
		Empower mana whenua and local government to work together on local adaptation
		<ul> <li>Develop mātauranga Māori indicators of climate impacts on the natural environment</li> </ul>
		<ul> <li>Support kaitiaki communities to adapt and conserve taonga/ cultural assets</li> </ul>
		<ul> <li>Incorporate mātauranga Māori into adaptive planning and working with mana whenua</li> </ul>
		<ul> <li>Develop a framework for assessing exposure and vulnerability of cultural assets/taonga to climate change</li> </ul>
		<ul> <li>Produce new tools and guidance specific to matauranga Maori and matauranga indicators</li> </ul>
		TPK: Assess socioeconomic and climate vulnerability for Māori
		TPK: Expand current funding for proactive community resilience
		Public education
		<ul> <li>Produce an adaptation professional development programme for key practitioners</li> </ul>
		<ul> <li>Raise awareness of climate-related hazards and how to prepare (NEMA)</li> </ul>
		Flood insurance
		<ul> <li>advice on flood insurance options and agreed to the next steps.</li> </ul>
		<ul> <li>information to improve consumer understanding of property insurance (in English) is already published.</li> </ul>
4	Central government cannot bear all the	a) Council's perspective on our role in improving resilience to the future impacts of climate change
	risks and costs of adaptation. What <b>role</b>	• We need clear regulatory powers. For example, one way to manage the "who decides" element of
	do you think asset owners, banks and	managed retreat from privately owned residential is for councils to have the power to declare certain
	insurers, the private sector, <b>local</b>	properties will no longer receive council infrastructure support (e.g. water, roading, power) after a
	government, and central government	certain amount of sea level rise. This would allow private owners to decide if they wanted to maintain
	should play in:	their properties "off the grid" while allowing councils to make rational decisions about infrastructure
	a) improving <b>resilience</b> to the future	delivery. However, this is politically unpopular and a difficult decision for local government to make.
	impacts of climate change?	
	b) sharing the <b>costs</b> of adaptation?	Therefore, we require clear regulatory direction and thresholds from central government.

<ul> <li>Local government has a clear role in engaging with the community and leading climate adaptation strategy and decision-making. To do so, councils need to know how and by whom climate change adaptation will be funded.</li> </ul>
<ul> <li>b) Council perspective on sharing the costs of adaptation</li> <li>We agree with the premise that central government cannot pay for all actions related to adaptation. However, under current funding arrangements neither can local government. This is particularly the case given Local Government's reliance on rates and the disruption to that tax base given the impacts of climate change and sea level rise. It would be helpful to have clear parameters for tools such as targeted rates to fund coastal defences that benefit private property owners, as this would be a relatively straightforward mechanism to begin funding these interventions.</li> <li>Local Government New Zealand has long advocated for the creation of a national climate change adaptation fund to support both climate change adaptation and managed retreat initiatives.</li> <li>Clear roles and responsibilities for funding of climate change adaptation need to be allocated across central and local government. Central Government guidance on who should be taking the lead on addressing adaptation funding and implementation is required to answer the question of 'who pays?'. The question of adaptation funding has implications for existing and future projects, council balance sheets, on-going maintenance costs, changes to the local government regulatory environment, and communities' expectations. Central government needs to consider affordability, the implications of devaluing property, who benefits, how to value land with special significance (i.e. cultural value) and intergenerational equity (i.e. trying not to burden future generations with the costs of decisions made today) as part of delegating roles and responsibilities for climate adaptation funding.</li> </ul>
<ul> <li>In terms of sharing the costs, central and local governments are the main players with a responsibility to meet the costs of climate change adaptation. Some property owners will also need to meet costs (or losses), for example if land is purchased in high-risk areas when it would be expected to be known that this was the case. In addition, the role of insurance wi With sea level rise comes increasing intensity and frequency of storm/rainfall events which could force insurance premiums to increase and potentially even remove cover. Therefore, we cannot rely on insurers to bear the costs of climate change completely, without support or guidance/legislation from central</li> <li>Although the draft NAP has actions aimed at reviewing the local government. Regional and district councils have a role to support communities to adapt, as well as making consenting and adaptation decisions. This tension of responsibilities is happening in a system that increasingly issues</li> </ul>

	<ul> <li>national direction and devolves roles and responsibilities to local government without funding considerations.</li> <li>Local government needs to be able to understand what the costs of adaptation options are and how they compare. We currently know the cost for protection options but have little knowledge or understanding of the costs associated with managed retreat options, or how to assess these. We recommend that tools and/or guidance be developed to allow for estimates of managed retreat, and which can include all key factors that drive the process (such as community values, biodiversity, climate change risk etc.).</li> </ul>
<ul> <li>5 The National Climate Change Risk Assessment recognised that there may be economic opportunities in adapting to a changing climate.</li> <li>(a) What opportunities do you think could exist for your community or sector?</li> <li>(b) What role could central government play in harnessing those opportunities?</li> </ul>	<ul> <li>a) Opportunities from a local government perspective</li> <li>The Council agrees that climate change adaptation provides certain opportunities, particularly when aligned with mitigation approaches for a just transition.</li> <li>Adaptation can also provide economic opportunities through the creation of jobs – much like the Jobs for Nature programme. There are opportunities to help upskill/train people – for example in Nature-based Solution planning and maintenance.</li> <li>For the Wellington Region these potential opportunities of changes to the climate change have not yet been widely explored but we anticipate they will be significantly outweighed by the loss and damages of climate change.</li> <li>To better understand the impacts of climate change on the region – risks and opportunities - Council has recently commissioned the Wellington Regional Climate Change Impact Assessment. This includes a limited scope for assessing potential opportunities from climate change.</li> <li>The effort and resources required for this type of risk and opportunity analysis are outside the ability of many smaller Councils (hence the regional approach). The process to establish and work through the scoping, procurement, and delivery of this project could have been significantly more efficient. Many other councils are struggling to figure out how to fund and resource climate risk, as highlighted in the MfE Baseline Survey<sup>1</sup> which reported that only 22% of the local government respondents had access to regional, local and asset level climate change. For a country of the size of New Zealand, there is a lot of potential to centralise and standardise climate change risk (and opportunity assessments), which would free up resources for locally led adaptation planning, action, monitoring and evaluation of the DAPP processes for community and public assets.</li> </ul>

<sup>&</sup>lt;sup>1</sup> Ministry for the Environment. 2021. Adaptation preparedness: 2020/21 baseline – A summary of reporting organisation responses from the first information request under the Climate Change Response Act 2002. Wellington: Ministry for the Environment.

System	Wide Actions		<ul> <li>b) What role could central government play in harnessing those opportunities?</li> <li>Collaborate with local government to determine what skills and expertise are required to achieve adaptation outcomes and work together to provide funding, resources and training to meet this gap in skills and experience. Council would welcome the opportunity to partner with Central government for action research to share lessons and test ideas to support policy development.</li> <li>Prioritising collaboration between mitigation and adaptation workstreams, as well as between other resilience programs (i.e. earthquake strengthening) to efficiently achieve action across multiple areas.</li> <li>Providing national tools, as mentioned above, to increase efficiency.</li> </ul>
6		-	The Council agrees with the four objectives and we strongly support the focus on system-wide transformative change. However, the Council questions whether the actions will lead to sufficient transformative system change outcomes noting that there are a range of coordinating/ sequencing risks for local governments, and no real answers to who will pay for adaptation.
7	What else should guide the <b>whole-of- government approach</b> to help New Zealand adapt and build resilience to a changing climate?		The Council is concerned that the deadline for the CAA is delayed compared with the NBA and SPA. The integration of these three acts under the RM Reforms will be better enabled if they are developed together and this will also allow efficient implementation of the requirements under each Act by local government. The Council supports a foundation to work with Māori on climate actions. The foundation should increase access and improve partnerships between mana whenua, Māori and key players (including Local Government and Central Government) who are advocating for climate change solutions, human behavioural changes and sustainability. The Council considers an objective that states the importance of the actions being implementable and with clear funding mechanisms for all levels of government is required, and that the NAP defines what it means that New Zealand is <i>"adapted and has built resilience</i> ".
8	Do you agree that the <b>new tools</b> , guidance and methodologies set out in this chapter will be useful for you, your community and/or iwi and hapū, business or organisation to <b>assess</b> climate risks and plan for adaptation? Yes // No // Partially Please explain your answer.		The <u>Wellington Regional Climate Change Impact Assessment</u> project in the Wellington-Kāpati-Wairarapa Region brings together Councils, mana whenua and central government agencies to develop a shared localised climate change risk/impact assessment to support in the region to adapt to climate change. This could be a model to learn from ahead of the development of Regional Spatial Plans under the RM reforms. The Council strongly agrees with and welcomes the new tools, guidance and methodologies outlined in this section and congratulates central government on placing importance on making it easier for people, communities and organisations to access climate change risk data and respond to this. In particular, the Council supports:

	•	the Adaptation Information Portal incorporating mātauranga Māori and use of the Portal for iwi/Māori climate decisions. Based on recent experience undertaking climate change risk assessments locally we understand the complexity, resources and time it takes to undertake such assessments. We would support more nationally available datasets such as the NZ Sea Level Rise Project that provides data available in a consistent manner nation-wide for everyone to access, the public. the adaptation professional development programme for key practitioners and suggest it encompass the wide range of practitioners (e.g. council, consultants, engineers, policy makers, architects etc.) who will be working on climate change adaptation. In some instances, it may be better for local councils to provide inhouse development for staff and the wider community to ensure the training is applicable to the region/district. This would ideally be government funded to assist Councils in having suitably trained resources to enact adaptation responses. There is an existing Climate Adaptation Network [CAN] that has been established to support the staff in the local government sector, and is of immense value to the practice locally, but it relies on the in-kind input of members to drive it. There are significant gaps in climate risk data available and guidance at the local level, particularly around the ecological impacts of climate change and how to apply a te ao Māori lens to climate change risk assessments, which makes it challenging to assess and respond to risk. It is encouraging to see that this is one of the key focus areas of the Plan.
	•	ing access and understanding of climate change information the Council notes the following points: The NAP and the Adaptation Portal should recognise that future projections of climate change risks are
a) Information b) Tools (guidance/methodologies		uncertain and change over time. The spatial extent, timeframe and degree of risk is often argued through local government planning hearings and forums. Those with vested interests - especially
		existing landowners and developers - may use uncertainty in climate information as an argument
d) Support local planning / risk		against taking climate change adaptation action. The Council recommends the NAP and subsequent
reduction measures		tools and policy allow for uncertainty in the use of climate change risk assessment so it cannot be used
		as an excuse for inaction.
		Providing information to all groups to understand and access climate risk data is important but is not enough in itself to ensure that people are appropriately informed and willing to participate in processes
		associated with climate change adaptation – communication and engagement is required for this.
		A key challenge for iwi is the lack of data that aligns to their rohe, which contributes to the challenge of
		informed decision-making and regional coordination. In addition, there are often data sovereignty
		ssues which can complicate sharing and ownership of data on wider scales than iwi.
		believes the following actions will have the biggest benefit to NZ's capacity to adapt to climate change:
		Reform of the Resource Management Act, including the passing of the Climate Adaptation Act that sets out clear roles for all levels of Government, and clear funding mechanisms.
l	<ul> <li>b) Tools/guidance/methodologies</li> <li>c) Remove barriers</li> <li>d) Support local planning / risk</li> </ul>	Are there other actions central government should consider to: a) Information b) Tools/guidance/methodologies c) Remove barriers d) Support local planning / risk reduction measures

			• Practical tools and support to enable local councils to effectively plan, implement and <u>monitor</u> climate change adaptation (e.g. accessible risk-based data, knowledge portal, legislative environment, national standards (with local flexibility)).
11	Are there <b>additional actions</b> that would strengthen climate resilience? Yes // No // Unsure Please explain your answer		Strengthening climate resilience involves focusing on wider goals than just climate resilience. Climate resilience can be achieved through biodiversity resilience, emissions reductions, social improvements – a focus on the wider benefits would assist in strengthening plans for climate resilience. This is acknowledged in the Rauora Climate Change Framework which recognises the systematic response and impacts of climate change. The Rauora Framework is not weaved throughout the document. The separation of actions into different sectors makes it easier to specify actions required, but it doesn't recognise the interconnected nature of actions when it comes to climate change mitigation and adaptation. The Council considers the draft NAP could benefit from better integration of the Rauora framework throughout the whole document.
			support consistency and quality across New Zealand. This would require central government taking the lead on funding, developing and promoting such an agency.
12	There are several Government reform programmes underway that can address some barriers to adaptation, including the Resource Management (RM) reform. Are there any <b>additional</b> <b>actions</b> that we could include in the	Yes	Clarity around what funding mechanisms will be supported by central government for climate adaptation in the RM reform legislation as soon as possible. It is difficult for councils to begin to take crucial climate adaptation planning work (for example by undertaking the recommended approach in the MfE Guidelines 2017 for working with local communities) without knowing whether they will be able to fund selected adaptation outcomes over the short/medium/long term.
	national adaptation plan that would help to address barriers in the short- term before we transition to a new resource management system?		The Council notes here its experience with the <u>Makara Beach</u> Project, which was a community and council collaboration – including mana whenua, regional councils, and other stakeholders – to assess climate risks and determine an adaptation strategy pathway. The project was successful in that a climate adaptation pathway was selected and agreed upon. However, no implementation has yet occurred. This is because targeted rates were determined as the only appropriate funding mechanism, but with a small population of less than 100, there was not the appetite from residents to increase rates to address climate adaptation (as the costs of the strategy exceed the financial ability of residents). This is where clarity around how adaptation projects like this can be funded is needed for the Council to be able to implement climate change adaptation.
			The Council is concerned that local government will be delayed in acting – or may promise more than is possible – without some indication at least of the direction that the government will take regarding funding before the reforms are finalised.

13	In addition to clarifying roles and providing data, information, tools and guidance, how can central government unlock greater investment in resilience? Would a taxonomy of 'green activities' for New Zealand help to unlock investment for climate resilience? Please explain your answer.	The Council is supportive of the new requirements for mandatory climate related financial disclosures and would support the criteria for mandatory assessment being widened as part of increasing action on climate risk. Council requests additional guidance for Councils, businesses and organisations to undertake biodiversity related financial disclosures (TNFD) as well as TCFD which would allow reporting on nature related risks and opportunities. Refer: <u>https://tnfd.global/</u> . Council believes that a taxonomy of green activities could help provide investors with clarification and assurance that investment is going towards climate and biodiversity resilience. If organisations/companies with activities on the list undertook TCFD and TNFD (see above), this would increase transparency and assurance.
Nature 14	Do you agree with the actions set out in Ye this chapter? Yes // No // Unsure Please explain your answer.	<ul> <li>The Council agrees that healthy and connected ecosystems, where biodiversity is robust and ecosystems support climate change resilience are important objectives for climate resilience. We also agree with the proposed actions, however, consider an analysis of the key gaps that need further work and investment is required. Many of the actions reflect programmes and initiatives that are already in development and do not seem to address gaps to ensure the objectives of the section are met.</li> <li>Regarding supporting action: Reform of Environmental and Reporting System (p.48)</li> <li>Expand this to improve access to natural environment values so that Local Government can include evidence-based decision making on environmental values in the scoping and design of projects, rather than at the stage of getting approval to proceed with work.</li> <li>Resourcing of Iwi should also be included to allow iwi access to environmental data in a geospatial platform and allow for the easy collection of data through standard platforms, and that enables opportunities here to tie into the action point on mātauranga Māori environmental indicators.</li> <li>Regarding the future work action on Prioritising Nature Based Solutions (NbS) (p.50):</li> <li>The draft NAP needs to state how Local Government will be supported in resourcing and funding NbS, including incentives for local government and developers to prioritize NbS in development work.</li> <li>Regarding the critical action to implement the proposed NPS on Indigenous Biodiversity (p.45)</li> <li>Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy 2020 implementation plan appears to focus more on conservation land and priority landscapes. Council would like this action point to include description of the avenues for Local Government to implement this in the urban setting – for</li> </ul>

example, in Wellington City much of the work conservation work undertaken does not involve the **Regional Council.** Regarding future work action development of mātauranga Māori indicators of climate impacts on the natural environment (p.50) The Council supports this action and a partnership approach to investment. The Council considers this action point should also include how these action points will reflect different views across iwi/hapū and different regional ecologies in NZ. Regarding establishing an integrated work programme to deliver climate biodiversity and wider environmental outcomes (p.50) • The Council considers that MPI and Local Government should also be leading this action and considers the action should include points on how to make this interconnected across different organisations. • The Council is particularly supportive of the inclusion of investment in the science of nature-friendly sequestration and supporting native afforestation and restoration. Wellington City has been undertaking restoration planting since the mid-nineties and the Council is open to begin pilot work to evaluate the sequestration of carbon in urban restoration sites. The Council notes that the NbS emphasis in this draft NAP is also mimicked in the recently released Emissions Reductions Plan. The Council would like there to be acknowledgements of the overlap between these two and the development of frameworks of guidelines to support joint mitigation and adaptation efforts. Regarding comments on actions across other outcome areas that also build on the economy and financial system section (p.52) Strengthening catchment limits in fisheries system reform will have positive outcomes in the marine environment but is contingent on interagency collaboration. In addition, a more whole of system approach is required to address current issues on fish catch and management, Regional Councils, DOC, NIWA and TA need to weave their efforts in partnership with mana whenua and in collaboration with the NGOs/community if we are to make the marine environment healthier. This work could also include collaboration with ocean sequestration programmes.

15	What else <b>should guide</b> central government's actions to address risks to the natural environment from a changing climate?		From Council's experience there are a range of challenges for selecting and funding NBSs – partially because of the lack of evidence for benefit/costs assessment and return on investment when compared to hard engineering solutions. Directing funding towards training programmes for designing, implementing, and monitoring/maintaining NbS for a New Zealand context is requied. Much of the literature available on NbS is from overseas, and there needs to be research specific to NbS for Aotearoa's native species and with a matauranga Māori lens.
16	<ul> <li>Are there other actions central government should consider to: <ul> <li>a. support you, your community, iwi and hapū, business and/or organisation to build the natural environment's climate resilience?</li> <li>b. strengthen biosecurity in the face of climate change?</li> <li>c. identify and support New Zealand's most vulnerable ecosystems and species in a changing climate?</li> <li>Yes // No // Unsure</li> </ul></li></ul>		Supporting local authorities in dune monitoring and active management. This natural infrastructure could increase coastal resilience. This could be done by creating datasets, tools, and promoting local programmes available nationally (e.g. Citizen science programmes to monitor ecosystems at-risk (e.g. <u>CoastSnap</u> )
17	What do you identify as the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu and/or other Māori groupings such as: business, forestry, fisheries, tourism, urban Māori, the private sector) to build the natural environment's resilience to the impacts of climate change?		<ul> <li>Strong relationships that allow for collaborative efforts across the Region with Mana Whenua in the decision maker seat.</li> <li>Regional priorities identified by collaborative programmes and coalitions to place environment first.</li> <li>The Council will continue to prioritise the natural environment throughout workstreams – for example through the Green Network Plan.</li> <li>Private sector could start undertaking biodiversity disclosures as per recommendations from the Taskforce for Biodiversity-related Disclosures.</li> </ul>
18	Are there additional actions that would advance the role of <b>Māori as kaitiaki</b> in a changing climate? Yes // No // Unsure Please explain your answer.	Yes	<ul> <li>Direct funding to Iwi to hold two jobs in a Tuakana Taina model for environmental non-regulatory work to enable them to be across the multiple collaborative projects needed and to have job security and build intergenerational capacity.</li> <li>Provide funding to increase training capacity for Rangatahi Māori in conservation (and particularly for climate change and Nature-based Solutions).</li> </ul>

HOMES,	BUILDINGS	AND PLACES
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Q #	Questions	WCC Position	Comments/explanation
19	Do you agree with the <b>outcome and</b> <b>objectives</b> in this chapter? Yes // No // Partially Please explain your answer.	Partially	Wellington City Council agrees with the outcome and objectives presented in the homes, buildings and places chapter.
20	What else should guide central government's actions to increase the resilience of our homes, buildings, and places?		The Council also notes that local government has a key role in implementing adaptation actions for this section of the draft NAP and strongly requests that more detail is needed to understand how we contribute to delivering the critical actions (see response to question 22).
21	Do you agree with the <b>actions</b> set out in this chapter? Yes // No // Partially	Partially	<ul> <li>The Council agrees with the proposed actions but notes that:</li> <li>although two of the actions are specifically aimed at Māori, there is no plan for specifying how mana whenua will be able to incorporate cultural views in urban design and development settings.</li> <li>an action which encourages adaptation and seismic strengthening to be undertaken at the same time and with similar frameworks would increase efficiency across these two resilience areas.</li> </ul>
22	<ul> <li>Are there other actions central government should consider to:</li> <li>a) better promote the use of mātauranga Māori and Māori urban design principles to support adaptation of homes, buildings and places? Yes // No // Unsure</li> <li>b) ensure these actions support adaptation measures targeted to different places and respond to local social, cultural, economic and environmental characteristics? Yes // No // Unsure</li> </ul>	Yes	<ul> <li>Specific additions required to improve resilience, which are relevant to local government:</li> <li>Monitoring frameworks to see how (or whether) Māori urban design plans are being implemented.</li> <li>Cultural heritage refers to non-Māori communities as well.</li> <li>Improving knowledge and education around cultural heritage buildings to understand and subsequently minimise impacts.</li> <li>Need to define roles and responsibilities of local governments, private sector, and property owners in adaptation action planning for homes, buildings, and places.</li> <li>Improved guidance on applying cultural heritage values of a place and how cultural values supports community well-being. Cultural heritage is unique and the "one size fits all" approach will not meet the needs of cultural heritage.</li> <li>An additional focus on urban design, buildings and infrastructure would help provide information and guidance to adapting inner-city such as in Wellington CBD.</li> <li>The Council recommends integrating the National Māori Housing Strategy (MAIHI Ka Ora) vision into homes, buildings, and place action plans to deliver equity and equality across action plans. Council mostly emphasises the Māori housing sustainability strategy (one of the MAIHI Ka Ora priorities) that supports housing which is innovative and responsive to the effects of climate change.</li> <li>The resilience of cultural heritage items is critical as places are delicate and irreplaceable – this includes non-Māori cultural heritage items.</li> </ul>

	c. understand and minimise the impacts to <b>cultural heritage</b> arising from climate change? Yes // No // Unsure		<ul> <li>There are overlaps with some of these actions with the Emissions Reductions Plan – particularly around building improvements. Frameworks or guidelines could help local government meet both mitigation and adaptation actions in both plans.</li> </ul>
23	Do you think that there is a <b>role for</b> <b>government</b> in supporting actions to make <b>existing homes</b> and/or buildings more resilient to future climate hazards? <b>Yes</b> // No // Unsure If yes, what type of support would be effective?	Yes	<ul> <li>The Council thinks that the Government does have a role to help make existing homes and buildings more climate resilient. The types of support Council thinks might be necessary from the Government includes:</li> <li>Encouraging insurers (international or national) to cover risks in the coastal areas and predicting strategies to prevent insurance retreat.</li> <li>Supporting mandatory climate risk statements /information on LIMs to provide information on climate risk for individual properties.</li> <li>A targeted and tailored approach from government would be beneficial. Cultural heritage places are unique and need to be treated individually. A "one size fits all" approach will not deliver the outcomes required for cultural heritage.</li> <li>Increasing EQC cover particularly for those most exposed communities to climate change impacts.</li> </ul>
24	From the proposed actions for buildings, <b>what groups</b> are likely to be most impacted and what <b>actions</b> or policies could help reduce these impacts?	Various	In Wellington, the Council itself, mana whenua, residents/landowners and businesses all face considerable future risks and are likely to be most affected by direct impacts of climate change, as well as the adaptation policies. While the majority of those most affected are in coastal areas, storms, flooding, slips there are other indirect impacts that pose significant impacts on buildings/homes across the whole region of Wellington. Council also notes that there are considerable intergenerational and long-term planning risks associated with policy decisions that will need to be managed to prevent future generations from bearing the costs of adaptation funding and planning decisions being made in the short-term.
			<ul> <li>Council also notes:</li> <li>People or communities who have less financial capital and/or less ability to undertake required adaptive measures will be impacted. This may have roll-on effects to renters as was observed in Wellington City after the "Clean Homes" initiative required certain standards of landlords.</li> <li>Māori community (including landowners, renters, etc) will likely be impacted by actions to "Support kaitiaki communities to adapt and conserve" and "Embed adaptation in funding models for housing and urban development, and Māori housing".</li> <li>Local governments, the private sector, landowners, and communal residential and non-residential groups will likely be impacted by actions to "build property resilience" and "Embed adaptation in funding models for housing and urban development, and Māori housing"</li> <li>Local governments, the private sector, commercial and communal non-residential groups will likely be impacted by actions to "build property resilience" and "Embed adaptation in funding models for housing and urban development, and Māori housing"</li> <li>Local governments, the private sector, commercial and communal non-residential groups will likely be impacted by actions to "establish an initiative for resilient public housing".</li> </ul>

		<ul> <li>Greater alignment with emergency resilience and climate resilience/adaptation programming nationally is needed to unlock the opportunities to both (a) build short-term emergency preparedness, and also (b) build long-term community climate resilience. CDEM / Councils can play a leading role in engaging an integrated community resilience programme if more tools and programming is available nationally.</li> </ul>
25	What are some of the current barriers you have observed or experienced to increasing buildings' resilience to climate change impacts?	<ul> <li>Council notes the following barriers:</li> <li>There is limited information about the climate related risk at the individual property level.</li> <li>The view that a new building is inherently more sustainable and more resilient. Improving or adapting, where appropriate, can also reduce embodied emissions in a project to meet the joint outcome of climate change mitigation.</li> <li>Deferred and/or neglected maintenance of a heritage building or place. Not only does delaying work increase costs, but it also makes places more difficult to adapt, preserve and improve sustainability due to decaying materials/wear and tear etc.</li> <li>District and Regional Plan changes are applied only to future developments – and that process is slow and not responsive enough to adapt to the pace of change required to cope with climate change.</li> <li>TAs have inadequate policy levers available to apply retrospective building changes for climate-related impacts. Wellington City Council has a learnt a number of lessons from the Earthquake Strengthening Programme, where we were challenged in court by a few property owners. The programme also requires significant expense to administer.</li> </ul>

#### INFRASTRUCTURE

Q #	Questions	WCC Position	Comments/explanation
26	Do you agree with the outcome and objectives in this chapter? Yes//No//Partially Please explain your answer.	Partially	<ul> <li>We agree with the outcome and objectives presented in the infrastructure chapter, but add: <ul> <li>It would be good to have more clarity for objectives and outcomes in each infrastructure sector (energy, telecommunications, transport, etc).</li> <li>The need to highlight Mana Whenua's engagement in the outcome and objectives of infrastructure adaptation action plans and consider their cultural and spiritual values (waahi tapu, taonga, water, and ancestral lands).</li> <li>More effective partnerships/ coordination is needed regionally - increasing the resilience of the city's infrastructure to the impacts of climate change will be key to Wellington's future growth and development and to ensuring a well-functioning urban environment for all. Being able to effectively partner and manage infrastructure across agencies will be particularly critical for three waters and transport infrastructure.</li> </ul> </li> </ul>
27	What else should guide central government's actions		. There isn't a clear Central Government's direction on who should be taking the lead in the adaptation action plan – and this extends to infrastructure adaptation roles and responsibilities.

	to prepare infrastructure for a		Wellington City Council recommends the following actions are added/addressed:
	changing climate?		Support collaborative work of central governments, local governments, and private asset owners to develop
			infrastructure climate change adaptation action plans.
			<ul> <li>Develop monitoring frameworks to assess how plans are being implementing as well as to ensure</li> </ul>
			transparency in implementation processes
			<ul> <li>Accelerate the development of the National Energy Strategy</li> </ul>
28	Do you agree with the actions	Yes	Council strongly supports the action to <i>"Increase uptake of tools to invest in infrastructure in urban areas"</i> which is
20	set out in this chapter?	163	aimed at identifying opportunities and addressing the systematic barriers to infrastructure provision. This action
	Yes // No // Partially		should be expedited to assist local authorities accelerate responses to infrastructure deficit issues.
	Please explain your answer.		should be expedited to assist local authorities accelerate responses to infrastructure denot issues.
	r lease explain your answer.		Council also supports the actions identified in the draft plan that relate to ensuring climate change risks are included
			more explicitly in infrastructure planning and delivery processes (e.g. NZ standards, Treasury guidance etc). Council
			especially requests for urgency on developing clearer standards for integrating climate-related risk management in
			asset renewal processes.
29	Do you agree with the actions	Yes	The Council strongly supports the action to "Increase uptake of tools to invest in infrastructure in urban areas" which is
	set out in this chapter?		aimed at identifying opportunities and addressing the systematic barriers to infrastructure provision. It would be
	Please explain your answer.		useful for local government if this was done as soon as possible, to assist local authorities accelerate responses to
			infrastructure deficit issues.
			The Council also supports the actions identified in the NAP that relate to ensuring climate change risks are included
			more explicitly in infrastructure planning and delivery processes (e.g. NZ standards, Treasury guidance etc). Council
			especially requests urgency on developing clearer standards for integrating climate-related risk management in asset
			renewal processes.
			Further aligning actions across local government
			Alignment of infrastructure standards with local government planning and decision-making. Local government
			has a key role in influencing development in climate risk hazard areas. Current policy tools have a lack of
			consistency when it comes to decision-making, leading to decisions such as the approving of a 65-dwelling
			development in the Christchurch coastal suburb of New Brighton by the Christchurch City Council <sup>2</sup> .
			Wellington City Council long-term infrastructure strategy and spending is guided by its Financial and
			Infrastructure Strategy (2021 – 2051), the purpose of this being to balance the City's strategic needs with its
			strategic wants and make informed, prudent, and sustainable investment decisions. The challenges the City
			faces when it comes to infrastructure are outlined in this management plan, as follows:

<sup>&</sup>lt;sup>2</sup> Logan (9 July 2021). University of Canterbury: With seas rising and storms surging, who will pay for New Zealand's most vulnerable coastal properties?

			<ul> <li>Challenge 1 – Infrastructure: Looking after what we have through asset renewal and addressing backlogs and bow waves</li> <li>Challenge 2 – Housing and Urban Development – Growing &amp; Changing: Meeting housing demand and affordability</li> <li>Challenge 3 – Environment: Responding to climate change (impacts and decarbonisations) and changing expectations of water quality</li> <li>Challenge 4 – Resilience: Earthquakes, pandemic and insurance</li> <li>Guidance for incorporating climate change risk and adaptation into asset management plans and renewal – will increase efficiency between infrastructure investments isn't included as an action point. Councils face large infrastructure costs to either upgrade or relocate assets at risk, and additional funding mechanisms aside from borrowings and targeted rates will be required for equitable financing.</li> <li>Mana whenua/ maturanga maori perspectives</li> <li>Guidance for how infrastructure impacts or honours local mana whenua and Māori perspectives so this can be consistently incorporated amongst infrastructure projects (including incorporation of Nature-based Solutions).</li> <li>Local communities</li> <li>Local communities who are the primary end-user of any infrastructure investment should be included at the concept and design stages of infrastructure renewals for transport, buildings or service infrastructure.</li> <li>Disadvantaged. Research has shown that in cities there is little guidance for implementing policies that support social vulnerability. The Council recommends that the Government undertake a social vulnerability and climate change assessment (for example, similar to the US Climate Change and Social Vulnerability Report 2021). This will help to prioritise infrastructure investment and adaptation in areas which are both vulnerable from climate change and have higher populations of disadvantaged people.</li> </ul>
30	Are there additional <b>infrastructure</b> actions that would help to strengthen <b>Māori climate resilience</b> ? Yes // No // Unsure. Please explain your answer.	Yes	<ul> <li>Access to cultural infrastructure in remote locations/sites of significance for cultural practices needs to be considered in adaptation planning (e.g. climate risk of remote roads that lead to mahinga kai sites of significance).</li> <li>Adaptive capacity is a key factor in prioritisation of adaptation coping strategies and mana whenua need to lead adaptation decision-making for sites of cultural significance. Support may be required for this to be</li> </ul>

<sup>&</sup>lt;sup>3</sup> Breil, M.; Zandersen, M.; Pishmisheva, P.; Branth Pedersen, A.; Romanovska, L.; Coninx I., Rogger, M., Johnson, K. (2021) Leaving No One Behind' in Climate Resilience Policy and Practice in Europe. European Topic Centre on Climate Change impacts, Vulnerability and Adaptation (ETC/CCA) Technical Paper 2021/2.

			<ul> <li>undertaken as many Māori lands are in places that are remote and/or more vulnerable to the impacts of climate change.</li> <li>Improved practices for Councils to understand how to apply mana whenua values/ priorities within infrastructure planning needs to be addressed as part of the RM reform to give clearer guidance and standards.</li> <li>Increase investment in Māori and Pasifika engineers who make up an estimated one percent of Chartered Professional Engineers in Aotearoa<sup>4</sup> (through, for example, supporting the work of South Pacific Professional Engineering Excellence) and making matauranga Māori in engineering design part of standard tertiary tuition for all engineering and architecture students.</li> <li>Develop a guide to Nature-based Solutions (NbS) in Aotearoa for working with mana whenua to create culturally and biodiversity appropriate NbS as part of infrastructure adaptation (and mitigation).</li> </ul>
31	Are there any other <b>tools or</b> <b>data</b> that would help infrastructure asset owners make better decisions?	Yes	<ul> <li>Open data platforms that integrate wide range of data: National, regional, and local <b>Digital Twins</b> and other open data platforms</li> <li>Surface and underground utilities data to be available for Council/local resilience planning and climate risk assessments – this data is currently difficult to access due to unwillingness to share / expense of maintaining datasets.</li> </ul>

#### COMMUNITIES

32	Do you agree with the outcome and objectives in this chapter? Yes	Partially	Council broadly agrees with the outcomes and objectives in this chapter. However, the Council notes that this section is very focused on emergency response and therefore does not adequately address the full range of risk reduction efforts to support community resilience.
	No Partially		The Council would strongly support a more holistic preventative, empowering and inclusive focus on locally led climate- resilience planning and action. The Council has concerns with the definition and framing of "vulnerable communities" (pg.
	Please explain your answer.		75) and consider further explanation and clarification is required to outline what underlying factors contribute to their vulnerability/disproportionate impact. There is a concern that some disproportionately affected populations in Wellington may not adequately be represented – including the rainbow community, renters, students and older people. There is a good example of an index <sup>5</sup> to measure social vulnerability to flooding that would be welcomed as a nationally consistent approach to better understand the social vulnerabilities.
			Wellington community-led adaptation case-studies: Council is pleased to share that Wellington's South Coast residents are proactively reaching out to Council for support in climate adaptation for their communities. Council recognises the

 <sup>&</sup>lt;sup>4</sup> Engineering New Zealand (8 September 2021). TE TŪTURUTANGA Ō TE TAUMAUTANGA KI TE MĀORI.
 <sup>5</sup> Environmental Health Intelligence NZ 2019 Social vulnerability indicators project

			important role of community-led action and we are pleased to have been working with various communities to support local climate adaptation planning. Since the release of the NZ Sea Level Rise Project data in early May 2022, and in response to previous storm surge events, Council is deeply concerned that we are not equipped with the appropriate policy levers/tools to adequately support our communities to adapt in a timely way. We know from previous experience that Council lacks the appropriate policy levers and resources to be able to adequately implement climate adaptation interventions that have been identified in effective DAPP community engagement processes. It is not sufficient to wait for destructive and hazardous natural disasters to trigger climate adaptation planning with communities, as this does not align with our role to manage the safety impacts of natural hazards on the community.
33.	Do you agree with the actions set out in this chapter? Yes/ no / partially Please explain your answer.	Partially	Council only partially agrees with the listed actions, but we do not agree that actions listed will sufficiently support community resilience within the timeframe required to proactively reduce risks to climate change hazards - as they are mainly limited to emergency response. We recommend a wider wellbeing/ te ao Māori lens is applied that aligns with other national strategies (e.g. National Disaster Resilience Strategy; Treasury's Living Standards Framework).
34.	What <b>actions</b> will provide the greatest opportunities for you and your community to build climate resilience?		Council considers the following actions listed in this section of the draft NAP to have the greatest benefit to community resilience in Wellington:         Critical actions:         • Raise awareness of climate-related hazards         Supporting actions:         • Climate Migration Action Plan         • Building community resilience through social cohesion         • Improve natural hazard information on LIMs         • Continue with the reform of the health and disability system         • Assess socioeconomic and climate vulnerability for Māori         • Continue to overhaul the welfare system         • Expand current funding for proactive community resilience
35.	Are there <b>additional</b> <b>actions</b> central government should consider to:	Yes	Supporting community resilience must go beyond the "ambulance at the bottom of the cliff" scenario. The Council calls for much stronger and more thorough thinking of the various support to regional and local government agencies/communities that holistically reduce risks to communities and build their capacity to act.

	<ul> <li>a. support your health and wellbeing in the face of climate change?</li> <li>Yes // No // Unsure</li> <li>b. promote an inclusive response to climate change?</li> <li>Yes // No // Unsure</li> <li>c. target support to the most vulnerable and those</li> <li>disproportionately impacted?</li> <li>Yes // No // Unsure</li> </ul>	<ul> <li>Council believes that a broad, holistic social determinants of public health approach to understanding the impacts on communities is required. Te Ao Maori frameworks of wellbeing (E.g. Te Whare Tapu Wha) should be applied in thinking about community resilience to climate change.</li> <li>Additional actions:         <ul> <li><i>Guidance, tools and data to support community engagement on climate adaptation planning</i> – Council believes that community engagement approach needs to better be facilitated through national guidance that sets clear expectations of roles, responsibilities as well as systems and tools to exchange ideas / techniques for better engaging and empowering communities.</li> <li><i>National climate preparedness campaign</i> - While Get Ready Week is an excellent opportunity to also raise awareness of climate-related impacts, given the wide and complex range of impacts Council believes that in addition there should also be a national social marketing campaign. The Council is currently in the process of designing a local climate action campaign, and there are other Councils (e.g. Environment Canterbury) who have already developed similar campaigns.</li> <li><i>Research and data</i> – there is a need for much greater information on socio-economic and cultural resilience to natural hazards to inform local programmes<sup>6</sup>. As outlined in this report<sup>7</sup>, social vulnerability indicators can support the management of natural hazard risk and the effects of climate change by providing an evidence base upon which to rely when making land use planning decisions. Social vulnerability indicators can also assist in emergency management, by enabling the targeting and prioritising of preparedness initiatives and emergency response and recovery efforts.</li> </ul> </li> </ul>
36	What do you think are the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu, non- government	Council supports a nationally directed and enabled but locally-led response to climate change resilience that is flexible to the local context. As outlined in the National Disaster Resilience Strategy, community resilience is supported by a system of structural supports that enable effective local action.

<sup>&</sup>lt;sup>6</sup> Mason K et al 2021 <u>Social Vulnerability Indicators for Flooding in Aotearoa New Zealand</u>. International Journal of Environmental Research and Public Health.

<sup>&</sup>lt;sup>7</sup> Beban J.G .and Gunnell, S. 2019 Incorporating social vulnerability into land use planning and local government processes for managing natural hazards and climate change in New Zealand.

	organisations, community groups) to strengthen community resilience in the face of climate change?		
37	Are there additional actions could be included in the national adaptation plan to help strengthen climate resilience for <b>iwi, hāpu</b> and whānau?	Yes	Local information systems and data sources for adaptation planning that can be applied to rohe and prioritises adaptation planning. Council is aware that there are a range of iwi-led climate change projects currently underway but climate change data poorly aligns to these projects as it is often provided on a Council level, which means iwi need to integrate various possibly mis-aligned datasets to get the data they require.

#### ECONOMY

Q #	Questions	WCC	Comments/explanation
		Position	
38.	Do you agree with the outcome and objectives in this chapter? Yes/ no /	Yes	Council endorses the objectives, although we note that the outcomes are very broad and do not include the role of local government.
	partially. Please explain.		The role for local government in making and implementing decisions for adaptation would be greatly enabled by stronger central government guidance to support the complex work of funding/financing adaptation.
40.	Do you agree with the	Partially	Council supports the following actions for this section of the NAP but notes other actions:
	actions set out in this chapter? Yes/ no / partially Please explain your answer.		<ul> <li>Monitoring residential and commercial insurance premiums/access – this action will be critical but we note this is limited to public insurance. Council recognises that there is a role for the Government in monitoring.</li> <li>Identify the impacts of climate change on regional economies – modelling regional impacts and the guidance for assessing and applying the findings to local decision-making will a key enabler to local climate resilience and adaptation planning for local and regional councils. Given the usefulness to Councils, we would request that this work be prioritised for delivery in the first 2 years of the NAP.</li> <li>Climate-related disclosures mandates to be introduced in the public sector</li> <li>Develop options for home insurance issues</li> <li>Support Māori small business and resilience transitions</li> <li>Deliver Maori agribusiness extension</li> <li>Research business adaptation preparedness &amp; guidance for small business – as this will greatly support the wider work that Councils do in economic development</li> <li>Deliver the DOC Adaptation Plan</li> </ul>

			Future Pathways work programme
41.	Are there other actions central government should consider to: a) support sectors, businesses and regional economies to identify climate risks and adapt? b) promote a resilient financial system in the face of climate change? Yes/ no / unsure. Please explain your answer.	Yes	Despite Councils playing a critical role in regional economic development, there are no critical actions listed to support local government to build the resilience of economies to climate change risks. Nationally available datasets on the climate change risks in economic and fiscal monitoring and forecasting to reflect regional data would be helpful to local government climate change risk assessments.
42.	What do you think are the most important actions that will come from outside of central government to reduce the economic and financial risk they face from climate change?		<ul> <li>From Council's perspective, the most important actions that local government can contribute to reducing economic and financial risks associated with climate change include: <ul> <li>improved national standards to give Councils clear direction on asset and infrastructure management planning,</li> <li>improved information about expected impacts on primary industry, tourism and mana whenua businesses</li> <li>improved loss and damage data on a local/regional scale that is applicable to both the private and public sector.</li> </ul> </li> </ul>
43.	Are there additional actions within the financial system that would help strengthen <b>Māori climate</b> <b>resilience</b> ? Yes/ no / unsure. Please explain your answer.	Yes	<ul> <li>We support further investment in:</li> <li>Māori economic development. For example in the Wellington region mana whenua have developed Te Matarau a Māui 2021<sup>8</sup> which highlights that it is <i>"traversing new territory, revealing unseen pathways, and pushing boundariesdigital warriors, investors and operators in numerous aspects of the value chain, business, and economic and social development."</i> There are a range of ways the economic development will improve adaptive capacities to adapt to climate change.</li> <li>Māori small business resilience and transitions – with the aim of this work being to support Māori small and medium enterprises to develop low-emissions growth strategies, respond to climate-related risks and opportunities, and adopt resilient ways of working.</li> <li>Māori agribusiness extension, which will deliver a tikanga-based support programme for whenua Māori, developed by Māori for Māori, empowering Māori landowners and agribusiness to take a te ao Māori approach to adaptation</li> </ul>

<sup>8</sup> Te Matarau a Māui 2021

			and lowering emissions, by extending the current pilot programme, which offers resources and support to Māori land-owning collectives. We also note that more work is needed to understand how <b>access to insurance</b> will affect the ability of Māori communities to adapt. We note that Māori have some of the lowest rates of access to private insurance. We expect this will only be exacerbated if premiums are raised in areas at higher risk from natural hazards and climate change.
44.	In the context of other risk management options (eg, flood barriers, retreat from high-risk areas), what <b>role should</b> <b>insurance</b> have as a response to flood risk? Please explain your answer.		<ul> <li>While Council recognises that insurance plays can play a role in risk reduction (e.g. price signalling), and is a critical tool for reducing impacts (HHs and Council etc), the role of insurance is limited in supporting long-term climate resilience. Insurance is not a tool for climate resilience on its own.</li> <li>The Council also notes that insurance also plays an essential role in transferring the risk from the operation and maintenance of assets owned by councils. The focus of the draft NAP is on privately owned land. We encourage the government to investigate what the role of insurance should be in assisting asset owners in adapting to climate change.</li> </ul>
45	Should the Government have a role in supporting flood insurance as climate change risks cause private insurance retreat? Yes/ no / unsure. Please explain your answer.	Yes	Council believes that yes Government has a role in supporting access to all types of insurance (not just flooding) to ease private insurance retreat given the scale of the risk for New Zealand, likely to affect not only households in coastal areas, but those also living in flood plains, and huge proportion of NZ's publicly owned assets (managed at both local, regional and national levels). Council recommends that commercial and public assets and infrastructure needs to also be considered in the policy decision-making to holistically build resilience to climate change risks.
46.	If you think the Government should have a role in supporting flood insurance as climate change risks cause private insurance retreat, how do you envision the Government's role, and how is this best achieved (eg, direct support and/or indirect support such as		Council notes the significant issues that the American Flood Protection Insurance scheme has caused in the USA, where the scheme has encouraged greater development in high hazard areas and some houses have been rebuilt repeatedly – the scheme essentially appears to lock owners into existing houses and prevent retreat, the opposite of the intent. The council hopes Central Government learns from these, and other international examples, to ensure insurance schemes to not result in maladaptation.

	reducing underlying flood risk)?		
47.	If the Government were to directly support flood insurance: a. what is the best way to provide this direct support? should the Government's focus be to support availability or affordability of insurance, or both?		As above.
48.	How effective do you think the <b>insurance</b> <b>"price signal</b> " (eg, higher premiums or loss of insurance) is for providing incentives to reduce flood risk?	Weak	Council does not agree the price of insurance on its own is a sufficient "signal" to communities and asset owners ahead of time. Council thinks there are other ways that the risk can be communicated (e.g. hazard info on LIMs, sufficient public messaging via various channels). The price of insurance premiums is likely to come too late for many and the withdrawal/unaffordability of insurance will further exacerbate the disproportionate impacts across the community. Wellington's narrow tidal range + sea level rise + vertical land movement exposes Wellington's coastal properties at risk of insurance retreat sooner than many other parts of New Zealand . According to research <sup>9</sup> , full retreat from a number of coastal properties in Wellington within a 1% AEP location and 1km of the coast is likely to happen 2035-2047. The national policy responses must effectively respond to the timelines of those who are most likely to be affected.
49.	In your view, should a scheme similar to <b>Flood</b> <b>Re</b> in New Zealand be used to address current and future access and affordability issues for flood insurance? Why or why not?	Limited	Council suggests that further investigation both of Flood Re and other alternative flood insurance options is necessary to understand how to best develop a sustainable flood insurance scheme for the New Zealand context.

<sup>&</sup>lt;sup>9</sup> Storey B. (2020) <u>Insurance retreat in New Zealand</u>.

50.	How do you think a	Limited	We suggest that the EQC cover could be extended to buildings for inundation events, using limits on cover for properties
	scheme similar to Flood		after a cut-off date and limiting it to a timeframe, much like Flood-Re. A cut-off date for access to the scheme and a limit
	Re in New Zealand could		on the duration of the scheme would provide signals and sufficient time for communities to adapt.
	support or hinder		
	climate change		
	adaptation initiatives in		
	New Zealand?		
51	Anything else to add?	Yes	Council notes that the consultation window has not been sufficient for us to provide an in-depth or thorough critique.

#### Managed Retreat Consultation Questions

Q #	Section / questions	Explanation
52		We agree with most of the proposed principles and objectives. However, there are a number of areas that we believe they need to be more clearly defined, reworded, or amended.
		Table 1, Objective 1: Set clear roles, responsibilities, and processes. In setting these roles, responsibilities and processes, clear direction needs to be given of the responsibility of all three levels of government in funding managed retreat. We recommend this is amended to "To set clear roles, responsibilities and processed across all levels of government, mana whenua, community and private stakeholders for undertaking managed retreat as part of adaptations strategy planning and implementation".
		Table 1, Objective 2: Provide stronger tools for councils to modify or extinguish existing uses of land. The term 'tools' is vague and does not suggest that statutory policy, that is flexible enough to cope with the dynamic nature of adaptive planning, will be enacted to provide for this. Currently many statutory mechanisms can be used a local and regional level. While useful in part, the lengthy statutory process – such as for changing a land use zone in the District Plan – means it is hard to dynamically adapt to impacts of climate change. While regional authorities can extinguish existing use rights, the implications for property values make that option politically unfavourable and therefore direction from central government required in this area.
		Table 1, Objective 4: Clarify local government liability for decision-making.       Wellington City Council, most likely same as         all councils around New Zealand, has not always made decisions which align with climate change mitigation and adaptation         goals. The same is to be said for property developers who have knowingly developed in areas of high or increasing risk.         Although now we may say this was 'wrong' at the time it was legal and through fault of regulation or otherwise went
		ahead. It will be critical that litigation risks to local councils are effectively prevented through clear central government

		guidance on roles, responsibilities, and practical guidance. Allowing councils to be liable for past misunderstandings and actions will detract funding and resourcing away from taking action for future generations. <b>Table 1, Objective 5: Provide clear criteria for when central government will intervene.</b> The Council does not agree with this objective. Clear roles need to be defined as soon as possible across all three levels of government so regional and local councils know what central governments involvement in managed retreat will be, without central government reacting and intervening in response – as was the case with the Christchurch Earthquake Recovery.
		<ul> <li>Principles</li> <li>For Table 2 – One principle is that "Solutions are designed to be as simple as possible". However, it is not clear that simple solutions are necessarily the best long-term solution. For example, managed retreat may have many more complexities than protection, but may be the optimal solution for a given area. We suggest removing this principle.</li> <li>For Table 2 – One principle is "Minimise cost over time by providing as much advance notice as possible". It is not clear how advance notice results directly in minimising costs. This principle appears to assume that advance notice will result in appropriate, timely and cost-effective action. It is well known that information in itself is not sufficient to lead to such outcomes. We suggest rewording the principle to read "Minimise cost over time by promoting robust analysis and broad engagement on the cost-effectiveness and affordability of adaptation response options"</li> </ul>
53	Are there any other principles or objectives you think would be useful? Please explain why.	<ul> <li>We believe that the following additions should be addressed:</li> <li>Under 'Objectives and principles of funding responsibilities' (Table 2), it is suggested that an additional objective is required – namely "To understand the relative long-term costs and benefits of the various climate adaptation response options". Without such an objective, the impacts of adaptation decisions on costs cannot be determined and nor can the Crown's (or local governments) fiscal exposure (included under 'Principles').</li> <li>Add an objective or principle relating to the protection of the natural environment. We consider it of high importance that managed retreat processes consider the risk and opportunities to the land being 'retreated from' and the land being 'retreated to'. New Zealand is in a biodiversity crisis and its native flora and fauna cannot afford for more land to be dedicated for housing instead of for restoring ecosystems, if the only feasible outcome for a community is to relocate to a new area.</li> <li>Regarding the objectives and principles on funding responsibilities, there should be an objective that "provides clear funding mechanisms to answer key questions on roles and responsibilities around funding and implementing managed retreat across all levels of local government". Funding for managed retreat is a problem worldwide and is generally ad hoc, poorly coordinated, and limited in scale and scope with little resolution over the key funding issues such as "who pays". This will not be solved without clear direction and establishment of managed retreat funding mechanisms.</li> </ul>

		<ul> <li>Define "intolerable risk" to reflect a range of views/contexts - The use of the phrase "intolerable risk" is vague. The level of tolerance of risks differs across geospatial and socio-economic communities and would therefore need to be defined but also flexible enough to reflect different views/contexts.</li> <li>Reconsider the language of 'managed retreat' which may alarm communities instead of enabling productive engagement approaches that could be framed around 'making room for nature', 'accommodating rising seas' or 'relocation towards safer and more resilient spaces/places' and look for language that aligns with Te Ao Mãori views.</li> <li>We consider it of high importance that the role and importance of local government in implementing managed retreat is captured in the objectives. The principles and objectives do not acknowledge that many of the decisions around risks and adaptation fall on the shoulders of local authorities, who are best poised to work with local communities, mana whenua and wider stakeholders to create and implement adaptation strategies which may include managed retreat.</li> <li>Recognise the leading engagement role of local government and mana whenua. There appears to be a strong focus on 'households'. We think that there should be equal or greater focus on council/community assets such as roads, pipes, telecommunications etc., as well as on businesses, environments and iwi. If the impacts on these broader systems/domains are significant, then responses are likely to be directed toward them, and households may be required to submit to the wider changes that are occurring in their communities.</li> <li>Develop clearer community engagement planning guidance and tools. Most, if not all, retreat to date has been post-event (e.g., Matata, Christchurch earthquakes, etc). Moving to pre-emptive managed retreat brings in a range of considerations that have not been needed for those examples (e.g., raising awareness and urgency in the absence of a critical and imm</li></ul>
Proc	ess of managed retreat	
	Do you agree with the process outlined and what would be required to make it most effective?	Initiation: There are likely to be cases where major infrastructure such as roads or airports will need to consider managed retreat. In fact, it is conceivable that there will also be situations where decisions will be needed to prioritize spend on such responses in one region over another. We suggest that a system should exist whereby government is able to assess and decide upon such national-level cases. As explained in the box below, WCC cautions the government from reactive retreat in this process (as inferred by the point
		"as a result of a natural hazard event" in the initiation causes of the box. In many cases waiting until an event occurs will mean it is too late to undertake a planned and considered managed retreat process. We agree with the following

statement: "To enable staged implementation, community coping capacity needs to be identified and triggers designed for retreat well before the coping thresholds are reached.<sup>5</sup>

#### Wellington City Council Case-Study: Community-Led Post-disaster Adaptation Planning

Wellington City Council through the Makara Beach Adaptation Project and 'Regrading the Beach' Project at Ōwhiro Bay. As part of this Project, WCC led a collaborate team of community and mana whenua representatives, experts, regional council, and others to discuss short-, medium- and long-term options for the Makara Beach community who face increasing risks of flood inundation with climate change. One of the options considered – though in the end not chosen - for the long term was the managed retreat of the community. Therefore, a managed retreat process may be identified as a long-term necessity but not part of immediate climate adaptation action (and depending on future emissions scenarios). This process needs to recognise that for most areas, pre-emptive adaptation planning will be the key identifier of whether managed retreat will need to be undertaken in that area, and discussions around managed retreat will form part of wider discussions on adaptation strategy. This will make the process more effective, more efficient and align with the work already being undertaken across many local authorities.

**Planning and preparing**: Step 5 appears to require plan changes (or inclusion of provisions) in an NBA plan, before any actual retreat process can be implemented. This appears to be limiting, and potentially time consuming, given experience with RMA plan changes. Given that climate impacts and the need for managed retreat will be accelerating over time, the Council believes that a more flexible, adaptive and timely mechanism will be required. For example, the use of clearly defined criteria and tools (i.e. geospatial climate risk assessment and analysis) to support classification of an area as suitable for managed retreat.

- Efficiency and equitable outcomes can be gained through a centralised approach to supplying regionally consistent datasets and risk-based information (e.g. NZ SLR Project) that avoids legal challenge, saves time, and is available for all agencies as well as mana whenua and the public to make difficult risk-based decisions.
- Standardising risk assessment assumptions will be critical for fair outcomes.
- Point 4 (assessment and phasing to confirm managed retreat is the best option) should be done before the managed retreat process commences as part of wider adaptation strategy work.

**Enabling investment:** The process needs to be flexible enough to fit different local contexts but it is dependent on the funding / resources available to implement managed retreat. Processes should be focused on the retreat/relation outcomes (getting people and/or infrastructure into resilient places).

Active retreat: This section of the process just talks about relocation or abandonment of public and private property. However, this may occur over a period of years, in a staged approach and intergenerationally.

		<ul> <li>Clean-up &amp; repurposing : Regional Spatial Strategies should set long-term objectives for urban growth and land use change, responding to climate change, and identifying areas inappropriate to develop for reasons such as their natural values or their importance to Māori. Regional spatial strategies should set a strategic direction for long timeframes of 30 – 50 years + informed by longer-term data and evidence as appropriate.</li> <li>In general: The role of iwi/Māori is only referred to under planning and preparing. It is important that iwi/Māori are included and partnered with across all stages of the process.</li> <li>Incorporating funding mechanisms as part of the process. Funding – alongside other policy tools - is the most important consideration when deciding when and how to undertake managed retreat as well as where to relocate the community/asset/service in question.</li> <li>However, without knowing how much a managed retreat process is likely to cost, it is difficult to establish where funds will come from and a consistent approach to both cost allocation and cost assessment is required.</li> <li>We agree with the following statement: "Lack of a consistent approach to cost allocation could lead to inconsistencies between districts, lack of clarity for communities, and an inability to plan effectively due to the need to assess each situation as it arises. At a national level, this could also lead to inequities for communities, and increased risk of opposition and legal pressure. National direction on the options and responses available in different situations, and preferably on the most suitable for situations, would assist local government adaptation by decreasing challenges that are due to uncertainty" (reference)</li> <li>This links with the previous recommendation for a new objective "To understand the relative long-term costs and benefits of the various climate adaptation response options". Cost analysis should be undertaken early on in the process of managed retre</li></ul>
55	What do you think should trigger the process? What data and information would be needed?	Given the expense and complexity of retreat, Council is equally concerned about retreat that is either too soon or too late. Council therefore supports the development of improved guidance around developing and monitoring triggers together with communities, that also reflect the local ecological context. In order to respond appropriately and quickly to the impacts of climate change we believe that it is critical to develop and
		provide tools that can help to define and prioritise areas that are suitable for managed retreat. The information/data needed would include projected climatic changes and their likely impacts, the values at risk in the exposed location (across the four well-beings), and the estimated costs/benefits of undertaking the managed retreat. In addition, the likelihood of managed retreat in one location should be assessed against the likelihood of it being required elsewhere within a region, so that finite funding can be allocated most effectively. It is suggested that such tools should be developed at the national level, and adopted as the major determinant for initiation of managed retreat.

		As WCC knows from its experience with Makara Beach, the Dynamic Adaptive Pathways Planning (DAPP) framework can help councils to make long term decisions. DAPP is a policy tool for dealing with high-uncertainty, high-complexity challenges, such as those presented by climate change. It identifies, evaluates, and implements policy pathways based on when certain 'triggers' are reached – such as when future climate impacts reach certain thresholds – and is therefore responsive to changing circumstances. That decision-making can include managed retreat in the planning process. The process may also be 'triggered' through strategic spatial planning by a council which shows that at some point it is no longer safe or financially viable for the council to continue providing services due to increasing climate change risk ad impacts. Local government trigger points need to be assessed – with resource and funding help from central government – and worked through with the community to communicate risk thresholds. Understanding community thresholds and developing agreed triggers can help ameliorate community concerns about the timing and magnitude of sea-level rise and potential impacts on people, land and assets.
56	be needed, and in what circumstances?	Experience from both Christchurch and Matata show that costly mistakes can occur, when communities are not effectively incorporated into the process, and have process imposed upon them. We therefore recommend guidance on processes and tools for ensuring that engagement occurs within the broader community and stakeholders in partnership with iwi/Māori are prioritised.
		Cost estimates for managed retreat are a key missing piece of information that will be needed to inform decision-making. We suggest that the processes and estimates for the costs/benefits of managed retreat be developed as a matter of urgency.
Role	s and responsibilities	
57 (a)	government, iwi/Māori, affected	There has been some discussion regarding the concept of a government risk agency that would support councils and communities with climate change response. We believe there is merit in such a concept in that it would support councils and consistency and quality across New Zealand. This would require central government taking the lead on funding, developing and promoting such an agency.
	<ul> <li>a) in a managed retreat process?</li> <li>b) sharing the costs of managed retreat?</li> </ul>	The main parties involved in sharing the costs of managed retreat, given their roles as 'insurer of last resort' are central and local government. Establishment of a fund (e.g., similar to the EQC fund) to support the costs of climate adaptation, including managed retreat, should be considered.

58	iwi/Māori, affected communities, individuals, businesses and the wider public participate in a managed retreat process?	Council strongly suggests that a more coherent national statutory policy framework and funding mechanism is urgently needed to enable proactive locally-led 'managed retreat'. This must include the provision of new statutory instruments and funding mechanisms that enable Councils to realistically and effectively lead and support communities through the difficult decision-making process of leaving places and spaces that may be highly valued by communities. The nationally consistent mechanisms should provide local governments and communities with greater clarity on what to expect (e.g. process, timelines, funding sources, compensation etc), and practically how to work together for intergenerational resilience outcomes.
		appropriately informed and willing to participate in processes associated with managed retreat. Bespoke, accessible and inclusive engagement planning processes must be designed for each community. Council notes that the engagement process itself requires significant expertise and resources to design and deliver to gather a united view for adaptation planning, particularly at-scale, and where there are various perspectives.
		See the WCC Case-Study on Bloomberg Digital Twin (on page 32 of the draft NAP) – which Council is embarking on the develop additional tools to help improve the efficiency of community engagement on adaptation planning with the community.
59	preparation (including gathering data and information), the need to participate in	Central and local government are the main players with responsibility to meet the costs of managed retreat. Some property owners will also need to meet costs (or losses), if for example they have purchased in high-risk areas when it would be expected to be known that this was the case. This suggests the need for dates to be defined and promulgated for high-risk areas that may be subject to managed retreat – if property is bought after that date, then government/local government compensation would not be available.
		Before deciding on cost sharing, we need to better understand how the costs of response options compare. We currently know the cost for some protection options (e.g. sea walls, pumps, WSUD), but have little knowledge or understanding of the costs associated with managed retreat options. We recommend that tools be developed as a matter of urgency to allow for estimates of managed retreat based on all of the key factors that drive the process.
		The NAP refers to "destination land" in discussing retreat. In our view that this would not be required in all cases. With greater urban density planned, residential retreat should be accommodated by greater density not through development in green fields. Some assets that will need to be relocated may require destination land but it is important not to create an expectation that all retreat will be accommodated in this way.

60	What do you consider the key criteria for central government involvement in managed retreat?	We see it as critical that criteria for managed retreat are developed in conjunction with local government and communities. On the face of it, the scale of managed retreat required across New Zealand, and the novel aspects of such an approach would suggest that central government should be involved in all cases (at least initially) of managed retreat. It will also be important that lessons are learnt and national consistency is applied in determining our approach and prioritisation of managed retreat, from the earliest application of it.
		Likely factors/criteria for central government involvement in an area identified as suitable for managed retreat include: total economic value (e.g., contribution to regional GDP); the estimated cost/benefit of undertaking managed retreat (and a comparison with other options such as protection); criticality of activities and infrastructure (e.g., lifeline utilities, airports, etc); scale of the likely impacts on cultural, social and environmental values (and options to retain, re-establish or enhance such values); the degree of community support/opposition to the concept of managed retreat (it is likely that there will be a high degree of fear or uncertainty initially, due to the lack of experience of managed retreat – government could also assist through a programme of engagement with communities across the country, both to raise awareness and to promote community ownership of the issues they face).
		The Council considers that the following key criteria are adopted by central government as identified by Lawrence et. Al. (2020) <sup>10</sup> :
		• Establish new funding instruments and revenue sources for pre-emptive managed retreat, including long-term pre- funding arrangements;
		• Ensure co-funding arrangements do not shift implementation of managed retreat to the weakest funder (i.e. local councils);
		• Negotiate agreements that cross political parties and timeframes to ensure consistency and longevity in approach.
61	Should commercial properties/areas and residential properties/areas be treated differently in the managed retreat process? Please explain why or why not.	Wellington's CBD and coastal residential areas lack of areas to easily retreat to. There is a mix of residential, business, and strategic assets of local and national significance at risk of sea level rise and coastal inundation. Resilient and transformative adaptation will require thinking about how we will relocate our settlements to prevent ad hoc growth, stranded assets and disconnected communities. The Council will be encouraging moving to the inner city or in other high density urban areas as part of its planned growth in inner city.
		While there may be some aspects of relocation that vary between sectors and require a different set of considerations, overall, the processes remain the same. All sectors will require careful consideration, working through issues and potential outcomes with all stakeholders. There may not necessarily be fewer options for marae, urupā, community facilities and homes – it may simply be that there is a greater emotional attachment to those elements, that requires careful

<sup>&</sup>lt;sup>10</sup> Lawrence et. Al. (2020) in their paper on Implementing Pre-Emptive Managed Retreat: Constraints and Novel Insights

		consideration when introducing managed retreat. As the response to the Christchurch Earthquakes has shown – working with communities on long-term workable solutions is key.
62	safe, local services and infrastructure such as roads, power lines and pipes may become damaged more frequently and be more expensive to maintain because of proving or increases in storms and rainfall	Yes, the removal of existing use rights is a key element of the RMA reform process and is a key policy instrument that Councils will need to have available to them. Government and/or councils should be able to signal where managed retreat is likely to occur and begin to transition away from such areas. This is likely to mean a progressive reduction in both investment and levels of service for infrastructure, eventually leading to removal of network services. In such cases the land use category is likely to need to be rezoned so that activities that rely on those services are not permitted, and any remaining such activities are required to be removed.
Prop	erty transfer	
63	be fair for you to be required to move from where you live?	If a community decision has been made for relocation to occur, and the cost of continuing to provide services is untenable then it would be fair to be required to move. People may also expect fair compensation – however, this should be both time limited (depending on what level of risk people could have reasonably been expected to face when they bought property) and prioritised according to vulnerability, need, and the level of risk faced.
64	groups to have different levels of involvement in a managed retreat	Such different groups may not need to have different levels of involvement in managed retreat processes – they should all be able to be involved equally. While the specific outcomes and impacts vary across these groups, it should be possible for all participants (including those from outside of the directly affected community) to be involved in managed retreat processes.
65		Yes, compensation should be based on the time at which the risk or its severity would reasonably be expected to have been known. Council reiterates the importance of additional legal support to include climate-related hazard information on LIMs.
66	would be fair or necessary for	Given that both government and local government have finite budgets, it will be necessary to prioritise areas for support for managed retreat based on where the need is greatest. This may require aspects such as means testing for property owners.

67		A national or regional level prioritisation of strategic adaptation prioritisation may be required. Such planning is taking place elsewhere (e.g., in <b>Ireland</b> ), and allows for a level of planning that sits above the regional spatial plans, to help regions to play to their strengths, and for Aotearoa/NZ to optimise our productivity and efficiency as a country.
68	would affect Māori?	Ensure 'managed retreat' approaches are fully aligned to a Te Tiriti o Waitangi approach and allow for Māori-led approaches. Central or local government bodies making climate change adaptation decisions on behalf of Māori are not giving effect to Te Tiriti and a key enabler of a partnership approach will be the provision of adequate resourcing for mana whenua to co-govern.
69	important in developing a managed	Council's perspective that TAs need national direction and tools to better develop partnerships and consultation procedures that go beyond the LGA and RMA requirements on climate adaptation to ensure that indigenous values, perspectives and priorities are reflected in all local adaptation processes and decisions <sup>11</sup> .
70		Council's position is that risks to Māori land must be carefully managed with regards to cultural needs. If managed retreat must occur, Council believes that there must be processes, allowances and provisions for Māori land (including Treaty settlement land) that is co-designed with mana whenua to uphold Te Tiriti o Waitangi obligations.
71	retreat?	Capping the level of available insurance in high-risk areas may encourage a general (un-managed) retreat. To link insurance cover/availability with <u>managed</u> retreat, a scheme may be needed whereby insurance pay-outs are only able to be used to rebuild in specific (identified) low-risk locations. This would require arrangements to be agreed between central and local government and the insurance industry.
72	-	Insurability is calculated on the basis of risk – the same basis for which managed retreat should be considered. Insurance withdrawal is likely to lead to un-managed retreat and undesirable outcomes for communities.

<sup>&</sup>lt;sup>11</sup> Ions C 2019 <u>Treaty of Waitangi & Sea Level Rise Adaptation</u>

## ENGAGEMENT SUMMARY AND ADOPTION OF THE ECONOMIC WELLBEING STRATEGY

#### Korero taunaki | Summary of considerations

#### Purpose

1. This report to Pūroro Rangaranga | Social, Cultural and Economic is to provide a summary of engagement and resulting changes to the draft Economic Wellbeing Strategy, and adopt the Strategy.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	<ul> <li>Functioning, resilient and reliable three waters infrastructure</li> <li>Affordable, resilient and safe place to live</li> <li>Safe, resilient and reliable core transport infrastructure network</li> <li>Fit-for-purpose community, creative and cultural spaces</li> <li>Accelerating zero-carbon and waste-free transition</li> <li>Strong partnerships with mana whenua</li> </ul>
Relevant Previous decisions	Outline relevant previous decisions that pertain to the decision being considered in this paper.
Significance	The decision is <b>rated medium significance</b> in accordance with schedule 1 of the Council's Significance and Engagement Policy.

#### Financial considerations

🗆 Nil	⊠ Budgetary provision in Annual Plan /	□ Unbudgeted \$X
	Long-term Plan	

2. No financial decisions to be made as part of this strategy. Costs will be identified and progressed through the 2024 long-term plan process.

#### Risk

🖂 Low	Medium	🗆 High	Extreme

3. The risk of adopting the strategy is low. Individual actions in the action plan will be assessed for their risk at the appropriate time.

Author	Kerryn Merriman, Team Lead, Strategy

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Authoriser	Baz Kaufman, Manager Strategy and Research
	Stephen McArthur, Chief Strategy & Governance Officer

#### Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Rangaranga | Social, Cultural and Economic:

- 1) Receive the information
- 2) Note the submitter feedback as outlined in Attachment One.
- 3) Note Oral Submission Summary in Attachment Two.
- 4) Note the Economic Wellbeing Strategy has been updated to reflect the submitter feedback as outlined in Attachment Three.
- 5) Adopt the Economic Wellbeing Strategy as provided in Attachment Four, and action plan in Attachment Five.
- 6) Agree to delegate to the Chair / CEO minor editorial changes as part of publication.
- 7) Agree to archive the Economic Development Strategy 2011.

#### Whakarāpopoto | Executive Summary

1. The purpose of this report is to provide a summary of engagement and resulting changes to the draft Economic Wellbeing Strategy, and then for Council to adopt the strategy.

#### Takenga mai | Background

- 2. The current Economic Development Strategy was produced in 2011 and has run its course. As part of this triennium's work programme, Council requested a new Economic Development Strategy. We chose to take a co-creation approach to developing the strategy, which meant it took longer to produce, but the result is a better-quality product that reflects the economic sectors of Wellington.
- 3. The strategy has been developed through a series of engagements with businesses, business networks, and community groups. In 2020 as we began this work, we ran sector-based workshops to identify issues for businesses and seek ideas to solve them. Sectors engaged through these workshops and other engagements included: technology, hospitality, retail, property, education, professional services, film, small business and many others.
- 4. The pandemic meant engagements and progress on the strategy stalled and stopped and started, as we focused on immediate responses in the community and economy.
- 5. In 2021 when things were looking stable again, we picked up the strategy again, and took an initial draft out to businesses, business networks, and community groups to seek their thoughts, whether we were heading the right direction, and more detailed ideas for actioning the strategy. After every engagement we iterated the strategy to build a strategy that reflected what people were telling us.
- 6. In Feb 2022, Council approved the draft strategy for formal public consultation.

#### Korerorero | Discussion

- 7. This paper provides a summary of the engagement and consultation feedback, and subsequent changes made to the Strategy, ready for Council adoption.
- 8. Over the past two years staff have worked with business and interested community groups to develop a draft Economic Wellbeing Strategy. In February the draft was approved by Council for public consultation.

#### Engagement during public consultation

- Consultation began 14 March. The consultation period was planned for six weeks due to the move to red alert level and the protests that seriously impacted the central city, and was extended to give people more time, closing on 1<sup>st</sup> May 2022.
- 10. The timing meant that many businesses were stressed and overwhelmed, after two years of managing through the pandemic, and then experiencing further stresses as the anti-mandate protest resulted in many people avoiding the central city. During this time, we engaged with advisory groups and business networks, online and towards the end, in person. These were well attended by a range of business sectors, who indicated they liked the direction proposed in the strategy.
- 11. We also developed case study stories to promote interest in the strategy, interviewing business owners about what it means to them. These articles were used in social media to encourage conversation and submissions.
- 12. Overall, the co-creation approach as outlined in the background, has resulted in a great product that has good support from the business community.

#### Submission results

- 13. We received 70 submissions from students, employees, and senior managers, business owners, and retirees. Twelve submissions were received on behalf of an organisation. While this appears low, there has been significant engagement and input from businesses in the development of this strategy, which has helped us to land a draft strategy that is largely well supported.
- 14. Overall, 75.9% support the vision, and 72.3% support the direction of the strategy.
- 15. The free-text fields enabled greater understanding of the submitter's views. Several submissions raised the housing affordability as a key issue because it determines whether people can live here and directly impacts skills available in the city. There were a couple of submissions raising the need to acknowledge barriers to employment for the disabled, as well as other marginalised groups. Many submissions suggested strengthening the circular economy section or lifting this up and weaving it throughout the strategy. A few submissions seek more support for small businesses, and a couple asked for clarity of who is responsible or talked about other organisations already doing things (such as WellingtonNZ or the Regional Skills Leadership Group). While there were a few expressing lack of support, the majority supported the overall direction of the strategy.

- 16. The outcome with the strongest support is the *Dynamic city heart and thriving suburban centres* at 82.1%, followed by *Sustainable business and career pathways* at 75.4% and *A business-friendly city* at 75%.
- 17. The free-text comments reiterated overall comments, including strengthening the circular economy, using metrics that capture social and cultural outcomes as well, ensuring that the economy can support people to live here, and ensuring that actions deliver on multiple outcomes.
- 18. The most supported actions are (over 70% support):
  - Leading by example as an employer in the city to break down barriers to employment and designing career pathways
  - Developing business sector plans and circular economy transition plans
  - Partnering with mana whenua to explore a Māori worldview of the circular economy
  - Streamline business-targeted council processes
  - Supporting small businesses
  - Working with central govt to amplify R&D
  - Working with central govt to increase civic engagement
  - 6 out of 7 of the actions under the dynamic city heart outcome received over 70% support, including activating empty buildings, investigating weather resilient facility for artisan market, year-round events programme, night-time economy plan, and developing precinct plans.
- 19. The full engagement report is provided in Attachment one.
- 20. Oral submissions were held on 10 May 2022. All submitters were in support of the strategy. They provided different perspectives on the key aspects of interest to them, such as housing, accessibility, supporting small businesses, and doing more regarding the circular economy.
- 21. A summary of Oral submissions is provided in Attachment two.

#### High level changes and why

- 22. Many submitters wanted to see the link more clearly to housing and infrastructure, highlighting them as significant issues that needed to be acknowledged. We have therefore lifted the critical influences up to the most relevant outcome and drawn stronger links to the council work programmes, including providing links to more information that is available on the council websites.
- 23. Use of the word support had been incorrectly interpreted as financial support or subsidisation. We identified uses of the word and rephrased to give stronger clarity on the intentions.
- 24. There was a bit of a disconnect for submitters on the approaches in outcome one and marginalised groups were pushing for the need to change attitudes and offer equal opportunities, so the *understanding skills gaps* and *collaborate with employers and*

educators' approach has been merged, and a new approach added: Encourage safe and inclusive workplace environments.

- 25. While there was strong support for the circular economy outcome, many submitters recommended elevating circular economy, with suggestions to strengthen what that means in terms of waste and carbon, as well as the social dimension of a circular economy. We have taken a circular economy lens across all the outcomes to strengthen this. For example.
  - We have changed the approach *Circular Economy change programme* to Enable a circular economy through zero waste, zero carbon initiatives and capability development.
  - The Māori economy approach has been lifted to Facilitate the social dimension of a circular economy. This aligns with council's procurement strategy that was approved in 2021.
  - Within the *Transitioning to a Circular Economy* outcome, we have also inserted a paragraph on hospitality in response to a submission noting the ability for hospitality to make a significant contribution to the circular economy and its critical importance to vibrancy of the city.
  - Within the Creative and Innovative outcome, we have changed the approach *Establish Wellington as centre of excellence for digital technology services* to *Utilise creativity and innovation to pave the way to a circular economy.*
- 26. A few submissions on the visitor economy were concerned about attracting more carbon emissions, and we received a submission from Wellington Airport providing details about the future of air travel. We have added a section about city connections within the approach to *Promote Wellington businesses to attract investment, spending, and tourism that delivers a circular economy.*
- 27. We received a few submissions that mentioned the need to really acknowledge and do more for the marginalised groups. We were informed that disabled communities have been turning to self-employment as the barriers to employment have been significant. Additionally, we received submissions asking for more support to small businesses. Within the Business-friendly city approach of *Deliver business capability and support assistance programmes*, we have added in the need to target capability programmes to different groups to help them build strong networks and feel safe and included to participate in capability programmes.
- 28. Some submitters suggested more strongly acknowledging the pandemic. We have made some additions through the relevant outcomes and acknowledged the working from home has remained and is likely to continue, so therefore we need to support businesses to adjust their businesses models to adapt to these changes.
- 29. We received a detailed submission of the issues hospitality can face interacting with council, so we have strengthened the approach on the design of our regulatory services to being more customer centric.
- 30. There was a couple of submissions noting the value that crown research institutes provide, so we have added a paragraph in the creative and innovative outcome.

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- 31. A couple of submissions raised concern that gaming was missing from the strategy. We realised that there is a need to define what is meant by the screen sector, as gaming is included in this, and we have strengthened this in the discussion paragraphs as well.
- 32. A handful of suggestions came through for the *Celebrate Capital City Status* outcome, and these have been added in or expanded upon, such as Queer and Rainbow stories, doing history tours and walks, and creating a more welcoming environment for young people to engage in civics education and the political system.
- 33. A dynamic city heart and thriving suburban centres was the most popular outcome, although some felt we hadn't done enough, and some were concerned that the suburban centres wasn't considered sufficiently. We had several suggestions including things for friends and families to do, better retail hours, weather resilient spaces, celebrate Wellington's food story, deal with safety at night, and improve street cleanliness. All of this has been added in, and we've undertaken more research on how to improve city vibrancy and the night-time economy, giving this section much greater direction.
- 34. The revised marked up strategy is provided in Attachment three.
- 35. A clean version of the strategy is provided in Attachment four.

#### Approach to the actions

- 36. The strategy has a three-year action plan with some 10-year action items. It is intended that this would be updated every three years. Utilising the most strongly supported actions, in conjunction with the research we have undertaken of effective actions other cities have taken around the world, we have identified the top 11 priority actions for this strategy. These have been assessed to check that they deliver on all the outcomes and will have a decent impact. These actions are also more significant than the other actions and will take a focus in the strategy document. This doesn't diminish the other actions in the action plan, but they are more likely to be actions that can be embedded into BAU by refocusing how we work or deliver our work programmes.
- 37. The top 11 actions are:
  - **Career Matching** Connecting educators and employers to develop the right skills for businesses and provide opportunities for students gain experience.
  - Practice what we preach Ensure council's procurement strategies, career pathways, sustainability practices and activity programmes are supporting the delivery of the Economic Wellbeing Strategy, including leading by example to break down barriers to employment.
  - **Co-create business sector plans** Work with business sectors to develop a plan for their sector, including transitioning to a circular economy.
  - **Partner with Māori and mana whenua** Partner to build the Māori economy and explore a Māori worldview of a circular economy.
  - **Customer-centric** Deliver more customer-centric Council processes, systems and interactions.

- **City champions** Find business leaders across the city that can engage strategically with Council staff and lead the city narrative.
- **Building business relationships** Build enduring relationships with businesses throughout the city, providing opportunity to listen and help navigate within the council departments.
- **Nurture small businesses** Provide assistance through tailored training and transitioning to a post-Covid circular economy. Broaden the reach of targeted programmes to assist digital tech companies to scale up.
- Vital venues Redevelop the Opera House to meet audience needs for a wider mix of entertainment, including filling the need for a mid-sized venue and the TSB arena into Wellington's premium arena, to stage a wider mix of performance events and provide an enhanced customer experience.
- **Capital connection** Work alongside central government agencies to develop education tourism.
- A Curated City Provide strategic overview and coordination. Share a compelling vision for the regeneration of the city centre, collaborate to drive action, investment and engagement, and mitigate the impact on businesses whilst work takes place.
- 38. The action plan is in Attachment Five.

Costs

- 39. New investments will need to be funded through the long-term plan process. This includes refurbishing the Opera House (currently budgeted in years 1 to 3) and TSB arena (in years 5 to 10).
- 40. There are actions that need to be delivered by WellingtonNZ. We need to have further discussions with them about whether the actions are in addition to their work programme or redirection of their work programme and identify any potential budget increases for the next long-term plan.
- 41. Most actions give direction to our BAU, and we will work with the relevant business units to embed these actions and support the teams to make shifts in how they work and make decisions in their operational activities.
- 42. It is recommended that council adopt the Economic Wellbeing Strategy.

#### Kōwhiringa | Options

43. Options include adopting the Economic Wellbeing Strategy as outlined in this paper, adopting an amended Economic Wellbeing Strategy, or not adopting the strategy which would mean the 2011 Economic Development Strategy would remain active.

#### Whai whakaaro ki ngā whakataunga | Considerations for decision-making

#### Alignment with Council's strategies and policies

44. We have been very mindful of existing Council strategies in developing this Economic Wellbeing Strategy. We have engaged with subject matter experts within Council to ensure consistency.

#### **Engagement and Consultation**

45. Engagement and consultation with businesses and communities was a key component to developing this strategy and is outlined in the discussion section. The engagement report is provided in Attachment One.

#### Implications for Māori

46. This strategy is very holistic and will support growing a local eco-system for Māori businesses and employment.

#### **Financial implications**

47. No additional funding in this financial year. New funding will be identified and budgeted in the next Long Term Plan development.

#### Legal considerations

48. NIL

#### **Risks and mitigations**

49. The risk of adopting the strategy is low. Individual actions in the action plan will be assessed for their risk at the appropriate time

#### **Disability and accessibility impact**

50. This strategy is holistic and supports changing attitudes and providing support for the disabled community to seek meaningful employment.

#### **Climate Change impact and considerations**

51. This strategy provides a strong direction to enable the actors in the economy to move to a circular economy, which is a critical action for responding to climate change.

#### **Communications Plan**

- 52. Once the strategy has been adopted, we will communicate with our stakeholders and the public by:
  - Media Release
  - Social media post
  - Website and Let's Talk update. This will include what our next steps are

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- Closing the loop with stakeholders and respondents via email. This will include what our next steps are
- Internal communications

#### Health and Safety Impact considered

53. NIL

#### Ngā mahinga e whai ake nei | Next actions

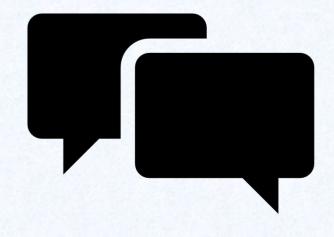
- 54. We will provide an annual report back on progress in delivering the strategy.
- 55. We will through our management of CCOs will have discussions with WellingtonNZ to embed the strategy and identify additional budget requirements.
- 56. We will work with the business units to embed the strategy into BAU.

#### Attachments

- Attachment 1. Engagement Summary
- Attachment 2. Oral Submissions
- Attachment 3. Marked up changes to the Economic Wellbeing Strategy
- Attachment 4. Clean copy of Economic Wellbeing Strategy
- Attachment 5. Action Plan

# Engagement and Feedback Report

Economic Wellbeing Strategy



# Engagement Summary

A co-creation approach	2020	<ul> <li>We ran workshops and discussion sessions with businesses across the city after the initial Covid- 19 lockdown.</li> <li>We continued discussions to understand whether the issues and challenges remained and whether there were more important issues rising.</li> <li>This enabled us to develop an initial draft strategy.</li> </ul>
We endeavoured to understand the challenges and opportunities from a wide range of viewpoints.	2021	<ul> <li>Using the initial draft we engaged with over 40 different organisations and individuals, including business groups and individual businesses from retailers and hospitality to digital tech, finance and property development.</li> <li>We also met with students, young professionals, education providers, and Councils in the region. We engaged with Council's advisory groups, and central government. We took an iterative approach and developed the draft strategy document.</li> </ul>
We have maintained contact with businesses as the pandemic has evolved to ensure the views remained relevant.	March 2022	<ul> <li>We went out to formal public consultation for a period of seven weeks. During this time we presented to different advisory groups and business networks and encouraged people to make a submission. Most engagement online due to "red alert".</li> <li>We have recorded and taken into account feedback provided during the presentation and discussion sessions.</li> <li>We also ran social media campaigns and received feedback from those channels.</li> </ul>

# Submission analysis

Economic Wellbeing Strategy Consultation March – May 2022

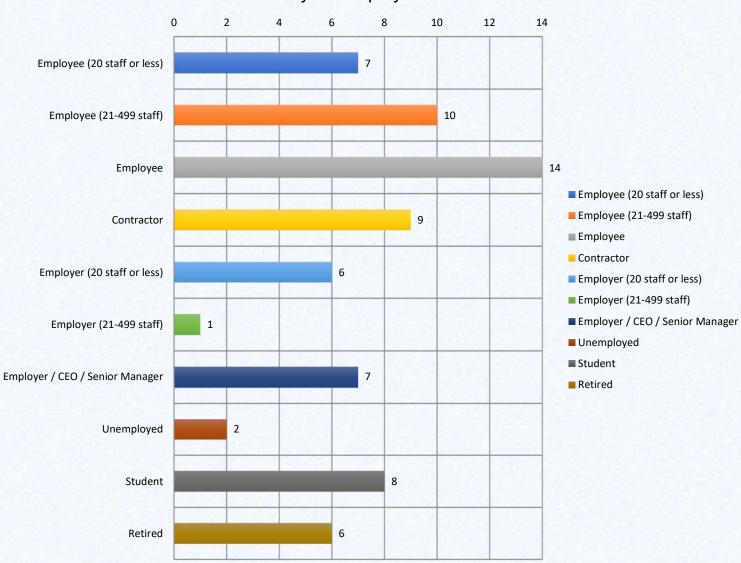
# Statistics

- 47 submitted as individuals
- 12 submitted on behalf of an organisation
- Received submissions from employers and employees of a range of business sizes, students, retirees, and CEOs/senior managers
- 80% live in Wellington
- 61% work in Wellington
- 15% study in Wellington
- 3% visit Wellington
- 14% own business in Wellington
- 44% Wellington rate payer
- Youngest submitter 18 years
- Oldest submitter 83 years

- Businesses provided input to the draft strategy throughout the 18 months prior to the formal consultation period
- Various online and face-to-face engagements with close to 100 businesses during formal consultation period
- Generally happy with the draft strategy direction
- Many commented too busy to provide a written submission
- It is common for people to not submit when they are generally happy with a proposal
- Feedback during the online and face-to-face sessions has also been taken into account

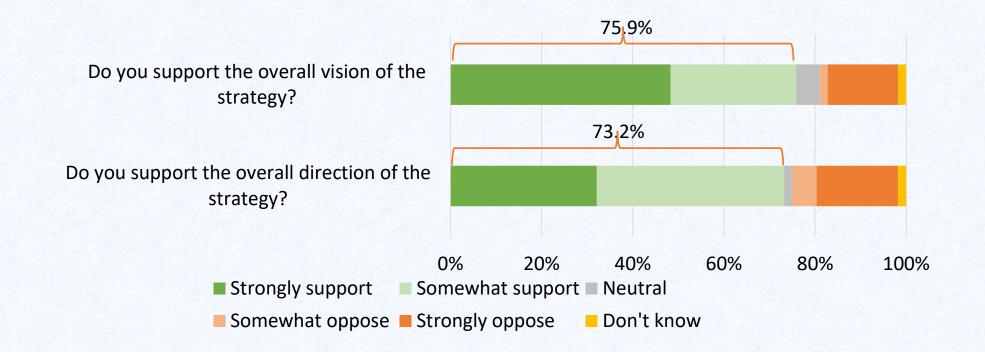
### Submitters employment status percentage

- 44% Employees
- 20% Employers
- 13% Contractors
- 11% Students
- 9% Retired
- 3% Unemployed



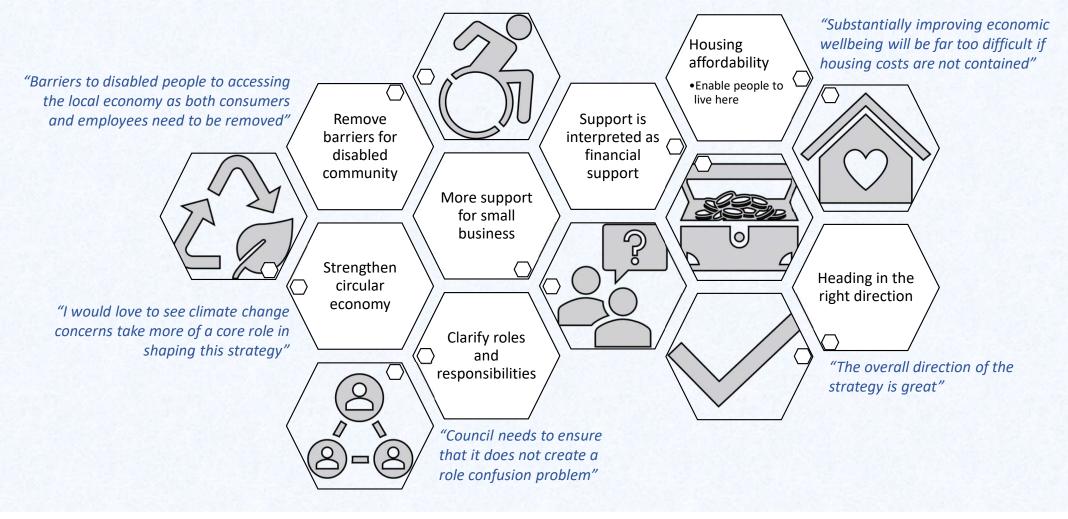
What is your employment status?

# Strong support for overall strategy direction and vision



This demonstrates that submitters strongly support the vision, and while they also support the strategy, it's not as strong, indicating the direction does not quite achieve the vision.

## Comments on overall strategy and vision



# Strong support for all outcomes Dynamic City has strongest support

A Dynamic City Heart and Thriving Suburban Centres We aim to be a compact city with a dynamic CBD...

> Celebrate our Capital City Status We aim to raise the profile of our Capital City

Centre of Creativity and Digital Innovation We aim to be Aotearoa New Zealand's centre for...

A business-friendly city We aim to be Aotearoa New Zealand's city partner...

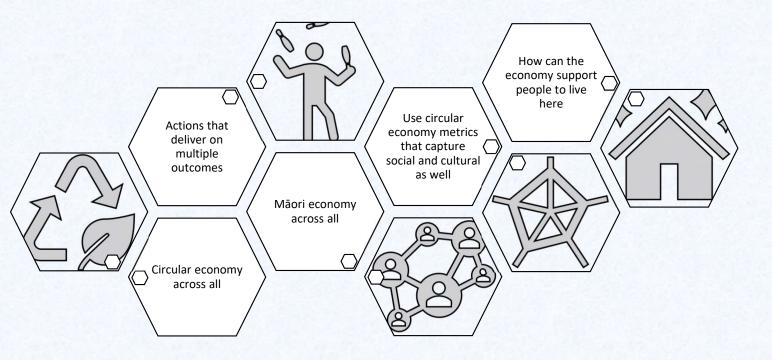
> Transitioning to a circular economy We aim to be regenerative by design

Sustainable Business and Career Pathways We aim to enable Wellingtonians to work within...

Strongly support Somewhat support Neutral Somewhat oppose

				82.1%	
			71.4%		
			73.79	%	
			75.0	%	
			76	.8%	
			75.	4%	
0%	20%	40%	60%	80%	100%
eutral	Somewhat o	oppose 📕 Str	ongly oppos	e 🗖 Don't k	now

## Overall comments on the outcomes



Prioritise actions that can deliver on all the outcomes.

Strengthen actions to deliver a circular economy.

Inclusive of all marginalised groups.

People-centric – it's the people that make business work.

Don't subsidise.

Recognise that delivering core council services well is a key enabler to uplifting economic wellbeing.

### Overall Strategy What we changed

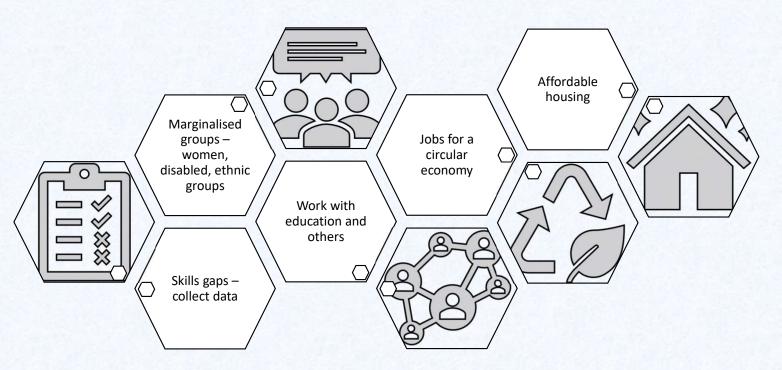
Each of the critical influences lifted up to the most relevant outcome to more clearly draw the relationship and ensure it is fully covered off.

Identified 68 occurrences of the word support and replaced with more appropriate descriptions.

Threaded circular economy throughout the outcomes.

Acknowledged the pandemic where applicable throughout the outcomes. In particular acknowledged that working from home has remained and is likely to continue, so therefore we need to support businesses to adjust their business models to adapt to these changes.

### Sustainable business and careers Themes and comments



Housing affordability is the main factor for retaining young people as well as attracting experienced professionals and will help to resolve the skills shortage.

Enable students to gain work experience while they train.

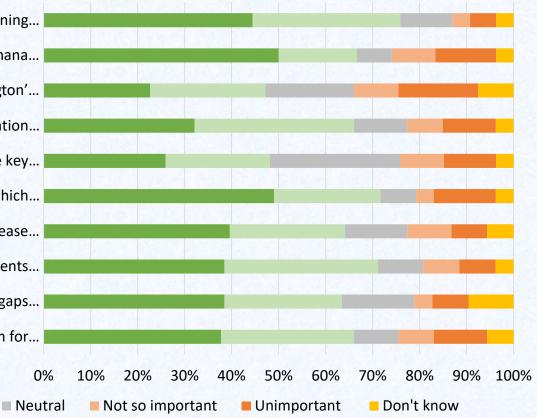
Break down barriers for marginalised groups to gain employment. Encourage safe and inclusive workplaces.

Enhancing education sector connections is important to supply business with in demand skills for now and the future, including technology and innovation, and skills to enable a circular economy. Sustainable Business and Career Pathways – Actions well supported Strongest for designing clear pathways and resources for staff career development, and advocating for skills for a circular economy

As an employer in the city, we lead by example by:• Designing... Partner with government agencies, education providers, mana... Offer new students and families a 'Welcome to Wellington'... Explore opportunities to better connect tertiary education... Explore establishing a Town and Gown Committee(s) where key... Advocate across all industries for the development of skills which... Work with local employers and education institutions to increase... Undertake research to understand the drivers for students... Work with education and construction sectors to close skills gaps... Establish a Wellington City Skills and Education Forum for...

Somewhat Important

Very Important



# Sustainable Business and Career Pathways *What we changed*

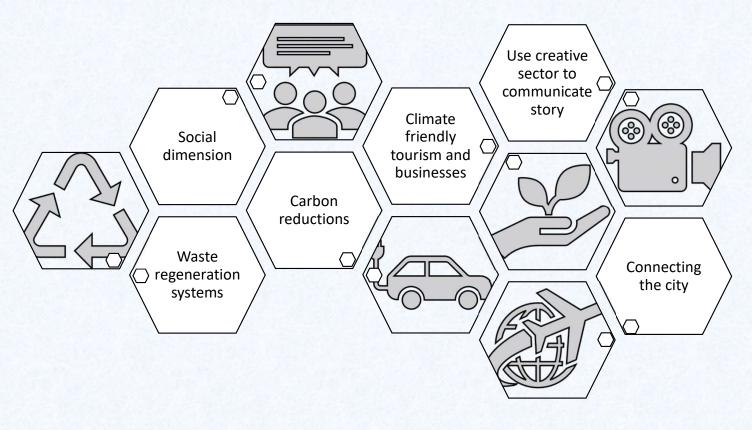
Shifted the Housing Strategy and related discussion from the critical influences section and provided additional commentary to show the connection to careers.

Merged approaches: understanding skills gaps and Collaborate with employers and educators.

Added approach: Encourage safe and inclusive workplace environments.

Added future work and skills required for a circular economy.

# Transitioning to a Circular Economy Themes and comments



Focus on systems that change behaviour and make it easy for people and businesses to reduce, reuse, remake, recycle and so on.

We can achieve better outcomes through partnerships and collaboration.

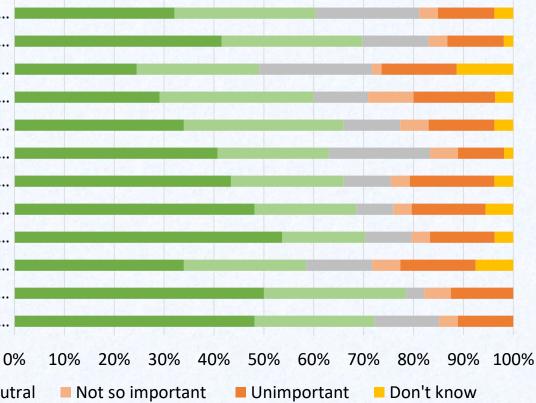
We must take a NZ-wide, systems view when addressing carbon reduction in the economy.

The social dimension is important, it's about all people and creating local ecosystems and opportunities.

Connecting people and businesses will continue – support low emissions travel.

Transitioning to a circular economy – Actions well supported Strongest for co-creating business sector plans and circular economy transition plans, explore Māori worldview to move to circular economy, facilitating job creation through procurement

Partner with Te Matarau a Maui and mana whenua to build... Facilitate sustainable job creation in the Maori economy... Deliver Wellington City's Destination Management Plan... Work alongside Te Papa and WellingtonNZ to attract events... Evolve Wellington's placemaking storytelling to amplify... Celebrate local business success stories which contribute to a... Develop a business and investment attraction strategy and... Advocate to central government to develop policies and... Work with Central Government to enable business support... Identify and measure progress against the doughnut... Co-create business sector plans and circular economy sector... Partner with mana whenua and Māori to explore a...



Very Important

Somewhat Important

Neutral

# Transitioning to a circular economy *What we changed*

Changed the approach Circular Economy change programme to Enable a circular economy through zero waste, zero carbon initiatives and capability development.

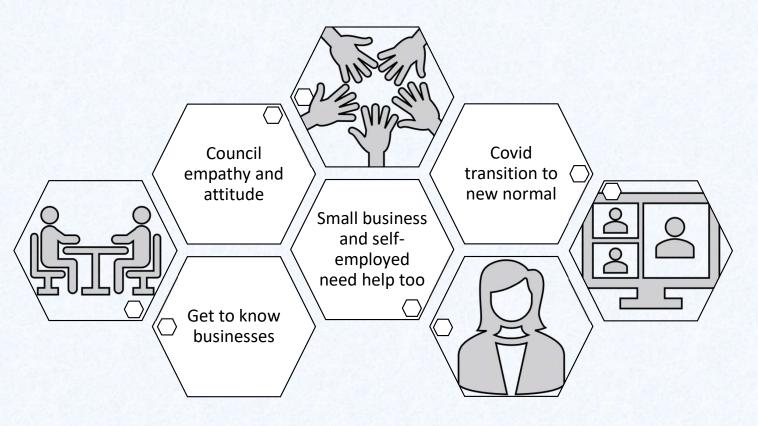
Showed the relationship to the Waste Management and Minimisation Plan.

The Maori economy approach has been lifted to Facilitate the social dimension of a circular economy. This aligns with council's procurement strategy that was approved in 2021.

Inserted a paragraph on hospitality in response to a submission noting the ability for hospitality to make a significant contribution to the circular economy and its critical importance to vibrancy of the city.

Added a section about city connections and the future of aviation within the approach to **Promote Wellington businesses to attract investment, spending, and tourism that delivers a circular economy.** 

# Business Friendly City Themes and comments



Acknowledge the pandemic.

Recognise the value of supporting small businesses and selfemployment.

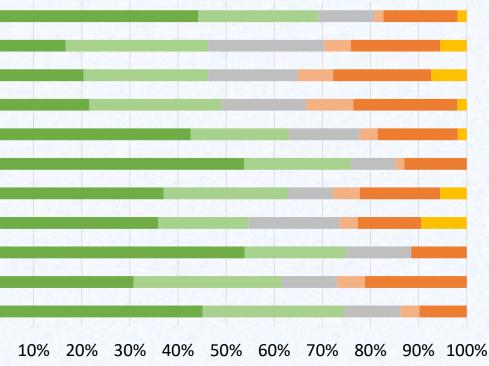
Change council attitude; be empathetic towards businesses and work with them to achieve outcomes.

Identify sister-city relationships that can open business and employment opportunities.

Build relationships and communicate the plan for the city – so that businesses and investors can plan.

## A business friendly city – Actions supported Strongest for streamline council processes, supporting smaller businesses, working with central govt to amplify R&D

Collaborate and share knowledge related to relevant issues... Review the International Relations Strategy to establish... Foster our relationship with Seoul to build trade... Establish business research panel. Identify the culture shift required to become more business... Streamline business-targeted Council processes where... Co-design Council services with relevant and diverse... Enhance incubation and acceleration services to businesses. Consider how we support smaller businesses to build... Encourage business and industry organisations to host... Work proactively with Central Government to amplify...



Very Important

Somewhat Important Neutral

Neutral Not so important

0%

Unimportant Don't know

## A business friendly city What we changed

Strengthened small business (and self-employment) and getting to know businesses – relationships.

Strengthened collaboration and networking for the circular economy.

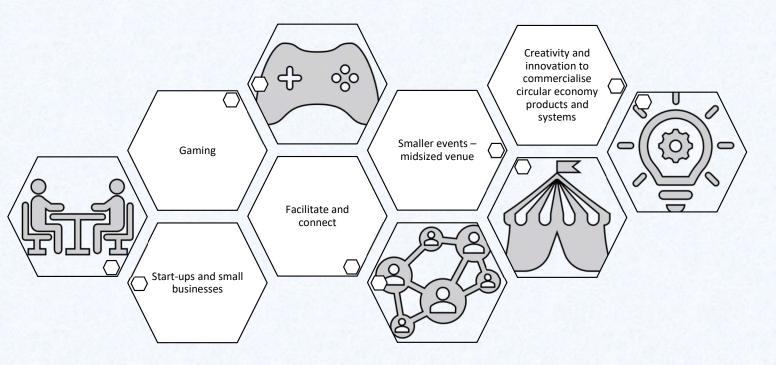
Added: Working with govt for the circular economy (as a business in city).

Elevated one stop shop and BIDs.

Added in the need to target capability programmes to different groups to help them build strong networks and feel safe and included to participate in capability programmes.

Strengthened the approach on the design of our regulatory services to being more customer-centric.

# Creative and Innovative Digital City Themes and comments



Use creativity and innovation to solve circular economy problems.

Facilitate opportunities to co-locate, collaborate, and commercialise research and innovation products.

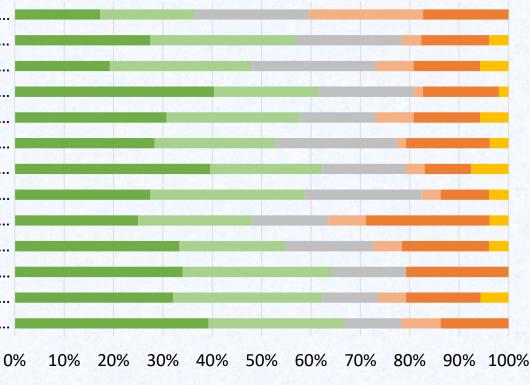
Do more to support gaming to develop as a sub-sector in Wellington.

Support start-ups to develop the breadth and depth of skills in gaming and digital technologies.

Encourage venues and events that enable local talent to grow, and delivers experiences uniquely Wellington.

## **Centre of Creativity and Digital Innovation – Actions supported** *Strongest for develop sector profiles, opportunities for science to co-locate and commercialise, broaden reach of programmes to support emerging digital tech, making open data available, plan for attracting events*

Consider investment in Sky Stadium to ensure it remains an... Redevelop the TSB Arena to make sure the Arena can serve... Redevelop the Opera House into a flexible, modernised... Develop a plan for attracting business and cultural events to... Advocate for faster broadband upload – download speeds... Support Screen Wellington to deliver on the Screen Strategy... Review Council's Open Data approach to make more data... Work with/support/promote investment in the sector as... Advocate to central government for tax incentives that... Research the benefits and opportunities of sector hubs and... Explore opportunities for science and innovation to co-... Broaden the reach of targeted programmes to support... Develop sector profiles to understand future potential...



Very Important

Somewhat Important

Neutral
Not so important

Unimportant Don't know

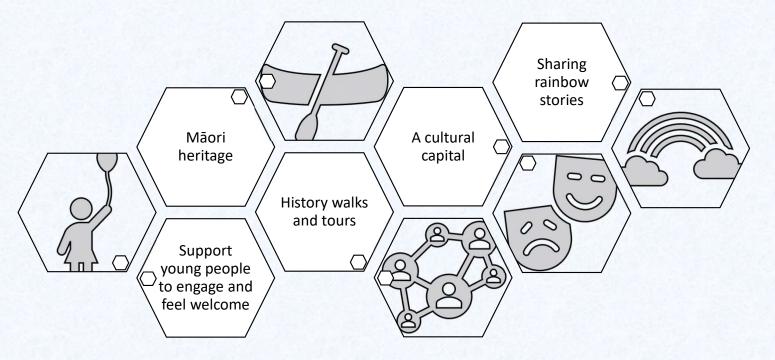
# Centre of Creativity and Digital Innovation *What we changed*

Strengthened gaming and added in e-sports. Provided a definition of screen sector to show that this includes gaming.

Changed the approach Establish Wellington as centre of excellence for digital technology services to Utilise creativity and innovation to pave the way to a circular economy.

Added removing digital barriers to participating economy (access to good and services) and employment.

# Celebrate Capital City Status Themes and comments



Provide leadership in the circular economy movement.

Enable Māori to share their local and national heritage.

Enable Rainbow community to tell their stories.

Work with central government, as the largest employer and contributor to Wellington GDP, to shift their ways of working in the city to a circular economy.

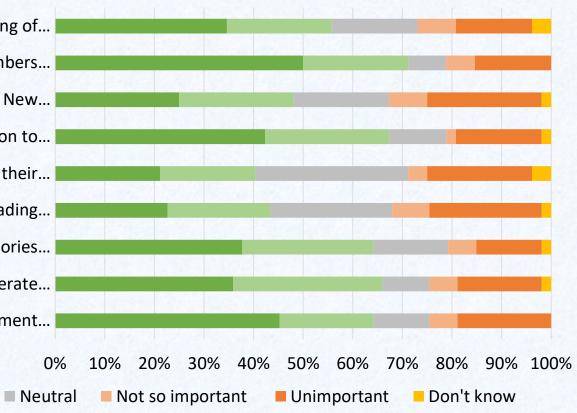
Support young people to engage in civics and feel welcome.

**Celebrate our Capital City Status – Actions less supported** *Strongest for generate tools and ideas for better informed democracy, work better with councils in region, leverage reputation of public sector to generate growth opportunities for business events* 

Work with education sector to influence the teaching of...
Engage with central government and with elected members...
Market Wellington's reputation as the home of New...
Work better together with other councils in the region to...
Partner with government institutions to develop their...
Tell the stories related to Parliament and our world-leading...
Work with Queer and Rainbow organisations to share stories...
Leverage the reputation of our public sector to generate...
Partner with mana whenua, heritage bodies, government...

Very Important

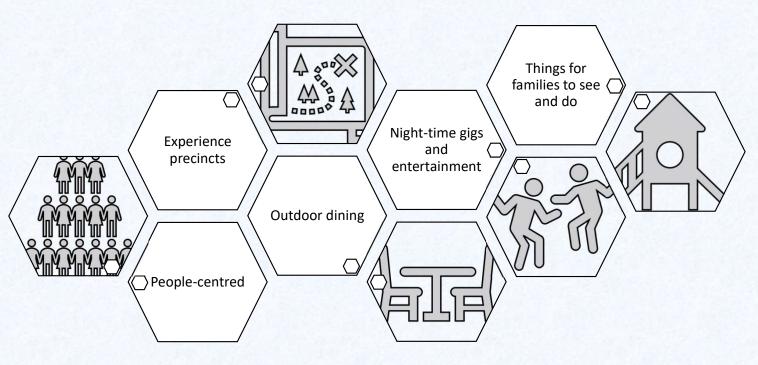
Somewhat Important



## Celebrate our Capital City Status What we changed

Added in or expanded upon ideas that were suggested, such as Queer and Rainbow stories, doing history tours and walks, and creating a more welcoming environment for young people to engage in civics education and the political system.

# Dynamic City Heart & Thriving Suburban Centres Themes and comments



Provide a quality of life that enables people to commute less, and live an environmentally and socially positive lifestyle.

Use arts and culture to create lively places, and things to see and do.

Provide more things for families and young people to do.

Better retail hours at weekends and evenings, and longer opening hours for restaurants.

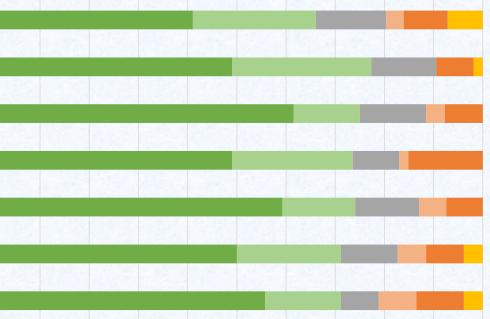
Don't forget about the suburban centres.

Involve communities in placemaking.

# A dynamic city heart and thriving suburban centres – All actions well supported

Strongest for reviewing grant funding, activating empty shop fronts, year-round events programme, weather resilient space for markets

Collaborate with mana whenua and creatives to... Review all economic grant funding to ensure it is... Explore opportunities to activate empty buildings... Investigate building/creating a weather resilient... Ensure we continue a year-round events programme... Develop a night-time economy plan. Develop central city and suburban centre...



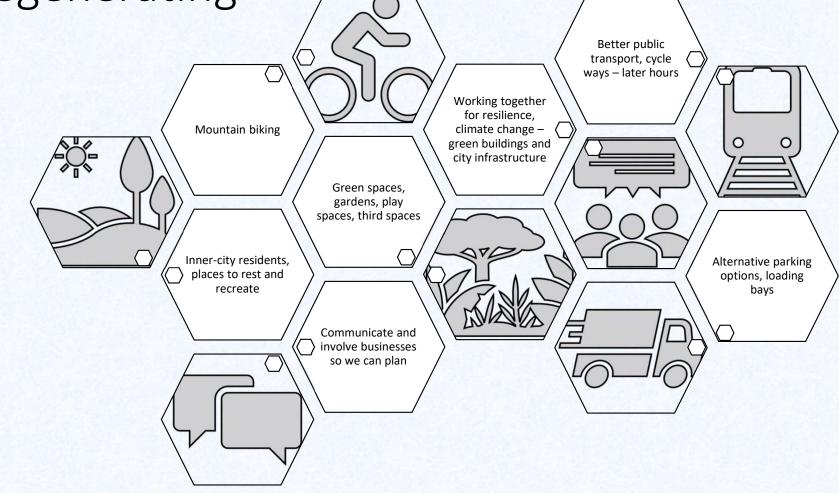
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100% ■ Very Important ■ Somewhat Important ■ Neutral ■ Not so important ■ Unimportant ■ Don't know

# A dynamic city heart and thriving suburban centres *What we changed*

Added in things for friends and families to do, better retail hours, weather resilient spaces, celebrate Wellington's food story, deal with safety at night, and improve street cleanliness.

Undertaken more research on how to improve city vibrancy and the night time economy, giving this section much greater direction

# Comments on liveable city, revitalising and regenerating



## Attachment Two – Summary of Oral Submissions to draft Economic Wellbeing Strategy

When	Community Hearings Panel – 10 May 2022
Who	10 submitters – seven representing organisations and three individuals

All submitters are generally in support of the strategy, but there were specific parts where different submitters had views to strengthen what was there.

Two submitters raised a general feeling that the strategy is too focused on medium to large businesses.

Four submitters raised need to weave tikanga and te ao Māori in all of the outcomes.

Submitters had different components that were more important. Below is a summary of submitters support and ideas. Note (-x#) indicates the number of submitters mentioning the same idea.

#### **Outcome 1: Sustainable Business and Career Pathways**

- General acknowledgement that there is a high level of skills shortages x3
- Suggestion to collect more data
- Concern about the link to attracting and retaining staff and affordable housing- x5
  - suggests more partnership programmes (to build affordable housing) and encouraging businesses or NGOs to do the same
- Support for working closer with education -x2
  - Suggestion for student involvement in building pathways and "Town and Gown"
- Support for internships / ability to gain experience while studying -x4
  - suggests shying away from large scale events (careers expos) as these can be overwhelming
  - targeted support for disabled people
- Challenge on how we are going to support rangatahi and young people to find opportunities for employment
- Value and acknowledge the contribution of the education sector to the city
- Acknowledge disable people's barriers to employment, housing, and transport, and taking a more active approach -x2
  - Consider all roles that make the city function
  - Disability is across all ages, races, and genders
  - Work with Disability groups to remove physical and attitudinal barriers to employment
- Support for career pathways development and breaking down barriers to employment for disabled people
- Don't forget about other minority groups and women

#### **Outcome 2: Transitioning to a circular economy**

- Support for co-creating business plans emphasis on in collaboration with businesses
- Supporting LGWM but concern about the funding of it, in particular what the rates burden to business will be, and a preference for clarity on where the rates are targeted to
- Support for the need to reduce emissions and acknowledge it's important for businesses to work with government one submitter raised that this may not be effective due to the ETS
- Suggestion to lift the Māori social procurement approach / Māori economy / Māori worldview to a sustainable social procurement approach / whole of strategy -x4
  - $\circ \quad \text{Include disabled persons} \\$
- Requests to raise the importance of circular economy and reducing carbon footprint -x5
   Suggestions to make it central to the strategy
- For tourism, encourage longer stays and arrival by sustainable transport to reduce carbon footprint
- Making it easier for people to live their lives in way that fit their values

#### **Outcome 3: Business Friendly city**

- Request for reducing financial pressures alongside creating opportunities for growth
- Raised the need for policies and regulations that give certainty for the long term
- Raised the need to recognise Council can't do everything and to work in partnership and collaboration with others
- More focus on small business support, particularly start-ups and provision of advice -x2
- Support for connecting with sister-cities to create business and employment opportunities

#### **Outcome 4: A Creative and Innovative digital city**

- More focus on tech and gaming including to run events and activities
- Promoting youth and supporting them to enter employment and start-up businesses -x3
  - $\circ$  ~ in STEM and tech fields -x2 ~
  - o in sustainable outcomes / doing good
- Suggestion for e-sports fields or tech fields for people to go and play and learn
- Creativity will help with circular economy
- Removing digital barriers to participation in the economy (not just employment)

#### Outcome 5: Celebrate Capital City Status

- Support for this, giving opportunities for taking a leading role in civics education accessibility; making spaces accessible and welcoming
- Rainbow stories crucial

#### Outcome 6: Dynamic city heart and thriving suburban centres

- Strong support for city vibrancy to be addressed -x4
  - Request to strengthen the document regarding the importance for more spaces for business to operate both central city and suburban areas
  - Support more events, third spaces, and night-time safety
  - o Suggest hosting more arts and culture events in central and suburban centres
  - o Suggestion to creatively use city spaces for regenerating activities
  - Green the city, enhance biodiversity
  - Universally accessible design

Jill Day (May 18, 2022 1:46 GMT+12)

Councillor Jill Day Chair - Community Hearings Panel

## Wellington City's Economic Wellbeing Strategy 2022

## PART A: The Strategic Context

Final version for adoption June 2022

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## Introduction

This strategy was prepared in a time of change. It is intended to provide direction for Council, businesses and communities to effectively collaborate and deliver a thriving economy for Wellington's future, including supporting the recovery from the impacts of the Covid-19 pandemic.

The Covid-19 pandemic has created ongoing impacts to people and businesses. Working from home is changing visitation and spending habits, while border closures have exacerbated staff shortages, and the global impact is affecting supply chains. This has placed many businesses under pressure and compelled many people to think about how we live and how we do business.

There are also larger societal shifts in attitude underway on what economic success looks like. Increasingly economic success is viewed holistically and is expected to also deliver positive social and environmental outcomes. The current global economic model is widening gaps of wealth and income inequality and significant environmental degradation, and this will need to change.

Our response to these challenging times includes the development of this Economic Wellbeing Strategy. This Economic Wellbeing Strategy is focused on growing our creative and knowledgebased economy for the future. To do that requires supporting existing, and attracting new, skilled people and businesses to the city.

Skilled people and businesses can usually operate from anywhere. They are attracted to places that offer business and career opportunities, a high quality of life, and importantly, the ability to do business in ways that also enhances social and environmental outcomes.

This is a fundamental shift in thinking. In Wellington, we are well placed to be at the forefront of this change. Our compact urban form and transport options provide a great low carbon base. Our economy is structured on knowledge-based, low-carbon businesses known for their ability to innovate, adapt and respond to challenges, trends and new opportunities. However, the goods we consume are produced and transported from elsewhere in the country and we must understand the full picture of our carbon footprint.

In Wellington we're already using our creativity and innovation to effect positive change.

Trade Me gives people and businesses a marketplace to sell used items, therefore it also plays a big part in reducing landfill waste. The Weta group of companies have shown Wellington has worldwinning talent able to create epic digital and built worlds that entertain millions. Xero makes it easier for small and medium sized businesses to manage their finances so they can spend more time working on the parts of their business that deliver impact and growth.

More recently, Sharesies has made investing and building wealth accessible to everyone. Volpara has pioneered AI software for early detection of breast cancer. CoGo helps people to track their carbon consumption by partnering with banks, so people can easily see the environmental impact of their purchasing decisions, giving them the data they need to make informed choices.

We have gaming and tech companies developing solutions to improve mental and physical health, social enterprises providing employment for refugees and disadvantaged communities, and carbon negative tourism businesses. There are an increasing number of food and beverage businesses making change, from local sourcing to waste elimination, including local social enterprises like Reusa-Bowl and Again Again coffee cups.

But there is still much more to do to ensure we have a thriving and equitable economy that provides opportunities for all to earn decent incomes and that nurtures the environment.

The vision of this strategy is:

Wellington is a dynamic city with a resilient, innovative and low carbon economy that provides opportunities for all and protects our environment.

The vision is supported by six outcomes which are our areas of focus to achieve the vision. These are:

- sustainable business and career pathways
- a circular economy
- a business-friendly city
- a centre of creativity and digital innovation
- celebration of our Capital City status
- a dynamic city heart and thriving suburban centres.

The strategy also recognises critical influences that underpin the success of our economic wellbeing, such as our investment in making the city highly liveable and revitalising and regenerating the city.

## Why do we need an Economic Wellbeing Strategy?

Our current Economic Development Strategy was published in 2011. A lot has changed since then – the 2016 Kaikōura earthquake damaged many buildings in the Wellington central city and caused displacement from many other buildings, the growing awareness of climate change and biodiversity loss, and a global pandemic – all highlighting the increasing inequalities in society (such as access to healthcare, the internet, green spaces,<sup>1</sup> incomes,<sup>2</sup> education, family connections and the environment).<sup>3</sup> Reducing inequalities is directly linked with wellbeing and economic growth.<sup>4</sup> Our Government is among world leaders in thinking about a wellbeing approach to policy making and budget setting.<sup>5</sup> Balancing the four capitals of wellbeing – cultural, social, economic, environment - is central to the Economic Plan for New Zealand.<sup>6</sup> Covid-19 has hampered progress and has also presented us with opportunities. Ongoing technological change and creativity presents further opportunities to make a difference.

A thriving economy is essential for the wellbeing of our people. A strong and sustainable economy provides better job opportunities, higher wages, and a higher living standard for residents. It also builds business confidence, provides business opportunities and attracts more investment into the city.

wellbeing/?sh=3abe5c819420

<sup>&</sup>lt;sup>1</sup> <u>https://www.weforum.org/agenda/2020/08/5-things-covid-19-has-taught-us-about-inequality/</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.landcareresearch.co.nz/uploads/public/Discover-Our-Research/Environment/Sustainable-society-policy/COVID/Key-insight-Inequality.pdf</u>

<sup>&</sup>lt;sup>3</sup> https://berl.co.nz/our-pro-bono/inequality-and-new-zealand

<sup>&</sup>lt;sup>4</sup> <u>https://berl.co.nz/our-pro-bono/inequality-and-new-zealand</u>

<sup>&</sup>lt;sup>5</sup> <u>https://www.forbes.com/sites/jamesellsmoor/2019/07/11/new-zealand-ditches-gdp-for-happiness-and-</u>

<sup>&</sup>lt;sup>6</sup> Economic Plan: for a productive, sustainable and inclusive economy (mbie.govt.nz)

A high performing economy is also important to Wellington City Council. It results in a growing ratepayer base and allows the Council to set rates at a level where it can invest in improved public services, from three waters to a new central library, better transport, events, enhanced biodiversity, and more dynamic art activities.

In Wellington, response to and recovery from earthquakes and the Covid-19 pandemic, rising environmental standards, catching up with historic infrastructure underinvestment, and the transport and housing investment required for a growing population are driving the largest Government and Council investment programmes in history, with a significant increase in expenditure being invested in the next decade. These investments will provide a large boost to the economy in the years ahead and reinforce the already strong bones of the city.

Significant investment is also being made to ensure Wellington remains a vibrant and dynamic place. Wellington is famous for its compact and colourful central city, often cited in research as a key factor in what makes Wellington a great place to live, work, do business, study and visit. It's essential this 'sense of place' is protected and enhanced, including ensuring it remains a great place to work as well as live.

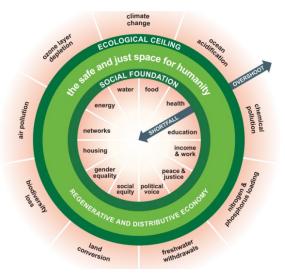
## Shifting from Economic Development to Economic Wellbeing?

As a Council, we are shifting our thinking from economic development to economic wellbeing. It is critical to develop a holistic economic strategy to guide how we grow a more sustainable, balanced and inclusive economy. This means recognising the dynamic complexity of our economy and how the design of the system can be more socially and environmentally resilient and adaptable.

In line with the changing environment, we consider that social and environmental wellbeing must become a conscious part of how we manage our economy. The challenges are seen as opportunities. A holistic approach should be taken to enable our local businesses and our diverse communities to adapt to this fast-changing environment. We are building an understanding of how the wellbeing of our people, culture, environment and ecology are significant enablers of a thriving economy. Taking a wellbeing focus ensures our economic activities adds to our quality of life. Adopting a collaborative approach allows us to harness the creativity of different communities to solve complex challenges.

The current economic model (focused on growth) has not always served all people well, and wider effects such as longer term environmental and social impacts have not been readily recognised or reversed by the free market. The divide between high, middle and lower incomes continues to grow globally<sup>7</sup> and in New Zealand,<sup>8</sup> and the environment has continued to be degraded.

A new model for economics has emerged called 'doughnut economics' that considers how we can maintain our lifestyles while respecting the Earth's limits and ensuring all people are able to meet their basic needs. The doughnut economic model<sup>9</sup>



(pictured above) shows the global planetary overshoots and social shortfalls. This model has been

<sup>&</sup>lt;sup>7</sup> Wealth Inequality - Inequality.org

<sup>&</sup>lt;sup>8</sup> Understand Inequality – Inequality: A New Zealand Conversation

<sup>&</sup>lt;sup>9</sup> <u>https://www.kateraworth.com/doughnut/</u>

used by the United Nations to develop the UN Sustainable Development Goals.<sup>10</sup> Doughnut economics is also very aligned to the Māori worldview of considering our people, environment and economy holistically. A circular economy<sup>11</sup> is another very similar model that focuses systems solutions for tackling global challenges such as climate change, using three principles of eliminate, circulate, and regenerate.<sup>12</sup>

Wellingtonians have told us they want economic prosperity that is inclusive and doesn't leave people behind and doesn't negatively impact on the environment – which includes moving towards a carbon-free future. This is driving a shift in thinking from economic development to economic wellbeing – accounting for economic productivity growth alongside addressing social inequalities, depletion of natural resources, and the health and financial costs to society from pollution.

We're looking at how Council's provision of infrastructure and services enables our local economy and communities to achieve positive social and environmental outcomes.

The Strategy provides direction for our Council activities and for the businesses and communities of Wellington City. This is about what Council, and our Council Controlled Organisations<sup>13</sup> can do, partnering with mana whenua and Māori, while also inspiring and empowering businesses for the future, and supporting businesses and organisations to partner with us to deliver economic wellbeing outcomes.

<sup>&</sup>lt;sup>10</sup> Home - United Nations Sustainable Development

<sup>&</sup>lt;sup>11</sup> Note: Doughnut economic and circular economy are aim for the same outcomes. We have used the term circular economy in this strategy.

<sup>&</sup>lt;sup>12</sup> What is a circular economy? | Ellen MacArthur Foundation

<sup>&</sup>lt;sup>13</sup> About the Council - Council-controlled organisations (CCOs) - Wellington City Council

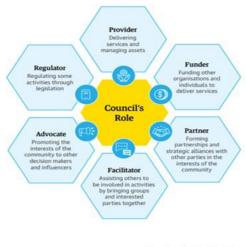
## **Roles in Economic Wellbeing**

## **Wellington City Council**

The council has many roles which are outlined below and described in terms of how we can influence economic wellbeing. How Council carries out this work also impacts on economic wellbeing.

**Provider** – Our core role is to invest and maintain civic infrastructure and facilities that provides the foundations for businesses and residents to thrive such as transport, water and waste infrastructure and civic facilities and venues.

We also deliver a significant range of activities that bring vibrancy to the city and enhance quality of life for our residents which also underpins economic success. Things such as providing tracks and trails, recreation centres, sportsgrounds, and art and culture activities.



Absolutely Positively Wellington City Council Me Heke Ki Pôneke

We can influence the economy through our procurement policies and practices.

Funder – Provide funding such as the City Growth Fund to support businesses and communities.

**Partner** – We also partner with others to achieve outcomes, recognising where local providers can deliver outcomes. We work together with Councils across the region to coordinate our work programmes and collectively solve problems. We also partner with mana whenua so that we can align with a Māori worldview and work together to achieve aspirations for Māori.

Facilitator – We bring people together to discuss issues, share ideas and connect people.

**Advocate** – We advocate on behalf of our communities where we have no direct control. We also advocate internally to ensure work across the council is joined up and aligned to our strategies.

**Regulator** – Our regulatory teams provide services such as liquor licensing and building consenting which are also important for business success. We can influence outcomes to achieve a circular economy through bylaws and consenting.

## WellingtonNZ

WellingtonNZ is a Council Controlled Organisation 80% owned by Wellington City Council. It is the region's economic development agency, supporting economic performance across the region. Their key role is:

- Marketing Wellington as a destination for visitors, migrants, businesses, investors and students, and conventions
- Helping businesses grow and innovate
- Helping businesses attract the workforce talent needed for businesses to thrive

- Attracting and promoting major events
- Running many of Wellington's venues
- Providing economic consultancy

## **Businesses and Organisations**

Businesses and organisations are the main driving force behind the economy. They provide goods and services that people need or want – usually for a profit. In doing so, they create jobs for the community, add vibrancy to the city. Businesses add value to the economy by transforming inputs into higher value outputs. Businesses use their resources to innovate, improve efficiency, and achieve a purpose.<sup>14</sup>

Overtime, expectations of businesses has changed, and they are now expected to address social, economic and ecological challenges.<sup>15</sup>

Businesses have a lot to offer to shift the economy to a circular economy that enables waste free, carbon free living and provides equal opportunities. Businesses have a huge influence of their local communities, but business cannot succeed where society fails. Their key role in influencing social and environmental outcomes through their economy activity is:

- Providing a workplace that is safe and inclusive, and offers career development and progression
- Influencing their supply chains for social and environmental good
- Collaborating and innovating to solve complex problems
- Providing fair and liveable wages
- Engaging with communities and government to help address social and environmental issues that most align with their business<sup>16</sup>

<sup>&</sup>lt;sup>14</sup> Objectives of Business: Economic and Social, Concepts and Examples (toppr.com)

<sup>&</sup>lt;sup>15</sup> What is the role of business? | World Economic Forum (weforum.org)

<sup>&</sup>lt;sup>16</sup> https://www.sbc.org.nz/ data/assets/pdf file/0004/99490/Part-1-The-Social-Role-of-Business.pdf

## **Our Economy**

Wellington City is at the heart of the Greater Wellington region, and our economy is vital to the economic wellbeing of the region and to New Zealand as a whole. The city represents New Zealand's most creative, productive and carbon efficient economic environment – two square kilometres of our CBD produced 6.4% of New Zealand's GDP in 2020. This compact, easily walkable central city is a huge strength for our economy, creativity, and lifestyle. Having a strong economy gives our communities choices and options to invest in their social, cultural, and environmental wellbeing. And if we fail to have a strong, productive economy we will end up debating how to redistribute a relatively declining income.

Whilst central government and the public service forms a significant part of Wellington's economy, it's increasingly evolving to a more diverse, resilient economic mix, with strength in professional and financial services, digital technology, and creative industries. This concentration of creative businesses, including culinary offerings, entertainment, arts and culture, technology, innovation, education, scientific research, gaming and film, have underpinned a strong destination brand, aided by festivals, the arts and events. Wellington boasts a strong and diverse hospitality and retail sector, and a significant and increasing number of quality local food and beverage producers and purveyors. This in turn has led to strong business and leisure visitor numbers, which will be further enhanced when Tākina, the city's new conference and exhibition centre, opens in 2023.

Wellington is a great place to do business and is globally recognised for its progressive and creative economic evolution. As a nation we are recognised for high ethics standards, which creates trust in doing business. The World Bank ranks New Zealand as the easiest place to do business in the world, and Transparency International ranks New Zealand as equal least corrupt country in the world. Wellington's highly skilled population supports the creation of new businesses. New businesses are being established, at a faster rate than they are closing. Many of these are small to medium enterprises and are focused on low-carbon knowledge-based industries.

Larger organisations, the Government and state sector have provided stability for the Wellington economy – and public sector workers bolster the economy with their comparatively high earnings and their consumption of cultural products in their spare time. This stability contributes to the relatively strong position the city and economy has enjoyed for many years. The city has a relatively high productivity, and a well-educated and relatively well-paid workforce, with New Zealand's highest proportion of people working in creative industries. Compared to the rest of New Zealand, Wellington has a comparative economic advantage<sup>17</sup> in:

- post-production services and other motion picture and video activities
- business and professional services
- central government administration
- superannuation funds
- publishing (except software, music and internet)
- museum operations.

Wellington's economic growth over the past decade has been driven by four main industries<sup>18</sup>:

- public administration and safety
- professional, scientific, and technical services

<sup>&</sup>lt;sup>17</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp/ComparativeAdvantage</u>

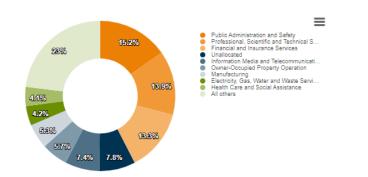
<sup>&</sup>lt;sup>18</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp/GrowthIndustries</u>

- financial and insurance services
- information media and telecommunications.

These pillars of growth are forecast to continue to make the biggest contribution to Gross Domestic Product (GDP) over the next decade. Central government and professional, scientific and technical services continue to be the biggest employers.

The pie chart below shows Wellington City's GDP by sector<sup>19</sup>:

#### Proportion of GDP by ANZSIC 1-digit industries, 2020



The following pie chart shows Wellington City's employment by sector<sup>20</sup>:



7.9%

6.4%

7.1%

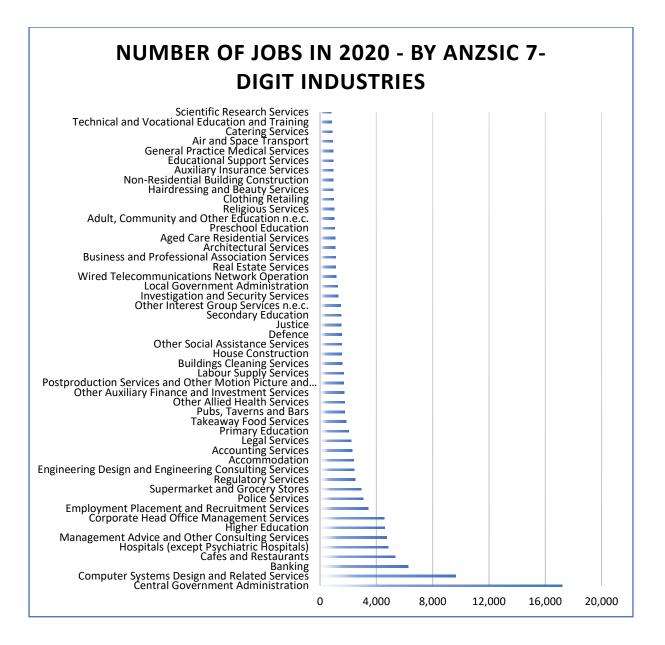
7.5%

The following graph (extracted from Infometrics<sup>21</sup>) breaks the data down further, to identify employment in the top 50 industries. Not shown are all other industries, which accounts for 29% of the Wellington City economy.

<sup>&</sup>lt;sup>19</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp</u>

<sup>&</sup>lt;sup>20</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Employment</u>

<sup>&</sup>lt;sup>21</sup> https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Employment/LargestIndustries



Our previous economic strategy (2011) aspired to create 10,000 jobs by 2015. We have achieved an additional 23,552 jobs by 2020, as shown in the table below.<sup>22</sup>

### Industries which created most jobs, 2010-2020

All other industries	4,076
	1,334
Education and Training	1,994
Health Care and Social Assistance	2,171
Accommodation and Food Services	2,956
Professional, Scientific and Technical Services	4,973
Public Administration and Safety	7,382

<sup>&</sup>lt;sup>22</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Employment</u>

The biggest contributors to growth in the past decade are outlined in the table below.<sup>23</sup>

Total increase in GDP	\$5,999m
All other industries	\$2,380m
Electricity, Gas, Water and Waste Services	\$298m
Information Media and Telecommunications	\$499m
Financial and Insurance Services	\$658m
Professional, Scientific and Technical Services	\$1,026m
Public Administration and Safety	\$1,139m

### Biggest contributors to economic growth, 2010-2020

## Māori Economy

The Māori economy is an important part of the economy and is mostly interwoven within the general economy. Māori make up 8% of the population in Wellington City. 21 percent of Māori in the region are employed as professionals, compared to 16 percent of Māori nationwide. The (18-65 year-old) employment rate for Māori in Wellington is 68% compared to 70% for non- Māori. Wellington City's non-Māori population has a relatively low self-employment rate of 17% (compared to 22% in NZ), while Māori self-employment is at 11% (compared to 10% across NZ). Māori in Wellington City have the highest levels of bachelor's degree (25%) and post-Graduate qualifications (16%) compared with the rest of the region.<sup>24</sup>

Across the region the highest proportion of Māori work in Social Services (34%, 32% non-Māori), Retail Trade (22%, 20% non-Māori) and Business Services (22%, 30% non-Māori). There are slightly more Māori working in Manufacturing (7%, 5% non-Māori) and Primary industries (3%, 2% non-Māori).

Wellington has two iwi which both have resources and plans to play a bigger role in the region's economy. There is an opportunity to embed the outcomes of *Te Matarau a Māui: Collaborative Pathways to Prosperous Māori Futures* to realise the region's aspirations for the Māori economy at a city level. Employment opportunities and skills development are both needed to promote the growth of the Māori economy. The goals of *Te Matarau a Maui* are high level, to allow flexibility and adaptability, and signals the start of a journey of discovery where Māori co-create, co-design and co-implement with other key players.<sup>25</sup> We will work with Māori to foster ongoing progress in the Māori economy.

<sup>&</sup>lt;sup>23</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp</u>

<sup>&</sup>lt;sup>24</sup> BERL report Māori economy GWRC 2018 - <u>https://wrgf.co.nz/wp-content/uploads/2020/03/BERL-Report-GWRC-final-report-29-March-2018.pdf</u>

<sup>&</sup>lt;sup>25</sup> <u>http://www.tematarau.co.nz/a-seed-is-sown/</u>

## **Global Trends**

## **Urban Migration**

The world population continues to grow, albeit unevenly, and is expected to continue to grow until approximately the end of the Century. Migration from rural areas to cities remains strong, although there is indication that people are preferring the suburbs and provincial areas<sup>26</sup> due to the increasing trend of working from home, and rising housing costs.

The appeal of smaller cities has grown in recent years as people opt for a different lifestyle, and to reduce their housing costs. This gives Wellington a potential advantage in attracting skilled, talented people, as we are a small and compact city, connected to the outdoors. Whilst this makes Wellington an attractive destination for international migrants, housing affordability is leading to an increasing number of people moving out to the regions.<sup>27</sup>

Wellington's population is made up of around one third born in Wellington, one third who migrated from within New Zealand, and one third who migrated here from overseas. As city migration continues, housing affordability and therefore inclusivity of being able to live in cities is becoming a global issue and is certainly the case in Wellington.

## From Fixed to Flexible Working

Work-life balance and flexible work arrangements have been on the rise, and Covid-19 lockdowns have accelerated this trend as the world enforced a 'work from home where possible' experiment. There are benefits and opportunities associated with this trend, such as reduced carbon emissions, opportunities to convert office space into residential buildings and growth of suburban centres.

However, the trend is presenting a challenge to the vitality of central city economies.<sup>28</sup> Studies have found that most people prefer a hybrid of working at home and the office, but younger people have missed mentoring and networking opportunities.<sup>29</sup> Wellington is no exception – our CBD is experiencing reduced footfall, while suburban centres have higher than usual retail spending.

The challenge facing us is how to maintain the gains achieved in the suburbs and the Greater Wellington region while also rebuilding central city activity.

# Zero Carbon and Zero Waste Economies and the Expansion of GDP to Wellbeing

Consumers and businesses have increasingly become more environmentally conscious, and the Covid-19 pandemic has accelerated this trend, resulting in a noticeable reduction in pollution.

City leaders throughout the world are considering how they can achieve outcomes that are good for people, the environment, and the economy. This means products need to be designed to be reusable, repairable, recoverable and recyclable, and every aspect of an organisation needs to be considered, including transport choices, heating and cooling of buildings, and the supply chain. This approach presents a significant challenge, but it is essential for our zero carbon and zero waste aspirations. We must all play our part by influencing our supply chains and changing our consumption behaviour.

<sup>&</sup>lt;sup>26</sup> https://www.euronews.com/green/2021/02/20/has-covid-19-changed-suburban-living-for-good

<sup>&</sup>lt;sup>27</sup> <u>https://www.rnz.co.nz/national/programmes/ninetonoon/audio/2018824644/why-big-cities-are-getting-smaller</u>

<sup>&</sup>lt;sup>28</sup> <u>A snapshot of a new working-from-home economy | Stanford News</u>

<sup>&</sup>lt;sup>29</sup> <u>https://www.kaspersky.com/blog/secure-futures-magazine/work-from-home-research/34196/</u>

New Zealand's Treasury has developed wellbeing indicators<sup>30</sup> which align with the global movement towards considering social, cultural, and environmental outcomes as part of economic activities. This movement is highlighted through the United Nations Sustainable Development Goals,<sup>31</sup> the European Union's shift towards a Wellbeing Economy,<sup>32</sup> and the doughnut economics theory designed by Kate Raworth.<sup>33</sup> Increasing consideration of wellbeing is about trying to identify how to sustainably meet the needs of all people within our planetary boundaries, while noting that the current global consumption patterns mean we are already beyond those boundaries. There is a clear desire and need for economies to become circular and to work within resource limits to be sustainable.

## **Moving Online – from Transactions to Experiences**

Developing and emerging economies are shifting away from primary industries to higher value-add economic activities. Online shopping and service transactions have been trending upwards since the early 2000s, but the global Covid-19 pandemic (resulting in world-wide lockdowns) has accelerated this trend. Consumers are seeking more experiences (such as travel, dining, arts and culture, and entertainment) rather than products. Where consumers do want to purchase products and services in person, they are more focused on the experience. Tradeshows, workouts, education, and even travel (virtual reality) moved online during Covid-19 lockdowns. The traditional bricks and mortar shops are particularly impacted by the changing face of retail, although people do still want to touch and feel before they buy, which presents a great opportunity to build online presence while ensuring the physical retail experiences are enjoyable and memorable.

There has been an increasing focus on the consumption of time – time well-saved (such as from more efficient transactions) or time well-spent (such as from engaging or entertaining activities). Entertainment and hospitality business have really felt the pain during lockdowns, and some didn't make it through while others are balancing on the edge of survival. Future investments must consider how the city will be experienced and create opportunities for businesses to thrive.

## **Corporate Social Responsibility**

With greater choice and more information available for decision-making than ever before, consumers are more conscious of the impacts of their spending behaviours. Conscious consumers use their purchasing power to endorse businesses with environmental and social practices that align with their values. This shift in consumer demand is driving change at a corporate level, with more businesses seeking to actively demonstrate ethical and sustainable practices as a point of competitive advantage. Wellington has a few examples of social enterprises and businesses which are increasingly reinvesting their profits into social good, rather than simply delivering dividends to shareholders, such as *Thankyou Payroll* (an organisation that considers the social, environmental and business impact in their day-to-day decisions, are certified climate positive and provide free software for charities), and *NISA* (uses organic cotton and recycled nylon to make luxury underwear, and provides employment opportunities for refugees and migrants). Social and community responsibility is increasingly embedded in business outcomes, for example through sponsorship of community events, programmes and donations.

<sup>&</sup>lt;sup>30</sup> More datils can be accessed from <u>www.treasury.govt.nz/living standards framework.</u>

<sup>&</sup>lt;sup>31</sup> More details can be accessed from <u>www.un.org/sustainabledevelopment.</u>

<sup>&</sup>lt;sup>32</sup> More details can be accessed from <u>www.wwf.mg</u>.

<sup>&</sup>lt;sup>33</sup> More details can be accessed from <u>https://www.kateraworth.com/doughnut/</u>.

## Engagement

## **Engagement Process**

To help us develop this strategy, we endeavoured to understand the economic challenges and opportunities from a wide range of viewpoints. Over a two-year period we engaged with more than 40 different organisations, groups, and individuals, including business groups and individual businesses, from retailers and hospitality to digital tech, finance and property development. We also met with students, young professionals, education providers, and Councils in the region; and engaged with Council's advisory groups, and central government.

We specifically asked whether this new strategy should focus on post-Covid-19 recovery or address longer-term challenges and opportunities. There was overwhelming support for not just dealing with the challenges of today but looking into the future – and we agree.

High-level issues include the cost of housing, transport congestion and reliability, skills gaps and climate change.

Finally, we formally consulted with the community in March and April 2022. Feedback from this consultation has helped to shape the final strategy. The overwhelming message from the community was to do more to activate the city and drive a circular economy, alongside getting our housing and infrastructure sorted.

## **Challenges and Opportunities**

The following provides a detailed look at the key themes raised in the conversation we've had through our engagement.

### **City Liveability**

**Our strong sense of place** – Wellington often ranks highly as one of the most liveable cities in the world. Wellington's access to nature, biodiversity, cultural offerings, and its compact design and strong café culture, offers a great sense of place and identity, and a high quality of life. This is a place where you can work, live and play all in one day. We love our easy access to natural amenities such as mountain biking and walking tracks, swimming in the harbour and surfing at Lyall Bay – so close we can access before during and after work. This is an internationally unique offering that attracts talent, businesses and students to the city.

**Our city values inclusiveness and diversity** – We've heard that Wellington is seen as an inclusive place where people can come to find themselves and learn how to be themselves comfortably. We have a variety of ethnicities and a strong programme of cultural festivals to celebrate this. Our people are proud to be unique and spirited while enjoying the opportunities the city provides.

We have close engagement with all parts of our community and advisory groups that support us to understand how we can do better. Disabled people have told us it is difficult to get around. Sandwich boards placed on the footpath, lack of ramps and level entries to access buildings, and lifts and signage without braille, all make it harder to access our city. Tactile markers and a clear wide path would make it easier to walk through the city and access our green spaces.

People with disabilities have asked for improvements to our infrastructure to meet basic needs. We have heard there is a need for more accessible bathrooms that suit wheelchair users, and 'Changing Places' facilities for people with complex needs. The Rainbow community has asked for adequate

gender-neutral bathrooms, and young families want to see more baby change facilities that are also gender-neutral.

Our young people have described future Wellingtonians as people who feel safe, enjoy the natural environment, korero Te Reo, and live and play close to work. Different marginalised groups want safe inclusive spaces and opportunities where they can be themselves and participate in learning and employment. This might mean offering services for specific groups.

**Housing affordability and city safety** – We've also heard that many students, young people and low to medium income earners, including creatives, are struggling to access affordable and quality housing in the city. For these people, more money is going into housing costs and less into participating in other activities the city has to offer for a high-quality life, so people are moving further out of the city to the region and beyond. Businesses are concerned that housing affordability is contributing to staff shortages. We have also seen increasing homelessness and use of emergency housing, and perceived safety concerns in the CBD. Council has responded to this by partnering with Government, business and social agencies through the Pōneke Promise. Property developers also say that the consenting process is part of the problem for housing affordability.

Our Built Environment – The Kaikoura earthquake response has sped up the process of strengthening and rebuilding the city. This is contributing significantly to the very high level of construction activity in Wellington and will continue to do so for some years. It is notable that Wellington City Council and the business and residential communities are doing this work in advance to reduce the human, physical and financial impacts of future major earthquakes without national funding, as was required following the Canterbury earthquakes. However, we have heard from many businesses that the temporary closure of buildings (including several prominent Council buildings and venues, notably Te Ngākau Civic Square) has impacted city vibrancy. The Courtenay Place entertainment precinct has become less vibrant and is perceived to be less safe. Wellington is known for its independent stores and compact shopping experiences, but ground floor retail is under pressure because of the Covid-19 pandemic and the related loss of international visitors and increasing online shopping. Working from home has significantly reduced footfall in the city, significantly decreasing business activities and while the loss of venues from the earthquakes have impacted on the number of things to see and do in the CBD. A strong events programme has been significantly impacted by Covid-19 restrictions. Now that the borders have reopened the events programme will return, adding to the vibrancy of the city.

#### Access to Skills and Capital

**Wellington City boasts skilled residents with higher-than-average incomes** – We have the nation's most educated population and renowned education institutions, and we have a thriving entrepreneurial population. We have a large knowledge-based economy with central government, professional services, digital technology, the creative sector, and financial services making up a significant proportion of our economy.

**Our competitive advantage** – As the capital city of New Zealand, we are the home of central government and the core public service. We are also home to many Crown Research Institutes and professional service organisations that contribute to the public sector. Wellington is arguably best known for its creativity. The city boasts many national and local arts and culture institutions. We have world leading expertise in film and game development, and a large cluster of successful creative, digital companies known for innovation and sector disruption. Many people within the business community comment on Wellington's collaborative, creative, and supportive business environment that actively supports entrepreneurs and start-ups. New Zealand's public entities are

committed to enabling innovation and development, through collaboration and partnering with businesses. The Wellington community regards diversity as an advantage for economic development, as well as being a social strength.

**Our talent pool** – We have a significantly higher proportion of 19–30-year-olds but a lower proportion of 30–65-year-olds, indicating that this group is choosing to buy a home and have a family in the wider region or elsewhere in the country. Businesses are telling us they are losing younger talent to larger employment centres, both nationally and globally. We have heard that skills shortages in the city (and in the country as a whole) have become more severe due to the increased competition resulting from the Covid-19 pandemic and closed borders. We are also lacking clear career pathways and pipelines of talent coming though for many industries in the city.

Some employers have told us that many graduates are not work-ready, and students are feeling unclear about what to do next once they have completed their studies. There is a desire to attract domestic and international students and talent to the city's tertiary institutions and businesses to fill skills gaps in the short term. Addressing skills gaps is a core element of iwi strategy and *Te Matarau a Māui*. There is a significant opportunity to nurture talent by working collaboratively with Māori through the Council's procurement policy and other initiatives. The feedback we have received so far includes a strong desire to look after Wellingtonians in need of opportunities by:

- identifying pathways from training to employment
- understanding, communicating and building sustainable career pathways
- supporting young employees to develop and grow their skills in their workplaces.

It is important to have a pipeline of talent entering our workforce, equipped with the skills needed for the economy of today and the future, to reinforce our economy.

Access to Capital – We are also aware of the challenges for businesses (particularly for start-up and scale-up businesses) to access capital for operation and growth. Businesses have asked for more assistance to identify and overcome barriers to accessing capital and for taking the risk to start a business.

### Infrastructure and Disruption

As population continues to grow, we expect to see more people living and working in the city. We need to manage the additional pressure population growth puts on the city's resources and ensure the city has the infrastructure expected of a modern, internationally competitive city. This requires significant infrastructure investment to ensure it is fit for purpose, reliable and resilient.

**Transport and water resilience** – Many of the region's jobs are in Wellington City, and a growing proportion of the city's workforce are housed beyond the city's boundaries, as residential growth has slowed in Wellington City and accelerated in regional areas. Council's planned transport and water infrastructure investment in the CBD is anticipated to cause further disruption to businesses in the years ahead. Businesses have asked for certainty about what to expect so they can plan for it, as well as involvement in delivery to minimise disruption.

We have heard that greater regional coordination and communication regarding infrastructure and housing is required to ensure Wellington and the region's businesses have confidence to invest and supply jobs for the population growth projections. In 2021 a Regional Leadership Group was established to advocate for and coordinate growth and economic activities. This Group includes all nine Mayors of Wellington region plus Horowhenua, the Chair of Greater Wellington Regional Council, relevant Cabinet Ministers, and iwi representatives.

A central city neighbourhood – Wellington's inner-city population has grown over the last 25 years. People living in the central city have requested that the central city is also thought about as our largest residential neighbourhood. For residents this means a vibrant mix of businesses including retail, hospitality, entertainment, services and green spaces. We have heard a desire for the Central City to be more family friendly and are investing in new and improved green spaces and playgrounds.

**Our Venues and Facilities** – Our venues infrastructure includes the Convention and Exhibition Centre Tākina (due to be completed early 2023), and existing venues such as Sky Stadium, St James Theatre (reopening in 2022 after strengthening), the Opera House, the Town Hall (reopening 2023/24 after restrengthening), the Michael Fowler Centre, TSB Arena, Shed 6, and a planned new performance and rehearsal venue. These venues enable the important arts, cultural, and economic conference and events activities that our city relies upon for its vitality and reputation as a great place to live, work, play and visit. We have heard that our venues need to be repaired and reopened as soon as possible to provide more opportunities. Many of the venues need modernising to meet the needs of the entertainers. That work is well advanced. Te Matapihi Central Library is also an important facility providing a 'third space'<sup>34</sup> for liveability.

**Working from home and city centre footfall** – Technology continues to change how our economy functions. The ability to complete many of our day-to-day tasks online has created greater flexibility and choice around where people work, live, and socialise. Further disruption has been caused by the Covid-19 lockdowns – our CBD has experienced a 10-22% decrease in pedestrian footfall with the rapid uptake in working from home<sup>35</sup>. Despite the decreased footfall, Wellington City's GDP per capita increased 4.5% from 2019 to 2020 and retail trade increased 7.4%<sup>36</sup> – although this hasn't been consistent across the retail sector or all locations in the city.

More people are meeting their daily needs closer to home, which is changing patterns of demand in central city areas. It appears the change is here to stay. The role of our central city is changing from a place where people must come to make transactions, such as purchases and using services, to a place where people can choose to come for experiences, such as entertainment, dining, and social contact. This is a key challenge for this strategy, to identify the future for our central city and suburban centres and actions necessary to deliver that outcome.

### Social Impacts and Climate Change

**Environmental impacts must be respected** – Over the past thirty years we have developed a proud record of World leadership in ecological restoration, through a remarkable and ongoing restoration of the City's natural environment. In 2021 The Economist rated Wellington the number one city in the World for environmental security.<sup>37</sup>

The biggest reductions in emissions will be achieved through the urban form of our city, how we get around, and how we reduce and manage waste.

Many of the region's economic and personal activities have a widely acknowledged negative impact on the environment. Governments, councils, iwi, businesses, and communities all need to take

<sup>&</sup>lt;sup>34</sup> Third Space Theory - Wikipedia

<sup>&</sup>lt;sup>35</sup> <u>https://www.metlink.org.nz/our-metlink-journey/performance-of-our-network#DataAndReports</u> – Note: This data has been selected as the best 'proxy' of 'working from home' trends since it is reliable, has a long history and correlates well with other measures (such as footfall from BellWeather when it was available)

<sup>&</sup>lt;sup>36</sup> <u>Regional economic activity report (mbie.govt.nz)</u>

<sup>&</sup>lt;sup>37</sup> <u>https://safecities.economist.com/safe-cities-2021-whitepaper/</u>

action to slow the progress of climate change and reverse negative impacts on the environment. Businesses and communities have repeatedly told us that this cannot be ignored.

The social, environmental, economic and financial costs to the city of not acting on climate change are significant. In comparison, a city that quickly transitions to a low, and in turn zero, carbon economy will have a competitive advantage in the years ahead, as a place where skilled workers, students and progressive businesses want to be based. We have heard how proud Wellingtonians are of our low carbon city. The ability to live a low carbon lifestyle is increasingly important and a factor in where businesses and people decide to locate.

**Our citizens are conscious consumers** – Wellingtonians are actively supporting businesses that can demonstrate sustainable and ethical practices. In Wellington we have a large community of socially conscious enterprises which are already building a circular economy.

**Māori customs in business** – Māori businesses have asked for a different approach to Council and central government procurement that is more inclusive of Māori customs such as relationship building, while also providing assistance to participate in formal tendering processes.

#### **Complexities and Costs of Doing Business**

**Increasing costs of doing business** – Businesses and property owners have raised concerns about the increasing costs of doing business. These costs include insurance and rates for the property sector, regulatory costs, and start-up costs. These increasing costs may stifle investment and operations if they are not well managed. As mentioned previously, businesses find it challenging to access the capital they need to progress beyond the start-up stage. Businesses and property owners also feel the legislative and regulatory constraints are adding to the costs of doing business.

**Business resilience is being challenged** – Covid-19 has had a material impact on the viability of many businesses. The ongoing response to, and recovery from, the Covid-19 pandemic has impacted every part of the economic system, from the dynamics of immigration to tourism, logistics and financial industries, and we've already noted the impact on working patterns. Border closures mean international tourism is non-existent and domestic visitor numbers are only partially compensating for this. Many businesses are also struggling with skills shortages, particularly those sectors which have traditionally relied on international migrants.

**Council responsiveness** – Some businesses and property owners have raised concerns about the time it takes to get the Council decisions they need before they can make an investment decision and would like to see Council improve its timeliness and relationship management. Others would like to see more services and assistance for small businesses by connecting businesses with people, tools and knowledge, and helping them to transition to future business models and systems. The film sector has praised the Council for the ease in which they are able to get permits for filming – which is a competitive advantage for this sector. We are currently working with the hospitality sector to enhance the use of pedestrian pavements and in part to enable social distancing, although the alcohol legislation is a limiting factor.

## PART B: The Strategy

# Economic Wellbeing Strategy – Responding to the challenges

This strategy is intended for the Council, the region's economic development agency Wellington NZ and the businesses and people of the city.

## The Vision for Economic Wellbeing in Wellington

**Vision:** Wellington is a dynamic city with a resilient and innovative and low waste, low carbon circular economy that provides opportunities for all and protects and regenerates our environment.

## **Outcomes for Economic Wellbeing**

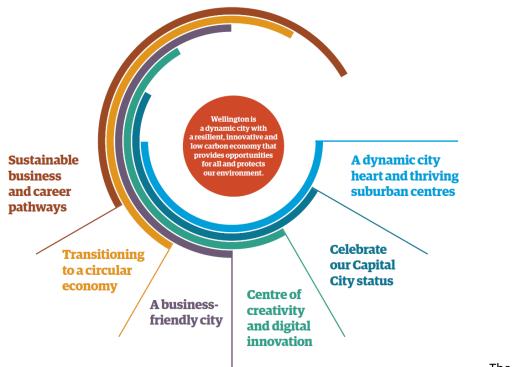
While we have ambitious economic goals for Wellington, we are conscious that we need to set a clear and specific direction. This strategy identifies six strategic outcomes for the city to focus on for the next 10 years. This ensures our economic funds are directed towards the most effective activities.

Based on engagement with the our communities, we have outlined why each outcome is important and what it means, our approach and actions to achieve it, and how success will be measured under each of the outcomes. See the Appendix for the more detailed action plan.

The overarching measure of success is to have a strong performing economy that also delivers equity, environmental regeneration and sustainability.

We want to achieve six outcomes.

- Outcome 1: Sustainable Business and Career Pathways
- Outcome 2: Transitioning to a Circular Economy
- Outcome 3: A Business-Friendly City
- Outcome 4: Centre of Creativity and Digital Innovation
- Outcome 5: Celebrate our Capital City Status
- Outcome 6: A Dynamic City Heart and Thriving Suburban Centres



The outcomes

are critically influenced by city liveability, infrastructure and building resilience. It is important to recognise critical influences that are essential foundations for economic success in cities – things like reliable infrastructure, safety, the ability to live a high quality of life and housing.

These areas are important to the success of the Economic Well-being Strategy and are being progressed through other Council strategies and plans. They are noted within the most relevant outcome, as many of the aspects were raised by businesses and communities and are vital to the overall success of the economy.

## Outcome 1: Sustainable Business and Career Pathways

We aim to enable Wellingtonians to have equal opportunities to find meaningful, fairly paid and inclusive work

## Why is this important?

Continuing to offer the best city for students is a factor in attracting and retaining young people in the city, for employment, creativity, and innovation. As a city we are good at attracting skilled migrants and students due to our city's great tertiary providers, walkability, entertainment offerings and overall quality of life, but we don't always manage to convert them into long-term Wellingtonians. Housing costs and job opportunities are the main barriers. We want our city's businesses to easily access people with skills, experience, and knowledge they need to drive productivity and innovation. And we want people (particularly young people) to be able to see their future career paths and opportunities in the city.

With a culture of focusing on hiring experienced staff, some students are struggling to find their first job after education (both secondary and tertiary). Concurrently there's a shortage of employees with intermediate level skills. It's a consistent theme across many sectors in Wellington including hospitality, construction, digital technology, research, policy, and screen. Some employers have said that young people are not work ready when they emerge from education. Nation-wide there are a growing number of young people not in education, employment or training (12.3%) but for Wellington this sits lower at 6.7% in 2021 (up from 6.3% in 2020).<sup>38</sup> The number of people in Wellington that are underutilised has been increasing since 2017 from 9.4% peaking at 10.2% in early 2021, and positively has since decreased to 9% at the end of Quarter 1 2022.<sup>39</sup> It is important that we think about long term solutions that support our own people into employment. As a city we have a collective responsibility to develop the talent pipeline in each industry and ensure students are work ready.

The city's talent shortage has increased in severity because of the Covid-19 pandemic, with the closure of our national borders significantly affecting the city's access to migrant labour. This highlights numerous skills gaps that must be addressed to enable our businesses and economy to reach its full potential.

Furthermore, people with disabilities continue to be underemployed and unemployed, and despite unemployment dropping for the wider population, unemployment for people with disabilities has remained unchanged. In the greater Wellington region, 22% are disabled, which equates to an estimated 114,000 people.<sup>40</sup> These percentages are even higher for Māori when considering age adjustment, with 32% of Māori adults represented in disability data. Women, Rainbow communities, and ethnic minorities are all also marginalised and face issues in employment. This is a significant proportion of our population who are skilled and capable workers but often overlooked. It is important that we collectively break down barriers and change collective attitudes.

<sup>&</sup>lt;sup>38</sup> <u>Regional economic activity report (mbie.govt.nz)</u>

<sup>&</sup>lt;sup>39</sup> <u>Regional economic activity report (mbie.govt.nz)</u>

<sup>&</sup>lt;sup>40</sup> Statistics New Zealand. (2013). *New Zealand Disability Survey*. Retrieved from: <u>http://archive.stats.govt.nz/~/media/Statistics/browse-categories/health/disabilities/2013-disability-survey-results/2013-disability-survey-word-version.docx</u>

## **Our Approach**

## Facilitate connections and collaboration between Council, employers, educators and others

We need to enable korero between employers and educators in Wellington City to identify skills gaps, and to develop collaborative approaches to closing them. We can assist businesses and educators where intervention is needed and can advocate to influence central government regarding its policies. A cohesive Wellington City voice will be represented at the Regional Skills Leadership Group (RSLG), but this group will only focus on sectors that are regionally significant. We know that trades have been undervalued, and there are critical shortages in the health and tech sectors, and we have heard the need for more coherent film sector training and clearer career paths in the film sector including the need for producer training. We must also prioritise construction, digital tech, healthcare, engineering, and hospitality, and collaborate across the region where regionally relevant.

Building a strong relationship between the Tertiary Education Institutes and the city can assist in achieving good outcomes for the providers, students, and employers. We must connect the people within the education system such as academics, teachers and students with employers to facilitate the development of the right education programmes which enable students to gain the right skills for successful employment and career development. We must build trusting relationships that enable commitment to crafting education that delivers skilled workers for current and future jobs. Internships are a great way to create connections and develop skills. Additionally, it is beneficial to work together with academics and city staff to achieve changes in social, cultural, environmental and economic outcomes for the city through sharing of the most current knowledge and research.

Additionally, as technology and other labour market influences evolve, future jobs will look different to what they do today, and we will need the skills to contribute to a circular economy that keep materials in circulation including reuse, repair, remanufacture, and recycling. These jobs will come in many forms, such as science and engineering, digital technology, logistics, and manual labour. Ensuring sustainable career pathways and the ability to evolve as systems change will require enabling the provision of opportunities for lifelong learning (such as short courses and on-the-job development) and recognising online learning and micro credentials. Each industry will need to have clear career pathways and development opportunities, including the need for skills and knowledge in environmental and social outcomes across all industries.

## Facilitate and enable rangatahi, young people and the disabled community into sustainable and fulfilling careers

A key feature of sustainable career pathways involves the encouragement of hiring and developing local people and supporting local people to thrive. Everyone needs to at least earn a living wage. We must consider how to implement a 'train local, employ local' approach and enable young people to progress in their careers and into leadership, including by embracing young people's creative ideas to deliver improvements and change. This is about Nurturing Human Nature – the Third Way of Doughnut Economics Thinking<sup>41</sup> and delivers on the social foundations of education, income & work, and Social Equity. As employers in the city, we must all take responsibility to nurture and develop our young people and enable successful career progression. This means mapping career pathways, understanding development needs, and giving people the opportunity to get started and maintain

<sup>&</sup>lt;sup>41</sup> Get Animated! Introducing the Seven Ways | DEAL (doughnuteconomics.org)

their careers. It also means paying decent wages to attract and retain staff and maintain diversity of employment opportunities.

We will work with mana whenua and the Ministry of Social Development (MSD) to facilitate rangatahi, young people and disabled people into sustainable and fulfilling careers, with a focus on sectors with skills shortages. We will participate in the education sector early interventions initiatives such as working with schools from primary upwards to share new ideas about career options, and encourage employers to engage with the curriculum, connect with trainees and graduates, and identify career pathways and ongoing development opportunities within their own organisations.

As an employer, Council will lead by example to contribute to the delivery of sustainable career pathways. For example, Wellington Water has opened an Infrastructure Skills Centre in conjunction with Fulton Hogan to help people take their first step into working on water infrastructure. Through this approach, learners earn while they are upskilled and then have access to job opportunities when they graduate.

#### Encourage safe and inclusive workplace environments

To address the gaps in employment opportunities for marginalised groups such as the disabled, rainbow, women, Māori, Pacific, and other ethnic minority communities, we must encourage changing attitudes and breaking down barriers. It means providing knowledge and capability development for organisations across the city to ensure they understand how to provide the welcoming environment, wage equality, and other support that may be needed to build their own understanding of their workplace culture. It may require external input and advice, staff discussions, and changing expectations.

This is about organisations being culturally responsive within the workplace, understanding their people and the things that make them feel included or excluded, safe or unsafe. It's also about taking a wellbeing approach to staff, and recognising different people have different experiences that can impact their physical and mental wellbeing.

These approaches also go a long way towards retaining existing staff and attracting new. Happy and healthy staff are also more likely to remain loyal, more productive, and creative. Which is all good for business.

We are encouraging employers and employees to challenge their workplace practices and attitudes and review approaches to employment and workplace culture.

## **Critical Influences**

#### Addressing housing affordability, supply and quality

Attracting and retaining talent often comes down to the liveability of a city and affordability of housing. We are at risk of losing the perspectives and creativity younger people bring to industries due to the prohibitive cost of housing. Many young people and low-income earners are struggling to make Wellington their home due to the lack of affordable housing. To support our environmental and social goals, we must provider denser affordable housing in walking or cycling distance to employment or public transport. In dense cities you need mixed-use activity, neighbourhood spaces, local quiet spaces, and common green spaces, especially where there are many apartments without backyards.

Housing is a critical factor in enabling people to live work and play in Wellington. Our population profile indicates that people leave Wellington in the 30-to-40-year age bracket, the age most people want to buy a house and start a family. Many people in the Wellington community have told us that people are leaving because they can't afford to live here, or they can't find a place to live. Wellington is becoming a place affordable only to those on higher incomes. If this trend continues, Wellington will continue to struggle to fill roles at all income levels and skill types. We also have an increasing homelessness problem which is more complex, and council has a <u>Homelessness Strategy</u> to address this. Regardless, housing quality and supply requires an equitable and inclusive approach.

When people's housing needs are met, they can fully participate in social and economic activity. We have a vision of 'all Wellingtonians are well housed', where all residents in Wellington can live in good quality homes that meet their needs and they can afford (refer Housing Strategy<sup>42</sup>).

Housing supply is being enabled through the Spatial Plan, District Plan, and our Housing Strategy and will be enabled through the Let's Get Wellington Moving (LGWM) programme. This is a significant opportunity to deliver the right housing in the right locations, whilst minimising the negative effects of growth on our environment. The private sector provides most of the housing supply, and we must develop new approaches to raising the quality of our existing housing stock and increasing the supply of affordable housing – particularly for essential workers in our health, education and service sectors and talent that supports local companies to thrive. We want to encourage safe, well-built apartments and stable housing for different community groups – encouraging universal design that improves accessibility. Co-housing and collective housing are potential opportunities for more inclusive affordable housing, and development of smaller retirement appropriate housing will free up housing space. Council has already opened the first of a targeted 1000 apartment conversions through our Te Kāinga Affordable Rental Programme. retirement appropriate housing will free up housing space. Council has already opened the first of a targeted 1000 apartment conversions through our Te Kāinga Affordable Rental Programme.

More consideration and partnerships are needed to provide accommodation for other low wage workers and students. To accelerate this, we may need to investigate establishing a delivery entity for urban development and LGWM, and potentially a partnership with tertiary education providers.

#### An attractive place to live

Housing affordability is only one part of the picture when it comes to attracting and retaining talent. Our city also needs to have the ability to live close to where they work, things to see and do, green spaces, and good public and active transport infrastructure. These are addressed in Outcome 6: A dynamic city heart and thriving suburban centres.

## **Priority Actions**

- **Career Matching** Connecting educators and employers to develop the right skills for the city and provide opportunities for students gain experience.
- **Practice what we preach** Ensure council's procurement strategies, career pathways, sustainability practices and activity programmes are supporting the delivery of the Economic Wellbeing Strategy, including leading by example to break down barriers to employment.

#### What success looks like

Description

Measures

<sup>&</sup>lt;sup>42</sup> Housing Strategy - Our 10-Year Plan (wellington.govt.nz)

Employment opportunities for all	Unemployment of disability sector
Students are supported to shift from education to employment	<ul> <li>Number of NEETs – declining trend</li> <li>Unemployment rate – decreasing trend</li> <li>Underutilisation rate – decreasing trend</li> </ul>
Employers are well-connected to primary, secondary and tertiary education	<ul> <li>Number of employers actively involved in Inspiring the Futures, Secondary Transitions, and Tertiary Education programmes – increasing trend</li> </ul>
Our city's businesses can access the skills, experience, and knowledge they need to drive productivity and innovation	<ul> <li>Businesses are able to attract and retain talent – business perception survey</li> </ul>
Increasing diversity of work / roles / careers available in the city	<ul> <li>Economic diversity (HHI sector diversity) – increasing diversity</li> </ul>
People choose to live here and can have successful and meaningful careers	<ul> <li>Inward migration – increasing trend</li> <li>Number of houses under construction / housing affordability improving</li> <li>Number of people staying in Wellington (30-65yo) – increasing trend</li> <li>Mean individual earnings – increasing trend</li> </ul>
Critical skills shortages are identified and being addressed	<ul> <li>We have an understanding of skills shortages for different sectors</li> </ul>

## Case Study 1: The tight-knit company using values to drive growth

The founders behind Hnry – the thriving accounting firm serving Australasia's gig economy – have gone from strength to strength because of their location, they reckon. Now they're keen to give back to the city that has served them.

In many senses, Londoner James Fuller fell into the classic Kiwi love story. His wife Claire was doing her big OE in London when they met. They worked at the same firm, and before long they were shacked up with a baby, dreaming of settling in Wellington.

"Clare grew up here," he says. "We always came back to Wellington for holidays, and it was everyone's happy place. As soon as I got off the plane, I was at home."

They made the big move in 2012 – and some huge successes were on the horizon for the couple. Fresh in the city, they did their time at different firms, and it was when James was self-employed that he tinkered around creating a system to help him do his taxes. Just like that Hnry was born. James is the Chief Executive of what is now a 50-strong company, and Claire is the Chief Operating Office.

"It's really cool to have a tech start-up in Silicon Welly. Claire and I would never have founded Hnry if we'd lived somewhere else – it just wouldn't have felt possible. When you're around people that have an endless sense of possibility and opportunity, it's infectious."

#### Retaining company culture amidst a pandemic

Despite their rapid growth – in February they secured USD16 million in investment funding to expand – the pandemic has been hard on company culture.

"We've always had a big culture of working together and collaborating as a business. It was quite difficult when we went into lockdown. We got a decrease in



productivity – everyone missed working with each other and missed the vibe of being in a scaling business and collaborating every day."

Staff still have the option to work from home, but many prefer the camaraderie they get from being together in the office, a beautifully designed open space in the heart of the CBD. But the city, James says, is dying at the government end where they're located.

"The hardest thing for us is the impact that the empty city has had on the vibrancy of our own office. As a citizen of Wellington, you need to feed and water your city. It's not going to be there if you leave it in a cupboard and walk away. It's going to die. We all need to do our part in being citizens of the city."

There's a dangerous knock-on effect of embedding a WFH culture in our city, James says. He points to companies overseas viewing our WFH populations as cheap labour they can capitalise on – which will only reduce our local labour force. James thinks of his friends back home in London, who have no company culture – they only have to point their laptop at a different company, that might offer better pay, and move on.

#### Live your values, and the people will come

James attributes Hnry's success to their company culture and lived values. Any candidates for jobs need to demonstrate values around fairness, doing the right thing, and being respectful.

"I'm excited about doubling or tripling the size of the company but still maintaining those values. We don't hire people just to put bums on seats – we're employing them because they already embody our values."

Thinking ahead to Wellington's future, and the future of his growing business, James is excited about the burgeoning tech community, start-up to scale-up businesses and education sector, which create the perfect microcosm of creativity and innovation.

"How does Wellington accentuate the things that it already does really well? We should be looking forward instead of looking backward and wondering what we don't have. We have an amazing community and economy supporting so many businesses, entrepreneurs and creatives, and government workers. In Wellington, if you've got ideas, people say 'oh, you should totally go and do that, and here's how I can help you.""

With so much support behind them, they're now paying it forward to the next generation of tech start-ups.

## Outcome 2: Transitioning to a Zero Carbon Circular Economy

We aim to be regenerative by design

## Why is this important?

Wellingtonians are proud of the city's achievements in biodiversity and the transition to a low carbon economy. However, there is still more to do as outlined in <u>Te Atakura – First to Zero Strategy</u>, and the <u>Regional Waste Management and Minimisation Plan</u>. We want to create a further step change by transitioning to a circular economy, and by moving quickly the city will have a competitive advantage and attract people to live in, visit, and set up business in the city. The circular economy aims to decouple growth from finite resource consumption and has the potential for positive employment opportunities.<sup>43</sup> The pandemic has demonstrated social inequalities, and environmental impacts as well as the risks of lengthy supply chains on economic resilience, particularly for small business. We have a role to play in enabling more localised, diversified and distributed production.<sup>44</sup>

Two of the 7 Ways of Doughnut economics thinking<sup>45</sup> is to be "regenerative by design" and "think in systems". This means sharing, repairing, regenerating, stewarding and being climate smart, as well as experimenting, learning, adapting and aiming for continuous improvement.<sup>46</sup> As Council, we want to ensure we are leading by example, and collaborating and supporting others to achieve our ambitions goals for the environment. We have heard that it is challenging to establish recycling, repair and reuse facilities when the option of landfill is far cheaper and easier for people. By all stakeholder groups working together, we can design and implement new solutions to waste management which will leave our environment in a healthier state and reduce the city's carbon footprint. We already have several organisations and businesses delivering regenerative outcomes such as kai composting, and waste recirculation. It requires expanding the scope of sourcing considerations and being innovative.<sup>47</sup>

We will enable, encourage and promote taking responsibility for environmental, social and cultural impacts to build an economy that is regenerative, inclusive and promotes equality.

However, the Emissions Trading Scheme ETS has resulted in companies trading emissions rather than taking real climate change action. We're advocating for the ETS to change. The Climate Commission report *Ināia tonu nei: a low emissions future for Aotearoa*<sup>48</sup> provides policy direction to deliver strong market incentives to drive low emissions choices.

<sup>&</sup>lt;sup>43</sup> <u>Cities in the Circular Economy - An Initial Exploration | Shared by Business (thirdlight.com)</u>

<sup>&</sup>lt;sup>44</sup> The circular economy: a transformative Covid-19 recovery strategy | Shared by Business (thirdlight.com)

<sup>&</sup>lt;sup>45</sup> <u>Get Animated! Introducing the Seven Ways | DEAL (doughnuteconomics.org)</u>

<sup>&</sup>lt;sup>46</sup> About Doughnut Economics | DEAL

<sup>&</sup>lt;sup>47</sup> The circular economy shows its human side | Greenbiz

<sup>&</sup>lt;sup>48</sup> <u>https://ccc-production-media.s3.ap-southeast-2.amazonaws.com/public/Inaia-tonu-nei-a-low-emissions-future-for-Aotearoa.pdf</u>

## **Our Approach**

## Enable a circular economy through zero waste, zero carbon initiatives and capability development

Zero waste and emissions reduction strategies will enable the transition to a circular economy and contribute to economic wellbeing. Wellington City Council has already prioritised this through our long-term Smart City 2040 strategy, Te Atakura First to Zero Strategy and contribution to the Regional Waste Management and Minimisation Plan. Living beyond our planetary means is threatening how safely the planet can function. A circular economy must be embraced around the world to reach climate and sustainability targets.<sup>49</sup> This means using less raw materials, extending the life of resources, regenerating resources, and designing for recyclability. We will work with businesses and sectors to better understand and enable the transition to a circular economy. Sectors with high carbon/waste footprints, such as building and manufacturing, will still need to be a priority to meet accommodation shortages, but all businesses and organisations have a part to play. Environmental outcomes can be delivered through partnerships, influencing supply chains, product design, high quality recycling, reusing materials, designing for collective use, and avoiding unnecessary use, to name a few.

In addition to transitioning our services and infrastructure to enable a circular economy, we'll aid businesses in the form of capability development programmes and knowledge sharing to help businesses transition to a circular economy.

Enabling and supporting the development of the emerging zero waste ecosystem in Wellington will form the foundation for the circular economy. Many enterprises and organisations are already piloting innovative systems, processes, tools, techniques and behaviour change programmes and could expand and replicate with the right tools and support. A strong network of local Zero Waste Hubs could form the backbone of this ecosystem, combining reuse, repair, recycling, composting, product stewardship takeback, behaviour change and community engagement. There are projects that are already bringing the circular economy to life in their communities across Aotearoa and could make much faster progress with systemic support. The relationship between local scale zero waste initiatives and social, environmental, cultural and local economic benefits are well established. The 61 members of the Zero Waste Network Aotearoa use a community enterprise business model to deliver resource recovery and behaviour change services. They collectively employ 1200 FTE, turn over \$75m and recover 35,000 tonnes of resources each year.<sup>50</sup>

#### Facilitate the social dimension of a circular economy

A circular economy also recognises the social impacts and develops ways to be socially responsible.<sup>51</sup> For example, improved social outcomes can be achieved through living wages and ethical purchasing, and design for affordability. Procurement in particular can provide broader value beyond the things being procured; it can drive social and public value, building local eco-systems and community resilience. A study in Australia quantified that for every social procurement dollar spent,

<sup>49</sup> CGR 2022 (circularity-gap.world)

<sup>&</sup>lt;sup>50</sup> Source: Submission from Waste Free Welly to the draft Economic Wellbeing Strategy

<sup>&</sup>lt;sup>51</sup> Bringing social impact into circular economy - Board of Innovation

it generated \$4.41 social return on investment.<sup>52</sup> Social procurement is about deriving greater value with the same amount of spend.

The Covid-19 pandemic highlighted inequalities, with Maori and Pasifika communities being disproportionately affected. We can enable sustainable and meaningful career opportunities in the Maori and Pasifika economies and for the creative sector, for women, disabled communities and others, while also realising social and environmental outcomes, through the way Council, its Council Controlled Organisations (CCOs) and partners undertake procurement. In 2021 Council adopted a procurement strategy that acknowledges our responsibility to ensure good public value and enable the long-term wellbeing of our communities including, health and safety, cultural equity, supporting local and regional businesses, social equity, and encouraging innovation. Businesses, central government and Council can all use their procurement processes to contribute to wider social outcomes including Māori business aspirations, as articulated in Te Matarau a Māui. This can be achieved through actions such as breaking contracts into parts, providing opportunities for smaller enterprises to work with us; providing a 30-year plan for investment to signal the resources and capabilities required by us over the medium and long term; forming longer-term relationships with contractors to provide the certainty required to undertake investment in equipment and capability; developing relationships with local Māori/Pasifika businesses; hiring local; and building an ecosystem of Māori and Pasifika businesses.

## Promote Wellington businesses to attract investment, spending, and tourism that delivers a circular economy

Promoting our city is important for attracting investment, tourism, and talent. Tourism and investment both bring new money into our economy and help build a stronger ecosystem for our local businesses. As the country's borders reopen, we want to encourage a new future for tourism that is sustainable, climate-friendly, and socially responsible, and provides significant benefits to the city and region. We also want to encourage investment in our core strengths of innovation and creativity, particularly in science and digital technology, in ways that encourage and contribute to a circular economy approach – designing out waste and pollution.

Hospitality is part of Wellington's culture and an important characteristic for city vibrancy and visitor experience. Hospitality offers a way of celebrating Wellington, through locally sourced produce, and has significant potential to contribute to a regenerative quality of life. And indeed, all sectors can achieve this by looking at their activities and identifying alternative ways of delivering their goods and services.

The Wellington Destination Management Plan (Destination Pōneke<sup>53</sup>) promotes a regenerative tourism approach, considering our role in spreading the peak tourism load in New Zealand, managing environmental impacts, and delivering social and cultural gains. While larger organisations have the resources to change, many smaller and medium sized businesses struggle to shift from good intentions to action. WellingtonNZ has successfully delivered a trial programme to assist in building capability, where businesses discovered they could make meaningful change. We need to consider how best to roll this out further.

Being a connected city is incredibly important in attracting/retaining talent & businesses, in driving visitation to the city, in encouraging international students to study in Wellington, and supporting

<sup>&</sup>lt;sup>52</sup> https://assets.kpmg/content/dam/kpmg/nz/pdf/2021/06/Social%20Procurement%20-

<sup>%20</sup>Tackling%20the%20practical%20realities1.pdf

<sup>&</sup>lt;sup>53</sup> https://www.wellingtonnz.com/assets/Uploads/WNZ Destination-Management-2021-2031.pdf

many of the attractions and events the city hosts. Regional growth projections and planning identify up to 250,000 additional residents over the next 30 years and the region will need to generate an additional 100,000 jobs. Good transport networks and connections by road, rail and air helps with making it easier to live, visit, and do business. The majority of visitors travelling to and from New Zealand travel by air, and travel between the North and South Island is also significantly air travel. The climate change commission notes that aviation will continue to play an important role in New Zealand's transport network. We recognise that the airport is a critical piece of infrastructure not only for the city, but for the region and lower North Island. The aviation sector will transition to more sustainable technology over the next 10 to 20 years, particularly at the Wellington airport where short distances are common.We will work with WellingtonNZ and Wellington Airport to improve connectivity, grow services to support the growing population and economy, while also reducing the impact on the environment.

## **Critical Influences**

#### Transforming our transport system and social spaces

To respond to the challenges of climate change, we need to fundamentally change the ways Wellingtonians live in and move around the city. It's about enabling good social, environmental and economic outcomes by providing the infrastructure and services to live a lifestyle that is healthy for people and the environment and enables businesses to reduce their carbon emissions. Our capital works programme is driving climate and ecological emergency response outcomes. This investment will enable higher density living; reliable, accessible, zero carbon transport networks; and resilient and reliable water services, to enable the city to provide the services for our people now and in the future by ensuring a compact, resilient, vibrant, and greener Wellington city to live, work and play. Council has a key role to play in facilitating behaviour change in our transport, housing, and waste systems.

We will reclaim streets for people by pedestrianising some streets, providing safe cycling facilities, enabling efficient public transport that connects locals and visitors, and reducing central city traffic. We will balance the loss of parking by maximising existing parking availability – this means ensuring we use the right communication channels, and maximise the use of remaining parking spaces, recognising that some business types will continue to need delivery vehicles, and customer parking. <u>Spatial planning</u> to accommodate different activities will be crucial. Wayfinding to help visitors and locals to find their way around is also important for a stress-free experience of our city. Options to promote a great transport experience are being delivered through our transport programmes, <u>Bike</u> <u>Network Plan</u>, <u>Let's Get Wellington Moving</u>, <u>Green Network Plan</u> and partnering with operators of off-street parking facilities.

#### Embed accessibility and inclusion practices in infrastructure and services

Accessibility and inclusion are important to ensure equal access to participation in social and economic activities. We need our streets to have tactile pavers and smooth kerb crossings to facilitate safe crossing for disabled, elderly pedestrians and people using pushchairs. Footpaths need to be kept clear and wide. We should also advocate for free or low-cost public transport for students and the disability sector (a critical human rights issue to enable equal access to services and jobs<sup>54</sup>). Bathrooms need to facilitate inclusion by offering accessible, family-friendly and complex needs changing places and gender-neutral facilities. Digital inclusion and accessibility are also important to

<sup>&</sup>lt;sup>54</sup> <u>https://communitylaw.org.nz/community-law-manual/chapter-17-disability-rights/access-to-shops-transport-and-other-services/access-to-transport/</u>

ensure no one is left behind. These are all important for enabling people to successfully participate in social and economic activities, and are included in our <u>Accessible Wellington Action Plan</u>, to be delivered through facilities and infrastructure upgrade projects.

#### Transitioning to circular waste systems

We also need to consider how we can invest in better waste management systems to facilitate a circular economy. Council has contributed to and is actively delivering the <u>Regional Waste</u> <u>Management and Minimisation Plan</u>, and is developing a longer-term Waste Minimisation Strategy. Council already supports many organisations and businesses who are working across the city to reduce waste, including the Sustainability Trust, Kaibosh, Kaicycle, Second Treasures, the Formary and Para Kore. Centreport has taken the lead in reprocessing and reusing demolition materials following the Kaikoura earthquake.

A key enabler adopted by Council recently is the commissioning of a Sludge Minimisation Plan at Moa Point which will enable changes to managing the Southern Landfill and enabling a circular economy. We have also recently implemented a <u>Solid Waste Bylaw</u>, changing waste management requirements for property owners and developers, and waste collectors and operators. We could consider ideas such as zero waste hubs for community recycling, repair, remaking and reuse services. Being able to access such services gives people and businesses the confidence to change behaviours and know that they are making a difference.

## **Priority Actions**

- **Co-create business sector plans** Work with business sectors to develop a plan for the sector including transitioning to a circular economy.
- **Partner with Māori and mana whenua** Partner to build the Māori economy, and explore a Māori worldview of a circular economy.
- •

Description	Measures
Businesses, education providers, researchers, mana whenua, Council, and government agencies are working together to reduce our collective carbon footprint and eliminate waste	<ul> <li>Volume of waste diverted from landfill (tonnes) – increasing trend</li> <li>Total city greenhouse emissions per capita (tonnes) – decreasing trend</li> <li>Kg of waste per person to landfill – decreasing trend</li> </ul>
Māori economic success is supported through Te Matarau a Maui	<ul> <li>Maori economy percentage contribution to GDP increasing trend</li> <li>Successful delivery of Te Matarau a Maui actions</li> <li>Procurement Strategy target of 5% contracts with Maori businesses</li> </ul>
Buy/love local (Businesses are supported by locals)	<ul> <li>Business survey – increasing trend</li> <li>Percentage of locals buying local – increasing trend</li> </ul>

## What success looks like

## **Case Study 2: Going green in the beating heart of the capital**

For Kowtow founder Gosia Piatek, Wellington's future has got to be about building a sustainable economy and thriving local businesses.

When Gosia founded fairtrade clothing label Kowtow 15 years ago, she had no real inkling of how successful it would become. For the first few seasons, she produced colourful and graphic t-shirts, with CDs showcasing the music of local artists swinging from the clothing tags.

Her dogged determination and sparkling vision have grown Kowtow into an international success story – and she's still headquartered in Wellington, with stalwarts like Commonsense Organics and Caffe L'affare right on their doorstep.

#### Social beings need connection



"I absolutely adore where we are. As far as our location, it couldn't be more perfect," Gosia enthuses. But it's not the same, she says, "if people don't come into the city."

From that perspective, the pandemic has been hard on Gosia's staff and her local ecosystem of business-owners and entrepreneurs.

"All my employees are back at work. They get to choose – but everyone wants to come back into the office, because we're social beings. It's nice to be together. We need interaction. I don't think the idea of working from home full-time is considered wellbeing. The pandemic has taught us to be flexible and embrace trust. We've still grown year on year but's it's a full-on hustle."

#### Going circular for the environment

The fit-out for Kowtow's Wellington store and workroom is clean, crisp and organic – leaning into the environmental values she holds so dear.

"Most people look at the care label and see the fairtrade organic cotton – but that's not exactly what a garment is made up of." In fact, it's not just the shell of Kowtow's garment that tread lightly on the earth but all the trimmings, swingtags and care labels too. They also offer free repair, and they take weathered garments back to recycle the fibres. Even their office is structured to adhere to principles of circularity, with a zero-plastic policy ("we don't use pens, only pencils"), organic fruit for staff, and compost collected by a local dude from Kai Cycle.

"People think that circularity is this really complicated thing and it isn't. As someone who produces a product, you just have to take full responsibility of taking it back and making it easier for your customer to return it. It's all about design."

#### Make the city alive again

Despite her elan and love of the city, Gosia's feeling weary after the last few years, and believes that the full impact is still to come for small and medium-sized businesses. But she has a few ideas.

"Some people are living hand to mouth, there are doors closing. Wellington is the cultural city of interesting boutiques and independent-run stores, this isn't how we get through. We need to get people to the city first, make the city alive again. Bring back all the cultural events – what the city

relies on, and what independent businesses rely on, pivoting off the fact that we're a cultural capital."

She's also embracing colabs with other creatives around Wellington – like her recent partnership with City Gallery on products for the Hilma af Klimt exhibition and artist Ed Bats from Page Galleries.

"It sparked something outside of the everyday of what we do. And I think that you need that in fashion. I think we can build something up in Wellington and create more of a scene for people to want to stay here and develop their careers in the arts. It'll have such a massive payoff."

## Outcome 3: A Business-Friendly City

We aim to be Aotearoa New Zealand's city partner of choice for businesses, investors and developers

## Why is this important?

According to the World Bank, New Zealand is ranked number one for Ease of Doing Business.<sup>55</sup> With a small population and domestic market, we are reliant on exports to enhance economic prosperity. However, the distance to market requires our businesses to be highly productive and to be competitive internationally. At a city level, we can do more to attract, retain and care for businesses.

In the constantly shifting environment that the city currently faces, it is necessary for the Council to review key interactions with our business community to ensure we meet the needs of our city. The Council's regulatory role in maintaining a safe and welcoming city is crucial to the health of our community. Council regulatory processes are not always customer centric or joined up. Some businesses are also finding it challenging to navigate Council's services and regulations and feel like their voice isn't heard. There is a need for the Council to build on what we do well and strengthen our relationships and responses to business needs, including re-design of the regulatory system in a way that makes it more efficient and less costly for the customer.

We want Wellington to be the partner of choice for the business community because of its sustainable approaches, collaboration, reliability and forward thinking. Council, businesses, organisations and communities can creatively work together to solve complex problems. A recent example of this form of collaboration is Pōneke Promise, which has developed a unique partnership model with stakeholders to deliver city safety and vibrancy outcomes. There is an opportunity to do more like this and involve more community, government and business groups – ongoing structured business engagement is required.

The global COVID-19 pandemic has highlighted issues of inequality, changed the way we work and travel patterns, and resulted in knowledge businesses doing really well, while face-to-face businesses such as retail and hospitality have struggled, particularly in the central city where we also experienced mass working from home during the protests in February / March 2022 which coincided with the red alert level. Until that point, Wellington had been impacted far less than Auckland and other cities around the world, and so have been slow to adapt to alternative operating models. We have provided immediate support to businesses through our pandemic response plan by reducing licencing fees and creating a fund for those most impacted. It's time now to accept the changing working models and transition our economy in a living-with-Covid environment.

## **Our Approaches**

#### Deliver business capability and assistance programmes

While we work to attract people into the city, we will also encourage and assist businesses to explore other ways to maintain, develop or shift their business models – supporting them to develop and grow, creating more jobs in ways that deliver a circular economy (refer to Outcome 2: Transitioning to a zero carbon circular economy). Ultimately, we want businesses to have the confidence and help they need to start-up, change-up, and scale-up and to generally thrive. This is particularly important for our small businesses, which make up 69% of Wellington's businesses

<sup>&</sup>lt;sup>55</sup> <u>https://www.doingbusiness.org/en/rankings</u>

(higher than the national rate of 63%). Small businesses are often overlooked in government contracting – we can provide an advocacy role to enact change in government practices. We have recently been promoting 'buy local' and reviewed our <u>Trading in Public Places bylaw</u>. Through Wellington NZ we provide capability and development programmes, but there is an identified gap in what is offered to small and medium enterprises (SMEs). We want to ensure SMEs are supported by infrastructure and targeted programmes, and the right programmes are available and utilised to enable them to establish, uplift business capability, and gain scale – and that they have the knowledge and capability to do this using a circular economy business model.

Different marginalised communities also want to be supported in their self-employment journeys. For example, disabled people are finding self-employment a viable option when they have otherwise found it difficult to gain employment. Self-employment can also provide the building blocks for future employment. Offering programmes that are tailored to different groups such as the disabled, women, Māori and Pasifika, young people and Rainbow communities would be helpful for these communities to also build support networks and share experiences in a safe environment.

With flexible working now well established, retention and recruitment are the number one challenge for most businesses and organisations. also need to enable businesses to build their online presence so that they are visible, especially so that residents can easily find local stores to make their online purchases from and continue to support the local business eco-system. We also encourage businesses and organisations to improve their digital offerings to be accessible to a wide range of people and potential customers. This includes ensuring user experience design is inclusive to reach different communities.

All of these actions will add up to a more resilient future for businesses and communities.

#### Refocus and re-design regulatory services and interactions to be customercentric

We've heard of challenges in consenting and interacting with businesses. Our culture and approach needs to adjust to be more empathetic and proactive, and recognise the impact one businesses, communities and the wider economy. To be a more effective regulator, we will be more responsive by putting the clients at the centre of whatever we do.

We will reduce 'red tape' as far as possible to expand the 'one stop shop' regulatory function in the years ahead to enable and encourage businesses. We have some great examples that provide us with a competitive advantage, such as Wellington's easy permit process for access to filming locations. Wellington is a playground for filmmakers, and we want to ensure this remains a key feature of our city.

We will continue to grow our business-friendly culture and endeavour to understand businesses' ambitions, pressures, and pain points, so we can provide the types of care and assistance that will enable them to deliver the outcomes we all strive for. We will act with transparency and accountability, so businesses can have confidence in our decision-making, and understand how and where they can invest in future. In doing this, we also need to consider the needs of the wider community – which are often affected by the aspirations of business and development activity. Council needs to make good judgments related to these potential conflicts. We will explore a relationship/case management approach to contribute to the delivery of positive outcomes for businesses and the Council. We will continue to connect with WellingtonNZ when dealing with screen businesses for better outcomes, and to facilitate information sharing and engagement. We also have Business Improvement District (BID) programme that has been working to build

relationships will businesses in suburban centres. This has greater potential, and we'll identify how we can enable outstanding relationships and collaboration.

### Strengthen existing Sister-City relationships

Sister-City relationships were extensively developed after the Second World War with the objective of creating positive international people to people relationships. They are also an opportunity for building international friendships, relationships and trade opportunities. In some markets in particular Mayors can open doors for business and educational opportunities.

Sister-City relationships are established through Council and involve our education, business, and cultural communities, and connections with Embassies and High Commissions. We invest time in face-to-face relationships and have had online meetings during the Covid-19 border closure period. We continue to encourage and enable cultural, educational, sporting, and art exchanges to build positive friendships. We have regular civic engagements with our Sister-Cities to exchange knowledge and promote trade. Our Sister-Cities are Beijing (China), Sakai (Japan), Sydney (Australia), Xiamen (China), and Canberra (Australia). We also have Historical-City relationships with Harrogate, Hania and Chanakkale and a Friendly-City relationship with Tianjin. We are also building upon our Friendly-City status with Seoul (Korea). Our aspiration is to deepen these relationships so that they are not merely City to City but people to people. We also aspire to build constructive relationships with Wellingtonians abroad.

## **Critical Influences**

#### Minimise the disruption of major capital works

Cities are always evolving. Wellington ise going through a significant transition period, which needs to be managed well.

We know that many businesses are worried about the disruption coming with all the capital works planned. To minimise business disruption and uncertainty, we will ensure that planned capital works are well-coordinated to prevent multiple disruptions. We manage all the works activity, both horizontally and vertically, and ensure that the city continues to function as the city evolves. We will ensure engagement with business owners is early, regular, two-way and provides clarity regarding anticipated changes, impacts, and the timing of infrastructure delivery. We are investing in Digital Twin capability to enable collaboration for better services and coordination of capital works.

Through the capital works programmes we will:

- Coordinate implementation and efficient sequencing of infrastructure delivery.
- Build and maintain relationships with impacted businesses and providing regular two-way communication.
- Ensure contract arrangements and resource consent conditions minimise disruption, both on-site and in surrounding areas.
- Proactively engage with impacted businesses, learn from the experiences Auckland City Rail and Sydney CBD Trams construction and provide suitable temporary assistance for impacted businesses.
- Identify how to manage and communicate parking options for private vehicles and bicycles by identifying, procuring and implementing Smart Parking technologies.

## **Priority Actions**

- Become more customer-centric Deliver customer-centric Council processes, systems and interactions.
- **City champions** Find business leaders across the city that can engage strategically with Council staff and lead the city narrative.
- **Building business relationships** Build enduring relationships with businesses throughout the city, providing opportunity to listen and help navigate within the council departments.
- **Nurture small businesses** Provide assistance through tailored training and transitioning to a post-covid circular economy.

## What success looks like

Description	Measures
Wellington's economy is productive	<ul> <li>Gross Domestic Product (GDP) per capita – increasing trend</li> </ul>
Start up and Scale Up businesses are well supported	<ul> <li>Business perception survey – improving trend</li> </ul>
Reliability of core infrastructure (water supply, energy supply, transport) supports business productivity	<ul> <li>Water supply interruptions</li> <li>Time it takes to travel across the city – decreasing trend</li> <li>Business perception survey – improving trend</li> </ul>
Business satisfaction with core council services (including regulatory services)	<ul> <li>Business perception survey – improving trend</li> </ul>
Good user experience (including accessibility) is baked into digital platforms	• TBC
A business-friendly city that results in a stronger economy that leads to higher quality of life for residents	<ul> <li>Average household income – increasing trend</li> <li>Residents' perception of their quality of life – increasing trend</li> </ul>

## Case Study 3: Collaboration is the key to reviving our city

The hospitality business is in Sarah Meikle's DNA, so it's no surprise she has strong views on what needs to happen to get our food and drink sector back on its feet after two difficult years. For her, collaboration is the key.

As head of Wellington Culinary Events Trust and festival director of Visa Wellington On a Plate, Sarah is deeply connected to the hospitality community in the city. And for her, community is the key to breathing the life force back into the sector and the city.

"Wellington is fantastic at taking a community approach to things. We have seen that in the last two years in hospitality – the sector collaboration really shone through: Areas like Te Aro, where you have a whole range of businesses who supported each other. The At Yours Visa Wellington On a Plate click-and-collect service was another great way of helping businesses keep trading through tough times."



#### Collaboration needs to go to a new level

But Sarah says the collaboration needs to be lifted to a whole new level, and she sees the city council as having a vital role to play which is currently untapped.

"I want to see us be in a position where we get our confidence back. We are all part of that, creating a positive, collaborative environment where businesses can thrive.

"People can choose to set up their business anywhere they feel appreciated. We have amazing business people wanting to do awesome stuff – so let's make it easy for them!"

#### "Everyone needs everyone else"

She would like to see red tape slashed, and the council and hospitality businesses really start to partner with each other. "One thing the pandemic taught us is that everyone needs everyone else. The council provides a service to our sector in the same way we provide a service to our customers. How can they regulate to make it easier to set up and operate here?"

Sarah also wants to see more courage in the city. "We need risk-takers and we need to be gutsy. We're about to have visitors come back – are we proud to welcome them to our city? Let's invest in city vibrancy and events. Let's clean up our city, get the pipes laid and buildings upgraded and get on with it. I want to feel proud and I want to be in love with Wellington again."

Sarah is excited about the potential of the new events and conference centre Tākina, and there are standout success stories including the craft beer sector in Wellington – but she wants the city to step up and truly be able to support international growth for the food and drink sector.

## Outcome 4: Centre of Creativity and Digital Innovation

We aim to be Aotearoa New Zealand's centre for creativity and innovation

### Why is this important?

Wellington is the heart of New Zealand's creative economy, with many internationally recognised individuals and businesses in sectors such as digital technology, film and screen, health and medicine, financial services, science, and online professional services. Creativity and innovation is our city's competitive advantage. Content made in Wellington has entertained billions of people around the world. Concepts explored here have revolutionised institutions such as museums, seismic resilience, and global health outcomes. The digital industries pioneered here have established new export sectors for New Zealand. We are Te Upoko o te Ika a Māui (the head of the fish) and the Capital of New Zealand – the centre of conversation, thinking, creating and innovating with purpose for New Zealand and the world.

The city combines creativity, innovation and technology to solve local, national, and global problems such as climate change and transitioning to zero waste and zero carbon across many sectors. The arts including through exhibitions and events, has a role to play in communicating climate change and climate action. By playing to this strength, Wellington is well positioned to enable game changing opportunities in many sectors, and to utilise this knowledge to create more empathetic, responsive environments. In general, there is a need for Council to better understand the digital sector and all its unique subsets (e.g., IT consultancy, Advanced Materials Manufacturing, Intellectual Property generation, Software as a Service, Gaming, and Screen). Based on a better understanding, we can better target our assistance, share success stories, facilitate collaboration amongst creative and talented people, work to attract more local and international investment, and nurture export and commercialisation efforts.

## **Our Approaches**

#### Utilise creativity and innovation to pave the way to economic wellbeing

Wellington's Council, businesses, organisations and communities can creatively work together to solve complex problems. Council's 'Digital Twin City' is a powerful open-source computer tool which will progressively allow anyone to visualise our city, and proposed and potential changes notably in transport, urban development, city safety, and responding to climate change. Wellington has gained recognition as one of 15 cities worldwide which have won the Global Bloomberg Mayors Challenge, for designing the boldest and most ambitious urban innovations that address current issues including economic recovery and growth, health and wellbeing, climate and environment, and gender and equality.

This investment contributes to the creation of better street environments and city spaces through better community engagement in the planning of our city. Wellington is also home to many Crown Research Institutes and Tertiary Education Providers. These organisations undertake significant research and innovation projects that could potentially solve some of our major climate change issues and have potential to be exported to the world. Facilitating opportunities to co-locate, collaborate and commercialise innovations will help the city and its communities to transition through the disruptions caused by technologies such as autonomous vehicles, new manufacturing technologies and a changing climate. We will drive innovative solutions through smart technology by partnering with businesses and Crown agencies. For example, research into solar panels and hydrogen power could significantly reduce carbon emissions and provide economic opportunity in the process.

Wellington attracts creators, makers and innovators. We have over 100 amazing Digital and Tech companies which generally start out very small. They have been internationally successful in many sub-sectors such as gaming, medical tech, FinTech, and business technology. Our digital communities demonstrate strong collaboration which is what's needed to cross-pollinate and innovate across industries. They often grow quickly when their innovations land successfully. Subsequently, they are required to compete internationally for specialist expertise. They need facilitated technical assistance to establish, commercialise products and services, and access capital to successfully move to the next phase in their development. Council can act as a facilitator through targeted programmes to provide the connections required to scale up. Wellington City Council currently supports companies to incubate, accelerate and grow via Creative HQ and WellingtonNZ and we're investigating options for tech hub/s to see what's needed in the different sub-sectors.

#### Enable our Screen Sector

'Screen' represents: Film, television and online content including all genres – factual and fiction; interactive and immersive stories and digital games with a myriad of associated applications.<sup>56</sup> In 2019, achieved a <u>UNESCO Creative City of Film</u> status. We are home to Weta Workshops, Wingnut and Park Road Post. Lane St Studios and Avalon are in the Hutt Valley. Victoria and Massey Universities, Whitirea Weltec, and Yoobee all deliver tertiary education in film. The screen sector has significant opportunities to further develop beyond being a service provider for large incoming projects. While we do need to attract those large companies, who procure the services created in Wellington, we are also a fantastic filming location because of the variety of scenery and urban environments available in close proximity. Our big opportunity is for intellectual property (IP) and content – to explore the convergence between film, TV, game and interactive development. We will need to find appropriate ways to assist the screen sector, including the rapidly growing gaming sector, to overcome the challenges of skills shortage. This may include better equipping people to enter the sector, improving employment conditions, and facilitating partnerships to enable authentic storytelling. These opportunities include location specific storytelling through apps. We have already developed a Wellington Screen Strategy, and robust Wellington Regional Screen Protocols.

As with other digital tech businesses, there is a need to facilitate connections between small screen and gaming businesses and potential investors. And there are plenty of opportunities to utilise our local talent pool in local story telling, promotions, and education. We will continue to work with <u>Screen Wellington</u> to realise screen sector goals.

#### Modernise our city venues

Our city venues have typically been used for business conventions, sports events, and cultural activities. A new convention and exhibition centre (Tākina) is currently being built and will open in 2023, which will provide a purpose-built venue for our business conventions. Our venues are in good locations well serviced by public transport, but they lack integration with their surroundings and in some cases have more than one purpose. Limited foyer space, food and beverage vendors, and amenities, as well as outdated services systems, are common issues. The venues need updating to meet the needs of prospective event organisers.

Much of this work is well underway. The St James Theatre will reopen this year and the Town Hall in late 2023 or early 2024. For remaining relevant venues achieving this will involve establishing a clear

<sup>&</sup>lt;sup>56</sup> https://www.wellingtoncityoffilm.com/assets/Uploads/WellingtonNZ\_UNESCO-Doc\_FINAL.pdf

pathway forward for each venue, that enables a variety of interesting and sustainable events to take place across the city's venues network. A great example is bringing the National Music Centre to Te Ngākau Civic Square as part of the civic centre redevelopment and moving Council back into the Municipal Building. We already have a Major Events Strategy<sup>57</sup> and a Venues Refurbishment proposal. We have also reviewed our city venues to clarify their purpose and increase their use and are now developing an investment plan for our city venues. This includes applying creativity for flexible uses, and consideration of how to accommodate a mid-sized venue for performing arts rehearsal and performance space to support local shows and concerts – we'll focus on utilising existing investment such as the Opera House, a new Fale Malae, and the Michael Fowler Centre. This will contribute to enhancing the vibrancy of the City's entertainment precinct.

Significant private investment is also occurring, particularly in new mixed-used commercial and accommodation developments. But there are still gaps that need to be filled, including business-orientated co-working, incubation, shared-services and ideation spaces. We need to communicate with investors and developers about the plan for the city to give them greater confidence and ability to plan their investment activity.

We also need to provide affordable access for local community events, such as revitalising Hannah Playhouse and looking at grant funding or community pricing.

## **Critical Influences**

#### Invest in the regeneration and activation of empty buildings

Wellington City suffered in the Kaikōura earthquake of November 2016 when many multi-story buildings were damaged. Other buildings' seismic resilience was professionally reviewed because of the Kaikōura earthquake, and resulted in the need for repair, strengthening or demolition. Many of Council's own buildings are also earthquake prone and are being strengthened. At the same time the city's underground infrastructure requires significant investment to incite growth and provide security of supply, and we need to invest in an efficient, accessible, and low carbon transport system that is fit for the future.

We are rebuilding and strengthening our civic buildings such as the St James Theatre, Town Hall, and Central Library. Planning is advancing for the redevelopment and rejuvenation of the rest of Te Ngākau Civic Square. Our new convention and exhibition conference centre, Tākina, will open in 2023 and private business and building owners are also investing. We also want to work with businesses and building owners to rebuild and activate earthquake-damaged and earthquake-prone buildings and help remove barriers. Once the buildings are opened, we want to see them occupied and well-used

Taking the opportunity to deliver Zero-carbon and Zero-waste outcomes including meeting passive heating as part of the building process as per our Te Atakura strategy is also a priority. Council venues and developments principles already specify that we do this. Tākina has been awarded 5 Star Green Building certification and we want to encourage other building developments to achieve green building status as well.

<sup>57</sup> WNZ\_Major-Events\_A4\_Update-2021\_v4\_WEB.pdf (wellingtonnz.com)

## **Priority Actions**

- Nurture small businesses Provide assistance through tailored training and transitioning to a post-covid circular economy. Broaden the reach of targeted programmes to assist emerging digital tech companies to scale up. (*Note, same action in Outcome 3, as this is important to all small businesses and specifically to tech businesses as well).*
- Vital venues Redevelop Opera House to meet audience needs for a wider mix of entertainment, including filling the need for a mid-sized venue and the TSB arena into Wellington's premium arena, to stage a wider mix of performance events and provide an enhanced customer experience.

## What success looks like

Description	Measures
Wellington City is cemented as the place to be for Creativity and Innovation	<ul> <li>Number of people employed in creative sectors         <ul> <li>increasing trend</li> <li>Number of people employed in ICT jobs</li> </ul> </li> </ul>
Our screen and film sector are recognised for its creative and innovative talent	<ul> <li>Number of people employed in gaming and film – increasing trend</li> </ul>

## **Case Study 4: Forging new realities**

Artist-researchers Raqi Syed and Areito Echeverria know a thing or two about creating new realities, having worked in and around the film industry for decades. To make Wellington a true cultural and creative capital, they propose getting kids into art early and introducing a universal basic income for artists.

Raqi and Areito live on one of Wellington's windswept coastlines. It's a place that has seen a lot more of these busy souls recently.



Despite the easy hop over to the Miramar Creative Centre where they teach visual effects, working from home became a necessity rather than a nice-to-have when the pandemic nudged the capital.

"It's been a bit of a rollercoaster, good and bad things came out of it," Areito reflects. "Turns out you don't have to be in the office all the time. But it's made personal relationship-building and communication far more challenging."

Raqi nods in agreement: "We are far away from Europe and America, so we were already working remotely with people in France when the pandemic happened. We knew how to do that, but we coasted on the relationships we'd made in 2018."

Alongside their teaching, the couple collaborate on projects – like Minimum Mass, a virtual reality interactive story that made it onto the Tribeca Film Festival line-up in 2020. It's about a couple who experience miscarriages and believe their children are being born in another dimension. The story draws on some of their own experiences and helped them navigate love and loss in a tangible way.

Creating a Wellington love story

The couple aren't born and bred Wellingtonians. But they found their own love story here. Areito first moved to Wellington in 2005 after a long stint away from Aotearoa.

Areito's eyes soften as he thinks back: "I had been homesick for a good chunk of the time I was away. Coming to Wellington was really cool because I'd never been here before but it was like coming home. Judy Bailey was still on TV so it was familiar."

Raqi is a US citizen who happily just claimed her New Zealand citizenship. She arrived from LA in 2008 where she had been working for Disney, and the experience was life-changing.

"I'd actually never been to the Southern Hemisphere. I came to Wellington because I wanted to be in the place where the best visual effects in the world were made. I came for the visual effects and I stayed for the weirdness."

#### Access to art – and to other creatives

As New Zealand recovers its pace after being knocked down by the pandemic, the couple are keen to share their ideas about how to make Wellington a city where artists and creatives can thrive.

Raqi says it needs to start with young minds: "Young people need access to art education. We have to start super early if we're going to have any meaningful change in the industry down the line. I think that's really important. A universal basic income for artists could be a magic paintbrush. That and art education would make Wellington the absolute city of the future when it comes to creativity."

Areito sees events as a way for everyone to participate in that cultural and creative vibe that Wellington had previously become so well-known for.

"One of the superpowered things about virtual reality is that you can create these visceral shared experiences and the same thing happens in real life when you bring people together – magic happens. It's community building. I would like to see more of that – more events, arts, culture and science that bring people together to share experiences."

## **Outcome 5: Celebrate our Capital City Status**

We aim to raise the profile of our Capital City

#### Why is this important?

Wellington has been New Zealand's capital since 1865. Wellington is the home of political decisionmaking, the place of big conversations, and a place where New Zealand meets the world, with more than 50 ambassadors, high commissioners and consular generals locating here to represent their nations. Traditions of protest, ceremony and the realities of administration have all shaped how the city has grown over the past 150 years. This government footprint gives the city a unique relationship with New Zealanders in that we are the city where New Zealander is represented, and every international visitor can explore the stories of Aotearoa New Zealand. This is now a national objective with the development a of a compulsory national history curriculum.

This relationship can be seen in the taonga and memories that are kept in the archives, museums, and parliament buildings. There are significant opportunities to make more of our Capital City status and heritage, and for Council to partner with our national cultural heritage institutions including the National Archives, Te Papa, Ngā Taonga Sound & Vision, National Library and Pukeahu National War Memorial Park, and Parliament to encourage visitors and enhance learning experiences. It is important that Council develops a close and lasting partnership with Government to facilitate enhancing the Capital City concept.

#### **Our Approaches**

#### Celebrate our Capital City identity

We are the place of big conversations and the keeper of the nation's treasures. We are also home to an extensive range of nationally and sometimes internationally significant local heritage: Katherine Mansfield Birthplace, Zealandia (world leading fenced eco-sanctuary), Ōtari- Wilton's Bush National Plant Museum, Weta Workshops, Wellington Museum, Cable Car and Carter Observatory, and Cricket Museum.

There are opportunities for Council to partner with mana whenua and our national and local cultural heritage institutions to tell stories of national and local Māori heritage, attract visitors and enhance learning experiences. Much conversation has been had in this space – the introduction of Tākina to showcase local stories, and connecting with Te Aro Pa, Te Wharewaka, the waterfront and other heritage and cultural sites and locations will strengthen our capital credentials by tying these experiences together into a coherent story.

We want to promote and celebrate Wellington as the Capital of one of the world's oldest and most successful national democracies. We have recently applied for UNESCO world heritage status for the Parliamentary precinct as the venue for world-leading social legislation. With the inclusion of national history within the compulsory school curriculum the case for adopting the Australian education model which aspires to have every child visit the Capital as part of their school learning becomes even stronger.

Wellington has also been very progressive in Rainbow / Queer inclusivity. Queer and Rainbow organisations have important stories they want to share but have often been overlooked in the past. We should consider how we can better celebrate our city as a Rainbow Capital and continue to

attract rainbow communities to Wellington. This will strengthen the Queer Capital status and have clear benefits for the economy through tourism while promoting positive attitudes.

As a city we could provide history tours and walks, and packages that make it easy for people build their itinerary.

#### Leverage being the home of Government

More than 30 government departments, the Governor-General, high-level courts, other national institutions and 50 embassies call our city home. This creates employment opportunities for residents, attracts talent and helps local businesses to connect with international opportunities. It has also made Wellington into a place with a progressive mindset, having been the stage for protest, reform and positive change. Our connections to embassies located here can also present opportunities to promote Wellington.

Being home to Government also brings global interest to Wellington, for businesses and organisations wanting to work with New Zealand. It attracts thinkers and researchers and makes Wellington an ideal stage to host international forums, conferences and events that link back to being the centre of government. We can work with government departments to transition their organisations to a zero waste zero carbon circular economy operating model. As a city, leveraging Wellington's climate action reputation, we can profile the innovative businesses leading the way. As a leader in the country on so many fronts, we have a strong potential to be leaders again as the world grapples with the realities of climate change and identifying actions. We could become an education and training centre for careers in the circular economy.

As the Capital City, we also have an opportunity to enable people to develop stronger engagement with government processes and establishments and offer an environment where people of all ages and backgrounds feel welcome to engage with Wellington's political and historical establishments.

## **Priority Actions**

• **Capital connection** – Work alongside central government agencies to develop education tourism.

## What success looks like

Description	Measures
Our identities and stories engage the world and give us unique and authentic experiences that enables a well-connected and celebrated capital and enhanced sense of national and local pride	<ul> <li>Successful delivery of proposed actions</li> <li>Pride in the look and feel of the city – increasing trend</li> </ul>

## Case Study 5: The mystic bringing te ao māori to life

Creative and musician Te Awanui Reeder has always cut his own path – and each fork in the road has brought him closer to his tupuna, or ancestors. He may have left Tamaki Makaurau nine years ago, but he's found community, connection and a way to give back in Te Whanganui-a-tara.

Te Awanui aka Awa (Ngā Pōtiki, Ngāti Raukawa) first came to live in Wellington for love. His 'missus' and three young children are his inspiration for his work, and he feels compelled to push his limits out as far as possible so that their future is brighter.

All his life, Awa's had this burning motivation to lift up his people, and that massive work ethic has paid off. His hip-hop outfit Nesian Mystik celebrated Pasifika culture and rhythms with tracks that have become enmeshed in the fabric of Aotearoa's musical identity. Now it's his creative agency, Big River Creative, that's putting Māori and Pasifika in the limelight. Their recent success is



fuelled by a government that is trying to help improve wellbeing outcomes – but for Awa, it runs so much deeper than that.

"Our main priorities are Māori, Pasifika, the rainbow community, disabled whānau. If we do not have Māori in those positions then those campaigns will not land, they will underserve our people in every category. I headhunted the best in the country. They are all Pasifika-Māori, they're all parents so they get things done."

#### What it's like to be invisible

Despite his success, Awa has many stories of what it's like to be invisible. When he wanted to buy a house at the tender age of 20, he walked into a real estate office and said, "Oh hey, kia ora, I'd like to buy a house today. No-one would serve me. They must have thought I was taking the p\*ss."

He wasn't as unprepared as they thought. He'd done his research, completed courses, sorted his finances, and was ready to "go shopping". He bought a place on Weymouth Road, Manurewa, and that's how he first started his investment portfolio, which is now based in Wellington. Awa started with the idea that he could: "But then it takes the discipline and the vision and the plan. I am happy to put in the mahi when no-one else is."

Today he uses that same focus to solve problems in health and education where he sees that Māori and Pasifika are mightily underserved.

"When I look at my children, I don't want that to be the case. My job is to fix that for my kids. If I do that from a Te Ao Māori perspective, it will help everyone. Whereas, if you try to help everyone, Māori always get left at the bottom."

#### Harnessing the voice of community

Here in the city, Awa is radiant about the vibe and potential: "Wellington city is amazing. Where I think we can improve is in harnessing the voice of community more. The answers are with the people as they always have been. Let them figure out what they want for themselves and then facilitate that. When you have community, you have people that will help one another, and it will do wonders."

Awa talks about a beautiful concept in Samoa called 'tautua' – which means 'authority through service'. "It's a really cool way to remind us to be humble about how we do our mahi," and he constantly tells himself to "use your skills, and use your expertise, and use your opportunities and privilege to help those you care about. What we do is not for us."

Having aced so many fields, you'd think he was fearless, but he had this humbling analogy to share with us: "When I get scared, I think about what my tupuna did, what my ancestors did. How can I not get out of bed and attack the day when they navigated and traversed the biggest oceans in the world and fought for our land with taiaha and tefa tefa in the face of cannons. What have I got to complain about? Who am I to be scared?"

# Outcome 6: A dynamic city heart and thriving suburban centres

We aim to be a compact city with a dynamic CBD and thriving suburban centres that are economically productive

## Why is this important?

A compact city contributes to a more inclusive and vibrant city where people can access quality jobs, housing, education, food, health and social care, and recreation. It also ensures we have infrastructure to support our population and their personal and business needs from roading and water, to cultural and recreation venues. A high quality of life also attracts students, migrants and businesses. A thriving city will require that more people are able and willing to live and work downtown, and appropriate spaces and activities are available for day and night, such as outdoor dining, green spaces, and quiet spaces.

Wellington attracts people who care for the community, our environment and biodiversity, and living a low-carbon lifestyle. Access to open and green spaces, and the ease of moving around via active and public transport are very important for our mental and physical health. Wellingtonians and visitors to the city love the easy access to natural amenities such as tracks and trails for walking, running and cycling, a regenerating native bird life, the Wellington Waterfront and our coastal environment. We need to continue to progress developing our trails infrastructure so that it is inclusive to all age groups and abilities and remains a competitive advantage in attracting people to visit, live and work here.

The economic activity in Wellington city provides 64% of the region's GDP. The Central City (or CBD) contributes almost half of that (48%), showing the central city's importance to the city and region's economies.

Vibrancy matters too, to keep people interested and active in the city by day and by night and contributing to a high quality of life. This in turn keep businesses thriving and confident to invest and do more. Part of a healthy and active community and economy is the opportunities for participation in festivals and events, cultural experiences, clubs and community organisations, and community facilities and recreation opportunities. Wellington needs a range of offerings from international scale to community level events. This supports a dynamic and diverse community to enjoy and be part of a dynamic community vibe as well as attracting people to visit and live. We need to ensure we have a range of recreational, cultural and event products and infrastructure to support this. Creating interesting spaces using the city fabric to bring life to art and culture. We want our neighbourhoods, suburban centres, and city landmarks to deliver place-making and storytelling of past present and future that enables our communities to relax, feel safe, connect, participate and belong. People feel safe and proud of their inner-city neighbourhood, with welcoming shared playgrounds and green spaces.

We are nearly two years into the global Covid-19 pandemic, and uncertainty remains around mandated restrictions regarding how people can live, work and travel. The reduced footfall in the CBD driven by an increase in people working from home is affecting many businesses, while others have flourished in the online world. Suburban centres have benefited from the shift, which currently appears to be stabilising at around two days working from home per week for many people. It is important to ensure we have programmes and activities that encourage people into our CBD area to

revitalise the city, and to assist businesses in the transition to the post-covid environment. The government has recently announced full re-opening of Aotearoa New Zealand's borders, and time will tell as to how quickly migration and visitation will redevelop.

## **Our Approaches**

#### Actively create experience precincts

We have heard there needs to be more for families to do in the city including rainy day activities, places to play and rest. People are wanting better shopping experiences and retail hours, especially in the evenings and on weekends. Calls for more alfresco dining and utilisation of green spaces and trees, with suggestions for weather protected options such as retractable partitions. We want to work with businesses and building owners to identify and develop a range of experiences for locals and visitors by day and night.

This is an opportunity to create precincts that enable our local cultures to shine, through entertainment, events, festivals and hospitality – reminding ourselves and showcasing to the world what it is that makes us uniquely Wellington. We will continue to invest in major events for the city as well as supporting local entertainment options. We will enable opportunities to transform spaces to outdoor dining and places people want to be in and feel safe walking through. We also have a Destination Management Plan which seeks to use the investment in Tākina to revitalise Courtenay Place and create destination precincts. This approach can be taken to the central city and suburban centres and must also include universally accessible design for disabled community inclusion. Ensuring a full complement of spaces, activities, and services will go a long way towards building 20minute city and neighbourhoods.

We need to review any city policies and bylaws that may be holding the city back, including reviewing the Easter Trading rules. We've also heard that certain areas feel unsafe, dirty and unsanitary. We want people to enjoy their experiences of the city, whether they come for work, socialising, or just being in the city. We will review our operational levels of services for street cleanliness and beautification. And we're working together with Police and other agencies to address homelessness and safety concerns.

#### Celebrate our creative culture, Te Ao Māori and Te Reo Māori

We are inclusive of diverse personalities, abilities and ethnicities and encourage people to be themselves and to share their cultures. Our rich multi-cultural population from the Pacific, Asia, Europe and around the world is welcomed and encouraged to inject their creativity, and form part of our city's placemaking, entertainment, hospitality, heritage and intrigue. We want to enable our diverse cultures and subcultures to thrive, by supporting their traditions and celebrating their history.

We will lift the presence of mana whenua and Māori in our city by creating places and spaces that tell authentic local and national stories in creative ways. This could be through artwork, landmarks, digital technology, narratives and using our civic infrastructure. This will be delivered through <u>Aho</u> <u>Tini – our Arts, Culture and Creativity Strategy</u>, as well as our placemaking projects and our Storytelling and Heritage Strategies which currently under development.

Creativity needs to be injected into the city by activating places and spaces through street art, creating unusual spaces, education and authentic storytelling, and increasing the opportunities for celebrating our creativity and diversity are important for creating a vibrant and inclusive place to live and for providing the ecosystem for our creative economies to thrive. This can be achieved

authentically by embracing local pop cultures including Wellington's food story, café and craft beer cultures, and supporting people with ideas, including through community co-design of placemaking, and creating a neighbourhood feel throughout. It also provides opportunities for local employment in the creative sector.

We will support and promote local community initiatives to deliver street performances such as music, dance and theatre, allowing our emerging talent to be seen and heard in our city. We encourage more gigs by day and night.

#### The night-time economy

People are really concerned about personal safety in the city, especially at night. It can be easy to take an overly regulatory approach to mitigate adverse activity in the night time. But a thriving night-time economy is an important part of a vibrant city; it's about creating a city for all ages, cultures, ideologies, and genders. We need to turn around the narrative and recognise that night-time activities need the same level of regulation and careful planning as the daytime. To achieve this we must carefully regulate, plan and strategically identify the offerings for the city, including bars, music and quiet spaces<sup>58</sup>, indoors and outdoors. It's possible to mix economy and residential areas when planned well. We will collectively collaborate with residents and community groups, business owners and investors to plan, design, build and manage the night-time economy in the city centre and suburban town centres. This will enable us to add uniquely Wellington vibrancy, social cohesion, and nurture artistic and creative sectors.

Our communities are missing the facilities such as Reading Cinemas, Molly Malones, Opera House, and others that we lost during the Kaikoura earthquake and subsequent red stickered buildings. We've heard some great ideas such as restaurants staying open with late night gigs and events, night food markets, keeping shops open, and ensuring safe transport is available. Creatively mixing the use of spaces, such a café that closes at 4pm turning into a restaurant in the evenings, or large ground floor office foyers becoming art galleries at night.<sup>59</sup> Broadening the offering for people removes the reliance on alcohol consumption as the only night-time activity, and effectively suppresses unsavoury night-time behaviours.

## **Critical Influences**

#### Placemaking and Third spaces

Suburban co-working spaces, relaxation and quiet spaces and thriving entertainment venues are essential for supporting liveability. Completing the Te Ngākau Civic Centre redevelopment including Te Matapihi the Central Library, Town Hall and the new Michael Fowler Centre carpark building, and activating the square by creating great people spaces and programmes are important ways to do this. Te Matapihi's redevelopment will makes it an even more valued resting, learning and working base.

'Activation' involves reallocation of city spaces to encourage people to make more use of them, so they feel more at home in the city. This can include more trees and green areas, cafe and restaurant seating, street markets or community activities. Activating and modernising the use of community spaces (such as libraries and community centres) will inspire our communities to connect and enable creative enterprise. Reopening other buildings including St James Theatre, Molly Malones, and Reading Cinema will not only activate those spaces but also make Wellington more vibrant and

<sup>&</sup>lt;sup>58</sup> https://blog.mipimworld.com/investment/how-the-night-time-economy-helps-build-cities/

<sup>&</sup>lt;sup>59</sup> https://www.infometrics.co.nz/article/2020-07-a-chance-to-supercharge-the-night-time-economy

enhance city safety as we continue our collaborative programme <u>Poneke Promise</u> to improve people's sense of safety and their experiences of the city. Green spaces and other outdoor spaces can be developed or enhanced so that people can connect with nature within the city. Each place has its own identity and stimulates people.

In our role as a place maker, we are developing plans for increased central city living and more vibrant, low traffic streets. This is a common approach for cities wanting to improve access for all, walkability, air quality and tourism, and this is also good for business. We can facilitate and encourage green walls, murals, street art, sculptures, rooftop gardens / playgrounds / bars. Our <u>bike network plan</u>, <u>green network plan</u>, <u>Children and Young People Strategy</u>, and <u>Social Wellbeing Framework</u>, Civic centre rebuilds, and <u>Let's Get Wellington Moving</u> will all contribute to the placemaking needed to create social spaces.

#### Enable our community to achieve aspirations for nature

Wellington is one of the only cities in the world that has regenerating native bird populations and other species such as lizards and insects – native birds are now thriving beyond the boundary of protected areas. Zealandia, Wellington Zoo, Ōtari-Wilton's Bush and local trails enable people to enjoy our native bird life and forests. As a key pillar of our city identity, we want to build on this, enhancing access for all ages and abilities.

The proximity of our tracks is a unique selling point for living in Wellington and provides an opportunity to attract more visitors. However, there are gaps in the levels of difficulty and information about the tracks is sometimes hard to find. We have a trails website that provides useful information about the trails, including entry and exit points, time required, toilet availability and opportunities for ice creams or drinks nearby – <u>wellingtonregionaltrails.com</u> – which needs to be promoted more. Through our Destination Management Plan, we have also identified the need to for better wayfinding and public transport to connect with our existing trail network.

As the city intensifies it is essential to retain as much street and garden vegetation as possible (for humans and wildlife) – which is often the first casualty of development and necessary in some areas to foster bird corridors between larger public areas. It's also important that our community and businesses are strongly engaged in biodiversity projects in their catchment areas.

This can be delivered through our <u>Regional Trails Framework</u>, <u>Our Natural Capital Biodiversity</u> <u>Strategy</u>, <u>Open Spaces Strategy</u>, completing the <u>Green Belt Network</u> and work programmes such as <u>Predator Free Wellington</u> and the reintroduction native species such as kiwi. We can also encourage greater community involvement in restoration and predator control programmes.

## **Priority Actions**

• A Curated City – Provide strategic overview and coordination. Share a compelling vision for the regeneration of the city centre, collaborate to drive action, investment and engagement, and mitigate the impact on businesses whilst work takes place.

Description	Measures
Our central city and suburban	• Safety in the city (increasing trend)
centres are vibrant and dynamic	CBD lively and attractive (increasing trend)

#### What success looks like

	Local Suburb attributes (increasing trend)
We have a diverse range of things	• Wellington has a culturally rich and diverse arts scene
to see and do	Wellington is the events capital of New Zealand
A rejuvenated economy and	<ul> <li>Survival rate of businesses (increasing trend)</li> </ul>
community	Retail activity
	Business Confidence (increasing trend)

## Case Study 6: Let's rev up central city and be suburban-proud

What does Wellington look like beyond the pandemic? For Ralph Johns of integrated design studio Isthmus it's about a resilient city and suburbs that create amazing experiences so people want to stay.

When Ralph swam with dolphins in Wellington Harbour and broke the surface to hear plane engines screaming overhead, he knew he had found a place to belong.



"I thought, 'sh\*t, you don't get this back in Wales!" More than 20 years on, he's deeply, happily entrenched in the city and its land, people and culture.

He literally 'put down roots' in Ngaio, planting the family section with native trees and edibles. The whenua of his three children are buried deep in the ground, in a gully where they have all grown up to be connected to nature through food and play.

#### 'Business for good' is key to success

Ralph says he and his colleagues at Isthmus are all about making our places better. "We are an active part of the change Wellington's been going through. There's been some amazing change in the natural environment – connecting to the harbour, restoring the town belt and gullies, the resurgence of native bird. And the fact our central city is how our biggest neighbourhood shows urban and natural environments aren't mutually exclusive."

But there are more opportunities and there's more to do, he says.

Ralph's a huge believer in 'business for good', and he sees this as a key opportunity for Wellington. Isthmus sources lots of its office essentials locally. Milk, coffee, beer, biscuits and fruit are all locally produced. Staff use Mevo shared cars and the office e-bike – or their own bikes and skateboards - to get around. Deliveries arrive by sustainable transport where possible, and composting is taken care of by a local provider. "When we build sustainable networks it's good for us, for other businesses, for the community and the environment," Ralph says.

Nurturing relationships with mana whenua is another key to future success. "Integrating matauranga Māori concepts from the inception of planning and design gives much more meaningful engagement."

Isthmus has a long association with the Victoria University of Wellington, and it's a relationship that benefits the university, students and Wellington employers including Isthmus. "We have interns working with us while they study, and we have employed dozens of graduates. It's a great

opportunity for them to build their careers in Wellington, and we benefit by building our knowledge and intellectual property from these amazingly talented people."

#### 'A centralised city is not resilient'

Ralph wants to see two key opportunities realised in Wellington in the next 10 years.

"We need to be 'suburban-and-proud'. A centralised city is not resilient. There's so much potential in places like Johnsonville, Karori and Kilbirnie. I want to see the city set the agenda without being held to ransom by 'land bankers'. Most of the city is privately owned, so I want to see the council help build business confidence and catalyse private investment. A lot of property is languishing.

"And our streets are the places with huge potential. Let's focus on the experience we want to create, so we can attract and then retain people. Yes, we should be making our city more resilient and environmentally friendly – but let's create a radically different 'surface' to our streets."

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# Wellington City's Economic Wellbeing Strategy 2022

# PART A: The Strategic Context

Final version for adoption June 2022

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### Introduction

This strategy was prepared in a time of change. It is intended to provide direction for Council, businesses and communities to effectively collaborate and deliver a thriving economy for Wellington's future, including supporting the recovery from the impacts of the Covid-19 pandemic.

The Covid-19 pandemic has created ongoing impacts to people and businesses. Working from home is changing visitation and spending habits, while border closures have exacerbated staff shortages, and the global impact is affecting supply chains. This has placed many businesses under pressure and compelled many people to think about how we live and how we do business.

There are also larger societal shifts in attitude underway on what economic success looks like. Increasingly economic success is viewed holistically and is expected to also deliver positive social and environmental outcomes. The current global economic model is widening gaps of wealth and income inequality and significant environmental degradation, and this will need to change.

Our response to these challenging times includes the development of this Economic Wellbeing Strategy. This Economic Wellbeing Strategy is focused on growing our creative and knowledgebased economy for the future. To do that requires supporting existing, and attracting new, skilled people and businesses to the city.

Skilled people and businesses can usually operate from anywhere. They are attracted to places that offer business and career opportunities, a high quality of life, and importantly, the ability to do business in ways that also enhances social and environmental outcomes.

This is a fundamental shift in thinking. In Wellington, we are well placed to be at the forefront of this change. Our compact urban form and transport options provide a great low carbon base. Our economy is structured on knowledge-based, low-carbon businesses known for their ability to innovate, adapt and respond to challenges, trends and new opportunities. However, the goods we consume are produced and transported from elsewhere in the country and we must understand the full picture of our carbon footprint.

In Wellington we're already using our creativity and innovation to effect positive change.

Trade Me gives people and businesses a marketplace to sell used items, therefore it also plays a big part in reducing landfill waste. The Weta group of companies have shown Wellington has worldwinning talent able to create epic digital and built worlds that entertain millions. Xero makes it easier for small and medium sized businesses to manage their finances so they can spend more time working on the parts of their business that deliver impact and growth.

More recently, Sharesies has made investing and building wealth accessible to everyone. Volpara has pioneered AI software for early detection of breast cancer. CoGo helps people to track their carbon consumption by partnering with banks, so people can easily see the environmental impact of their purchasing decisions, giving them the data they need to make informed choices.

We have gaming and tech companies developing solutions to improve mental and physical health, social enterprises providing employment for refugees and disadvantaged communities, and carbon negative tourism businesses. There are an increasing number of food and beverage businesses making change, from local sourcing to waste elimination, including local social enterprises like Reusa-Bowl and Again Again coffee cups.

But there is still much more to do to ensure we have a thriving and equitable economy that provides opportunities for all to earn decent incomes and that nurtures the environment.

The vision of this strategy is:

Wellington is a dynamic city with a resilient, innovative and low carbon economy that provides opportunities for all and protects our environment.

The vision is supported by six outcomes which are our areas of focus to achieve the vision. These are:

- sustainable business and career pathways
- a circular economy
- a business-friendly city
- a centre of creativity and digital innovation
- celebration of our Capital City status
- a dynamic city heart and thriving suburban centres.

The strategy also recognises critical influences that underpin the success of our economic wellbeing, such as our investment in making the city highly liveable and revitalising and regenerating the city.

#### Why do we need an Economic Wellbeing Strategy?

Our current Economic Development Strategy was published in 2011. A lot has changed since then – the 2016 Kaikōura earthquake damaged many buildings in the Wellington central city and caused displacement from many other buildings, the growing awareness of climate change and biodiversity loss, and a global pandemic – all highlighting the increasing inequalities in society (such as access to healthcare, the internet, green spaces,<sup>1</sup> incomes,<sup>2</sup> education, family connections and the environment).<sup>3</sup> Reducing inequalities is directly linked with wellbeing and economic growth.<sup>4</sup> Our Government is among world leaders in thinking about a wellbeing approach to policy making and budget setting.<sup>5</sup> Balancing the four capitals of wellbeing – cultural, social, economic, environment - is central to the Economic Plan for New Zealand.<sup>6</sup> Covid-19 has hampered progress and has also presented us with opportunities. Ongoing technological change and creativity presents further opportunities to make a difference.

A thriving economy is essential for the wellbeing of our people. A strong and sustainable economy provides better job opportunities, higher wages, and a higher living standard for residents. It also builds business confidence, provides business opportunities and attracts more investment into the city.

wellbeing/?sh=3abe5c819420

<sup>&</sup>lt;sup>1</sup> <u>https://www.weforum.org/agenda/2020/08/5-things-covid-19-has-taught-us-about-inequality/</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.landcareresearch.co.nz/uploads/public/Discover-Our-Research/Environment/Sustainable-society-policy/COVID/Key-insight-Inequality.pdf</u>

<sup>&</sup>lt;sup>3</sup> https://berl.co.nz/our-pro-bono/inequality-and-new-zealand

<sup>&</sup>lt;sup>4</sup> <u>https://berl.co.nz/our-pro-bono/inequality-and-new-zealand</u>

<sup>&</sup>lt;sup>5</sup> <u>https://www.forbes.com/sites/jamesellsmoor/2019/07/11/new-zealand-ditches-gdp-for-happiness-and-</u>

<sup>&</sup>lt;sup>6</sup> Economic Plan: for a productive, sustainable and inclusive economy (mbie.govt.nz)

A high performing economy is also important to Wellington City Council. It results in a growing ratepayer base and allows the Council to set rates at a level where it can invest in improved public services, from three waters to a new central library, better transport, events, enhanced biodiversity, and more dynamic art activities.

In Wellington, response to and recovery from earthquakes and the Covid-19 pandemic, rising environmental standards, catching up with historic infrastructure underinvestment, and the transport and housing investment required for a growing population are driving the largest Government and Council investment programmes in history, with a significant increase in expenditure being invested in the next decade. These investments will provide a large boost to the economy in the years ahead and reinforce the already strong bones of the city.

Significant investment is also being made to ensure Wellington remains a vibrant and dynamic place. Wellington is famous for its compact and colourful central city, often cited in research as a key factor in what makes Wellington a great place to live, work, do business, study and visit. It's essential this 'sense of place' is protected and enhanced, including ensuring it remains a great place to work as well as live.

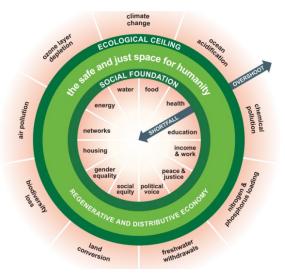
#### Shifting from Economic Development to Economic Wellbeing?

As a Council, we are shifting our thinking from economic development to economic wellbeing. It is critical to develop a holistic economic strategy to guide how we grow a more sustainable, balanced and inclusive economy. This means recognising the dynamic complexity of our economy and how the design of the system can be more socially and environmentally resilient and adaptable.

In line with the changing environment, we consider that social and environmental wellbeing must become a conscious part of how we manage our economy. The challenges are seen as opportunities. A holistic approach should be taken to enable our local businesses and our diverse communities to adapt to this fast-changing environment. We are building an understanding of how the wellbeing of our people, culture, environment and ecology are significant enablers of a thriving economy. Taking a wellbeing focus ensures our economic activities adds to our quality of life. Adopting a collaborative approach allows us to harness the creativity of different communities to solve complex challenges.

The current economic model (focused on growth) has not always served all people well, and wider effects such as longer term environmental and social impacts have not been readily recognised or reversed by the free market. The divide between high, middle and lower incomes continues to grow globally<sup>7</sup> and in New Zealand,<sup>8</sup> and the environment has continued to be degraded.

A new model for economics has emerged called 'doughnut economics' that considers how we can maintain our lifestyles while respecting the Earth's limits and ensuring all people are able to meet their basic needs. The doughnut economic model<sup>9</sup>



(pictured above) shows the global planetary overshoots and social shortfalls. This model has been

<sup>&</sup>lt;sup>7</sup> Wealth Inequality - Inequality.org

<sup>&</sup>lt;sup>8</sup> Understand Inequality – Inequality: A New Zealand Conversation

<sup>&</sup>lt;sup>9</sup> <u>https://www.kateraworth.com/doughnut/</u>

used by the United Nations to develop the UN Sustainable Development Goals.<sup>10</sup> Doughnut economics is also very aligned to the Māori worldview of considering our people, environment and economy holistically. A circular economy<sup>11</sup> is another very similar model that focuses systems solutions for tackling global challenges such as climate change, using three principles of eliminate, circulate, and regenerate.<sup>12</sup>

Wellingtonians have told us they want economic prosperity that is inclusive and doesn't leave people behind and doesn't negatively impact on the environment – which includes moving towards a carbon-free future. This is driving a shift in thinking from economic development to economic wellbeing – accounting for economic productivity growth alongside addressing social inequalities, depletion of natural resources, and the health and financial costs to society from pollution.

We're looking at how Council's provision of infrastructure and services enables our local economy and communities to achieve positive social and environmental outcomes.

The Strategy provides direction for our Council activities and for the businesses and communities of Wellington City. This is about what Council, and our Council Controlled Organisations<sup>13</sup> can do, partnering with mana whenua and Māori, while also inspiring and empowering businesses for the future, and supporting businesses and organisations to partner with us to deliver economic wellbeing outcomes.

<sup>&</sup>lt;sup>10</sup> Home - United Nations Sustainable Development

<sup>&</sup>lt;sup>11</sup> Note: Doughnut economic and circular economy are aim for the same outcomes. We have used the term circular economy in this strategy.

<sup>&</sup>lt;sup>12</sup> What is a circular economy? | Ellen MacArthur Foundation

<sup>&</sup>lt;sup>13</sup> About the Council - Council-controlled organisations (CCOs) - Wellington City Council

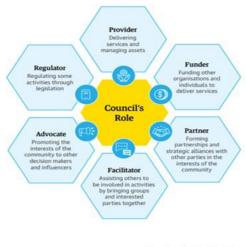
### **Roles in Economic Wellbeing**

#### **Wellington City Council**

The council has many roles which are outlined below and described in terms of how we can influence economic wellbeing. How Council carries out this work also impacts on economic wellbeing.

**Provider** – Our core role is to invest and maintain civic infrastructure and facilities that provides the foundations for businesses and residents to thrive such as transport, water and waste infrastructure and civic facilities and venues.

We also deliver a significant range of activities that bring vibrancy to the city and enhance quality of life for our residents which also underpins economic success. Things such as providing tracks and trails, recreation centres, sportsgrounds, and art and culture activities.



Absolutely Positively Wellington City Council Me Heke Ki Pôneke

We can influence the economy through our procurement policies and practices.

Funder – Provide funding such as the City Growth Fund to support businesses and communities.

**Partner** – We also partner with others to achieve outcomes, recognising where local providers can deliver outcomes. We work together with Councils across the region to coordinate our work programmes and collectively solve problems. We also partner with mana whenua so that we can align with a Māori worldview and work together to achieve aspirations for Māori.

Facilitator – We bring people together to discuss issues, share ideas and connect people.

**Advocate** – We advocate on behalf of our communities where we have no direct control. We also advocate internally to ensure work across the council is joined up and aligned to our strategies.

**Regulator** – Our regulatory teams provide services such as liquor licensing and building consenting which are also important for business success. We can influence outcomes to achieve a circular economy through bylaws and consenting.

#### WellingtonNZ

WellingtonNZ is a Council Controlled Organisation 80% owned by Wellington City Council. It is the region's economic development agency, supporting economic performance across the region. Their key role is:

- Marketing Wellington as a destination for visitors, migrants, businesses, investors and students, and conventions
- Helping businesses grow and innovate
- Helping businesses attract the workforce talent needed for businesses to thrive

- Attracting and promoting major events
- Running many of Wellington's venues
- Providing economic consultancy

#### **Businesses and Organisations**

Businesses and organisations are the main driving force behind the economy. They provide goods and services that people need or want – usually for a profit. In doing so, they create jobs for the community, add vibrancy to the city. Businesses add value to the economy by transforming inputs into higher value outputs. Businesses use their resources to innovate, improve efficiency, and achieve a purpose.<sup>14</sup>

Overtime, expectations of businesses has changed, and they are now expected to address social, economic and ecological challenges.<sup>15</sup>

Businesses have a lot to offer to shift the economy to a circular economy that enables waste free, carbon free living and provides equal opportunities. Businesses have a huge influence of their local communities, but business cannot succeed where society fails. Their key role in influencing social and environmental outcomes through their economy activity is:

- Providing a workplace that is safe and inclusive, and offers career development and progression
- Influencing their supply chains for social and environmental good
- Collaborating and innovating to solve complex problems
- Providing fair and liveable wages
- Engaging with communities and government to help address social and environmental issues that most align with their business<sup>16</sup>

<sup>&</sup>lt;sup>14</sup> Objectives of Business: Economic and Social, Concepts and Examples (toppr.com)

<sup>&</sup>lt;sup>15</sup> What is the role of business? | World Economic Forum (weforum.org)

<sup>&</sup>lt;sup>16</sup> https://www.sbc.org.nz/ data/assets/pdf file/0004/99490/Part-1-The-Social-Role-of-Business.pdf

### **Our Economy**

Wellington City is at the heart of the Greater Wellington region, and our economy is vital to the economic wellbeing of the region and to New Zealand as a whole. The city represents New Zealand's most creative, productive and carbon efficient economic environment – two square kilometres of our CBD produced 6.4% of New Zealand's GDP in 2020. This compact, easily walkable central city is a huge strength for our economy, creativity, and lifestyle. Having a strong economy gives our communities choices and options to invest in their social, cultural, and environmental wellbeing. And if we fail to have a strong, productive economy we will end up debating how to redistribute a relatively declining income.

Whilst central government and the public service forms a significant part of Wellington's economy, it's increasingly evolving to a more diverse, resilient economic mix, with strength in professional and financial services, digital technology, and creative industries. This concentration of creative businesses, including culinary offerings, entertainment, arts and culture, technology, innovation, education, scientific research, gaming and film, have underpinned a strong destination brand, aided by festivals, the arts and events. Wellington boasts a strong and diverse hospitality and retail sector, and a significant and increasing number of quality local food and beverage producers and purveyors. This in turn has led to strong business and leisure visitor numbers, which will be further enhanced when Tākina, the city's new conference and exhibition centre, opens in 2023.

Wellington is a great place to do business and is globally recognised for its progressive and creative economic evolution. As a nation we are recognised for high ethics standards, which creates trust in doing business. The World Bank ranks New Zealand as the easiest place to do business in the world, and Transparency International ranks New Zealand as equal least corrupt country in the world. Wellington's highly skilled population supports the creation of new businesses. New businesses are being established, at a faster rate than they are closing. Many of these are small to medium enterprises and are focused on low-carbon knowledge-based industries.

Larger organisations, the Government and state sector have provided stability for the Wellington economy – and public sector workers bolster the economy with their comparatively high earnings and their consumption of cultural products in their spare time. This stability contributes to the relatively strong position the city and economy has enjoyed for many years. The city has a relatively high productivity, and a well-educated and relatively well-paid workforce, with New Zealand's highest proportion of people working in creative industries. Compared to the rest of New Zealand, Wellington has a comparative economic advantage<sup>17</sup> in:

- post-production services and other motion picture and video activities
- business and professional services
- central government administration
- superannuation funds
- publishing (except software, music and internet)
- museum operations.

Wellington's economic growth over the past decade has been driven by four main industries<sup>18</sup>:

- public administration and safety
- professional, scientific, and technical services

<sup>&</sup>lt;sup>17</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp/ComparativeAdvantage</u>

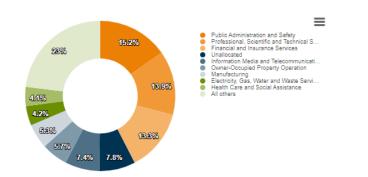
<sup>&</sup>lt;sup>18</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp/GrowthIndustries</u>

- financial and insurance services
- information media and telecommunications.

These pillars of growth are forecast to continue to make the biggest contribution to Gross Domestic Product (GDP) over the next decade. Central government and professional, scientific and technical services continue to be the biggest employers.

The pie chart below shows Wellington City's GDP by sector<sup>19</sup>:

#### Proportion of GDP by ANZSIC 1-digit industries, 2020



The following pie chart shows Wellington City's employment by sector<sup>20</sup>:



7.9%

6.4%

7.1%

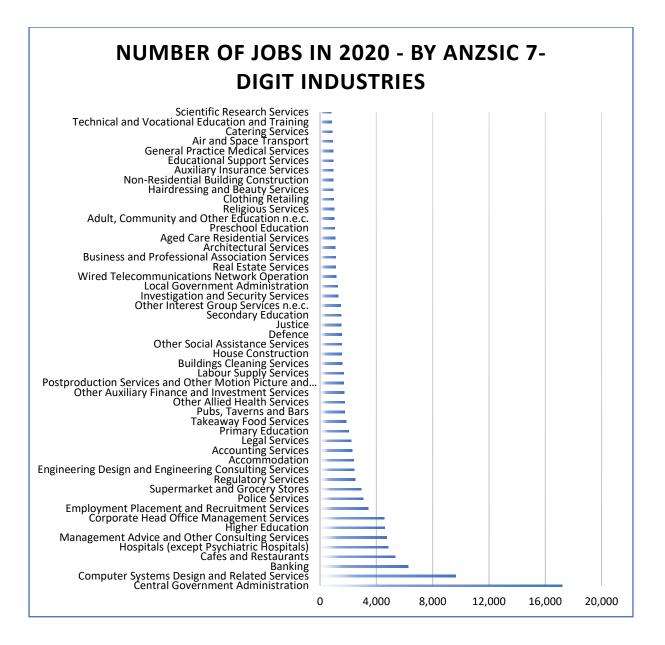
7.5%

The following graph (extracted from Infometrics<sup>21</sup>) breaks the data down further, to identify employment in the top 50 industries. Not shown are all other industries, which accounts for 29% of the Wellington City economy.

<sup>&</sup>lt;sup>19</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp</u>

<sup>&</sup>lt;sup>20</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Employment</u>

<sup>&</sup>lt;sup>21</sup> https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Employment/LargestIndustries



Our previous economic strategy (2011) aspired to create 10,000 jobs by 2015. We have achieved an additional 23,552 jobs by 2020, as shown in the table below.<sup>22</sup>

#### Industries which created most jobs, 2010-2020

All other industries	4,076
	1,334
Education and Training	1,994
Health Care and Social Assistance	2,171
Accommodation and Food Services	2,956
Professional, Scientific and Technical Services	4,973
Public Administration and Safety	7,382

<sup>&</sup>lt;sup>22</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Employment</u>

The biggest contributors to growth in the past decade are outlined in the table below.<sup>23</sup>

Total increase in GDP	\$5,999m
All other industries	\$2,380m
Electricity, Gas, Water and Waste Services	\$298m
Information Media and Telecommunications	\$499m
Financial and Insurance Services	\$658m
Professional, Scientific and Technical Services	\$1,026m
Public Administration and Safety	\$1,139m

#### Biggest contributors to economic growth, 2010-2020

#### Māori Economy

The Māori economy is an important part of the economy and is mostly interwoven within the general economy. Māori make up 8% of the population in Wellington City. 21 percent of Māori in the region are employed as professionals, compared to 16 percent of Māori nationwide. The (18-65 year-old) employment rate for Māori in Wellington is 68% compared to 70% for non- Māori. Wellington City's non-Māori population has a relatively low self-employment rate of 17% (compared to 22% in NZ), while Māori self-employment is at 11% (compared to 10% across NZ). Māori in Wellington City have the highest levels of bachelor's degree (25%) and post-Graduate qualifications (16%) compared with the rest of the region.<sup>24</sup>

Across the region the highest proportion of Māori work in Social Services (34%, 32% non-Māori), Retail Trade (22%, 20% non-Māori) and Business Services (22%, 30% non-Māori). There are slightly more Māori working in Manufacturing (7%, 5% non-Māori) and Primary industries (3%, 2% non-Māori).

Wellington has two iwi which both have resources and plans to play a bigger role in the region's economy. There is an opportunity to embed the outcomes of *Te Matarau a Māui: Collaborative Pathways to Prosperous Māori Futures* to realise the region's aspirations for the Māori economy at a city level. Employment opportunities and skills development are both needed to promote the growth of the Māori economy. The goals of *Te Matarau a Maui* are high level, to allow flexibility and adaptability, and signals the start of a journey of discovery where Māori co-create, co-design and co-implement with other key players.<sup>25</sup> We will work with Māori to foster ongoing progress in the Māori economy.

<sup>&</sup>lt;sup>23</sup> <u>https://ecoprofile.infometrics.co.nz/Wellington%2bCity/Gdp</u>

<sup>&</sup>lt;sup>24</sup> BERL report Māori economy GWRC 2018 - <u>https://wrgf.co.nz/wp-content/uploads/2020/03/BERL-Report-GWRC-final-report-29-March-2018.pdf</u>

<sup>&</sup>lt;sup>25</sup> <u>http://www.tematarau.co.nz/a-seed-is-sown/</u>

### **Global Trends**

#### **Urban Migration**

The world population continues to grow, albeit unevenly, and is expected to continue to grow until approximately the end of the Century. Migration from rural areas to cities remains strong, although there is indication that people are preferring the suburbs and provincial areas<sup>26</sup> due to the increasing trend of working from home, and rising housing costs.

The appeal of smaller cities has grown in recent years as people opt for a different lifestyle, and to reduce their housing costs. This gives Wellington a potential advantage in attracting skilled, talented people, as we are a small and compact city, connected to the outdoors. Whilst this makes Wellington an attractive destination for international migrants, housing affordability is leading to an increasing number of people moving out to the regions.<sup>27</sup>

Wellington's population is made up of around one third born in Wellington, one third who migrated from within New Zealand, and one third who migrated here from overseas. As city migration continues, housing affordability and therefore inclusivity of being able to live in cities is becoming a global issue and is certainly the case in Wellington.

#### From Fixed to Flexible Working

Work-life balance and flexible work arrangements have been on the rise, and Covid-19 lockdowns have accelerated this trend as the world enforced a 'work from home where possible' experiment. There are benefits and opportunities associated with this trend, such as reduced carbon emissions, opportunities to convert office space into residential buildings and growth of suburban centres.

However, the trend is presenting a challenge to the vitality of central city economies.<sup>28</sup> Studies have found that most people prefer a hybrid of working at home and the office, but younger people have missed mentoring and networking opportunities.<sup>29</sup> Wellington is no exception – our CBD is experiencing reduced footfall, while suburban centres have higher than usual retail spending.

The challenge facing us is how to maintain the gains achieved in the suburbs and the Greater Wellington region while also rebuilding central city activity.

# Zero Carbon and Zero Waste Economies and the Expansion of GDP to Wellbeing

Consumers and businesses have increasingly become more environmentally conscious, and the Covid-19 pandemic has accelerated this trend, resulting in a noticeable reduction in pollution.

City leaders throughout the world are considering how they can achieve outcomes that are good for people, the environment, and the economy. This means products need to be designed to be reusable, repairable, recoverable and recyclable, and every aspect of an organisation needs to be considered, including transport choices, heating and cooling of buildings, and the supply chain. This approach presents a significant challenge, but it is essential for our zero carbon and zero waste aspirations. We must all play our part by influencing our supply chains and changing our consumption behaviour.

<sup>&</sup>lt;sup>26</sup> https://www.euronews.com/green/2021/02/20/has-covid-19-changed-suburban-living-for-good

<sup>&</sup>lt;sup>27</sup> <u>https://www.rnz.co.nz/national/programmes/ninetonoon/audio/2018824644/why-big-cities-are-getting-smaller</u>

<sup>&</sup>lt;sup>28</sup> <u>A snapshot of a new working-from-home economy | Stanford News</u>

<sup>&</sup>lt;sup>29</sup> <u>https://www.kaspersky.com/blog/secure-futures-magazine/work-from-home-research/34196/</u>

New Zealand's Treasury has developed wellbeing indicators<sup>30</sup> which align with the global movement towards considering social, cultural, and environmental outcomes as part of economic activities. This movement is highlighted through the United Nations Sustainable Development Goals,<sup>31</sup> the European Union's shift towards a Wellbeing Economy,<sup>32</sup> and the doughnut economics theory designed by Kate Raworth.<sup>33</sup> Increasing consideration of wellbeing is about trying to identify how to sustainably meet the needs of all people within our planetary boundaries, while noting that the current global consumption patterns mean we are already beyond those boundaries. There is a clear desire and need for economies to become circular and to work within resource limits to be sustainable.

#### **Moving Online – from Transactions to Experiences**

Developing and emerging economies are shifting away from primary industries to higher value-add economic activities. Online shopping and service transactions have been trending upwards since the early 2000s, but the global Covid-19 pandemic (resulting in world-wide lockdowns) has accelerated this trend. Consumers are seeking more experiences (such as travel, dining, arts and culture, and entertainment) rather than products. Where consumers do want to purchase products and services in person, they are more focused on the experience. Tradeshows, workouts, education, and even travel (virtual reality) moved online during Covid-19 lockdowns. The traditional bricks and mortar shops are particularly impacted by the changing face of retail, although people do still want to touch and feel before they buy, which presents a great opportunity to build online presence while ensuring the physical retail experiences are enjoyable and memorable.

There has been an increasing focus on the consumption of time – time well-saved (such as from more efficient transactions) or time well-spent (such as from engaging or entertaining activities). Entertainment and hospitality business have really felt the pain during lockdowns, and some didn't make it through while others are balancing on the edge of survival. Future investments must consider how the city will be experienced and create opportunities for businesses to thrive.

#### **Corporate Social Responsibility**

With greater choice and more information available for decision-making than ever before, consumers are more conscious of the impacts of their spending behaviours. Conscious consumers use their purchasing power to endorse businesses with environmental and social practices that align with their values. This shift in consumer demand is driving change at a corporate level, with more businesses seeking to actively demonstrate ethical and sustainable practices as a point of competitive advantage. Wellington has a few examples of social enterprises and businesses which are increasingly reinvesting their profits into social good, rather than simply delivering dividends to shareholders, such as *Thankyou Payroll* (an organisation that considers the social, environmental and business impact in their day-to-day decisions, are certified climate positive and provide free software for charities), and *NISA* (uses organic cotton and recycled nylon to make luxury underwear, and provides employment opportunities for refugees and migrants). Social and community responsibility is increasingly embedded in business outcomes, for example through sponsorship of community events, programmes and donations.

<sup>&</sup>lt;sup>30</sup> More datils can be accessed from <u>www.treasury.govt.nz/living standards framework.</u>

<sup>&</sup>lt;sup>31</sup> More details can be accessed from <u>www.un.org/sustainabledevelopment.</u>

<sup>&</sup>lt;sup>32</sup> More details can be accessed from <u>www.wwf.mg</u>.

<sup>&</sup>lt;sup>33</sup> More details can be accessed from <u>https://www.kateraworth.com/doughnut/</u>.

### Engagement

#### **Engagement Process**

To help us develop this strategy, we endeavoured to understand the economic challenges and opportunities from a wide range of viewpoints. Over a two-year period we engaged with more than 40 different organisations, groups, and individuals, including business groups and individual businesses, from retailers and hospitality to digital tech, finance and property development. We also met with students, young professionals, education providers, and Councils in the region; and engaged with Council's advisory groups, and central government.

We specifically asked whether this new strategy should focus on post-Covid-19 recovery or address longer-term challenges and opportunities. There was overwhelming support for not just dealing with the challenges of today but looking into the future – and we agree.

High-level issues include the cost of housing, transport congestion and reliability, skills gaps and climate change.

Finally, we formally consulted with the community in March and April 2022. Feedback from this consultation has helped to shape the final strategy. The overwhelming message from the community was to do more to activate the city and drive a circular economy, alongside getting our housing and infrastructure sorted.

#### **Challenges and Opportunities**

The following provides a detailed look at the key themes raised in the conversation we've had through our engagement.

#### **City Liveability**

**Our strong sense of place** – Wellington often ranks highly as one of the most liveable cities in the world. Wellington's access to nature, biodiversity, cultural offerings, and its compact design and strong café culture, offers a great sense of place and identity, and a high quality of life. This is a place where you can work, live and play all in one day. We love our easy access to natural amenities such as mountain biking and walking tracks, swimming in the harbour and surfing at Lyall Bay – so close we can access before during and after work. This is an internationally unique offering that attracts talent, businesses and students to the city.

**Our city values inclusiveness and diversity** – We've heard that Wellington is seen as an inclusive place where people can come to find themselves and learn how to be themselves comfortably. We have a variety of ethnicities and a strong programme of cultural festivals to celebrate this. Our people are proud to be unique and spirited while enjoying the opportunities the city provides.

We have close engagement with all parts of our community and advisory groups that support us to understand how we can do better. Disabled people have told us it is difficult to get around. Sandwich boards placed on the footpath, lack of ramps and level entries to access buildings, and lifts and signage without braille, all make it harder to access our city. Tactile markers and a clear wide path would make it easier to walk through the city and access our green spaces.

People with disabilities have asked for improvements to our infrastructure to meet basic needs. We have heard there is a need for more accessible bathrooms that suit wheelchair users, and 'Changing Places' facilities for people with complex needs. The Rainbow community has asked for adequate

gender-neutral bathrooms, and young families want to see more baby change facilities that are also gender-neutral.

Our young people have described future Wellingtonians as people who feel safe, enjoy the natural environment, korero Te Reo, and live and play close to work. Different marginalised groups want safe inclusive spaces and opportunities where they can be themselves and participate in learning and employment. This might mean offering services for specific groups.

**Housing affordability and city safety** – We've also heard that many students, young people and low to medium income earners, including creatives, are struggling to access affordable and quality housing in the city. For these people, more money is going into housing costs and less into participating in other activities the city has to offer for a high-quality life, so people are moving further out of the city to the region and beyond. Businesses are concerned that housing affordability is contributing to staff shortages. We have also seen increasing homelessness and use of emergency housing, and perceived safety concerns in the CBD. Council has responded to this by partnering with Government, business and social agencies through the Pōneke Promise. Property developers also say that the consenting process is part of the problem for housing affordability.

Our Built Environment – The Kaikoura earthquake response has sped up the process of strengthening and rebuilding the city. This is contributing significantly to the very high level of construction activity in Wellington and will continue to do so for some years. It is notable that Wellington City Council and the business and residential communities are doing this work in advance to reduce the human, physical and financial impacts of future major earthquakes without national funding, as was required following the Canterbury earthquakes. However, we have heard from many businesses that the temporary closure of buildings (including several prominent Council buildings and venues, notably Te Ngākau Civic Square) has impacted city vibrancy. The Courtenay Place entertainment precinct has become less vibrant and is perceived to be less safe. Wellington is known for its independent stores and compact shopping experiences, but ground floor retail is under pressure because of the Covid-19 pandemic and the related loss of international visitors and increasing online shopping. Working from home has significantly reduced footfall in the city, significantly decreasing business activities and while the loss of venues from the earthquakes have impacted on the number of things to see and do in the CBD. A strong events programme has been significantly impacted by Covid-19 restrictions. Now that the borders have reopened the events programme will return, adding to the vibrancy of the city.

#### Access to Skills and Capital

**Wellington City boasts skilled residents with higher-than-average incomes** – We have the nation's most educated population and renowned education institutions, and we have a thriving entrepreneurial population. We have a large knowledge-based economy with central government, professional services, digital technology, the creative sector, and financial services making up a significant proportion of our economy.

**Our competitive advantage** – As the capital city of New Zealand, we are the home of central government and the core public service. We are also home to many Crown Research Institutes and professional service organisations that contribute to the public sector. Wellington is arguably best known for its creativity. The city boasts many national and local arts and culture institutions. We have world leading expertise in film and game development, and a large cluster of successful creative, digital companies known for innovation and sector disruption. Many people within the business community comment on Wellington's collaborative, creative, and supportive business environment that actively supports entrepreneurs and start-ups. New Zealand's public entities are

committed to enabling innovation and development, through collaboration and partnering with businesses. The Wellington community regards diversity as an advantage for economic development, as well as being a social strength.

**Our talent pool** – We have a significantly higher proportion of 19–30-year-olds but a lower proportion of 30–65-year-olds, indicating that this group is choosing to buy a home and have a family in the wider region or elsewhere in the country. Businesses are telling us they are losing younger talent to larger employment centres, both nationally and globally. We have heard that skills shortages in the city (and in the country as a whole) have become more severe due to the increased competition resulting from the Covid-19 pandemic and closed borders. We are also lacking clear career pathways and pipelines of talent coming though for many industries in the city.

Some employers have told us that many graduates are not work-ready, and students are feeling unclear about what to do next once they have completed their studies. There is a desire to attract domestic and international students and talent to the city's tertiary institutions and businesses to fill skills gaps in the short term. Addressing skills gaps is a core element of iwi strategy and *Te Matarau a Māui*. There is a significant opportunity to nurture talent by working collaboratively with Māori through the Council's procurement policy and other initiatives. The feedback we have received so far includes a strong desire to look after Wellingtonians in need of opportunities by:

- identifying pathways from training to employment
- understanding, communicating and building sustainable career pathways
- supporting young employees to develop and grow their skills in their workplaces.

It is important to have a pipeline of talent entering our workforce, equipped with the skills needed for the economy of today and the future, to reinforce our economy.

Access to Capital – We are also aware of the challenges for businesses (particularly for start-up and scale-up businesses) to access capital for operation and growth. Businesses have asked for more assistance to identify and overcome barriers to accessing capital and for taking the risk to start a business.

#### Infrastructure and Disruption

As population continues to grow, we expect to see more people living and working in the city. We need to manage the additional pressure population growth puts on the city's resources and ensure the city has the infrastructure expected of a modern, internationally competitive city. This requires significant infrastructure investment to ensure it is fit for purpose, reliable and resilient.

**Transport and water resilience** – Many of the region's jobs are in Wellington City, and a growing proportion of the city's workforce are housed beyond the city's boundaries, as residential growth has slowed in Wellington City and accelerated in regional areas. Council's planned transport and water infrastructure investment in the CBD is anticipated to cause further disruption to businesses in the years ahead. Businesses have asked for certainty about what to expect so they can plan for it, as well as involvement in delivery to minimise disruption.

We have heard that greater regional coordination and communication regarding infrastructure and housing is required to ensure Wellington and the region's businesses have confidence to invest and supply jobs for the population growth projections. In 2021 a Regional Leadership Group was established to advocate for and coordinate growth and economic activities. This Group includes all nine Mayors of Wellington region plus Horowhenua, the Chair of Greater Wellington Regional Council, relevant Cabinet Ministers, and iwi representatives.

A central city neighbourhood – Wellington's inner-city population has grown over the last 25 years. People living in the central city have requested that the central city is also thought about as our largest residential neighbourhood. For residents this means a vibrant mix of businesses including retail, hospitality, entertainment, services and green spaces. We have heard a desire for the Central City to be more family friendly and are investing in new and improved green spaces and playgrounds.

**Our Venues and Facilities** – Our venues infrastructure includes the Convention and Exhibition Centre Tākina (due to be completed early 2023), and existing venues such as Sky Stadium, St James Theatre (reopening in 2022 after strengthening), the Opera House, the Town Hall (reopening 2023/24 after restrengthening), the Michael Fowler Centre, TSB Arena, Shed 6, and a planned new performance and rehearsal venue. These venues enable the important arts, cultural, and economic conference and events activities that our city relies upon for its vitality and reputation as a great place to live, work, play and visit. We have heard that our venues need to be repaired and reopened as soon as possible to provide more opportunities. Many of the venues need modernising to meet the needs of the entertainers. That work is well advanced. Te Matapihi Central Library is also an important facility providing a 'third space'<sup>34</sup> for liveability.

**Working from home and city centre footfall** – Technology continues to change how our economy functions. The ability to complete many of our day-to-day tasks online has created greater flexibility and choice around where people work, live, and socialise. Further disruption has been caused by the Covid-19 lockdowns – our CBD has experienced a 10-22% decrease in pedestrian footfall with the rapid uptake in working from home<sup>35</sup>. Despite the decreased footfall, Wellington City's GDP per capita increased 4.5% from 2019 to 2020 and retail trade increased 7.4%<sup>36</sup> – although this hasn't been consistent across the retail sector or all locations in the city.

More people are meeting their daily needs closer to home, which is changing patterns of demand in central city areas. It appears the change is here to stay. The role of our central city is changing from a place where people must come to make transactions, such as purchases and using services, to a place where people can choose to come for experiences, such as entertainment, dining, and social contact. This is a key challenge for this strategy, to identify the future for our central city and suburban centres and actions necessary to deliver that outcome.

#### Social Impacts and Climate Change

**Environmental impacts must be respected** – Over the past thirty years we have developed a proud record of World leadership in ecological restoration, through a remarkable and ongoing restoration of the City's natural environment. In 2021 The Economist rated Wellington the number one city in the World for environmental security.<sup>37</sup>

The biggest reductions in emissions will be achieved through the urban form of our city, how we get around, and how we reduce and manage waste.

Many of the region's economic and personal activities have a widely acknowledged negative impact on the environment. Governments, councils, iwi, businesses, and communities all need to take

<sup>&</sup>lt;sup>34</sup> Third Space Theory - Wikipedia

<sup>&</sup>lt;sup>35</sup> <u>https://www.metlink.org.nz/our-metlink-journey/performance-of-our-network#DataAndReports</u> – Note: This data has been selected as the best 'proxy' of 'working from home' trends since it is reliable, has a long history and correlates well with other measures (such as footfall from BellWeather when it was available)

<sup>&</sup>lt;sup>36</sup> <u>Regional economic activity report (mbie.govt.nz)</u>

<sup>&</sup>lt;sup>37</sup> <u>https://safecities.economist.com/safe-cities-2021-whitepaper/</u>

action to slow the progress of climate change and reverse negative impacts on the environment. Businesses and communities have repeatedly told us that this cannot be ignored.

The social, environmental, economic and financial costs to the city of not acting on climate change are significant. In comparison, a city that quickly transitions to a low, and in turn zero, carbon economy will have a competitive advantage in the years ahead, as a place where skilled workers, students and progressive businesses want to be based. We have heard how proud Wellingtonians are of our low carbon city. The ability to live a low carbon lifestyle is increasingly important and a factor in where businesses and people decide to locate.

**Our citizens are conscious consumers** – Wellingtonians are actively supporting businesses that can demonstrate sustainable and ethical practices. In Wellington we have a large community of socially conscious enterprises which are already building a circular economy.

**Māori customs in business** – Māori businesses have asked for a different approach to Council and central government procurement that is more inclusive of Māori customs such as relationship building, while also providing assistance to participate in formal tendering processes.

#### **Complexities and Costs of Doing Business**

**Increasing costs of doing business** – Businesses and property owners have raised concerns about the increasing costs of doing business. These costs include insurance and rates for the property sector, regulatory costs, and start-up costs. These increasing costs may stifle investment and operations if they are not well managed. As mentioned previously, businesses find it challenging to access the capital they need to progress beyond the start-up stage. Businesses and property owners also feel the legislative and regulatory constraints are adding to the costs of doing business.

**Business resilience is being challenged** – Covid-19 has had a material impact on the viability of many businesses. The ongoing response to, and recovery from, the Covid-19 pandemic has impacted every part of the economic system, from the dynamics of immigration to tourism, logistics and financial industries, and we've already noted the impact on working patterns. Border closures mean international tourism is non-existent and domestic visitor numbers are only partially compensating for this. Many businesses are also struggling with skills shortages, particularly those sectors which have traditionally relied on international migrants.

**Council responsiveness** – Some businesses and property owners have raised concerns about the time it takes to get the Council decisions they need before they can make an investment decision and would like to see Council improve its timeliness and relationship management. Others would like to see more services and assistance for small businesses by connecting businesses with people, tools and knowledge, and helping them to transition to future business models and systems. The film sector has praised the Council for the ease in which they are able to get permits for filming – which is a competitive advantage for this sector. We are currently working with the hospitality sector to enhance the use of pedestrian pavements and in part to enable social distancing, although the alcohol legislation is a limiting factor.

# PART B: The Strategy

# Economic Wellbeing Strategy – Responding to the challenges

This strategy is intended for the Council, the region's economic development agency Wellington NZ and the businesses and people of the city.

#### The Vision for Economic Wellbeing in Wellington

**Vision:** Wellington is a dynamic city with a resilient and innovative and low waste, low carbon circular economy that provides opportunities for all and protects and regenerates our environment.

### **Outcomes for Economic Wellbeing**

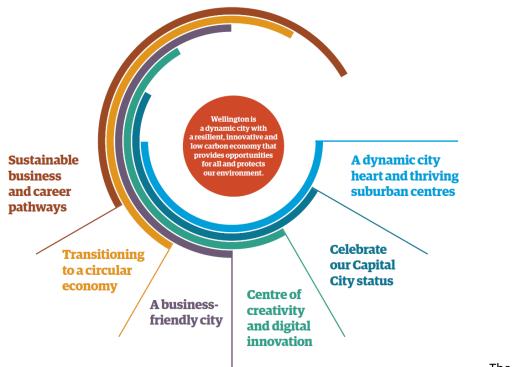
While we have ambitious economic goals for Wellington, we are conscious that we need to set a clear and specific direction. This strategy identifies six strategic outcomes for the city to focus on for the next 10 years. This ensures our economic funds are directed towards the most effective activities.

Based on engagement with the our communities, we have outlined why each outcome is important and what it means, our approach and actions to achieve it, and how success will be measured under each of the outcomes. See the Appendix for the more detailed action plan.

The overarching measure of success is to have a strong performing economy that also delivers equity, environmental regeneration and sustainability.

We want to achieve six outcomes.

- Outcome 1: Sustainable Business and Career Pathways
- Outcome 2: Transitioning to a Circular Economy
- Outcome 3: A Business-Friendly City
- Outcome 4: Centre of Creativity and Digital Innovation
- Outcome 5: Celebrate our Capital City Status
- Outcome 6: A Dynamic City Heart and Thriving Suburban Centres



The outcomes

are critically influenced by city liveability, infrastructure and building resilience. It is important to recognise critical influences that are essential foundations for economic success in cities – things like reliable infrastructure, safety, the ability to live a high quality of life and housing.

These areas are important to the success of the Economic Well-being Strategy and are being progressed through other Council strategies and plans. They are noted within the most relevant outcome, as many of the aspects were raised by businesses and communities and are vital to the overall success of the economy.

### Outcome 1: Sustainable Business and Career Pathways

We aim to enable Wellingtonians to have equal opportunities to find meaningful, fairly paid and inclusive work

#### Why is this important?

Continuing to offer the best city for students is a factor in attracting and retaining young people in the city, for employment, creativity, and innovation. As a city we are good at attracting skilled migrants and students due to our city's great tertiary providers, walkability, entertainment offerings and overall quality of life, but we don't always manage to convert them into long-term Wellingtonians. Housing costs and job opportunities are the main barriers. We want our city's businesses to easily access people with skills, experience, and knowledge they need to drive productivity and innovation. And we want people (particularly young people) to be able to see their future career paths and opportunities in the city.

With a culture of focusing on hiring experienced staff, some students are struggling to find their first job after education (both secondary and tertiary). Concurrently there's a shortage of employees with intermediate level skills. It's a consistent theme across many sectors in Wellington including hospitality, construction, digital technology, research, policy, and screen. Some employers have said that young people are not work ready when they emerge from education. Nation-wide there are a growing number of young people not in education, employment or training (12.3%) but for Wellington this sits lower at 6.7% in 2021 (up from 6.3% in 2020).<sup>38</sup> The number of people in Wellington that are underutilised has been increasing since 2017 from 9.4% peaking at 10.2% in early 2021, and positively has since decreased to 9% at the end of Quarter 1 2022.<sup>39</sup> It is important that we think about long term solutions that support our own people into employment. As a city we have a collective responsibility to develop the talent pipeline in each industry and ensure students are work ready.

The city's talent shortage has increased in severity because of the Covid-19 pandemic, with the closure of our national borders significantly affecting the city's access to migrant labour. This highlights numerous skills gaps that must be addressed to enable our businesses and economy to reach its full potential.

Furthermore, people with disabilities continue to be underemployed and unemployed, and despite unemployment dropping for the wider population, unemployment for people with disabilities has remained unchanged. In the greater Wellington region, 22% are disabled, which equates to an estimated 114,000 people.<sup>40</sup> These percentages are even higher for Māori when considering age adjustment, with 32% of Māori adults represented in disability data. Women, Rainbow communities, and ethnic minorities are all also marginalised and face issues in employment. This is a significant proportion of our population who are skilled and capable workers but often overlooked. It is important that we collectively break down barriers and change collective attitudes.

<sup>&</sup>lt;sup>38</sup> <u>Regional economic activity report (mbie.govt.nz)</u>

<sup>&</sup>lt;sup>39</sup> <u>Regional economic activity report (mbie.govt.nz)</u>

<sup>&</sup>lt;sup>40</sup> Statistics New Zealand. (2013). *New Zealand Disability Survey*. Retrieved from: <u>http://archive.stats.govt.nz/~/media/Statistics/browse-categories/health/disabilities/2013-disability-survey-results/2013-disability-survey-word-version.docx</u>

#### **Our Approach**

# Facilitate connections and collaboration between Council, employers, educators and others

We need to enable korero between employers and educators in Wellington City to identify skills gaps, and to develop collaborative approaches to closing them. We can assist businesses and educators where intervention is needed and can advocate to influence central government regarding its policies. A cohesive Wellington City voice will be represented at the Regional Skills Leadership Group (RSLG), but this group will only focus on sectors that are regionally significant. We know that trades have been undervalued, and there are critical shortages in the health and tech sectors, and we have heard the need for more coherent film sector training and clearer career paths in the film sector including the need for producer training. We must also prioritise construction, digital tech, healthcare, engineering, and hospitality, and collaborate across the region where regionally relevant.

Building a strong relationship between the Tertiary Education Institutes and the city can assist in achieving good outcomes for the providers, students, and employers. We must connect the people within the education system such as academics, teachers and students with employers to facilitate the development of the right education programmes which enable students to gain the right skills for successful employment and career development. We must build trusting relationships that enable commitment to crafting education that delivers skilled workers for current and future jobs. Internships are a great way to create connections and develop skills. Additionally, it is beneficial to work together with academics and city staff to achieve changes in social, cultural, environmental and economic outcomes for the city through sharing of the most current knowledge and research.

Additionally, as technology and other labour market influences evolve, future jobs will look different to what they do today, and we will need the skills to contribute to a circular economy that keep materials in circulation including reuse, repair, remanufacture, and recycling. These jobs will come in many forms, such as science and engineering, digital technology, logistics, and manual labour. Ensuring sustainable career pathways and the ability to evolve as systems change will require enabling the provision of opportunities for lifelong learning (such as short courses and on-the-job development) and recognising online learning and micro credentials. Each industry will need to have clear career pathways and development opportunities, including the need for skills and knowledge in environmental and social outcomes across all industries.

# Facilitate and enable rangatahi, young people and the disabled community into sustainable and fulfilling careers

A key feature of sustainable career pathways involves the encouragement of hiring and developing local people and supporting local people to thrive. Everyone needs to at least earn a living wage. We must consider how to implement a 'train local, employ local' approach and enable young people to progress in their careers and into leadership, including by embracing young people's creative ideas to deliver improvements and change. This is about Nurturing Human Nature – the Third Way of Doughnut Economics Thinking<sup>41</sup> and delivers on the social foundations of education, income & work, and Social Equity. As employers in the city, we must all take responsibility to nurture and develop our young people and enable successful career progression. This means mapping career pathways, understanding development needs, and giving people the opportunity to get started and maintain

<sup>&</sup>lt;sup>41</sup> Get Animated! Introducing the Seven Ways | DEAL (doughnuteconomics.org)

their careers. It also means paying decent wages to attract and retain staff and maintain diversity of employment opportunities.

We will work with mana whenua and the Ministry of Social Development (MSD) to facilitate rangatahi, young people and disabled people into sustainable and fulfilling careers, with a focus on sectors with skills shortages. We will participate in the education sector early interventions initiatives such as working with schools from primary upwards to share new ideas about career options, and encourage employers to engage with the curriculum, connect with trainees and graduates, and identify career pathways and ongoing development opportunities within their own organisations.

As an employer, Council will lead by example to contribute to the delivery of sustainable career pathways. For example, Wellington Water has opened an Infrastructure Skills Centre in conjunction with Fulton Hogan to help people take their first step into working on water infrastructure. Through this approach, learners earn while they are upskilled and then have access to job opportunities when they graduate.

#### Encourage safe and inclusive workplace environments

To address the gaps in employment opportunities for marginalised groups such as the disabled, rainbow, women, Māori, Pacific, and other ethnic minority communities, we must encourage changing attitudes and breaking down barriers. It means providing knowledge and capability development for organisations across the city to ensure they understand how to provide the welcoming environment, wage equality, and other support that may be needed to build their own understanding of their workplace culture. It may require external input and advice, staff discussions, and changing expectations.

This is about organisations being culturally responsive within the workplace, understanding their people and the things that make them feel included or excluded, safe or unsafe. It's also about taking a wellbeing approach to staff, and recognising different people have different experiences that can impact their physical and mental wellbeing.

These approaches also go a long way towards retaining existing staff and attracting new. Happy and healthy staff are also more likely to remain loyal, more productive, and creative. Which is all good for business.

We are encouraging employers and employees to challenge their workplace practices and attitudes and review approaches to employment and workplace culture.

#### **Critical Influences**

#### Addressing housing affordability, supply and quality

Attracting and retaining talent often comes down to the liveability of a city and affordability of housing. We are at risk of losing the perspectives and creativity younger people bring to industries due to the prohibitive cost of housing. Many young people and low-income earners are struggling to make Wellington their home due to the lack of affordable housing. To support our environmental and social goals, we must provider denser affordable housing in walking or cycling distance to employment or public transport. In dense cities you need mixed-use activity, neighbourhood spaces, local quiet spaces, and common green spaces, especially where there are many apartments without backyards.

Housing is a critical factor in enabling people to live work and play in Wellington. Our population profile indicates that people leave Wellington in the 30-to-40-year age bracket, the age most people want to buy a house and start a family. Many people in the Wellington community have told us that people are leaving because they can't afford to live here, or they can't find a place to live. Wellington is becoming a place affordable only to those on higher incomes. If this trend continues, Wellington will continue to struggle to fill roles at all income levels and skill types. We also have an increasing homelessness problem which is more complex, and council has a <u>Homelessness Strategy</u> to address this. Regardless, housing quality and supply requires an equitable and inclusive approach.

When people's housing needs are met, they can fully participate in social and economic activity. We have a vision of 'all Wellingtonians are well housed', where all residents in Wellington can live in good quality homes that meet their needs and they can afford (refer Housing Strategy<sup>42</sup>).

Housing supply is being enabled through the Spatial Plan, District Plan, and our Housing Strategy and will be enabled through the Let's Get Wellington Moving (LGWM) programme. This is a significant opportunity to deliver the right housing in the right locations, whilst minimising the negative effects of growth on our environment. The private sector provides most of the housing supply, and we must develop new approaches to raising the quality of our existing housing stock and increasing the supply of affordable housing – particularly for essential workers in our health, education and service sectors and talent that supports local companies to thrive. We want to encourage safe, well-built apartments and stable housing for different community groups – encouraging universal design that improves accessibility. Co-housing and collective housing are potential opportunities for more inclusive affordable housing, and development of smaller retirement appropriate housing will free up housing space. Council has already opened the first of a targeted 1000 apartment conversions through our Te Kāinga Affordable Rental Programme. retirement appropriate housing will free up housing space. Council has already opened the first of a targeted 1000 apartment conversions through our Te Kāinga Affordable Rental Programme.

More consideration and partnerships are needed to provide accommodation for other low wage workers and students. To accelerate this, we may need to investigate establishing a delivery entity for urban development and LGWM, and potentially a partnership with tertiary education providers.

#### An attractive place to live

Housing affordability is only one part of the picture when it comes to attracting and retaining talent. Our city also needs to have the ability to live close to where they work, things to see and do, green spaces, and good public and active transport infrastructure. These are addressed in Outcome 6: A dynamic city heart and thriving suburban centres.

#### **Priority Actions**

- **Career Matching** Connecting educators and employers to develop the right skills for the city and provide opportunities for students gain experience.
- **Practice what we preach** Ensure council's procurement strategies, career pathways, sustainability practices and activity programmes are supporting the delivery of the Economic Wellbeing Strategy, including leading by example to break down barriers to employment.

#### What success looks like

Description

Measures

<sup>&</sup>lt;sup>42</sup> Housing Strategy - Our 10-Year Plan (wellington.govt.nz)

Employment opportunities for all	Unemployment of disability sector
Students are supported to shift from education to employment	<ul> <li>Number of NEETs – declining trend</li> <li>Unemployment rate – decreasing trend</li> <li>Underutilisation rate – decreasing trend</li> </ul>
Employers are well-connected to primary, secondary and tertiary education	<ul> <li>Number of employers actively involved in Inspiring the Futures, Secondary Transitions, and Tertiary Education programmes – increasing trend</li> </ul>
Our city's businesses can access the skills, experience, and knowledge they need to drive productivity and innovation	<ul> <li>Businesses are able to attract and retain talent – business perception survey</li> </ul>
Increasing diversity of work / roles / careers available in the city	<ul> <li>Economic diversity (HHI sector diversity) – increasing diversity</li> </ul>
People choose to live here and can have successful and meaningful careers	<ul> <li>Inward migration – increasing trend</li> <li>Number of houses under construction / housing affordability improving</li> <li>Number of people staying in Wellington (30-65yo) – increasing trend</li> <li>Mean individual earnings – increasing trend</li> </ul>
Critical skills shortages are identified and being addressed	<ul> <li>We have an understanding of skills shortages for different sectors</li> </ul>

#### Case Study 1: The tight-knit company using values to drive growth

The founders behind Hnry – the thriving accounting firm serving Australasia's gig economy – have gone from strength to strength because of their location, they reckon. Now they're keen to give back to the city that has served them.

In many senses, Londoner James Fuller fell into the classic Kiwi love story. His wife Claire was doing her big OE in London when they met. They worked at the same firm, and before long they were shacked up with a baby, dreaming of settling in Wellington.

"Clare grew up here," he says. "We always came back to Wellington for holidays, and it was everyone's happy place. As soon as I got off the plane, I was at home."

They made the big move in 2012 – and some huge successes were on the horizon for the couple. Fresh in the city, they did their time at different firms, and it was when James was self-employed that he tinkered around creating a system to help him do his taxes. Just like that Hnry was born. James is the Chief Executive of what is now a 50-strong company, and Claire is the Chief Operating Office.

"It's really cool to have a tech start-up in Silicon Welly. Claire and I would never have founded Hnry if we'd lived somewhere else – it just wouldn't have felt possible. When you're around people that have an endless sense of possibility and opportunity, it's infectious."

#### Retaining company culture amidst a pandemic

Despite their rapid growth – in February they secured USD16 million in investment funding to expand – the pandemic has been hard on company culture.

"We've always had a big culture of working together and collaborating as a business. It was quite difficult when we went into lockdown. We got a decrease in



productivity – everyone missed working with each other and missed the vibe of being in a scaling business and collaborating every day."

Staff still have the option to work from home, but many prefer the camaraderie they get from being together in the office, a beautifully designed open space in the heart of the CBD. But the city, James says, is dying at the government end where they're located.

"The hardest thing for us is the impact that the empty city has had on the vibrancy of our own office. As a citizen of Wellington, you need to feed and water your city. It's not going to be there if you leave it in a cupboard and walk away. It's going to die. We all need to do our part in being citizens of the city."

There's a dangerous knock-on effect of embedding a WFH culture in our city, James says. He points to companies overseas viewing our WFH populations as cheap labour they can capitalise on – which will only reduce our local labour force. James thinks of his friends back home in London, who have no company culture – they only have to point their laptop at a different company, that might offer better pay, and move on.

#### Live your values, and the people will come

James attributes Hnry's success to their company culture and lived values. Any candidates for jobs need to demonstrate values around fairness, doing the right thing, and being respectful.

"I'm excited about doubling or tripling the size of the company but still maintaining those values. We don't hire people just to put bums on seats – we're employing them because they already embody our values."

Thinking ahead to Wellington's future, and the future of his growing business, James is excited about the burgeoning tech community, start-up to scale-up businesses and education sector, which create the perfect microcosm of creativity and innovation.

"How does Wellington accentuate the things that it already does really well? We should be looking forward instead of looking backward and wondering what we don't have. We have an amazing community and economy supporting so many businesses, entrepreneurs and creatives, and government workers. In Wellington, if you've got ideas, people say 'oh, you should totally go and do that, and here's how I can help you.""

With so much support behind them, they're now paying it forward to the next generation of tech start-ups.

## Outcome 2: Transitioning to a Zero Carbon Circular Economy

We aim to be regenerative by design

#### Why is this important?

Wellingtonians are proud of the city's achievements in biodiversity and the transition to a low carbon economy. However, there is still more to do as outlined in <u>Te Atakura – First to Zero Strategy</u>, and the <u>Regional Waste Management and Minimisation Plan</u>. We want to create a further step change by transitioning to a circular economy, and by moving quickly the city will have a competitive advantage and attract people to live in, visit, and set up business in the city. The circular economy aims to decouple growth from finite resource consumption and has the potential for positive employment opportunities.<sup>43</sup> The pandemic has demonstrated social inequalities, and environmental impacts as well as the risks of lengthy supply chains on economic resilience, particularly for small business. We have a role to play in enabling more localised, diversified and distributed production.<sup>44</sup>

Two of the 7 Ways of Doughnut economics thinking<sup>45</sup> is to be "regenerative by design" and "think in systems". This means sharing, repairing, regenerating, stewarding and being climate smart, as well as experimenting, learning, adapting and aiming for continuous improvement.<sup>46</sup> As Council, we want to ensure we are leading by example, and collaborating and supporting others to achieve our ambitions goals for the environment. We have heard that it is challenging to establish recycling, repair and reuse facilities when the option of landfill is far cheaper and easier for people. By all stakeholder groups working together, we can design and implement new solutions to waste management which will leave our environment in a healthier state and reduce the city's carbon footprint. We already have several organisations and businesses delivering regenerative outcomes such as kai composting, and waste recirculation. It requires expanding the scope of sourcing considerations and being innovative.<sup>47</sup>

We will enable, encourage and promote taking responsibility for environmental, social and cultural impacts to build an economy that is regenerative, inclusive and promotes equality.

However, the Emissions Trading Scheme ETS has resulted in companies trading emissions rather than taking real climate change action. We're advocating for the ETS to change. The Climate Commission report *Ināia tonu nei: a low emissions future for Aotearoa*<sup>48</sup> provides policy direction to deliver strong market incentives to drive low emissions choices.

<sup>&</sup>lt;sup>43</sup> <u>Cities in the Circular Economy - An Initial Exploration | Shared by Business (thirdlight.com)</u>

<sup>&</sup>lt;sup>44</sup> The circular economy: a transformative Covid-19 recovery strategy | Shared by Business (thirdlight.com)

<sup>&</sup>lt;sup>45</sup> <u>Get Animated! Introducing the Seven Ways | DEAL (doughnuteconomics.org)</u>

<sup>&</sup>lt;sup>46</sup> About Doughnut Economics | DEAL

<sup>&</sup>lt;sup>47</sup> The circular economy shows its human side | Greenbiz

<sup>&</sup>lt;sup>48</sup> <u>https://ccc-production-media.s3.ap-southeast-2.amazonaws.com/public/Inaia-tonu-nei-a-low-emissions-future-for-Aotearoa.pdf</u>

#### **Our Approach**

# Enable a circular economy through zero waste, zero carbon initiatives and capability development

Zero waste and emissions reduction strategies will enable the transition to a circular economy and contribute to economic wellbeing. Wellington City Council has already prioritised this through our long-term Smart City 2040 strategy, Te Atakura First to Zero Strategy and contribution to the Regional Waste Management and Minimisation Plan. Living beyond our planetary means is threatening how safely the planet can function. A circular economy must be embraced around the world to reach climate and sustainability targets.<sup>49</sup> This means using less raw materials, extending the life of resources, regenerating resources, and designing for recyclability. We will work with businesses and sectors to better understand and enable the transition to a circular economy. Sectors with high carbon/waste footprints, such as building and manufacturing, will still need to be a priority to meet accommodation shortages, but all businesses and organisations have a part to play. Environmental outcomes can be delivered through partnerships, influencing supply chains, product design, high quality recycling, reusing materials, designing for collective use, and avoiding unnecessary use, to name a few.

In addition to transitioning our services and infrastructure to enable a circular economy, we'll aid businesses in the form of capability development programmes and knowledge sharing to help businesses transition to a circular economy.

Enabling and supporting the development of the emerging zero waste ecosystem in Wellington will form the foundation for the circular economy. Many enterprises and organisations are already piloting innovative systems, processes, tools, techniques and behaviour change programmes and could expand and replicate with the right tools and support. A strong network of local Zero Waste Hubs could form the backbone of this ecosystem, combining reuse, repair, recycling, composting, product stewardship takeback, behaviour change and community engagement. There are projects that are already bringing the circular economy to life in their communities across Aotearoa and could make much faster progress with systemic support. The relationship between local scale zero waste initiatives and social, environmental, cultural and local economic benefits are well established. The 61 members of the Zero Waste Network Aotearoa use a community enterprise business model to deliver resource recovery and behaviour change services. They collectively employ 1200 FTE, turn over \$75m and recover 35,000 tonnes of resources each year.<sup>50</sup>

#### Facilitate the social dimension of a circular economy

A circular economy also recognises the social impacts and develops ways to be socially responsible.<sup>51</sup> For example, improved social outcomes can be achieved through living wages and ethical purchasing, and design for affordability. Procurement in particular can provide broader value beyond the things being procured; it can drive social and public value, building local eco-systems and community resilience. A study in Australia quantified that for every social procurement dollar spent,

<sup>49</sup> CGR 2022 (circularity-gap.world)

<sup>&</sup>lt;sup>50</sup> Source: Submission from Waste Free Welly to the draft Economic Wellbeing Strategy

<sup>&</sup>lt;sup>51</sup> Bringing social impact into circular economy - Board of Innovation

it generated \$4.41 social return on investment.<sup>52</sup> Social procurement is about deriving greater value with the same amount of spend.

The Covid-19 pandemic highlighted inequalities, with Maori and Pasifika communities being disproportionately affected. We can enable sustainable and meaningful career opportunities in the Maori and Pasifika economies and for the creative sector, for women, disabled communities and others, while also realising social and environmental outcomes, through the way Council, its Council Controlled Organisations (CCOs) and partners undertake procurement. In 2021 Council adopted a procurement strategy that acknowledges our responsibility to ensure good public value and enable the long-term wellbeing of our communities including, health and safety, cultural equity, supporting local and regional businesses, social equity, and encouraging innovation. Businesses, central government and Council can all use their procurement processes to contribute to wider social outcomes including Māori business aspirations, as articulated in Te Matarau a Māui. This can be achieved through actions such as breaking contracts into parts, providing opportunities for smaller enterprises to work with us; providing a 30-year plan for investment to signal the resources and capabilities required by us over the medium and long term; forming longer-term relationships with contractors to provide the certainty required to undertake investment in equipment and capability; developing relationships with local Māori/Pasifika businesses; hiring local; and building an ecosystem of Māori and Pasifika businesses.

# Promote Wellington businesses to attract investment, spending, and tourism that delivers a circular economy

Promoting our city is important for attracting investment, tourism, and talent. Tourism and investment both bring new money into our economy and help build a stronger ecosystem for our local businesses. As the country's borders reopen, we want to encourage a new future for tourism that is sustainable, climate-friendly, and socially responsible, and provides significant benefits to the city and region. We also want to encourage investment in our core strengths of innovation and creativity, particularly in science and digital technology, in ways that encourage and contribute to a circular economy approach – designing out waste and pollution.

Hospitality is part of Wellington's culture and an important characteristic for city vibrancy and visitor experience. Hospitality offers a way of celebrating Wellington, through locally sourced produce, and has significant potential to contribute to a regenerative quality of life. And indeed, all sectors can achieve this by looking at their activities and identifying alternative ways of delivering their goods and services.

The Wellington Destination Management Plan (Destination Pōneke<sup>53</sup>) promotes a regenerative tourism approach, considering our role in spreading the peak tourism load in New Zealand, managing environmental impacts, and delivering social and cultural gains. While larger organisations have the resources to change, many smaller and medium sized businesses struggle to shift from good intentions to action. WellingtonNZ has successfully delivered a trial programme to assist in building capability, where businesses discovered they could make meaningful change. We need to consider how best to roll this out further.

Being a connected city is incredibly important in attracting/retaining talent & businesses, in driving visitation to the city, in encouraging international students to study in Wellington, and supporting

<sup>&</sup>lt;sup>52</sup> https://assets.kpmg/content/dam/kpmg/nz/pdf/2021/06/Social%20Procurement%20-

<sup>%20</sup>Tackling%20the%20practical%20realities1.pdf

<sup>&</sup>lt;sup>53</sup> https://www.wellingtonnz.com/assets/Uploads/WNZ Destination-Management-2021-2031.pdf

many of the attractions and events the city hosts. Regional growth projections and planning identify up to 250,000 additional residents over the next 30 years and the region will need to generate an additional 100,000 jobs. Good transport networks and connections by road, rail and air helps with making it easier to live, visit, and do business. The majority of visitors travelling to and from New Zealand travel by air, and travel between the North and South Island is also significantly air travel. The climate change commission notes that aviation will continue to play an important role in New Zealand's transport network. We recognise that the airport is a critical piece of infrastructure not only for the city, but for the region and lower North Island. The aviation sector will transition to more sustainable technology over the next 10 to 20 years, particularly at the Wellington airport where short distances are common.We will work with WellingtonNZ and Wellington Airport to improve connectivity, grow services to support the growing population and economy, while also reducing the impact on the environment.

#### **Critical Influences**

#### Transforming our transport system and social spaces

To respond to the challenges of climate change, we need to fundamentally change the ways Wellingtonians live in and move around the city. It's about enabling good social, environmental and economic outcomes by providing the infrastructure and services to live a lifestyle that is healthy for people and the environment and enables businesses to reduce their carbon emissions. Our capital works programme is driving climate and ecological emergency response outcomes. This investment will enable higher density living; reliable, accessible, zero carbon transport networks; and resilient and reliable water services, to enable the city to provide the services for our people now and in the future by ensuring a compact, resilient, vibrant, and greener Wellington city to live, work and play. Council has a key role to play in facilitating behaviour change in our transport, housing, and waste systems.

We will reclaim streets for people by pedestrianising some streets, providing safe cycling facilities, enabling efficient public transport that connects locals and visitors, and reducing central city traffic. We will balance the loss of parking by maximising existing parking availability – this means ensuring we use the right communication channels, and maximise the use of remaining parking spaces, recognising that some business types will continue to need delivery vehicles, and customer parking. <u>Spatial planning</u> to accommodate different activities will be crucial. Wayfinding to help visitors and locals to find their way around is also important for a stress-free experience of our city. Options to promote a great transport experience are being delivered through our transport programmes, <u>Bike</u> <u>Network Plan</u>, <u>Let's Get Wellington Moving</u>, <u>Green Network Plan</u> and partnering with operators of off-street parking facilities.

#### Embed accessibility and inclusion practices in infrastructure and services

Accessibility and inclusion are important to ensure equal access to participation in social and economic activities. We need our streets to have tactile pavers and smooth kerb crossings to facilitate safe crossing for disabled, elderly pedestrians and people using pushchairs. Footpaths need to be kept clear and wide. We should also advocate for free or low-cost public transport for students and the disability sector (a critical human rights issue to enable equal access to services and jobs<sup>54</sup>). Bathrooms need to facilitate inclusion by offering accessible, family-friendly and complex needs changing places and gender-neutral facilities. Digital inclusion and accessibility are also important to

<sup>&</sup>lt;sup>54</sup> <u>https://communitylaw.org.nz/community-law-manual/chapter-17-disability-rights/access-to-shops-transport-and-other-services/access-to-transport/</u>

ensure no one is left behind. These are all important for enabling people to successfully participate in social and economic activities, and are included in our <u>Accessible Wellington Action Plan</u>, to be delivered through facilities and infrastructure upgrade projects.

#### Transitioning to circular waste systems

We also need to consider how we can invest in better waste management systems to facilitate a circular economy. Council has contributed to and is actively delivering the <u>Regional Waste</u> <u>Management and Minimisation Plan</u>, and is developing a longer-term Waste Minimisation Strategy. Council already supports many organisations and businesses who are working across the city to reduce waste, including the Sustainability Trust, Kaibosh, Kaicycle, Second Treasures, the Formary and Para Kore. Centreport has taken the lead in reprocessing and reusing demolition materials following the Kaikoura earthquake.

A key enabler adopted by Council recently is the commissioning of a Sludge Minimisation Plan at Moa Point which will enable changes to managing the Southern Landfill and enabling a circular economy. We have also recently implemented a <u>Solid Waste Bylaw</u>, changing waste management requirements for property owners and developers, and waste collectors and operators. We could consider ideas such as zero waste hubs for community recycling, repair, remaking and reuse services. Being able to access such services gives people and businesses the confidence to change behaviours and know that they are making a difference.

#### **Priority Actions**

- **Co-create business sector plans** Work with business sectors to develop a plan for the sector including transitioning to a circular economy.
- **Partner with Māori and mana whenua** Partner to build the Māori economy, and explore a Māori worldview of a circular economy.
- •

Description	Measures	
Businesses, education providers, researchers, mana whenua, Council, and government agencies are working together to reduce our collective carbon footprint and eliminate waste	<ul> <li>Volume of waste diverted from landfill (tonnes) – increasing trend</li> <li>Total city greenhouse emissions per capita (tonnes) – decreasing trend</li> <li>Kg of waste per person to landfill – decreasing trend</li> </ul>	
Māori economic success is supported through Te Matarau a Maui	<ul> <li>Maori economy percentage contribution to GDP increasing trend</li> <li>Successful delivery of Te Matarau a Maui actions</li> <li>Procurement Strategy target of 5% contracts with Maori businesses</li> </ul>	
Buy/love local (Businesses are supported by locals)	<ul> <li>Business survey – increasing trend</li> <li>Percentage of locals buying local – increasing trend</li> </ul>	

#### What success looks like

#### **Case Study 2: Going green in the beating heart of the capital**

For Kowtow founder Gosia Piatek, Wellington's future has got to be about building a sustainable economy and thriving local businesses.

When Gosia founded fairtrade clothing label Kowtow 15 years ago, she had no real inkling of how successful it would become. For the first few seasons, she produced colourful and graphic t-shirts, with CDs showcasing the music of local artists swinging from the clothing tags.

Her dogged determination and sparkling vision have grown Kowtow into an international success story – and she's still headquartered in Wellington, with stalwarts like Commonsense Organics and Caffe L'affare right on their doorstep.

#### Social beings need connection



"I absolutely adore where we are. As far as our location, it couldn't be more perfect," Gosia enthuses. But it's not the same, she says, "if people don't come into the city."

From that perspective, the pandemic has been hard on Gosia's staff and her local ecosystem of business-owners and entrepreneurs.

"All my employees are back at work. They get to choose – but everyone wants to come back into the office, because we're social beings. It's nice to be together. We need interaction. I don't think the idea of working from home full-time is considered wellbeing. The pandemic has taught us to be flexible and embrace trust. We've still grown year on year but's it's a full-on hustle."

#### Going circular for the environment

The fit-out for Kowtow's Wellington store and workroom is clean, crisp and organic – leaning into the environmental values she holds so dear.

"Most people look at the care label and see the fairtrade organic cotton – but that's not exactly what a garment is made up of." In fact, it's not just the shell of Kowtow's garment that tread lightly on the earth but all the trimmings, swingtags and care labels too. They also offer free repair, and they take weathered garments back to recycle the fibres. Even their office is structured to adhere to principles of circularity, with a zero-plastic policy ("we don't use pens, only pencils"), organic fruit for staff, and compost collected by a local dude from Kai Cycle.

"People think that circularity is this really complicated thing and it isn't. As someone who produces a product, you just have to take full responsibility of taking it back and making it easier for your customer to return it. It's all about design."

#### Make the city alive again

Despite her elan and love of the city, Gosia's feeling weary after the last few years, and believes that the full impact is still to come for small and medium-sized businesses. But she has a few ideas.

"Some people are living hand to mouth, there are doors closing. Wellington is the cultural city of interesting boutiques and independent-run stores, this isn't how we get through. We need to get people to the city first, make the city alive again. Bring back all the cultural events – what the city

relies on, and what independent businesses rely on, pivoting off the fact that we're a cultural capital."

She's also embracing colabs with other creatives around Wellington – like her recent partnership with City Gallery on products for the Hilma af Klimt exhibition and artist Ed Bats from Page Galleries.

"It sparked something outside of the everyday of what we do. And I think that you need that in fashion. I think we can build something up in Wellington and create more of a scene for people to want to stay here and develop their careers in the arts. It'll have such a massive payoff."

## Outcome 3: A Business-Friendly City

We aim to be Aotearoa New Zealand's city partner of choice for businesses, investors and developers

## Why is this important?

According to the World Bank, New Zealand is ranked number one for Ease of Doing Business.<sup>55</sup> With a small population and domestic market, we are reliant on exports to enhance economic prosperity. However, the distance to market requires our businesses to be highly productive and to be competitive internationally. At a city level, we can do more to attract, retain and care for businesses.

In the constantly shifting environment that the city currently faces, it is necessary for the Council to review key interactions with our business community to ensure we meet the needs of our city. The Council's regulatory role in maintaining a safe and welcoming city is crucial to the health of our community. Council regulatory processes are not always customer centric or joined up. Some businesses are also finding it challenging to navigate Council's services and regulations and feel like their voice isn't heard. There is a need for the Council to build on what we do well and strengthen our relationships and responses to business needs, including re-design of the regulatory system in a way that makes it more efficient and less costly for the customer.

We want Wellington to be the partner of choice for the business community because of its sustainable approaches, collaboration, reliability and forward thinking. Council, businesses, organisations and communities can creatively work together to solve complex problems. A recent example of this form of collaboration is Pōneke Promise, which has developed a unique partnership model with stakeholders to deliver city safety and vibrancy outcomes. There is an opportunity to do more like this and involve more community, government and business groups – ongoing structured business engagement is required.

The global COVID-19 pandemic has highlighted issues of inequality, changed the way we work and travel patterns, and resulted in knowledge businesses doing really well, while face-to-face businesses such as retail and hospitality have struggled, particularly in the central city where we also experienced mass working from home during the protests in February / March 2022 which coincided with the red alert level. Until that point, Wellington had been impacted far less than Auckland and other cities around the world, and so have been slow to adapt to alternative operating models. We have provided immediate support to businesses through our pandemic response plan by reducing licencing fees and creating a fund for those most impacted. It's time now to accept the changing working models and transition our economy in a living-with-Covid environment.

## **Our Approaches**

## Deliver business capability and assistance programmes

While we work to attract people into the city, we will also encourage and assist businesses to explore other ways to maintain, develop or shift their business models – supporting them to develop and grow, creating more jobs in ways that deliver a circular economy (refer to Outcome 2: Transitioning to a zero carbon circular economy). Ultimately, we want businesses to have the confidence and help they need to start-up, change-up, and scale-up and to generally thrive. This is particularly important for our small businesses, which make up 69% of Wellington's businesses

<sup>&</sup>lt;sup>55</sup> <u>https://www.doingbusiness.org/en/rankings</u>

(higher than the national rate of 63%). Small businesses are often overlooked in government contracting – we can provide an advocacy role to enact change in government practices. We have recently been promoting 'buy local' and reviewed our <u>Trading in Public Places bylaw</u>. Through Wellington NZ we provide capability and development programmes, but there is an identified gap in what is offered to small and medium enterprises (SMEs). We want to ensure SMEs are supported by infrastructure and targeted programmes, and the right programmes are available and utilised to enable them to establish, uplift business capability, and gain scale – and that they have the knowledge and capability to do this using a circular economy business model.

Different marginalised communities also want to be supported in their self-employment journeys. For example, disabled people are finding self-employment a viable option when they have otherwise found it difficult to gain employment. Self-employment can also provide the building blocks for future employment. Offering programmes that are tailored to different groups such as the disabled, women, Māori and Pasifika, young people and Rainbow communities would be helpful for these communities to also build support networks and share experiences in a safe environment.

With flexible working now well established, retention and recruitment are the number one challenge for most businesses and organisations. also need to enable businesses to build their online presence so that they are visible, especially so that residents can easily find local stores to make their online purchases from and continue to support the local business eco-system. We also encourage businesses and organisations to improve their digital offerings to be accessible to a wide range of people and potential customers. This includes ensuring user experience design is inclusive to reach different communities.

All of these actions will add up to a more resilient future for businesses and communities.

## Refocus and re-design regulatory services and interactions to be customercentric

We've heard of challenges in consenting and interacting with businesses. Our culture and approach needs to adjust to be more empathetic and proactive, and recognise the impact one businesses, communities and the wider economy. To be a more effective regulator, we will be more responsive by putting the clients at the centre of whatever we do.

We will reduce 'red tape' as far as possible to expand the 'one stop shop' regulatory function in the years ahead to enable and encourage businesses. We have some great examples that provide us with a competitive advantage, such as Wellington's easy permit process for access to filming locations. Wellington is a playground for filmmakers, and we want to ensure this remains a key feature of our city.

We will continue to grow our business-friendly culture and endeavour to understand businesses' ambitions, pressures, and pain points, so we can provide the types of care and assistance that will enable them to deliver the outcomes we all strive for. We will act with transparency and accountability, so businesses can have confidence in our decision-making, and understand how and where they can invest in future. In doing this, we also need to consider the needs of the wider community – which are often affected by the aspirations of business and development activity. Council needs to make good judgments related to these potential conflicts. We will explore a relationship/case management approach to contribute to the delivery of positive outcomes for businesses and the Council. We will continue to connect with WellingtonNZ when dealing with screen businesses for better outcomes, and to facilitate information sharing and engagement. We also have Business Improvement District (BID) programme that has been working to build

relationships will businesses in suburban centres. This has greater potential, and we'll identify how we can enable outstanding relationships and collaboration.

## Strengthen existing Sister-City relationships

Sister-City relationships were extensively developed after the Second World War with the objective of creating positive international people to people relationships. They are also an opportunity for building international friendships, relationships and trade opportunities. In some markets in particular Mayors can open doors for business and educational opportunities.

Sister-City relationships are established through Council and involve our education, business, and cultural communities, and connections with Embassies and High Commissions. We invest time in face-to-face relationships and have had online meetings during the Covid-19 border closure period. We continue to encourage and enable cultural, educational, sporting, and art exchanges to build positive friendships. We have regular civic engagements with our Sister-Cities to exchange knowledge and promote trade. Our Sister-Cities are Beijing (China), Sakai (Japan), Sydney (Australia), Xiamen (China), and Canberra (Australia). We also have Historical-City relationships with Harrogate, Hania and Chanakkale and a Friendly-City relationship with Tianjin. We are also building upon our Friendly-City status with Seoul (Korea). Our aspiration is to deepen these relationships so that they are not merely City to City but people to people. We also aspire to build constructive relationships with Wellingtonians abroad.

## **Critical Influences**

## Minimise the disruption of major capital works

Cities are always evolving. Wellington ise going through a significant transition period, which needs to be managed well.

We know that many businesses are worried about the disruption coming with all the capital works planned. To minimise business disruption and uncertainty, we will ensure that planned capital works are well-coordinated to prevent multiple disruptions. We manage all the works activity, both horizontally and vertically, and ensure that the city continues to function as the city evolves. We will ensure engagement with business owners is early, regular, two-way and provides clarity regarding anticipated changes, impacts, and the timing of infrastructure delivery. We are investing in Digital Twin capability to enable collaboration for better services and coordination of capital works.

Through the capital works programmes we will:

- Coordinate implementation and efficient sequencing of infrastructure delivery.
- Build and maintain relationships with impacted businesses and providing regular two-way communication.
- Ensure contract arrangements and resource consent conditions minimise disruption, both on-site and in surrounding areas.
- Proactively engage with impacted businesses, learn from the experiences Auckland City Rail and Sydney CBD Trams construction and provide suitable temporary assistance for impacted businesses.
- Identify how to manage and communicate parking options for private vehicles and bicycles by identifying, procuring and implementing Smart Parking technologies.

## **Priority Actions**

- Become more customer-centric Deliver customer-centric Council processes, systems and interactions.
- **City champions** Find business leaders across the city that can engage strategically with Council staff and lead the city narrative.
- **Building business relationships** Build enduring relationships with businesses throughout the city, providing opportunity to listen and help navigate within the council departments.
- **Nurture small businesses** Provide assistance through tailored training and transitioning to a post-covid circular economy.

## What success looks like

Description	Measures
Wellington's economy is productive	<ul> <li>Gross Domestic Product (GDP) per capita – increasing trend</li> </ul>
Start up and Scale Up businesses are well supported	<ul> <li>Business perception survey – improving trend</li> </ul>
Reliability of core infrastructure (water supply, energy supply, transport) supports business productivity	<ul> <li>Water supply interruptions</li> <li>Time it takes to travel across the city – decreasing trend</li> <li>Business perception survey – improving trend</li> </ul>
Business satisfaction with core council services (including regulatory services)	<ul> <li>Business perception survey – improving trend</li> </ul>
Good user experience (including accessibility) is baked into digital platforms	• TBC
A business-friendly city that results in a stronger economy that leads to higher quality of life for residents	<ul> <li>Average household income – increasing trend</li> <li>Residents' perception of their quality of life – increasing trend</li> </ul>

## Case Study 3: Collaboration is the key to reviving our city

The hospitality business is in Sarah Meikle's DNA, so it's no surprise she has strong views on what needs to happen to get our food and drink sector back on its feet after two difficult years. For her, collaboration is the key.

As head of Wellington Culinary Events Trust and festival director of Visa Wellington On a Plate, Sarah is deeply connected to the hospitality community in the city. And for her, community is the key to breathing the life force back into the sector and the city.

"Wellington is fantastic at taking a community approach to things. We have seen that in the last two years in hospitality – the sector collaboration really shone through: Areas like Te Aro, where you have a whole range of businesses who supported each other. The At Yours Visa Wellington On a Plate click-and-collect service was another great way of helping businesses keep trading through tough times."



#### Collaboration needs to go to a new level

But Sarah says the collaboration needs to be lifted to a whole new level, and she sees the city council as having a vital role to play which is currently untapped.

"I want to see us be in a position where we get our confidence back. We are all part of that, creating a positive, collaborative environment where businesses can thrive.

"People can choose to set up their business anywhere they feel appreciated. We have amazing business people wanting to do awesome stuff – so let's make it easy for them!"

#### "Everyone needs everyone else"

She would like to see red tape slashed, and the council and hospitality businesses really start to partner with each other. "One thing the pandemic taught us is that everyone needs everyone else. The council provides a service to our sector in the same way we provide a service to our customers. How can they regulate to make it easier to set up and operate here?"

Sarah also wants to see more courage in the city. "We need risk-takers and we need to be gutsy. We're about to have visitors come back – are we proud to welcome them to our city? Let's invest in city vibrancy and events. Let's clean up our city, get the pipes laid and buildings upgraded and get on with it. I want to feel proud and I want to be in love with Wellington again."

Sarah is excited about the potential of the new events and conference centre Tākina, and there are standout success stories including the craft beer sector in Wellington – but she wants the city to step up and truly be able to support international growth for the food and drink sector.

# Outcome 4: Centre of Creativity and Digital Innovation

We aim to be Aotearoa New Zealand's centre for creativity and innovation

## Why is this important?

Wellington is the heart of New Zealand's creative economy, with many internationally recognised individuals and businesses in sectors such as digital technology, film and screen, health and medicine, financial services, science, and online professional services. Creativity and innovation is our city's competitive advantage. Content made in Wellington has entertained billions of people around the world. Concepts explored here have revolutionised institutions such as museums, seismic resilience, and global health outcomes. The digital industries pioneered here have established new export sectors for New Zealand. We are Te Upoko o te Ika a Māui (the head of the fish) and the Capital of New Zealand – the centre of conversation, thinking, creating and innovating with purpose for New Zealand and the world.

The city combines creativity, innovation and technology to solve local, national, and global problems such as climate change and transitioning to zero waste and zero carbon across many sectors. The arts including through exhibitions and events, has a role to play in communicating climate change and climate action. By playing to this strength, Wellington is well positioned to enable game changing opportunities in many sectors, and to utilise this knowledge to create more empathetic, responsive environments. In general, there is a need for Council to better understand the digital sector and all its unique subsets (e.g., IT consultancy, Advanced Materials Manufacturing, Intellectual Property generation, Software as a Service, Gaming, and Screen). Based on a better understanding, we can better target our assistance, share success stories, facilitate collaboration amongst creative and talented people, work to attract more local and international investment, and nurture export and commercialisation efforts.

## **Our Approaches**

## Utilise creativity and innovation to pave the way to economic wellbeing

Wellington's Council, businesses, organisations and communities can creatively work together to solve complex problems. Council's 'Digital Twin City' is a powerful open-source computer tool which will progressively allow anyone to visualise our city, and proposed and potential changes notably in transport, urban development, city safety, and responding to climate change. Wellington has gained recognition as one of 15 cities worldwide which have won the Global Bloomberg Mayors Challenge, for designing the boldest and most ambitious urban innovations that address current issues including economic recovery and growth, health and wellbeing, climate and environment, and gender and equality.

This investment contributes to the creation of better street environments and city spaces through better community engagement in the planning of our city. Wellington is also home to many Crown Research Institutes and Tertiary Education Providers. These organisations undertake significant research and innovation projects that could potentially solve some of our major climate change issues and have potential to be exported to the world. Facilitating opportunities to co-locate, collaborate and commercialise innovations will help the city and its communities to transition through the disruptions caused by technologies such as autonomous vehicles, new manufacturing technologies and a changing climate. We will drive innovative solutions through smart technology by partnering with businesses and Crown agencies. For example, research into solar panels and hydrogen power could significantly reduce carbon emissions and provide economic opportunity in the process.

Wellington attracts creators, makers and innovators. We have over 100 amazing Digital and Tech companies which generally start out very small. They have been internationally successful in many sub-sectors such as gaming, medical tech, FinTech, and business technology. Our digital communities demonstrate strong collaboration which is what's needed to cross-pollinate and innovate across industries. They often grow quickly when their innovations land successfully. Subsequently, they are required to compete internationally for specialist expertise. They need facilitated technical assistance to establish, commercialise products and services, and access capital to successfully move to the next phase in their development. Council can act as a facilitator through targeted programmes to provide the connections required to scale up. Wellington City Council currently supports companies to incubate, accelerate and grow via Creative HQ and WellingtonNZ and we're investigating options for tech hub/s to see what's needed in the different sub-sectors.

## Enable our Screen Sector

'Screen' represents: Film, television and online content including all genres – factual and fiction; interactive and immersive stories and digital games with a myriad of associated applications.<sup>56</sup> In 2019, achieved a <u>UNESCO Creative City of Film</u> status. We are home to Weta Workshops, Wingnut and Park Road Post. Lane St Studios and Avalon are in the Hutt Valley. Victoria and Massey Universities, Whitirea Weltec, and Yoobee all deliver tertiary education in film. The screen sector has significant opportunities to further develop beyond being a service provider for large incoming projects. While we do need to attract those large companies, who procure the services created in Wellington, we are also a fantastic filming location because of the variety of scenery and urban environments available in close proximity. Our big opportunity is for intellectual property (IP) and content – to explore the convergence between film, TV, game and interactive development. We will need to find appropriate ways to assist the screen sector, including the rapidly growing gaming sector, to overcome the challenges of skills shortage. This may include better equipping people to enter the sector, improving employment conditions, and facilitating partnerships to enable authentic storytelling. These opportunities include location specific storytelling through apps. We have already developed a Wellington Screen Strategy, and robust Wellington Regional Screen Protocols.

As with other digital tech businesses, there is a need to facilitate connections between small screen and gaming businesses and potential investors. And there are plenty of opportunities to utilise our local talent pool in local story telling, promotions, and education. We will continue to work with <u>Screen Wellington</u> to realise screen sector goals.

## Modernise our city venues

Our city venues have typically been used for business conventions, sports events, and cultural activities. A new convention and exhibition centre (Tākina) is currently being built and will open in 2023, which will provide a purpose-built venue for our business conventions. Our venues are in good locations well serviced by public transport, but they lack integration with their surroundings and in some cases have more than one purpose. Limited foyer space, food and beverage vendors, and amenities, as well as outdated services systems, are common issues. The venues need updating to meet the needs of prospective event organisers.

Much of this work is well underway. The St James Theatre will reopen this year and the Town Hall in late 2023 or early 2024. For remaining relevant venues achieving this will involve establishing a clear

<sup>&</sup>lt;sup>56</sup> https://www.wellingtoncityoffilm.com/assets/Uploads/WellingtonNZ\_UNESCO-Doc\_FINAL.pdf

pathway forward for each venue, that enables a variety of interesting and sustainable events to take place across the city's venues network. A great example is bringing the National Music Centre to Te Ngākau Civic Square as part of the civic centre redevelopment and moving Council back into the Municipal Building. We already have a Major Events Strategy<sup>57</sup> and a Venues Refurbishment proposal. We have also reviewed our city venues to clarify their purpose and increase their use and are now developing an investment plan for our city venues. This includes applying creativity for flexible uses, and consideration of how to accommodate a mid-sized venue for performing arts rehearsal and performance space to support local shows and concerts – we'll focus on utilising existing investment such as the Opera House, a new Fale Malae, and the Michael Fowler Centre. This will contribute to enhancing the vibrancy of the City's entertainment precinct.

Significant private investment is also occurring, particularly in new mixed-used commercial and accommodation developments. But there are still gaps that need to be filled, including business-orientated co-working, incubation, shared-services and ideation spaces. We need to communicate with investors and developers about the plan for the city to give them greater confidence and ability to plan their investment activity.

We also need to provide affordable access for local community events, such as revitalising Hannah Playhouse and looking at grant funding or community pricing.

## **Critical Influences**

## Invest in the regeneration and activation of empty buildings

Wellington City suffered in the Kaikōura earthquake of November 2016 when many multi-story buildings were damaged. Other buildings' seismic resilience was professionally reviewed because of the Kaikōura earthquake, and resulted in the need for repair, strengthening or demolition. Many of Council's own buildings are also earthquake prone and are being strengthened. At the same time the city's underground infrastructure requires significant investment to incite growth and provide security of supply, and we need to invest in an efficient, accessible, and low carbon transport system that is fit for the future.

We are rebuilding and strengthening our civic buildings such as the St James Theatre, Town Hall, and Central Library. Planning is advancing for the redevelopment and rejuvenation of the rest of Te Ngākau Civic Square. Our new convention and exhibition conference centre, Tākina, will open in 2023 and private business and building owners are also investing. We also want to work with businesses and building owners to rebuild and activate earthquake-damaged and earthquake-prone buildings and help remove barriers. Once the buildings are opened, we want to see them occupied and well-used

Taking the opportunity to deliver Zero-carbon and Zero-waste outcomes including meeting passive heating as part of the building process as per our Te Atakura strategy is also a priority. Council venues and developments principles already specify that we do this. Tākina has been awarded 5 Star Green Building certification and we want to encourage other building developments to achieve green building status as well.

<sup>57</sup> WNZ\_Major-Events\_A4\_Update-2021\_v4\_WEB.pdf (wellingtonnz.com)

## **Priority Actions**

- Nurture small businesses Provide assistance through tailored training and transitioning to a post-covid circular economy. Broaden the reach of targeted programmes to assist emerging digital tech companies to scale up. (Note, same action in Outcome 3, as this is important to all small businesses and specifically to tech businesses as well).
- Vital venues Redevelop Opera House to meet audience needs for a wider mix of entertainment, including filling the need for a mid-sized venue and the TSB arena into Wellington's premium arena, to stage a wider mix of performance events and provide an enhanced customer experience.

## What success looks like

Description	Measures
Wellington City is cemented as the place to be for Creativity and Innovation	<ul> <li>Number of people employed in creative sectors         <ul> <li>increasing trend</li> <li>Number of people employed in ICT jobs</li> </ul> </li> </ul>
Our screen and film sector are recognised for its creative and innovative talent	<ul> <li>Number of people employed in gaming and film – increasing trend</li> </ul>

## **Case Study 4: Forging new realities**

Artist-researchers Raqi Syed and Areito Echeverria know a thing or two about creating new realities, having worked in and around the film industry for decades. To make Wellington a true cultural and creative capital, they propose getting kids into art early and introducing a universal basic income for artists.

Raqi and Areito live on one of Wellington's windswept coastlines. It's a place that has seen a lot more of these busy souls recently.



Despite the easy hop over to the Miramar Creative Centre where they teach visual effects, working from home became a necessity rather than a nice-to-have when the pandemic nudged the capital.

"It's been a bit of a rollercoaster, good and bad things came out of it," Areito reflects. "Turns out you don't have to be in the office all the time. But it's made personal relationship-building and communication far more challenging."

Raqi nods in agreement: "We are far away from Europe and America, so we were already working remotely with people in France when the pandemic happened. We knew how to do that, but we coasted on the relationships we'd made in 2018."

Alongside their teaching, the couple collaborate on projects – like Minimum Mass, a virtual reality interactive story that made it onto the Tribeca Film Festival line-up in 2020. It's about a couple who experience miscarriages and believe their children are being born in another dimension. The story draws on some of their own experiences and helped them navigate love and loss in a tangible way.

Creating a Wellington love story

The couple aren't born and bred Wellingtonians. But they found their own love story here. Areito first moved to Wellington in 2005 after a long stint away from Aotearoa.

Areito's eyes soften as he thinks back: "I had been homesick for a good chunk of the time I was away. Coming to Wellington was really cool because I'd never been here before but it was like coming home. Judy Bailey was still on TV so it was familiar."

Raqi is a US citizen who happily just claimed her New Zealand citizenship. She arrived from LA in 2008 where she had been working for Disney, and the experience was life-changing.

"I'd actually never been to the Southern Hemisphere. I came to Wellington because I wanted to be in the place where the best visual effects in the world were made. I came for the visual effects and I stayed for the weirdness."

#### Access to art – and to other creatives

As New Zealand recovers its pace after being knocked down by the pandemic, the couple are keen to share their ideas about how to make Wellington a city where artists and creatives can thrive.

Raqi says it needs to start with young minds: "Young people need access to art education. We have to start super early if we're going to have any meaningful change in the industry down the line. I think that's really important. A universal basic income for artists could be a magic paintbrush. That and art education would make Wellington the absolute city of the future when it comes to creativity."

Areito sees events as a way for everyone to participate in that cultural and creative vibe that Wellington had previously become so well-known for.

"One of the superpowered things about virtual reality is that you can create these visceral shared experiences and the same thing happens in real life when you bring people together – magic happens. It's community building. I would like to see more of that – more events, arts, culture and science that bring people together to share experiences."

# **Outcome 5: Celebrate our Capital City Status**

We aim to raise the profile of our Capital City

## Why is this important?

Wellington has been New Zealand's capital since 1865. Wellington is the home of political decisionmaking, the place of big conversations, and a place where New Zealand meets the world, with more than 50 ambassadors, high commissioners and consular generals locating here to represent their nations. Traditions of protest, ceremony and the realities of administration have all shaped how the city has grown over the past 150 years. This government footprint gives the city a unique relationship with New Zealanders in that we are the city where New Zealander is represented, and every international visitor can explore the stories of Aotearoa New Zealand. This is now a national objective with the development a of a compulsory national history curriculum.

This relationship can be seen in the taonga and memories that are kept in the archives, museums, and parliament buildings. There are significant opportunities to make more of our Capital City status and heritage, and for Council to partner with our national cultural heritage institutions including the National Archives, Te Papa, Ngā Taonga Sound & Vision, National Library and Pukeahu National War Memorial Park, and Parliament to encourage visitors and enhance learning experiences. It is important that Council develops a close and lasting partnership with Government to facilitate enhancing the Capital City concept.

## **Our Approaches**

## Celebrate our Capital City identity

We are the place of big conversations and the keeper of the nation's treasures. We are also home to an extensive range of nationally and sometimes internationally significant local heritage: Katherine Mansfield Birthplace, Zealandia (world leading fenced eco-sanctuary), Ōtari- Wilton's Bush National Plant Museum, Weta Workshops, Wellington Museum, Cable Car and Carter Observatory, and Cricket Museum.

There are opportunities for Council to partner with mana whenua and our national and local cultural heritage institutions to tell stories of national and local Māori heritage, attract visitors and enhance learning experiences. Much conversation has been had in this space – the introduction of Tākina to showcase local stories, and connecting with Te Aro Pa, Te Wharewaka, the waterfront and other heritage and cultural sites and locations will strengthen our capital credentials by tying these experiences together into a coherent story.

We want to promote and celebrate Wellington as the Capital of one of the world's oldest and most successful national democracies. We have recently applied for UNESCO world heritage status for the Parliamentary precinct as the venue for world-leading social legislation. With the inclusion of national history within the compulsory school curriculum the case for adopting the Australian education model which aspires to have every child visit the Capital as part of their school learning becomes even stronger.

Wellington has also been very progressive in Rainbow / Queer inclusivity. Queer and Rainbow organisations have important stories they want to share but have often been overlooked in the past. We should consider how we can better celebrate our city as a Rainbow Capital and continue to

attract rainbow communities to Wellington. This will strengthen the Queer Capital status and have clear benefits for the economy through tourism while promoting positive attitudes.

As a city we could provide history tours and walks, and packages that make it easy for people build their itinerary.

## Leverage being the home of Government

More than 30 government departments, the Governor-General, high-level courts, other national institutions and 50 embassies call our city home. This creates employment opportunities for residents, attracts talent and helps local businesses to connect with international opportunities. It has also made Wellington into a place with a progressive mindset, having been the stage for protest, reform and positive change. Our connections to embassies located here can also present opportunities to promote Wellington.

Being home to Government also brings global interest to Wellington, for businesses and organisations wanting to work with New Zealand. It attracts thinkers and researchers and makes Wellington an ideal stage to host international forums, conferences and events that link back to being the centre of government. We can work with government departments to transition their organisations to a zero waste zero carbon circular economy operating model. As a city, leveraging Wellington's climate action reputation, we can profile the innovative businesses leading the way. As a leader in the country on so many fronts, we have a strong potential to be leaders again as the world grapples with the realities of climate change and identifying actions. We could become an education and training centre for careers in the circular economy.

As the Capital City, we also have an opportunity to enable people to develop stronger engagement with government processes and establishments and offer an environment where people of all ages and backgrounds feel welcome to engage with Wellington's political and historical establishments.

## **Priority Actions**

• **Capital connection** – Work alongside central government agencies to develop education tourism.

## What success looks like

Description	Measures
Our identities and stories engage the world and give us unique and authentic experiences that enables a well-connected and celebrated capital and enhanced sense of national and local pride	<ul> <li>Successful delivery of proposed actions</li> <li>Pride in the look and feel of the city – increasing trend</li> </ul>

## Case Study 5: The mystic bringing te ao māori to life

Creative and musician Te Awanui Reeder has always cut his own path – and each fork in the road has brought him closer to his tupuna, or ancestors. He may have left Tamaki Makaurau nine years ago, but he's found community, connection and a way to give back in Te Whanganui-a-tara.

Te Awanui aka Awa (Ngā Pōtiki, Ngāti Raukawa) first came to live in Wellington for love. His 'missus' and three young children are his inspiration for his work, and he feels compelled to push his limits out as far as possible so that their future is brighter.

All his life, Awa's had this burning motivation to lift up his people, and that massive work ethic has paid off. His hip-hop outfit Nesian Mystik celebrated Pasifika culture and rhythms with tracks that have become enmeshed in the fabric of Aotearoa's musical identity. Now it's his creative agency, Big River Creative, that's putting Māori and Pasifika in the limelight. Their recent success is



fuelled by a government that is trying to help improve wellbeing outcomes – but for Awa, it runs so much deeper than that.

"Our main priorities are Māori, Pasifika, the rainbow community, disabled whānau. If we do not have Māori in those positions then those campaigns will not land, they will underserve our people in every category. I headhunted the best in the country. They are all Pasifika-Māori, they're all parents so they get things done."

#### What it's like to be invisible

Despite his success, Awa has many stories of what it's like to be invisible. When he wanted to buy a house at the tender age of 20, he walked into a real estate office and said, "Oh hey, kia ora, I'd like to buy a house today. No-one would serve me. They must have thought I was taking the p\*ss."

He wasn't as unprepared as they thought. He'd done his research, completed courses, sorted his finances, and was ready to "go shopping". He bought a place on Weymouth Road, Manurewa, and that's how he first started his investment portfolio, which is now based in Wellington. Awa started with the idea that he could: "But then it takes the discipline and the vision and the plan. I am happy to put in the mahi when no-one else is."

Today he uses that same focus to solve problems in health and education where he sees that Māori and Pasifika are mightily underserved.

"When I look at my children, I don't want that to be the case. My job is to fix that for my kids. If I do that from a Te Ao Māori perspective, it will help everyone. Whereas, if you try to help everyone, Māori always get left at the bottom."

#### Harnessing the voice of community

Here in the city, Awa is radiant about the vibe and potential: "Wellington city is amazing. Where I think we can improve is in harnessing the voice of community more. The answers are with the people as they always have been. Let them figure out what they want for themselves and then facilitate that. When you have community, you have people that will help one another, and it will do wonders."

Awa talks about a beautiful concept in Samoa called 'tautua' – which means 'authority through service'. "It's a really cool way to remind us to be humble about how we do our mahi," and he constantly tells himself to "use your skills, and use your expertise, and use your opportunities and privilege to help those you care about. What we do is not for us."

Having aced so many fields, you'd think he was fearless, but he had this humbling analogy to share with us: "When I get scared, I think about what my tupuna did, what my ancestors did. How can I not get out of bed and attack the day when they navigated and traversed the biggest oceans in the world and fought for our land with taiaha and tefa tefa in the face of cannons. What have I got to complain about? Who am I to be scared?"

# Outcome 6: A dynamic city heart and thriving suburban centres

We aim to be a compact city with a dynamic CBD and thriving suburban centres that are economically productive

## Why is this important?

A compact city contributes to a more inclusive and vibrant city where people can access quality jobs, housing, education, food, health and social care, and recreation. It also ensures we have infrastructure to support our population and their personal and business needs from roading and water, to cultural and recreation venues. A high quality of life also attracts students, migrants and businesses. A thriving city will require that more people are able and willing to live and work downtown, and appropriate spaces and activities are available for day and night, such as outdoor dining, green spaces, and quiet spaces.

Wellington attracts people who care for the community, our environment and biodiversity, and living a low-carbon lifestyle. Access to open and green spaces, and the ease of moving around via active and public transport are very important for our mental and physical health. Wellingtonians and visitors to the city love the easy access to natural amenities such as tracks and trails for walking, running and cycling, a regenerating native bird life, the Wellington Waterfront and our coastal environment. We need to continue to progress developing our trails infrastructure so that it is inclusive to all age groups and abilities and remains a competitive advantage in attracting people to visit, live and work here.

The economic activity in Wellington city provides 64% of the region's GDP. The Central City (or CBD) contributes almost half of that (48%), showing the central city's importance to the city and region's economies.

Vibrancy matters too, to keep people interested and active in the city by day and by night and contributing to a high quality of life. This in turn keep businesses thriving and confident to invest and do more. Part of a healthy and active community and economy is the opportunities for participation in festivals and events, cultural experiences, clubs and community organisations, and community facilities and recreation opportunities. Wellington needs a range of offerings from international scale to community level events. This supports a dynamic and diverse community to enjoy and be part of a dynamic community vibe as well as attracting people to visit and live. We need to ensure we have a range of recreational, cultural and event products and infrastructure to support this. Creating interesting spaces using the city fabric to bring life to art and culture. We want our neighbourhoods, suburban centres, and city landmarks to deliver place-making and storytelling of past present and future that enables our communities to relax, feel safe, connect, participate and belong. People feel safe and proud of their inner-city neighbourhood, with welcoming shared playgrounds and green spaces.

We are nearly two years into the global Covid-19 pandemic, and uncertainty remains around mandated restrictions regarding how people can live, work and travel. The reduced footfall in the CBD driven by an increase in people working from home is affecting many businesses, while others have flourished in the online world. Suburban centres have benefited from the shift, which currently appears to be stabilising at around two days working from home per week for many people. It is important to ensure we have programmes and activities that encourage people into our CBD area to

revitalise the city, and to assist businesses in the transition to the post-covid environment. The government has recently announced full re-opening of Aotearoa New Zealand's borders, and time will tell as to how quickly migration and visitation will redevelop.

## **Our Approaches**

## Actively create experience precincts

We have heard there needs to be more for families to do in the city including rainy day activities, places to play and rest. People are wanting better shopping experiences and retail hours, especially in the evenings and on weekends. Calls for more alfresco dining and utilisation of green spaces and trees, with suggestions for weather protected options such as retractable partitions. We want to work with businesses and building owners to identify and develop a range of experiences for locals and visitors by day and night.

This is an opportunity to create precincts that enable our local cultures to shine, through entertainment, events, festivals and hospitality – reminding ourselves and showcasing to the world what it is that makes us uniquely Wellington. We will continue to invest in major events for the city as well as supporting local entertainment options. We will enable opportunities to transform spaces to outdoor dining and places people want to be in and feel safe walking through. We also have a Destination Management Plan which seeks to use the investment in Tākina to revitalise Courtenay Place and create destination precincts. This approach can be taken to the central city and suburban centres and must also include universally accessible design for disabled community inclusion. Ensuring a full complement of spaces, activities, and services will go a long way towards building 20minute city and neighbourhoods.

We need to review any city policies and bylaws that may be holding the city back, including reviewing the Easter Trading rules. We've also heard that certain areas feel unsafe, dirty and unsanitary. We want people to enjoy their experiences of the city, whether they come for work, socialising, or just being in the city. We will review our operational levels of services for street cleanliness and beautification. And we're working together with Police and other agencies to address homelessness and safety concerns.

## Celebrate our creative culture, Te Ao Māori and Te Reo Māori

We are inclusive of diverse personalities, abilities and ethnicities and encourage people to be themselves and to share their cultures. Our rich multi-cultural population from the Pacific, Asia, Europe and around the world is welcomed and encouraged to inject their creativity, and form part of our city's placemaking, entertainment, hospitality, heritage and intrigue. We want to enable our diverse cultures and subcultures to thrive, by supporting their traditions and celebrating their history.

We will lift the presence of mana whenua and Māori in our city by creating places and spaces that tell authentic local and national stories in creative ways. This could be through artwork, landmarks, digital technology, narratives and using our civic infrastructure. This will be delivered through <u>Aho</u> <u>Tini – our Arts, Culture and Creativity Strategy</u>, as well as our placemaking projects and our Storytelling and Heritage Strategies which currently under development.

Creativity needs to be injected into the city by activating places and spaces through street art, creating unusual spaces, education and authentic storytelling, and increasing the opportunities for celebrating our creativity and diversity are important for creating a vibrant and inclusive place to live and for providing the ecosystem for our creative economies to thrive. This can be achieved

authentically by embracing local pop cultures including Wellington's food story, café and craft beer cultures, and supporting people with ideas, including through community co-design of placemaking, and creating a neighbourhood feel throughout. It also provides opportunities for local employment in the creative sector.

We will support and promote local community initiatives to deliver street performances such as music, dance and theatre, allowing our emerging talent to be seen and heard in our city. We encourage more gigs by day and night.

## The night-time economy

People are really concerned about personal safety in the city, especially at night. It can be easy to take an overly regulatory approach to mitigate adverse activity in the night time. But a thriving night-time economy is an important part of a vibrant city; it's about creating a city for all ages, cultures, ideologies, and genders. We need to turn around the narrative and recognise that night-time activities need the same level of regulation and careful planning as the daytime. To achieve this we must carefully regulate, plan and strategically identify the offerings for the city, including bars, music and quiet spaces<sup>58</sup>, indoors and outdoors. It's possible to mix economy and residential areas when planned well. We will collectively collaborate with residents and community groups, business owners and investors to plan, design, build and manage the night-time economy in the city centre and suburban town centres. This will enable us to add uniquely Wellington vibrancy, social cohesion, and nurture artistic and creative sectors.

Our communities are missing the facilities such as Reading Cinemas, Molly Malones, Opera House, and others that we lost during the Kaikoura earthquake and subsequent red stickered buildings. We've heard some great ideas such as restaurants staying open with late night gigs and events, night food markets, keeping shops open, and ensuring safe transport is available. Creatively mixing the use of spaces, such a café that closes at 4pm turning into a restaurant in the evenings, or large ground floor office foyers becoming art galleries at night.<sup>59</sup> Broadening the offering for people removes the reliance on alcohol consumption as the only night-time activity, and effectively suppresses unsavoury night-time behaviours.

## **Critical Influences**

## Placemaking and Third spaces

Suburban co-working spaces, relaxation and quiet spaces and thriving entertainment venues are essential for supporting liveability. Completing the Te Ngākau Civic Centre redevelopment including Te Matapihi the Central Library, Town Hall and the new Michael Fowler Centre carpark building, and activating the square by creating great people spaces and programmes are important ways to do this. Te Matapihi's redevelopment will makes it an even more valued resting, learning and working base.

'Activation' involves reallocation of city spaces to encourage people to make more use of them, so they feel more at home in the city. This can include more trees and green areas, cafe and restaurant seating, street markets or community activities. Activating and modernising the use of community spaces (such as libraries and community centres) will inspire our communities to connect and enable creative enterprise. Reopening other buildings including St James Theatre, Molly Malones, and Reading Cinema will not only activate those spaces but also make Wellington more vibrant and

<sup>&</sup>lt;sup>58</sup> https://blog.mipimworld.com/investment/how-the-night-time-economy-helps-build-cities/

<sup>&</sup>lt;sup>59</sup> https://www.infometrics.co.nz/article/2020-07-a-chance-to-supercharge-the-night-time-economy

enhance city safety as we continue our collaborative programme <u>Poneke Promise</u> to improve people's sense of safety and their experiences of the city. Green spaces and other outdoor spaces can be developed or enhanced so that people can connect with nature within the city. Each place has its own identity and stimulates people.

In our role as a place maker, we are developing plans for increased central city living and more vibrant, low traffic streets. This is a common approach for cities wanting to improve access for all, walkability, air quality and tourism, and this is also good for business. We can facilitate and encourage green walls, murals, street art, sculptures, rooftop gardens / playgrounds / bars. Our <u>bike network plan</u>, <u>green network plan</u>, <u>Children and Young People Strategy</u>, and <u>Social Wellbeing Framework</u>, Civic centre rebuilds, and <u>Let's Get Wellington Moving</u> will all contribute to the placemaking needed to create social spaces.

## Enable our community to achieve aspirations for nature

Wellington is one of the only cities in the world that has regenerating native bird populations and other species such as lizards and insects – native birds are now thriving beyond the boundary of protected areas. Zealandia, Wellington Zoo, Ōtari-Wilton's Bush and local trails enable people to enjoy our native bird life and forests. As a key pillar of our city identity, we want to build on this, enhancing access for all ages and abilities.

The proximity of our tracks is a unique selling point for living in Wellington and provides an opportunity to attract more visitors. However, there are gaps in the levels of difficulty and information about the tracks is sometimes hard to find. We have a trails website that provides useful information about the trails, including entry and exit points, time required, toilet availability and opportunities for ice creams or drinks nearby – <u>wellingtonregionaltrails.com</u> – which needs to be promoted more. Through our Destination Management Plan, we have also identified the need to for better wayfinding and public transport to connect with our existing trail network.

As the city intensifies it is essential to retain as much street and garden vegetation as possible (for humans and wildlife) – which is often the first casualty of development and necessary in some areas to foster bird corridors between larger public areas. It's also important that our community and businesses are strongly engaged in biodiversity projects in their catchment areas.

This can be delivered through our <u>Regional Trails Framework</u>, <u>Our Natural Capital Biodiversity</u> <u>Strategy</u>, <u>Open Spaces Strategy</u>, completing the <u>Green Belt Network</u> and work programmes such as <u>Predator Free Wellington</u> and the reintroduction native species such as kiwi. We can also encourage greater community involvement in restoration and predator control programmes.

## **Priority Actions**

• A Curated City – Provide strategic overview and coordination. Share a compelling vision for the regeneration of the city centre, collaborate to drive action, investment and engagement, and mitigate the impact on businesses whilst work takes place.

Description	Measures
Our central city and suburban	• Safety in the city (increasing trend)
centres are vibrant and dynamic	CBD lively and attractive (increasing trend)

## What success looks like

	Local Suburb attributes (increasing trend)
We have a diverse range of things	• Wellington has a culturally rich and diverse arts scene
to see and do	Wellington is the events capital of New Zealand
A rejuvenated economy and	<ul> <li>Survival rate of businesses (increasing trend)</li> </ul>
community	Retail activity
	Business Confidence (increasing trend)

## Case Study 6: Let's rev up central city and be suburban-proud

What does Wellington look like beyond the pandemic? For Ralph Johns of integrated design studio Isthmus it's about a resilient city and suburbs that create amazing experiences so people want to stay.

When Ralph swam with dolphins in Wellington Harbour and broke the surface to hear plane engines screaming overhead, he knew he had found a place to belong.



"I thought, 'sh\*t, you don't get this back in Wales!" More than 20 years on, he's deeply, happily entrenched in the city and its land, people and culture.

He literally 'put down roots' in Ngaio, planting the family section with native trees and edibles. The whenua of his three children are buried deep in the ground, in a gully where they have all grown up to be connected to nature through food and play.

#### 'Business for good' is key to success

Ralph says he and his colleagues at Isthmus are all about making our places better. "We are an active part of the change Wellington's been going through. There's been some amazing change in the natural environment – connecting to the harbour, restoring the town belt and gullies, the resurgence of native bird. And the fact our central city is how our biggest neighbourhood shows urban and natural environments aren't mutually exclusive."

But there are more opportunities and there's more to do, he says.

Ralph's a huge believer in 'business for good', and he sees this as a key opportunity for Wellington. Isthmus sources lots of its office essentials locally. Milk, coffee, beer, biscuits and fruit are all locally produced. Staff use Mevo shared cars and the office e-bike – or their own bikes and skateboards - to get around. Deliveries arrive by sustainable transport where possible, and composting is taken care of by a local provider. "When we build sustainable networks it's good for us, for other businesses, for the community and the environment," Ralph says.

Nurturing relationships with mana whenua is another key to future success. "Integrating matauranga Māori concepts from the inception of planning and design gives much more meaningful engagement."

Isthmus has a long association with the Victoria University of Wellington, and it's a relationship that benefits the university, students and Wellington employers including Isthmus. "We have interns working with us while they study, and we have employed dozens of graduates. It's a great

opportunity for them to build their careers in Wellington, and we benefit by building our knowledge and intellectual property from these amazingly talented people."

## 'A centralised city is not resilient'

Ralph wants to see two key opportunities realised in Wellington in the next 10 years.

"We need to be 'suburban-and-proud'. A centralised city is not resilient. There's so much potential in places like Johnsonville, Karori and Kilbirnie. I want to see the city set the agenda without being held to ransom by 'land bankers'. Most of the city is privately owned, so I want to see the council help build business confidence and catalyse private investment. A lot of property is languishing.

"And our streets are the places with huge potential. Let's focus on the experience we want to create, so we can attract and then retain people. Yes, we should be making our city more resilient and environmentally friendly – but let's create a radically different 'surface' to our streets."

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# Economic Wellbeing Strategy – Action Plan

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CODE	Description	Delivery Agency
O:1	Outcome 1: Sustainable Business and Career Pathways	
	We aim to enable Wellingtonians to have equal opportunities to find meaningful, fairly paid and inclusive work	
1.1	Priority Actions	
1.1.1	<b>Career Matching</b> – Connecting educators and employers to develop the right skills for the city and provide opportunities for students gain experience.	WellingtonNZ
1.1.2	<b>Practice what we preach</b> – Ensure council's procurement strategies, career pathways, sustainability practices and activity programmes are supporting the delivery of the Economic Wellbeing Strategy.	WCC
1.2	Additional Actions	
1.2.1	Work with education and construction sectors to close skills gaps in construction.	WellingtonNZ
1.2.2	Undertake research to understand the drivers for students coming to Wellington and for choosing to leave or stay when entering the workforce.	WCC
1.2.3	Advocate across all industries for the development of skills which will be fit for the future circular and zero carbon economy.	WCC / WNZ
1.2.4	Build strong relationships with tertiary education providers to support education aspirations and enhance Wellington's reputation as a city that welcomes students.	WCC
1.2.5	Offer new students and families a 'Welcome to Wellington' package. Workshop with students to work out what?	WCC / WNZ
1.2.6	<ul> <li>Partner with government agencies, education providers, mana whenua, and employers to:</li> <li>Identify career pathways and development opportunities.</li> <li>Support education providers to inspire young people into careers.</li> <li>Support and enhance work ready programmes and internships, including providing tailored services for diverse communities.</li> <li>Break down barriers for employment in the disability and Rainbow communities.</li> </ul>	WellingtonNZ

As an employer in the city, we lead by example by:

• Designing clear pathways and resources so our staff understand how they can progress their careers through Council.

- 1.2.7 Partnering with local schools to support curriculum delivery and inspire children with career opportunities.
  - Partnering with ministry for disabled people to break down employment barriers experienced by the disability community (note that we already work with workbridge on this)

Council

• Running intern programmes.

( <b>\$</b> ) 0:2	Outcome 2: Transitioning to a zero carbon circular economy	
	We aim to be regenerative by design	
2.1	Priority Actions	
2.1.1	<b>Co-create business sector plans</b> – Work with business sectors to develop a plan for the sector including transitioning to a circular economy.	Council
2.1.2	Partner with Māori and mana whenua – Partner to build the Māori economy, and explore a Māori worldview of a circular economy.	Council
2.2	Additional Actions	
2.2.1	Identify and measure progress against the doughnut economics model.	Council
2.2.2	Advocate for Central Government to enable business support funding incentives for businesses committed to a circular economic model.	Council
2.1.3	Advocate to central government to develop policies and programmes to transition to a circular economy.	Council
2.2.3	Develop a business and investment attraction strategy and action plan.	WellingtonNZ
2.2.4	Celebrate local business success stories which contribute to a circular economy.	WellingtonNZ / Council
2.2.5	Evolve Wellington's placemaking storytelling to amplify examples of progressive businesses making positive change and enhance Wellington City's brand.	WellingtonNZ / Council
2.2.6	Develop and deliver a plan to attract business events and exhibitions and visitors to our city and the new convention and exhibition centre (Tākina).	WellingtonNZ
2.2.7	Deliver Wellington City's Destination Management Plan through WNZ and contribute to the Wellington Region Economic Development Plan and Wairarapa Destination Management Plan.	WellingtonNZ

2.2.9 Facilitate sustainable job creation through an inclusive local procurement approach that enables local ecosystems for Māori & Pasifika, disabled community and local businesses, and enables circular economy practices.

0:3	Outcome 3: A Business-Friendly City	
	We aim to be Aotearoa New Zealand's city partner of choice for businesses, investors and developers	
3.1	Priority Actions	
3.1.1	<b>City champions</b> – Find business leaders across the city that can engage strategically with Council staff and lead the city narrative.	DYNAMIC CITY?
3.1.2	<b>Building business relationships</b> – Build enduring relationships with businesses throughout the city, providing opportunity to listen and help navigate within the council departments.	
3.1.3	<b>Nurture small businesses</b> – Provide assistance through tailored training and transitioning to a post-covid circular economy.	WNZ / Council
3.1.4	<b>Become customer-centric</b> – Deliver customer-centric Council processes, systems and interactions. Co-design Council services with relevant and diverse business communities. Streamline business-targeted Council processes where possible.	Council
3.2	Additional Actions	
3.2.1	Investigate new and innovative ways to support local businesses with strong growth potential.	WNZ & Creative HQ
3.2.2	Work proactively with Central Government to amplify business support and research and development (R&D) programmes.	WNZ & Creative HQ
3.2.3	Partner with business and industry organisations to host events and showcase talent to our national and international counterparts and audiences.	WNZ
3.2.4	Enhance incubation and acceleration services to businesses.	WNZ

3.2.5 Identify the culture shift required to become more business friendly. Council

WCC

2.2.6		Coursell
	Establish business research panel.	Council
3.2.7	Foster our relationship with Seoul to build trade partnership in the creative tech, film and gaming sectors.	Council
3.2.8	Review the International Relations Strategy to establish clear goals for our international relationships to deliver a circular economy.	Council
3.2.9	Collaborate and share knowledge related to relevant issues such as Covid-19 response and developing a circular economy learning and development.	Council
O:4	Outcome 4: Centre of Creativity and Digital Innovation	
	We aim to be Aotearoa New Zealand's centre for creativity and innovation	
4.1	Priority Actions	
4.1.1	<b>Nurture small businesses</b> – Provide assistance through tailored training and transitioning to a post-covid circular economy. Broaden the reach of targeted programmes to assist emerging digital tech companies to scale up.	
4.1.2	<b>Vital venues</b> – Redevelop Opera House to meet audience needs for a wider mix of entertainment, including filling the need for a mid-sized venue and the TSB arena into Wellington's premium arena, to stage a wider mix of performance events and provide an enhanced customer experience.	Council / WNZ
4.2	Additional Actions	
4.2.1	Develop sector profiles to understand future potential (underway).	Council / WNZ
4.2.2	Broaden the reach of targeted programmes to support emerging digital tech companies to scale up.	WNZ
4.2.3	Explore opportunities for science and innovation to co-locate and commercialise their research.	WNZ
4.2.4	Research the benefits and opportunities of sector hubs and shared services models.	WNZ
4.2.5	Advocate to central government for tax incentives that ensure our city is competitive in the global film and gaming markets.	Council

4.2.6	Attract investment in the sector as necessary to support early-stage investment in emerging digital businesses.	WNZ
4.2.7	Review Council's Open Data approach to make more data available in more formats.	Council
4.2.8	Support Screen Wellington to deliver on the Screen Strategy and build industry partnerships and work programmes.	Council / WNZ
4.2.9	Partner with mana whenua and Te Matarau a Maui to identify opportunities for Māori to increase their skills and capability in the film and screen sector.	WNZ
4.2.10	Advocate for faster broadband upload – download speeds especially in business areas.	Council
4.2.11	Invest in major events across all our venues to drive visitors, brand and social outcomes.	WellingtonNZ / Council
4.2.12	Work with mana whenua to enhance the Wellington narrative to embed mana whenua viewpoints and drive visitation to local venues including Wellington Museum, Zealandia, Te Aro Pa, etc.	Experience Wellington / Te Wharewaka / mana whenua
4.2.13	Partner with Te Matarau a Maui and mana whenua to enable authentic storytelling.	WellingtonNZ
4.2.14	Partner with Te Matarau a Maui and mana whenua to build capability of Māori in digital technology	WellingtonNZ
0:5	Outcome 5: Celebrate our Capital City Status	
	We aim to raise the profile of our Capital City	
5.1	Priority Actions	
5.1.1	<b>Capital connection</b> – Work alongside central government agencies to develop education tourism events and products.	Council / Experience Wellington / Tertiary Providers
5.2	Additional Actions	
5.2.1	Partner with mana whenua, heritage bodies, government institutions and the creative sector to make our Capital identity stories more accessible. Part of destination management plan (hero project)	Council / WNZ
5.2.2	Work with Queer and Rainbow organisations to share stories and provide platforms to enable visibility.	WCC

5.2.3	Tell the stories related to Parliament and our world-leading social legislation that supports the UNESCO World Heritage status initiative for the Parliamentary precinct. (in application)	Council / WNZ
5.2.4	Leverage Wellington's climate action reputation and profile the innovative businesses leading the way.	WNZ / Council
5.2.5	Work better together with other councils in the region to leverage our proximity to central government to influence decision-making.	Council / WNZ / GW
5.2.6	Promote Wellington's reputation as the home of New Zealand's transparent, ethical, and democratic public service, and identify opportunities to celebrate our government talent.	WNZ
O:6	Outcome 6: A dynamic city heart and thriving suburban centres	
	We aim to be a compact city with a dynamic CBD and thriving suburban centres that are economically productive	
6.1	Priority Actions	
6.1.1	A Curated City – Provide strategic overview and coordination. Share a compelling vision for the regeneration of the city centre, collaborate to drive action, investment and engagement, and mitigate the impact on businesses whilst work takes place.	Council
6.2	Additional Actions	
6.2.1	Develop central city and suburban centre regeneration plans, including exploring an entertainment, artisan and retail experience precinct programme.	Council
6.2.2	Develop a night-time economy plan.	Council
6.2.3	Invest in a year-round events programme that consistently encourages visitation and spend to our city, including local events, that add to the city's vibrancy and build Wellington's reputation.	Council / WNZ
6.2.4	Investigate developing a weather resilient space/s for farmers/artisan markets, could include indoor playgrounds for kids.	Council
6.2.5	Explore opportunities to activate empty buildings and shop fronts and consider the most critical locations for retail and hospitality activities.	Council

6.2.6	Increase targeted regular street cleaning, maintenance and beautification activity of the city centre to ensure it remains an attractive destination.	Council
6.2.7	Review all economic grant funding to ensure it is structured to deliver best outcomes for the Wellbeing of our local business communities.	Council / WNZ
6.2.8	Collaborate with mana whenua and creatives to identify and activate through Te Ao Māori and Te Reo, including Tākina, Te Ngākau Civic Square, Te Matapihi and Te Aro Pa.	Council
6.2.9	Ensure the Courtney PI entertainment precinct is enhanced to make it more attractive and safe for locals and visitors.	Council
6.2.10	Broaden relationships and foster connections to widen representation of creative communities and develop a range of event offerings and use of spaces	Council
6.2.11	Work with businesses to connect with the arts and creative sector to enable collaboration projects and commissioning's	Council
6.2.12	Leverage our laneways programme to develop social spaces and playgrounds and provide enabling support to businesses do the same	Council
6.2.13	Collaborate with arts and culture sector to embed climate action into bring climate action and sustainability into life	Council
6.2.14	Development response plan to proactively mitigate negative impacts on residents and businesses from major infrastructure and development	Council
6.2.15	Taking a precinct approach to collaborating with businesses to ensure character of areas and businesses and communities thrive.	Council
6.2.16	Expand Poneke Promise and ensure the Poneke Promise has input from businesses.	Council

# NEW LEASE FOR EXISTING LESSEE: VICTORIA BOWLING CLUB

## Korero taunaki | Summary of considerations

#### Purpose

1. This report to Pūroro Rangaranga | Social, Cultural and Economic Committee requests approval to commence public consultation on a new ground lease for Victoria Bowling Club Incorporated on Wellington Town Belt land at 125 Pirie Street, Mt Victoria.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	<ul> <li>Functioning, resilient and reliable three waters infrastructure</li> <li>Affordable, resilient and safe place to live</li> <li>Safe, resilient and reliable core transport infrastructure network</li> <li>Fit-for-purpose community, creative and cultural spaces</li> <li>Accelerating zero-carbon and waste-free transition</li> <li>Strong partnerships with mana whenua</li> </ul>
Relevant Previous decisions	Regulatory Processes Committee approved a lease for the lessee in September 2011.
Significance	The decision is <b>rated low significance</b> in accordance with schedule 1 of the Council's Significance and Engagement Policy.

#### **Financial considerations**

│⊠ Nil Risk	<ul> <li>Budgetary provision in Long-term Plan</li> </ul>					Annual	Plan	/	□ Unbudgeted \$X
	🛛 Lo	⊠ Low		Medium		🗆 Hig	h		

Author	Annelise Bos, Community Recreation Leases Advisor
Authoriser	Sanjay Patel, Sports and Clubs Partnership Lead
	Sarah Murray, Community Partnerships Manager
	Paul Andrews, Manager Parks, Sports & Rec
	Kym Fell, Chief Customer and Community Officer

## Taunakitanga | Officers' Recommendations

That Pūroro Rangaranga | Social, Cultural and Economic Committee:

- 1) Receive the information
- Agree that officers commence public consultation for a new ground lease for Victoria Bowling Club Incorporated, pursuant to the Leases Policy for Community and Recreation Groups and the Wellington Town Belt Act 2016
- 3) Note that officers will report back to the Pūroro Rangaranga | Social, Cultural and Economic Committee on the outcome of public consultation
- 4) Note that if no sustained objections arise from public consultation, officers will recommend that Pūroro Rangaranga | Social, Cultural and Economic Committee refer the new lease to Council for approval
- 5) Agree that legal and advertising costs are met by the lessee (where applicable)
- 6) Note that Victoria Bowling Club is in the process of procuring a detailed seismic assessment, condition assessment and 20-year maintenance plan for the club-owned buildings. Grant of a new lease will be conditional on the Club implementing the recommendations of these plans during the term of the lease.

## Whakarāpopoto | Executive Summary

- 2. Victoria Bowling Club Incorporated ("the Club") was established in 1896. Since 1955 the Club has leased Wellington Town Belt land at 125 Pirie Street, Mt Victoria. The Club's leased area includes clubrooms, a cottage, and two bowling greens.
- The Club is competitive regionally and nationally, winning the Wellington Ryman Healthcare Men's Singles in 2022 and the Summerset National Mixed Pairs in 2022. The Club also hosts regional competitions. The Club is the only bowling club in the inner-city suburbs.
- 4. In 2011 the Club was granted a lease for 10 years on Wellington Town Belt land. In 2021 the lease expired and the Club has requested a new lease. Officers have worked with the Club over the last 12 months to collect information about the Club and ensure the Club's activities are permitted on Wellington Town Belt land, which are detailed further in this report.
- 5. The proposed leased area measures approximately 6130m<sup>2</sup> on land legally described as Lot 1 DP 32684 WN10A/991 and Lot 2 DP WN10A/992. Rent will be charged at \$3,318.90 + GST per annum. Officers recommend a new lease term of ten years with one renewal term of ten years, the standard tenure under the Leases Policy for Community and Recreation Groups ("Leases Policy") and the maximum tenure permitted Wellington Town Belt Act 2016.

#### Kōrerorero | Discussion

6. Officers assess applications for a new lease on Wellington Town Belt following the Wellington Town Belt Act 2016 ("the Act"), the Wellington Town Belt Management Plan ("the Management Plan"), and the Leases Policy.

#### Wellington Town Belt compliance

- 7. The Club's use of the land for recreation aligns with the purpose of Wellington Town Belt. However, officers have worked closely with the Club to remedy two non-compliant activities, being:
  - TAB kiosk: The Club had a TAB self-service kiosk in the clubrooms. Legal advice is that this is not a permitted activity on Wellington Town Belt land and the kiosk is due to be removed on 31<sup>st</sup> May 2022.
  - Residential tenancy: In 1958 the Club built a cottage on the leased area. This cottage was tenanted by the Club's greenkeeper for many years and is presently tenanted by Club members. Residential use is not permitted on Wellington Town Belt land and the tenancy will end with a termination date of 31 December 2025. Officers' recommendation for a new lease for the Club is made on the basis of the agreement to terminate the tenancy.

#### Leases Policy compliance

- 8. The Leases Policy sets out the criteria to consider when assessing a new lease application:
  - a. <u>Strategic Fit:</u> The group's purpose and activities must be consistent with the Council's strategic direction to promote healthy lifestyles and build strong communities

The Club offers a recreational activity - competitive and social bowling for the community. The clubrooms are also used as a venue for hire by community groups.

b. Organisational structure: The group must be an incorporated society or trust

The Club is an incorporated society.

c. <u>Membership</u>: The group must be sustainable in terms of membership and/or users of the service for the term of the lease.

The Club has 85 fulltime members and 120 social members, led by a committee of 14. In addition, the number of users of the space is further boosted by the Club's "Bowls Experience" corporate bowling events – 88 hosted in the 2020/21 season. The Club's fulltime membership has increased throughout their previous lease tenure.

d. <u>Financial and maintenance obligations</u>: The group must be in a financial position to fulfil its lease obligations for the term of the lease, including but not exclusive to rent, insurance and building and grounds maintenance

Officers have been working closely with the Club to ensure that they are in a financial position to maintain the buildings and leased area to a suitable standard. The clubrooms are earthquake prone with repairs due in 2028. The Club has obtained initial drawings from a structural engineer and has sought funding from Council's

Sport Partnership Feasibility Fund to obtain a Detailed Seismic Assessment of the clubrooms.

In addition to the earthquake strengthening obligations, the Club has obligations to maintain the condition of the clubrooms and greens. In the last three years the Club has upgraded toilets and changing rooms and replaced the roof and external windows. The Club has also sought funding from the Sport Partnership Feasibility Fund for an independent consultant to produce a condition assessment of the clubrooms and produce a 20-year maintenance plan for the Club to follow. Officers' recommendation for a new lease is on the basis of satisfactory information provided within these technical reports and a commitment from the Club to undertake the recommended maintenance.

The Club has established a subcommittee to fundraise and project manage the earthquake strengthening and has been allocating annual profits to a separate fund in anticipation of the works.

#### e. <u>Utilisation</u>: The land and/or buildings must be utilised to the fullest extent practicable

The clubrooms are used every day for outdoor bowling activities in the summer season. The clubrooms are available to hire by community groups, and the Club has recently negotiated a 12-month trial to share the clubrooms with Trails Wellington, a mountain biking group. This arrangement will see the clubrooms available for Trails Wellington to use for community events and provide storage space for the trail builders' tools and safety equipment.

# f. <u>Environmental Impact</u>: The activity cannot have the potential to adversely affect open space values or other legitimate activities

Bowling is a recreation activity and therefore a legitimate fit for Wellington Town Belt land. The greens and terraced seating area complement the open space of the surrounding Wellington Town Belt.

# g. <u>Community demand</u>: There must be demonstrated support and need within the community for the activity

The Club's lease application is supported by Bowls Wellington, which commended the Club's community bowls programme, as well as Bowls New Zealand, which noted the importance of the Club as a community space in the inner-city suburbs.

## Kōwhiringa | Options

- 9. Pūroro Rangaranga | Social, Cultural and Economic Committee has the following options:
  - Agree that officers commence public consultation for a new lease for the Club on Wellington Town Belt land for ten years with one right of renewal for ten years
  - Decline Mt Victoria Bowling Club's application for a new lease (not recommended).

## Whai whakaaro ki ngā whakataunga | Considerations for decision-making

#### Alignment with Council's strategies and policies

10. The proposed new lease for the Club is consistent with the Management Plan and Leases Policy.

#### Engagement and Consultation

- 11. The approval of a new lease for an existing lessee is assessed as low significance per the Significance and Engagement Policy.
- 12. If the recommendations in this report are supported, officers will begin public consultation as per the Leases Policy and Wellington Town Belt Act requirements, including:
  - Letters to mana whenua
  - Letters to relevant residents' groups
  - Notice on WCC website "Have Your Say"
  - Notice in the Dominion Post
- 13. The period for public consultation will be 30 days. Following the receipt of feedback officers will meet with submitters as required to discuss any matters raised.

#### Implications for Māori

14. Matairangi Mt Victoria is an area of cultural significance to mana whenua and includes a number of specific sites of significance to Māori identified in the Draft District Plan. There are no specified sites of significance in the immediate vicinity of the leased area. Mana whenua are aware that a new lease for the Club was scheduled for review through a regular mana whenua hui, and mana whenua will be formally consulted on the new lease pursuant to the Leases Policy.

#### Financial implications

15. This application is for a ground lease and there are no significant financial implications for Council.

#### Legal considerations

16. The application is consistent with the Wellington Town Belt Act.

#### **Risks and mitigations**

17. This proposal is rated as low risk on the Council's risk framework.

#### Disability and accessibility impact

18. The clubrooms are not currently accessible for people with disabilities. The Club has received initial advice that the seismic strengthening works will trigger requirements to make accessibility improvements to the building. Officers will be informed of the progress of these works through the term of the lease.

## **Climate Change impact and considerations**

19. This application is for the continuation of an existing activity. There are no specific climate change impacts or considerations.

#### **Communications Plan**

20. As per above, this application will be publicly notified as per Council's Leases Policy and the Wellington Town Belt Act.

#### Health and Safety Impact considered

21. The Club is working with officers to update their health and safety plan for the leased area. An agreed health and safety plan will be a requirement under the new lease.

#### Ngā mahinga e whai ake nei | Next actions

- 22. Following committee's approval, officers will undertake the following next steps:
  - Public consultation of the proposed lease as required under the Wellington Town Belt Act and Leases Policy
  - The outcome of consultation will be reported back to Pūroro Rangaranga | Social, Cultural and Economic Committee
  - Pūroro Rangaranga | Social, Cultural and Economic Committee's decision will be referred to Council for approval
  - If Council approves the lease, the lease document will be negotiated, drafted and signed.

## Attachments

Attachment 1. Victoria Bowling Club - map of leased area

# ACCESS LICENCE OVER WELLINGTON TOWN BELT TO MINISTRY OF EDUCATION (ELLICE STREET, MOUNT VICTORIA)

# **KÖRERO TAUNAKI | SUMMARY OF CONSIDERATIONS**

# Purpose

 This report to Pūroro Rangaranga | Social, Cultural and Economic seeks the Committee's approval to a (non-exclusive) access licence over an existing driveway on Wellington Town Belt (WTB) to the Ministry of Education (MoE).

# Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	<ul> <li>Functioning, resilient and reliable three waters infrastructure</li> <li>Affordable, resilient and safe place to live</li> <li>Safe, resilient and reliable core transport infrastructure network</li> <li>Fit-for-purpose community, creative and cultural spaces</li> <li>Accelerating zero-carbon and waste-free transition</li> <li>Strong partnerships with mana whenua</li> </ul>
Relevant Previous decisions	NA
Significance	The decision is <b>rated low significance</b> in accordance with schedule 1 of the Council's Significance and Engagement Policy.

# Financial considerations

☑ Nil
 ☑ Budgetary provision in Annual Plan / □ Unbudgeted \$X
 Long-term Plan

2. No funding or revenue implications. The applicant is covering all costs.

# Risk

⊠ Low □ Medium

🗆 High

Extreme

3. The overall risk for this proposal is low.

Authors	Kate Brown, Reserves Planner
	Sarah-Jane Still, Senior Property Advisor
Authoriser	John Vriens, Property Advisory Manager

# PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC 2 JUNE 2022

Paul Andrews, Manager Parks, Sports & Rec
Kym Fell, Chief Customer and Community Officer

# Taunakitanga | Officers' Recommendations

Officers recommend the following motion

That Pūroro Rangaranga | Social, Cultural and Economic:

- 1) Receive the information
- Agree to grant a new licence to the Ministry of Education (subject to the usual terms and conditions noted below), over part of Wellington Town Belt at Mount Victoria 100 Alexandra Road being *part of* Section 1 SO 476360 (ROT 742966) pursuant to s17 of the Wellington Town Belt Act 2016
- Delegate to the Chief Executive Officer the power to carry out all steps to effect the licence
- 4) Note that any approval to grant the licence is conditional on:
  - a. Appropriate iwi consultation
  - b. Public consultation under s16 Wellington Town Belt Act 2016
  - c. No sustained objections resulting from the above consultation
  - d. Legal and advertising costs being met by the respective licensee along with a bond
- 5) Note that the access will proceed in accordance with final Parks, Sport and Recreation agreement to all park management and traffic management plans.

# Whakarāpopoto | Executive Summary

- 4. Wellington East Girls' College (WEGC) is situated above the Mt Victoria Tunnel and backs onto the Wellington Town Belt (WTB) at the top of Ellice Street in Mt Victoria.
- 5. The Ministry of Education (MoE) is carrying out weather-tightness and refurbishment work on two existing classroom blocks at WEGC (the Site). As a result, the delivery of materials and the removal of demolished material is needed to the Site.
- 6. MoE has requested approval to use an existing sealed driveway on the WTB, at the end of Ellice Street, for the delivery and removal of these materials to and from the Site. Attachment 1 shows the portion of the driveway that would be the licence area.
- 7. There is no alternative route for delivery and removal vehicles to access the Site through the school grounds due to other buildings restricting vehicle access from the WEGC main Austin Terrace entrance. The topography makes another potential route from Alexandra Road impractical.
- 8. Public consultation is required under the Wellington Town Belt Act 2016 (the Act) and Wellington Town Belt Management Plan 2017 (WTBMP).

# Takenga mai | Background

9. MoE is undertaking work on the WEGC Science and Drama classroom blocks, which includes weather-tightness work, refurbishment, and the installation a lift for accessibility.

- 10. The WEGC grounds are very compact, with the layout of the main school facilities restricting the size of vehicles that can manoeuvre through them to get materials to the site and removal of materials from the site.
- 11. Alternative access from Alexandra Road has been considered but is not suitable due to topography and land stability.
- 12. MoE has requested non-exclusive use of the existing sealed driveway that runs across part of the WTB on Mt Victoria from the end of Ellice Street to the WECG top fields.
- 13. The non-exclusive licence term would be two years and would allow delivery and removal vehicles to pass and repass over the WTB driveway.

# Kōrerorero | Discussion

- 14. There is a locked gate at the end of Ellice Street, preventing vehicle access to the WTB, which allows pedestrian access up to the old quarry dog exercise area and walking tracks connecting with Alexandra Road.
- 15. There is an additional locked gate at the top of the WTB sealed driveway where it enters the WEGC school grounds. This also leads to a Waka Kotahi ventilator above the Mt Victoria tunnel (situated on the school grounds).
- 16. As there are pedestrian users of the dog exercise area and the walking tracks (which access the areas via the WTB driveway), the school will be required to follow a traffic management plan. Traffic management will include vehicles requiring a spotter when moving through the WTB and signage and mirrors.
- 17. MoE will need access over the WTB driveway only when materials are being delivered and removed. This is estimated to be between two and ten vehicles a week. The gate will only be unlocked and opened when delivery vehicles are moving through it to get to the site and again to leave the site.
- 18. No vegetation is required to be trimmed or removed.
- 19. A Temporary Vehicle Access Permit (TVAP) has already been provided to MoE by officers pending the outcome of this licence process.
- 20. Section 17 of the Act enables Council to grant licences in respect of the WTB and Council has delegated this role to this Committee.
- 21. Before a licence can be granted public consultation is required in accordance with s16 of the Act.
- 22. MoE has sent a letter with information about the proposed licence to the Friends of the Town Belt, Mount Victoria Residents' Association, and residents at the top end of Ellice Street.
- 23. If the Committee grants a licence, subject to the outcome of public consultation, and subsequent consideration of any sustained objections (if any), then it is proposed to carry out formal consultation for one month from early June.
- 24. The licence will meet the requirements of the WTBMP under 9.4 Managed Activities and is not inconsistent with the WTBMP objectives and policies.
- 25. Officers recommend that the Committee approves the proposed MoE licence subject to the outcome of public consultation.

# Kōwhiringa | Options

- 26. The Committee can either choose to approve or decline the licence. Similarly, on receiving feedback from the public notification for the easement, the Committee can choose whether or not to uphold objections.
- 27. Declining the licence would mean that the MoE project will be significantly impacted by delays to the use of the school and facilities.

# Whai whakaaro ki ngā whakataunga | Considerations for decision-making

# Alignment with Council's strategies and policies

28. The requirements of the Wellington Town Belt Act 2016 and the Wellington Town Belt Management Plan 2017 will be adhered to.

# **Engagement and Consultation**

- 29. MoE has sent a letter with information about the proposed licence to the Friends of the Town Belt, Mount Victoria Residents' Association, and residents at the top end of Ellice Street, ahead of this Committee meeting. Feedback has not been able to be incorporated into the report due to the Committee report writing deadline. Officers will be able to provide a verbal update to the Committee.
- 30. Under s16 of the Act, the wider view of the public and persons likely to be affected must be informed and given the opportunity to make submissions on the proposed licence. A public notice will be placed in the paper and the groups and individuals listed in the point above will also be notified.

# Implications for Māori

31. Officers will be raising this proposal with mana whenua at our regular meetings. Further feedback will be sought from mana whenua on this proposal and will tie into the consultation process.

# Financial implications

32. There are no financial implications for Council. The applicant will pay for advertising costs and a bond for any damage to the driveway surface.

# Legal considerations

33. The Council lawyers will prepare the licence documents.

# Risks and mitigations

34. The licence will be prepared by Council's lawyers and be in accordance with the Act and WTBMP.

# Disability and accessibility impact

35. The work on the school buildings includes the installation of a lift to make the school buildings more accessible.

# **Climate Change impact and considerations**

36. There are no climate change considerations.

# **Communications Plan**

37. Signage on site will advise of the increased use of the driveway by vehicles.

#### Health and Safety Impact considered

38. The traffic management plan will address health and safety impacts of vehicles on the driveway.

#### Ngā mahinga e whai ake nei | Next actions

- 39. If the proposed resolutions are accepted. Officers will publicly consult on the proposal to grant a licence for one month from early June.
- 40. If objections are sustained through the public consultation process, then the objections will be reported to Pūroro Rangaranga | Social, Cultural and Economic in August for further consideration.
- 41. If no objections are sustained, Officers will prepare and execute the necessary documentation and finalise all other outstanding matters.

#### Attachments

Attachment 1. Location Plan

# **BUILT HERITAGE INCENTIVE FUND - 2021-22 ROUND**

# **KÖRERO TAUNAKI | SUMMARY OF CONSIDERATIONS**

# Purpose

1. This report to Pūroro Rangaranga | Social, Cultural and Economic seeks approval of grants, recommended by officers, from the Built Heritage Incentive Fund for the 2021/22 financial year.

# Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	<ul> <li>Functioning, resilient and reliable three waters infrastructure</li> <li>Affordable, resilient and safe place to live</li> <li>Safe, resilient and reliable core transport infrastructure network</li> <li>Fit-for-purpose community, creative and cultural spaces</li> <li>Accelerating zero-carbon and waste-free transition</li> <li>Strong partnerships with mana whenua</li> </ul>
Relevant Previous decisions	This is the last round of the Built Heritage Incentive Fund. As of July 2022, the Heritage Resilience and Regeneration Fund will be established in its place. This was approved at the meeting of the Pūroro Rangaranga   Social, Cultural and Economic on 1 December 2021.
Significance	The decision is <b>rated low significance</b> in accordance with schedule 1 of the Council's Significance and Engagement Policy.

# Financial considerations

□ Nil Budgetary provision in Annual Plan / □ Unbudgeted \$X Long-term Plan

2. The recommended allocations for this round of the BHIF are within the funding levels provided for in the 2021/22 Annual Plan, the return of unspent allocations to the BHIF and a contribution of unspent funds from the resource consent fee reimbursement fund.

# Risk

🛛 Low 🗌 🗆 Medium

🗆 High

Extreme

3. Officers are satisfied that there are no conflicts of interest regarding recommendations for funding.

# PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC 2 JUNE 2022

Author	Mark Lindsay, Heritage Manager
Authoriser	Sean Audain, Manager Strategic Planning Liam Hodgetts, Chief Planning Officer

# Taunakitanga | Officers' Recommendations

Officers recommend the following motion.

That Pūroro Rangaranga | Social, Cultural and Economic:

- 1) Receive the information.
- 2) Agree to the allocation of \$500,000 funding across the 15 applications in the table below. Further details of these are provided in Attachment One.

Project #	Project Address	Total Project Costs	Amount Requested	Amount eligible for funding	Amount Recommended (ex GST if applicable)
	Seis	mic (approx. 2/3 of	available fund	ding)	
1	141 Riddiford Street	\$90,965	\$90,965	\$85,813	\$45,000
2	99 Willis Street (Jaycee Building)	\$311,214	\$311,214	\$271,714	\$70,000
3	22 Ascot Street (Lilburn Residence)	\$11,873	\$9,373	\$9,373.75	\$5,000
4	270 Wakefield Street (part of former warehouse)	\$51,650	\$51,650	\$51,650	\$30,000
5 121 The Parade, \$709,376 \$709,376 \$659,376 Island Bay (Clarke's Building)		\$82,000			
6	33 Aro Street (School of Philosophy)	\$104,643	\$104,643	\$91,308	\$45,000
7	131 The Parade, Island Bay	\$16,500	\$16,500	\$16,500	\$12,000
8	168-170 Karori Road (St Mary's Church, Karori)	\$135,600	\$135,600	\$135,600	\$50,000
	Conser	vation (approx. 1/3	of available f	unding)	
9	1 Queens Wharf (Harbour Board Wharf Offices)	\$31,188	\$27,120	\$27,120	\$27,100
10 1 Taranaki Wharf \$71,500 \$71,500 \$71,500 (Circa Theatre heritage façade only)		\$30,000			
11	78-80 Victoria Street (Dominion Building)	\$460,829	\$250,000	\$250,000	\$55,000
12	21 Hania Street	\$45,000	\$45,000	\$45,000	\$20,000
13 316 Karori Road \$6,900 \$6,900		\$6,900	\$6,900		

# PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC 2 JUNE 2022

Project #	Project Address	Total Project Costs	Amount Requested	Amount eligible for funding	Amount Recommended (ex GST if applicable)
	(Glendaruel) – Conservation Plan review				
14	316 Karori Road (Glendaruel) – House painting	\$36,250	\$36,250	\$36,250	\$12,000
15	12 Kenya Street (Donisthorpe/The Whare Mahana)	\$16,517.45	\$16,517.45	\$16,517.45	\$10,000
Total (se	eismic)	\$1,431,823	\$1,429,323	\$1,321,335	\$339,000
Total (conservation)		\$651,667	\$436,770	\$400,520	\$161,000
TOTAL (AII)		\$2,083,490	\$1,866,093	\$1,721,855	\$500,000

# Whakarāpopoto | Executive Summary

- This paper seeks approval from Kāwai Whakatipu for grants for applications made to the Built Heritage Incentive Fund. Applications for the fund closed on the 24<sup>th</sup> March 2022.
- 5. This is the last round of the BHIF and the only round for the 2021/22 financial year.
- 6. A total of \$500,000 is available for allocation in this round.
- 7. Fifteen applications were received seeking funding of \$1,866,093. This represents a 373% over-subscription.
- 8. The Covid pandemic has impacted the number and types of applications received. Fewer high cost seismic strengthening applications were received due to the financial pressures on owners of earthquake prone heritage buildings and the constricted construction market.
- 9. The original information provided through the online applications has been made available to Councillors through the Fluxx funding portal.
- It is recommended that \$500,000 is allocated across all 15 applications in this round, with approximately 2/3 of the available funding going towards seismic strengthening projects and approximately 1/3 going towards heritage conservation projects. Allocations are based on the funding available, the assessment criteria and priorities, and equitability within the current and previous BHIF rounds.
- 11. A summary of each application is outlined in Attachment One. This includes the project description, outcomes for the heritage building, and commentary relating to reviews of the proposal by officers as well as previous allocations for similar projects.
- 12. Officers are satisfied that there are no conflicts of interest related to the applications recommended for grants.

# Takenga mai | Background

# Funding

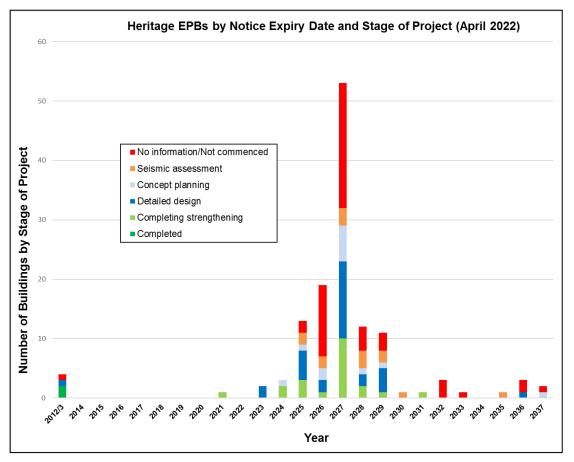
- This is the last round of the publicly contestable Built Heritage Incentive Fund (BHIF). As of July 2022, the targeted Heritage Resilience and Regeneration Fund (HRRF) will be established in its place.
- 14. The BHIF was established in 2005 to replace the previous Building Safety and Heritage Funds. In 2010, the BHIF was recognised as a key initiative of the Wellington Heritage Policy as representing a "commitment to the city's built heritage, to current owners, the community, visitors to the city and to future generations".
- 15. Since 2012, the BHIF has contributed over \$5.4million towards a total of 289 seismic strengthening and heritage conservation projects across Wellington City.

# State of Wellington's earthquake prone heritage buildings (as at 27 April 2022)

- Out of the total number of 600 earthquake prone buildings (EPBs) within Wellington,
   130 are heritage buildings as at 27 April 2022. This includes individually listed buildings and those contributing to heritage areas.
- 17. A total of 8 heritage buildings were added to the EPB list since November 2021, when the statistics were last updated. These include: Shed 22 (Cable Street), Belvedere apartments (Majoribanks Street), C W Martin building (Tory Street), Hotel St George (Willis Street), Wellington Central Library and the Michael Fowler Centre (contributor buildings to the Civic Centre Heritage Area) and two contributor buildings to the Newtown Shopping Centre Heritage Area.
- Fourteen heritage buildings have come off the earthquake prone list since November 2021. Council contributed BHIF funding to 8 of these buildings. These include: Arco House (Cuba Street), the Egmont Street Warehouses, Woodward Chambers (The Terrace), Ohariu Village Hall, and the Royal Port Nicholson Yacht Club.
- 19. To date, Council has contributed over \$3.7million of the BHIF to 75 EPB heritage buildings in prior BHIF rounds.
- 20. Between October 2014 and April 2022, a total of 97 EPB heritage buildings have been removed from the Earthquake Prone Building List. 46 of these received BHIF funding amounting to \$2,743,015.
- 21. We have information for 91 of the remaining 130 EPB heritage buildings. Based on our current knowledge:
  - 11 have not commenced assessments or planning
  - 14 are undertaking seismic assessments
  - 13 are in the concept planning phase
  - 30 are undertaking detailed seismic design
  - 21 are completing strengthening works and
  - two have completed strengthening and are waiting the issuing of a Code of Compliance Certificate (CCC).

# PŪRORO RANGARANGA | SOCIAL, CULTURAL AND ECONOMIC 2 JUNE 2022

- 22. Limited information is available of the remaining 39 EPB heritage buildings and therefore it is difficult to determine whether they have commenced any seismic strengthening related work. Of these, only four are ineligible for Council funding as they are owned by public institutions (Government and Council). Officers will continue to investigate and gather more information about these buildings.
- 23. There is a peak in statutory EPB notice expiry dates between 2025 and 2027. This places significant additional financial pressure on building owners. The following graph shows all Heritage EPBs by expiry notice date and the stage of the project each are at, and where there is currently no information available on strengthening works:



24. The case management approach of the new Heritage Resilience and Regeneration Fund will enable Council to target and more effectively assist owners of earthquake prone heritage buildings. Priority will be given to owners who are approaching their EPB expiry notice, who have not commenced the assessment or design phase, and whose buildings are located along new and proposed infrastructure routes and areas of urban regeneration.

# Kōrerorero | Discussion

# **Promoting the Fund**

25. Letters and emails were sent to all eligible owners of earthquake prone heritage buildings in early February 2022 informing them of this funding round. Emails were sent to stakeholder groups, and to those who previously enquired about the BHIF.

- 26. On the 11 February 2022 a WCC news story was published promoting the fund.
- 27. Enquiries were received from 30 potential applicants. Officers provided advice to all potential applicants via email, over the phone and during site visits.

# Impact of Covid

- 28. The Covid pandemic has impacted on several heritage building owners who are facing financial pressures and/or escalating costs and supply restrictions associated with the construction market. This is particularily true for owners of EPHBs who are facing uncertain strengthening costs and timeframes. Four potential applicants, all owners of EPHB, did not apply for funding as they are delaying projects for these reasons.
- 29. This has resulted in fewer applications for high project cost seismic strengthening works in this BHIF round. Out of the 8 seismic applications received, the highest project cost was \$709k. In previous BHIF rounds, two to three applications in each round were well over \$1m in total project costs. In the December 2020 BHIF round, the total project cost across all 10 seismic applications exceeded \$5.4m. In this round, the total project cost across all 8 seismic applications is just over \$1.4m.

# **Criteria, Assessment and Allocation Process**

- 30. All 15 applications received in this round meet the eligibility criteria of the BHIF and were considered for funding.
- 31. All applications were assessed against a number of assessment criteria, as detailed in Attachment Two. This included the heritage value of the building, its visibility and accessibility to the public, confidence in the quality of the proposed work, the risk of the heritage value diminishing if funding is not granted, and whether the owner is willing and financially capable of proceeding with the project.
- 32. When deciding on allocations between the seismic and conservation projects, it was determined that the usual split in BHIF funding, with 85% going towards seismic and 15% going towards heritage conservation projects, would not achieve an equitable distribution in this round. This is because the seismic applications have lower project costs compared to the high heritage value and relatively high project costs of the conservation applications.
- 33. It is therefore recommended that approximately 2/3 of the available funds are allocated across the 8 seismic projects (\$339,000), and 1/3 towards the 7 heritage conservation projects (\$161,000). This corresponds with the split in the amounts that are eligible for funding between the seismic and conservation projects.
- 34. Allocations for each project were decided based on the considerations outlined in Attachment Two. This included the value of the funding request, the total eligible project costs, parity within the round and with similar projects in previous rounds.
- 35. Higher allocations are recommended for projects that are considered a priority for the BHIF, such as buildings approaching their strengthening deadline, those that have not commenced the seismic assessment or detailed design phase, and the preparation of conservation plans.
- 36. To ensure funds are used appropriately, conditions are suggested for all projects should funding be approved.

# **Funding Recommendations**

- 37. A total of \$500,000 is available for allocation in this round, consisting of \$450,000 allocated to the BHIF per annum, \$26,000 returned to the BHIF from unspent funds, and \$24,000 allocated from unspent heritage resource consent fee reimbursements.
- 38. A total of 15 applications, including two from the same applicant for separate projects, were submitted by the closing date (24 March 2022) seeking a total \$1,866,093 of funding. This represents an over subscription of 373%. 8 applications were received for seismic strengthening projects, with 7 for heritage conservation works.
- 39. Funding is recommended for all projects. All have provided the necessary information, meet the eligibility criteria, and have been reviewed against the assessment criteria by a moderation panel consisting of Council officers from the Heritage, Funding, Urban Design and Building Resilience Teams. Recommendations were made on the level of funding.
- 40. Most applicants sought funding for the total costs of their projects. They were advised to do so by Council officers given the lower number and value of applications that were anticipated in this round due to the impacts of Covid that were noted by several potential applicants. This allowed for available funding to be allocated across all projects commensurate with their priority, heritage value and the total project costs.
- 41. Given the lower overall project costs and requested amounts in this round, and the availability of \$500,000 of funding, all projects were able to be funded at a slightly higher level when compared to similar projects in previous rounds. If the original 85% seismic and 15% conservation split in funding had been adhered to, the seismic projects in this round would have received a much higher proportion of funding, bringing these significantly out of line with similar projects funded in previous rounds.

# Kōwhiringa | Options

42. The Pūroro Rangaranga | Social, Cultural and Economic are asked to approve the officers' recommendations on funding allocations as outlined in the Recommendations.

# Whai whakaaro ki ngā whakataunga | Considerations for decision-making

# Alignment with Council's strategies and policies

43. The Built Heritage Incentive Fund is a key initiative of the Wellington Heritage Policy 2010.

# **Engagement and Consultation**

44. All eligible owners of Wellington's earthquake prone heritage buildings were informed about the opening and closing dates of the fund. A news story was released when applications opened. Council officers answered all enquiries received about the fund and assisted with the application process.

# Implications for Māori

45. None.

# **Financial implications**

46. The recommended allocations for this round of the BHIF are within the funding levels provided for in the 2021/22 Annual Plan, the return of unspent allocations to the BHIF, and a contribution of unspent funds from the resource consent fee reimbursement fund.

# Legal considerations

47. None.

# **Risks and mitigations**

# Disability and accessibility impact

48. None.

# **Climate Change impact and considerations**

49. None.

# **Communications Plan**

50. A press release is created on the day the Pūroro Rangaranga | Social, Cultural and Economic makes its decision on funding applications.

# Health and Safety Impact considered

51. None.

# Ngā mahinga e whai ake nei | Next actions

52. Successful applicants have 18 months from the decision date to undertake the work and provide evidence of completion to Officers before the allocated funding is paid out.

# Attachments

Attachment 1. Attachment One Assessment Summaries 2022 BHIF Round Attachment 2. Attachment Two: BHIF Criteria

# Attachment One: Summary of Applications to the Built Heritage Incentive Fund 2021/22 – Final Round

# Seismic Strengthening

# Total number of projects = 8 Recommended funding = \$339,000 (Approx. 2/3 of available funding)

Project 1	141 Riddiford Street, Newtown
Applicant	Duncan McLean
Project:	Seismic strengthening works
Total project cost	\$90,965
Amount requested	\$90,965
Amount eligible for funding	\$85,813 (excl. building consent fee)
Recommended Grant ex GST if applicable	\$45,000
Previous BHIF Grants	\$14,000 towards detailed seismic design in 2020



- Contributor to the Newtown Shopping Centre Heritage Area
- Constructed in 1898 as a two-storey shop and residence
- Good representative example of a Victorian shop and residence

The Issue	The building is earthquake prone, with the notice expiring in May 2025. The owner has completed a detailed seismic design with input from a conservation architect. This application is for completing the strengthening work, which is all internal to the building.
Financial Position (Criteria 5)	The applicant owns a small business, with no affiliated larger commercial entities, and no known excess unallocated funds. Has bank loan to pay for strengthening costs.
Review of Proposal	The strengthening works will remove a heritage building from the earthquake prone building list, improving public safety, maintaining the heritage values of the building and the contribution this makes to the Newtown Shopping Centre Heritage Area. A conservation architect will be involved in the construction monitoring of the works.
Recommendation	The proposed work fits with the seismic strengthening component of the BHIF. It is recommended that \$45,000 should be allocated to this project. Previous grants for similar works include:

	<ul> <li>\$35,000 towards seismic strengthening of 173 Riddiford Street in 2018 [Project cost = \$179K].</li> </ul>
	<ul> <li>\$48,000 towards strengthening works at 287 Cuba Street [Project cost = \$37K]</li> </ul>
BHIF Outcome	The grant will achieve the following BHIF outcomes:
	<ul> <li>Acknowledges the values of this heritage building and the contribution this makes to the Newtown Shopping Centre Heritage Area.</li> </ul>
	<ul> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> </ul>
	<ul> <li>Contributes to removing this building from the Earthquake Prone Buildings list.</li> </ul>
Additional BHIF	Release of funds is subject to:
condition(s)	<ul> <li>A BHIF sign to be supplied by WCC is affixed prominently to the front of</li> </ul>
condition(c)	the building or site throughout the duration of the works.
	Evidence of discussions with the Heritage New Zealand about
	archaeological provisions that might be required to undertake ground
	work.
	Code of Compliance Certificate is issued by WCC for seismic
	strengthening.
	<ul> <li>WCC Heritage Team's onsite approval of works.</li> </ul>

Project 2	99 Willis Street (Jaycee Building)		
Applicant	Kephalos Limited		
Project:	Earthquake strengthening (Build-phase)		
Total project cost	\$311,214.72		
Amount requested	\$311,214.72		
Amount eligible for funding	\$271,714.72 (excl. glazing & ducting alterations for tenancy)		
<b>Recommended Grant</b> ex GST if applicable	\$70,000		
Previous BHIF Grants	<ul> <li>\$5,000 towards strengthening design of ground floor (October 2020)</li> <li>\$10,000 towards exterior painting and removal of fire escape (April 2018)</li> <li>\$10,000 towards completion of preliminary design (April 2016)</li> <li>\$6,400 towards DSA (February 2010)</li> </ul>		
	<ul> <li>Building Information:</li> <li>Scheduled heritage building on WCC DP. Not listed by Heritage New Zealand.</li> <li>1920s concrete framed commercial building.</li> <li>Aesthetic and townscape value for its unusual classical façade.</li> </ul>		
The Issue	The building is earthquake prone, with the notice expiring in February 2026. A detailed strengthening design has been completed, with a resource and building consent in place. This application is for completing the strengthening work, which is internal to the building and focussed on strengthening the ground floors to achieve over 34%NBS.		
Financial Position (Criteria 5)	The applicant is a small company with sufficient funds to pay for project, including a loan from the family trust. No surplus unallocated funds.		
Review of Proposal	The strengthening works will remove a heritage building from the earthquake prone building list, improving public safety and maintaining the heritage values of the building. The strengthening solution has been developed with the input of a conservation architect and will allow for the strengthening of the building to a higher % NBS in the future.		
Recommendation	<ul> <li>The proposed work fits with the seismic strengthening component of the BHIF. It is recommended that \$70,000 should be allocated to this project. Previous grants for similar works include:</li> <li>\$58,375 for strengthening of 251-255 Cuba Street (December 2020) [Project cost = \$407K].</li> <li>\$50,000 for strengthening of Wellington Trades Hall (April 2017) [Project costs = \$290K]</li> </ul>		
BHIF Outcome	The grant will achieve the following overall BHIF outcomes:		
	Acknowledges the values of this heritage building.		
	<ul> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> </ul>		
	<ul> <li>Contributes to removing this building from the Earthquake Prone Buildings list.</li> </ul>		

Additional BHIF condition(s)	<ul> <li>Release of funds is subject to:</li> <li>A BHIF sign to be supplied by WCC is affixed prominently to the front of the building or site throughout the duration of the works</li> <li>Code of Compliance Certificate is issued by WCC for seismic</li> </ul>
	<ul><li>strengthening</li><li>WCC Heritage Team's onsite approval of works.</li></ul>

Project 3	22 Ascot Street (former Lilburn Residence)
Applicant	Lilburn Residence Trust
Project:	Lilburn house bank stabilisation works – pre-construction phase
Total project cost	\$11,873.75
Amount requested	\$9,373.75
Amount eligible for funding	\$9,373.75
Recommended Grant ex GST if applicable	\$5,000
Previous BHIF Grants	<ul><li>\$2,098 towards repair of concrete foundation (July 2010)</li><li>\$5,000 towards geotechnical survey (December 2020)</li></ul>



- Scheduled as a heritage building on the WCC DP. Listed by Heritage New Zealand (Category I).
- Not on the EPB List (does not qualify).
- Built in 1951 for Richard Collins (civil servant) by Frederick Schwarzkopf.
- Home of Douglas Lilburn, New Zealand composer from 1961 until his death in 2001.
- Highly authentic and early example of post war New Zealand Modernist architecture.

The Issue	A geotechnical survey was conducted in 2021 which confirmed that the western bank above the house is prone to seismic failure. A system of rock anchors and surface protection of the bank is recommended. This application is for the pre- construction phase of works, including a survey, bank stabilisation design and conservation architect input.
Financial Position (Criteria 5)	The applicant is a charitable trust maintaining the former home of Douglas Lilburn, as a residence for composers. Sufficient funds to complete project with no surplus unallocated funds.
Review of Proposal	The proposed bank stabilisation system is an appropriate response to protect the residence from earthquake damage and presents the least visually obtrusive solution (compared to a retaining wall). The Trust has liaised with Council and Heritage New Zealand regarding any heritage, archaeological and consenting requirements. A conservation architect has been involved throughout the project.
Recommendation	The proposed work fits with both the seismic strengthening and heritage conservation component of the BHIF. It is recommended that \$5,000 should be allocated to this project as a contribution towards these costs. There are no comparable previous grants.
BHIF Outcomes	<ul> <li>The grant will achieve the following overall BHIF outcomes:</li> <li>Acknowledges the heritage values of this heritage building</li> <li>Acknowledges the additional costs of maintaining a heritage building</li> </ul>

Additional BHIF condition(s)	<ul> <li>Release of funds is subject to:</li> <li>Submission of bank stabilisation design to Council.</li> <li>Submission of brief conservation architect review of proposal to Council.</li> </ul>
	Evidence of discussions with the Heritage New Zealand about archaeological provisions that might be required to undertake ground work.

Project 4	270 Wakefield Street, Former Warehouse (aka. Victoria Building)
Applicant	Pan-Hellenic Association Incorporated
Project:	Restrengthening – Initial strengthening scheme
Total project cost	\$51,650
Amount requested	\$51,650
Amount eligible for funding	\$51,650
Recommended Grant ex GST if applicable	\$30,000
Previous BHIF Grants	None



- Scheduled on WCC DP as heritage building, in Courtenay Place Heritage Are. Not listed by Heritage NZ.
- Built 1907 by Penty & Blake architects
- Part of Allen and Blair warehouse streetscape.
- Occupied by Pan-Hellenic Association since 1927.

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The Issue	The building is earthquake prone and requires strengthening by December 2028. The DSA completed in 2020 found structural weaknesses due to the lack of connection capacity between brick walls and floor/roof diaphragms. This application is for an initial strengthening scheme, including a geotechnical report, to bring half of the building owned by the Pan-Hellenic Association to 70% NBS.
Financial Position (Criteria 5)	This organisation is an Incorporated Society whose accounts show sufficient accumulated funds to support proposed strengthening works that are required to be carried out.
Review of Proposal	Continuity of project from a recent DSA, using the same engineers. Confidence in the proposed works given that a conservation architect is involved in the review of the engineering scheme. Whilst it would be ideal to develop a strengthening design for the entire building, this is unlikely given the separate ownership of the second half of the building, with the present owners not being in a position to proceed at this stage.
Recommendation	<ul> <li>The proposed work fits with the seismic strengthening component of the BHIF. It is recommended that \$30,000 should be allocated to this project. Previous grants for similar works include:</li> <li>\$20,000 for detailed design of Bond Store in 2018 [Total project cost = \$64K]</li> <li>\$15,000 for detailed design of 251-255 Cuba Street in 2015 [Total project cost = \$17K]</li> <li>\$18,700 for detailed design 41 Courtenay Place in 2020 [Total project cost = \$31K]</li> </ul>

BHIF Outcome	The grant will achieve the following overall BHIF outcomes:
	<ul> <li>Acknowledges the values of this heritage building and the contribution this makes to the Courtenay Place Heritage Area.</li> </ul>
	<ul> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> </ul>
	<ul> <li>Contributes to removing this building from the Earthquake Prone Buildings list.</li> </ul>
Additional BHIF	Release of funds is subject to:
condition(s)	<ul> <li>Evidence of discussion with neighbouring building regarding potential joint strengthening.</li> </ul>
	<ul> <li>Submission of initial strengthening scheme and associated documents to Council.</li> </ul>
	Submission of brief conservation architect review of proposal to Council.

Project 5	121 The Parade, Island Bay (Clarke's Building)
Applicant	Peter Rae Industries Ltd
Project:	Strengthening works & façade restoration
Total project cost	\$709,376
Amount requested	\$709,376
Amount eligible for funding	\$659,376 (excl. contingency)
Recommended Grant	\$82,000
ex GST if applicable	
Previous BHIF Grants	None for current owner.
	\$16,000 for detailed design for previous owner of building



- Building Information:
  Contributor building in the Island Bay Shopping Centre Heritage Area.
  Constructed in 1923 for S.D. Clarke

The Issue	The building is earthquake prone and requires strengthening by November 2027. Resource consent has been granted for the strengthening and restoration of the heritage building, and a new addition at the rear. This application is for the strengthening of the heritage building and the restoration of the façade, including the shopfronts and verandah.
Financial Position (Criteria 5)	Family company with sufficient funds to complete the earthquake strengthening. No surplus unallocated funds.
Review of Proposal	The strengthened and restored heritage building will make a positive contribution to the streetscape of the Island Bay Shopping Centre Heritage Area. Confidence in the outcome of these works given that these have received heritage support through the resource consenting process.
Recommendation	<ul> <li>The proposed work fits with the seismic strengthening component of the BHIF. It is recommended that \$82,000 should be allocated to this project. Previous grants for similar works include:</li> <li>\$50,000 strengthening 60 Ghuznee Street in 2014 [Project cost = \$768k]</li> <li>\$50,000 strengthening Wellington Trade Hall in 2017 [Project cost = \$290k]</li> <li>\$58,375 strengthening 251-255 Cuba Street in 2020 [Project cost = \$407k]</li> </ul>
BHIF Outcome	The grant will achieve the following overall BHIF outcomes:
	<ul> <li>Acknowledges the contribution this building makes to the Island Bay Shopping Centre Heritage Area.</li> </ul>
	<ul> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> </ul>
	<ul> <li>Contributes to removing this building from the Earthquake Prone Buildings list.</li> </ul>

	Additional BHIF condition(s)	<ul> <li>Release of funds is subject to:</li> <li>A BHIF sign to be supplied by WCC is affixed prominently to the front of the building or site throughout the duration of the works.</li> <li>Evidence of discussions with the Heritage New Zealand about archaeological provisions that might be required to undertake ground works.</li> </ul>
WCC onsite inspection of completed works.		<ul> <li>PS4 for seismic strengthening of heritage building.</li> </ul>

Project 6	33 Aro Street (former William Booth Memorial College)
Applicant	School of Philosophy Inc.
Project:	Strengthening Phase 2B
Total project cost	\$104,643.87
Amount requested	\$104,643.87
Amount eligible for funding	\$91,308 (excl. contingency)
Recommended Grant ex GST if applicable	\$45,000
Previous Grants	3 previous grants totalling \$91,500: \$21,500 towards structural investigations, analysis, and design in 2013 \$50,000 towards Stage One of strengthening in 2017 \$20,000 towards part of Stage Two of strengthening in 2018



- Scheduled as a heritage building in WCC DP. Not listed by Heritage New Zealand. Constructed in 1913/4 as a training college for the Salvation Army. Grand example of a neo-Georgian Revivalist style building. •
- •
- •

The building is earthquake prone and requires strengthening by March 2031. The owners have been undertaking progressive strengthening works since 2017. This application is for part of the final stage of works and involves seismic strengthening of several rooms on the ground floor of the building near the entrance through the application of laminated veneer lumber studs on to the single skin brick internal walls.
The applicant is an incorporated society and has financial reserves to provide
community programmes, staff costs and to strengthen and maintain the building.
All of the strengthening work is internal to the building. These works will improve the structural integrity of the main entrance to the building, improving public safety. Most stages of this project have been overseen by a conservation architect.
<ul> <li>The proposed work fits with both the seismic strengthening component of the BHIF. It is recommended that \$45,000 should be allocated to this project. Previous grants for similar work include:</li> <li>\$50,000 towards Stage 1 of works for this building in 2017 [Project costs = \$259K]</li> <li>\$15,000 towards minor structural strengthening of Arco house in 2018 [Project costs = \$124K]</li> </ul>

BHIF Outcome	<ul> <li>The grant will achieve the following overall BHIF outcomes:</li> <li>Acknowledges the contribution this building.</li> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> <li>Contributes to removing this building from the Earthquake Prone Buildings list.</li> </ul>
Additional BHIF condition(s)	<ul> <li>Release of funds is subject to:</li> <li>A BHIF sign to be supplied by WCC is affixed prominently to the front of the building or site throughout the duration of the works.</li> <li>PS4 for seismic strengthening of heritage building.</li> </ul>
	WCC onsite inspection of completed works.

Project 7	131 The Parade, Island Bay
Applicant	Than Family Holding Limited
Project:	Strengthening project – Updated detailed design
Total project cost	\$16,500
Amount requested	\$16,500
Amount eligible for funding	\$16,500
Recommended Grant ex GST if applicable	\$12,000
Previous BHIF Grants	None



- Building Information:
  Contributor building in the Island Bay Shopping Centre Heritage Area.
  Constructed in 1906 as part of an original group of five shops and dwellings.

The Issue	The building is earthquake prone and requires strengthening by January 2029. The resource and building consent for the strengthening and modification of the building, including the addition of an extension at the rear, has lapsed. The owner now wishes to strengthen the heritage building only and to not proceed with the additions at this stage. This application is for the updating of the detailed design for this change of scope.
Financial Position (Criteria 5)	The applicant is a property company, with no affiliated larger commercial entities, and no known excess unallocated funds.
Review of Proposal	The strengthening of the building will improve public safety and maintain the heritage values of this contributor building in the Island Bay Shopping Centre Heritage Area.
Recommendation	<ul> <li>The proposed work fits with the seismic strengthening component of the BHIF. It is recommended that \$12,000 should be allocated to this project. Previous grants for similar works include:</li> <li>\$14,000 detailed design 141 Riddiford Street in 2020 [Project cost = \$14K]</li> <li>\$18,700 detailed design 41 Courtenay Place in 2020 [Project cost = \$31K]</li> </ul>
BHIF Outcome	<ul> <li>The grant will achieve the following overall BHIF outcomes:</li> <li>Acknowledges the contribution this building makes to the Island Bay Shopping Centre Heritage Area.</li> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> <li>Contributes to removing this building from the Earthquake Prone</li> </ul>
	Buildings list.
Additional BHIF condition(s)	<ul> <li>Release of funds is subject to:</li> <li>Submission of detailed design and any other associated documents to Council.</li> <li>Submission of brief conservation architect review of proposal to Council.</li> </ul>

Project 8	168 - 170 Karori Road (St Mary's Church, Karori)
Applicant	The Anglican Church in Aotearoa, New Zealand and Polynesia – Diocese of Wellington
Project:	Seismic Strengthening of St Mary's Church – Updated DSA and Detailed Design
Total project cost	\$135,600
Amount requested	\$135,600
Amount eligible for funding	\$135,600
Recommended Grant ex GST if applicable	\$50,000
Previous BHIF Grants	\$8,000 conservation plan (2014) \$17,000 architectural services for tower strengthening (2014)



- Building Information:
  Scheduled on the WCC DP as a heritage building. Listed by Heritage NZ (Category II).
- Built between 1911-1926. •
- Important example of work by Frederick de Jersey Clere, architect. Aesthetic value for use of Italianate design. •
- Significant landmark in Karori. •

The Issue	The building is earthquake prone and requires strengthening by September 2028. The tower was strengthened in 2016. This proposal is for the updating of the DSA from 2013, and completing the detailed strengthening design for the rest of the church.
Financial Position (Criteria 5)	Applicant is within the Diocese of Wellington. The Diocese owns the building but building maintenance expenses are the sole responsibility of the Karori Anglican Church. Sufficient funds to complete the project
Review of Proposal	The strengthening of the church will remove a heritage building from the earthquake prone building list, improving public safety and maintaining the heritage values of the building and the contribution this makes to Karori. Continuity of project from a DSA in 2013, using the same engineers. Confidence in the proposed works given that a conservation architect is involved.
Recommendation	<ul> <li>The proposed work fits with the seismic strengthening component of the BHIF. It is recommended that \$50,000 should be allocated to this project. Previous grants for similar works include:</li> <li>\$25,000 detailed design Wellington Methodist Church in 2018 [Project cost = \$225K]</li> <li>\$30,000 initial design works for St Mary's of the Angels in 2013 [Project cost = \$250K]</li> </ul>

BHIF Outcome	The grant will achieve the following overall BHIF outcomes:	
	<ul> <li>Acknowledges the values of this heritage building.</li> </ul>	
	<ul> <li>Acknowledges the additional costs associated with strengthening a heritage building.</li> </ul>	
	<ul> <li>Contributes to removing this building from the Earthquake Prone Buildings list.</li> </ul>	
Additional BHIF	Release of funds is subject to:	
condition(s)	<ul> <li>Submission of detailed design and any other associated documents to Council.</li> </ul>	
	• Submission of brief conservation architect review of proposal to Council.	

# Heritage Conservation Total number of projects = 7 Funding available = \$161,000 (Approx. 1/3 of available funding)

Project 9	1 Queens Wharf (Wellington Harbour Board Wharf Offices)
Applicant	Body Corporate 77414 (Wharf Office Apartments)
Project:	Conservation and Heritage Maintenance plan
Total project cost	\$31,188
Amount requested	\$27,120
Amount eligible for funding	\$27,120
Recommended Grant ex GST if applicable	\$27,100
Previous Grants	\$9,000 investigation for roof repairs (2016) \$14,000 roof membrane replacement (2017)



- Scheduled on the WCC DP as a heritage building, part of the Post Office Square Heritage Area. Listed by Heritage New Zealand (Category I).
- Constructed 1896, designed by Clere & Richmond Architects.
- A landmark building on Wellington's waterfront, noted for its elaborate façade.

The Issue	The building does not have a current conservation or maintenance plan to guide the ongoing conservation and maintenance of the building. This application is for the preparation of a conservation plan by R & D architects and a heritage maintenance report by Paul Cummack that assesses the structural fabric and integrity of the building ahead of planned repainting works.
Financial Position (Criteria 5)	Body Corporate with sufficient funds to complete project and no known excess unallocated funds.
Review of Proposal	The preparation of a conservation and maintenance plan is an integral component for the appropriate maintenance of such a significant heritage building. Experienced conservation architects are involved in the preparation of these.
Recommendation	The proposed work fits the heritage conservation component of the BHIF. It is recommended that close to the full amount requested, being \$27,100, should be allocated to this project. Previous grants for conservation plans have aimed to fund most of the costs, given that this is a priority for the BHIF.
BHIF Outcomes	The grant will achieve the following overall BHIF outcomes:
	<ul> <li>Acknowledges the heritage values of this heritage building.</li> </ul>
	Acknowledges the additional costs of maintaining a heritage building.
Additional BHIF	Release of funds is subject to:
Conditions	<ul> <li>Submission of the conservation and heritage maintenance plans to Council.</li> </ul>

Project 10	1 Taranaki Wharf (Circa Theatre, façade of former Westport Coal Company)
Applicant	Circa Theatre Incorporated
Project:	Circa Building Façade Refresh
Total project cost	\$71,500
Amount requested	\$71,500
Amount eligible for funding	\$71,500
Recommended Grant ex GST if applicable	\$30,000
Previous Grants	None



- The eastern façade (former Westport Coal Company) is scheduled in the WCC DP. Not •
- listed by Heritage New Zealand. West Coast Coal Company building constructed in 1916 on Taranaki Street. Façade relocated in 1994 to current location and incorporated into the new Circa Theatre. •
- The façade has some value for its elaborately detailed brick masonry.

The Issue	The eastern façade of the theatre, being the heritage listed façade of the former Westport Coal Company building, shows extensive weather damage such as flaking paint on the brick and timber components, and rot on the timber window frames and door. This application is for the remediation of this damage, including repairs and repainting.
Financial Position	The applicant is a registered charitable trust with sufficient funds to complete the
(Criteria 5)	project.
Review of Proposal	The facade requires urgent maintenance to ensure that further damage to the
	masonry and timber components is prevented.
Recommendation	The proposed work fits the heritage conservation component of the BHIF. It is
Reconnection	recommended that \$30,000 should be allocated to this project. Previous grants for
	similar works include:
	<ul> <li>\$28,800 exterior preservation Wellington Rowing Club in 2020 [Project cost]</li> </ul>
	• $$20,000$ extends preservation weinington Rowing Club in 2020 [Project cost = $$138,000$ ]
	• \$30,000 exterior painting of 32 Cuba Street (Columbia Apartments) in 2015
	[Project cost = \$113,739]
BHIF Outcomes	The grant will achieve the following overall BHIF outcomes:
	<ul> <li>Acknowledges the heritage values of this heritage building.</li> </ul>
	<ul> <li>Acknowledges the additional costs of maintaining a heritage building.</li> </ul>
Additional BHIF	Release of funds is subject to:
Conditions	WCC Heritage Teams on-site approval of completed works.

Project 11	78-80 Victoria Street (former Dominion Building)
Applicant	Dominion Building Body Corporate
Project:	Dome Restoration
Total project cost	\$460,829
Amount requested	\$250,000
Amount eligible for funding	\$250,000
Recommended Grant ex GST if applicable	\$55,000
Previous Grants	\$10,000 towards seismic assessment in 2014



- Scheduled on the WCC DP as a heritage building. Listed by Heritage New Zealand (Category II).
- Constructed between 1926 and 1928 for the Dominion newspaper. Designed by Crichton, McKay and Haughton.
- Excellent example of a stripped classical commercial building.
- Landmark building on Victoria Street.

The Issue	The metal clad dome and lantern windows have sustained gradual damage from water ingress. Temporary repairs have failed to address this. A survey was undertaken by specialists (weather tightness, conservation & metal cladding) and an extensive remediation and restoration approach has been developed. This application is for undertaking this work which includes: replacing the copper sheathing to dome and lower region of lantern windows, replace existing steel joinery with new steel joinery, and wood remediation.
Financial Position (Criteria 5)	The applicant is a Body Corporate with sufficient funds to complete the project.
Review of Proposal	Whilst the proposed work involves the like-for-like replacement of a considerable portion of the original heritage fabric of the dome, this is required to ensure its structural integrity, weather tightness and ongoing contribution to the heritage values of the building. This has been confirmed by a conservation architect.
Recommendation	The proposed work fits the heritage conservation component of the BHIF. It is recommended that \$55,000 should be allocated to this project to represent a contribution towards the costs. There are no comparable previous grants.
BHIF Outcomes	The grant will achieve the following overall BHIF outcomes:
	<ul> <li>Acknowledges the heritage values of this heritage building.</li> </ul>
	Acknowledges the additional costs of maintaining a heritage building.

Additional BHIF Conditions	<ul> <li>Release of funds is subject to:</li> <li>WCC Heritage Teams on-site approval of completed works.</li> </ul>
	Submission of brief report (including photographs) by a conservation architect on the heritage outcome of project.

Project 12	21 Hania Street (former Disabled Servicemen's Training Centre)
Applicant	E. Street Association Inc
Project:	Life Centre Wall & Steel Frame Window painting
Total project cost	\$45,000
Amount requested	\$45,000
Amount eligible for funding	\$45,000
Recommended Grant ex GST if applicable	\$20,000
Previous Grants	None



- Building Information:
  Scheduled on WCC DP as heritage building, Not on Heritage NZ list.
  Designed by Edmund Anscombe in 1942.
  Early example of Modernist style architecture in New Zealand.

The Issue	The exterior walls and steel frame windows require regular maintenance, including painting using a specialist epoxy resin paint, every 7 years. This costs approximately \$22,000 each year. This application is for the costs to be incurred for 2022 and 2023, which involves the painting of the north-east and east facades.				
Financial Position (Criteria 5)	The applicant is a registered charitable trust with sufficient funds to complete the project.				
Review of Proposal	The painting of the building's exterior and windows represents an ongoing commitment for the building owners, who acknowledge the value of this work for maintaining the heritage values of this building.				
Recommendation	<ul> <li>The proposed work fits the heritage conservation component of the BHIF. It is recommended that \$20,000 should be allocated to this project. Previous grants for similar works include:</li> <li>\$30,000 exterior painting 32 Cuba Street in 2015 [Project cost = \$169k]</li> <li>\$10,000 exterior paint 99 Willis Street in 2018 [Project cost = \$50k]</li> </ul>				
BHIF Outcomes	The grant will achieve the following overall BHIF outcomes:				
	<ul> <li>Acknowledges the heritage values of this heritage building</li> </ul>				
	Acknowledges the additional costs of maintaining a heritage building				
Additional BHIF	Release of funds is subject to:				
Conditions	<ul> <li>WCC Heritage Teams on-site approval of completed works.</li> </ul>				

Project 13	316 Karori Road (Glendaruel)			
Applicant	Patrick Geddes & Jacqueline Coats			
Project:	Conservation Plan Review			
Total project cost	\$6,900			
Amount requested	\$6,900			
Amount eligible for funding	\$6,900			
Recommended Grant ex GST if applicable	\$6,900			
Previous Grants	\$5,000 towards conservation plan in 2018 (offer declined as remaining funds could not be secured)			



# **Building Information:**

- Scheduled as a heritage building on the WCC DP. Listed by Heritage New Zealand (Category II).
- Constructed in 1850.
- Oldest example of an early pit-sawn timber cottage in Wellington.

The Issue	A conservation plan was completed in 2019 by an architectural student. Th							
	application is for the review of this plan by a qualified conservation architect to							
	ensure its validity.							
Financial Position	The owners have sufficient funds to pay for the conservation plan review and for							
(Criteria 5)	the house painting. No surplus unallocated funds.							
(	······································							
Review of Proposal	The preparation of a conservation plan by a qualified conservation architect is an							
	integral component for the ongoing maintenance of such an early and significant							
	heritage building. An experienced conservation architect will be involved in the							
	review and updating of the plan.							
Recommendation	The proposed work fits the heritage conservation component of the BHIF. It is							
	recommended that \$6,900 should be allocated to this project. Previous grants for							
	conservation plans have aimed to fund most of the costs, given that this is a							
	priority for the conservation portion of the BHIF.							
BHIF Outcomes	The grant will achieve the following overall BHIF outcomes:							
	Acknowledges the heritage values of this heritage building							
	<ul> <li>Acknowledges the additional costs of maintaining a heritage building</li> </ul>							
Additional BHIF	Release of funds is subject to:							
Conditions	Submission of completed conservation plan to Council.							

Project 14	316 Karori Road (Glendaruel)		
Applicant	Patrick Geddes & Jacqueline Coats		
Project:	House painting		
Total project cost     \$36,250			
Amount requested\$36,250			
Amount eligible for funding	\$36,250		
Recommended Grant ex GST if applicable	\$12,000		
Previous Grants	\$5,000 towards conservation plan in 2018 (offer declined as remaining funds could not be secured)		



- Building Information:Scheduled as a heritage building on the WCC DP. Listed by Heritage New Zealand (Category II). Constructed in 1850.
  - •
  - Oldest example of an early pit-sawn timber cottage. •

A recent survey of the building by a conservation architect concluded that the						
exterior requires repainting to ensure that further damage to the original timbers is						
prevented. This application is for the repainting of the house.						
The owners have sufficient funds to pay for the conservation plan review and for						
the house painting. No surplus unallocated funds.						
Pit-sawn early settler cottages are rare in New Zealand. A sound paint system						
ensures that evidence of this early New Zealand building technology is retained.						
The proposed work fits the heritage conservation component of the BHIF. It is						
recommended that \$12,000 should be allocated to this project. Previous grants for						
similar works include:						
• \$5,000 towards painting of Rita Angus cottage in 2013 [Project cost =						
\$12K]						
<ul> <li>\$20,000 towards repair, recladding and repainting of 260 Riddiford Street</li> <li>in 2015 [Drained cost</li></ul>						
in 2015 [Project cost = \$24K]						
The grant will achieve the following overall BHIF outcomes:						
<ul> <li>Acknowledges the heritage values of this heritage building</li> </ul>						
Acknowledges the additional costs of maintaining a heritage building						
Release of funds is subject to:						
WCC Heritage Teams on-site approval of completed works.						

Project 15	12 Kenya Street (Donisthorpe / Te Whare Mahana)	
Applicant	Rod Baxter & Dylan Aplin	
Project:	Restoring Donisthorpe / Te Whare Mahana	
Total project cost	\$16,517.45	
Amount requested	\$16,517.45	
Amount eligible for funding	\$16,517.45	
Recommended Grant ex GST if applicable	\$10,000	
Previous Grants	None	



# Building Information:

- Scheduled as a heritage building on the WCC DP. Not listed by Heritage New Zealand. Constructed between 1896 and 1906. •
- •
- One of earliest dwellings in Ngaio. •
- Excellent example of the Stick-style of architecture. •

The Issue	The owners have recently purchased the house and are undertaking extensive exterior maintenance and restoration. This has far exceeded their budget. The						
	owners wish to return the exterior back to its original appearance. This application						
	is for the reconstruction of two exterior stairs and verandah fretwork based on						
	priginal photographs and remaining fabric.						
Financial Position	Evidence of sufficient funds to complete project and no known excess unallocated						
(Criteria 5)	funds.						
Review of Proposal	Despite financial pressures, the owners are committed to achieving the best possible heritage outcome for the building. A conservation architect is involved in all stages of the project and has provided advice regarding the reconstructed stairs and fretwork. Financial assistance will ensure that these original exterior components of the building will be sensitively reconstructed.						
Recommendation	The proposed work fits the heritage conservation component of the BHIF. It is recommended that \$10,000 should be allocated to this project to present a contribution towards these additional costs. There are no comparable past BHIF allocations.						
BHIF Outcomes	The grant will achieve the following overall BHIF outcomes:						
	Acknowledges the heritage values of this heritage building						
	Acknowledges the additional costs of maintaining a heritage building						
Additional BHIF	Release of funds is subject to:						
Conditions	WCC Heritage Teams on-site approval of completed works.						

# Attachment Two: Applying for the Built Heritage Incentive Fund

# **Eligibility Criteria**

Your project must meet all the following criteria:

- 1. The application relates to a heritage-listed building, or a building identified as contributing to a listed heritage area. See Chapter 21: Heritage List (684KB PDF).
- 2. The applicant is the owner or part-owner of the heritage building. This includes private owners, body corporates, charitable trusts or church organisations. The following are ineligible: the Crown, state sector organisations, overseas state agencies, district health boards, community boards, Council-controlled organisations and Council business units
- 3. The planned work must aim to physically improve the building's structural integrity, public access, safety and/or heritage values.
- 4. The works applied for must not have started prior to the Council Committee decision on the application. See the Funding calendar.
- 5. Funding will be directed towards buildings where successful heritage and seismic strengthening outcomes will be unlikely without assistance. As such: grants will be directed towards buildings that are owned by individuals, body corporates, community groups or small to medium sized companies
  - applications from limited companies must identify if they are affiliated with larger commercial entities
  - all applicants must demonstrate that they do not have excess unallocated reserve funds.
- 6. The application must demonstrate that the work will conserve and/or enhance the building's heritage significance. As such, input from a recognised conservation architect is:
  - <u>required</u> for all work that impacts the building's heritage elements (such as largescale restoration works and invasive testing and construction works for seismic strengthening)
  - <u>optional</u> for all other work (such as repair and maintenance, small-scale restoration and detailed seismic design or non-invasive seismic investigations)
- 7. The owner of the property must show that the full costs of the project can be met.
- 8. The application does not relate to a building or part of a building that has incomplete allocations from a previous Built Heritage Incentive Fund grant.

# **Assessment and Allocation**

When **assessing** an application we consider:

- the heritage value of the building, including whether this is on the Wellington City District Plan Heritage List and the Heritage New Zealand list
- the risk of the heritage value diminishing if funding is not granted
- confidence in the quality of the proposed work
- confidence that the project costs are as accurate as possible and the building owner is willing to, and financially capable of, proceeding with the project
- whether the building owner has sufficient resources, or has access to funding through company affiliations, and could proceed with the project without additional financial assistance
- whether the project has received funds from other public grants
- whether the project is visible and/or accessible to the public
- if the project will provide a benefit to the community.

For <u>conservation projects</u> we **prioritise**:

• the completion or updating of a conservation plan.

For seismic strengthening projects we prioritise:

- buildings on the MBIE's Earthquake-prone building list
- buildings approaching the expiry date of their s124 Notice under the Building Act 2004
- projects which strengthen more than one attached building
- buildings which have not as yet commenced assessment or detailed design works.

# When **allocating** funding we consider:

- the value of the funding request
- the value of the funding request when considered against the total project cost
- parity with similar projects in previous rounds
- equitable distribution in the current round
- the amount of funding available for allocation.

# **ACTIONS TRACKING**

### Kōrero taunaki

#### Summary of considerations

#### Purpose

1. This report provides an update on the past actions agreed by the Pūroro Rangaranga | Social, Cultural and Economic Committee at its previous meetings.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>					
Strategic alignment with priority objective areas from Long-term Plan 2021–2031 □ Functioning, resilient and reliable three waters infrastructure □ Affordable, resilient and safe place to live □ Safe, resilient and reliable core transport infrastructure netw □ Fit-for-purpose community, creative and cultural spaces □ Accelerating zero-carbon and waste-free transition □ Strong partnerships with mana whenua						
Relevant Previous decisions	Not applicable.					
Financial consideration	IS					
⊠ Nil □ Buo Long-te	dgetary provision in Annual Plan /   Unbudgeted \$X erm Plan					
Risk						
⊠ Low	🗆 Medium 🛛 🗆 High 🔹 🗆 Extreme					

Author	Alisi Puloka, Democracy Advisor
Authoriser	Kym Fell, Chief Customer and Community Officer

#### Taunakitanga

### **Officers' Recommendations**

Officers recommend the following motion

That the Pūroro Rangaranga | Social, Cultural and Economic Committee:

1. Receive the information.

## Whakarāpopoto

#### **Executive Summary**

- 2. This report lists the dates of previous committee meetings and the items discussed at those meetings.
- 3. Each clause within the resolution has been considered separately and the following statuses have been assigned:
  - In progress: Resolutions with this status are currently being implemented.
  - Complete: Clauses which have been completed, either by officers subsequent to the meeting, or by the meeting itself (i.e., by receiving or noting information).
- 4. All actions will be included in the subsequent monthly updates but completed actions will only appear once.

#### Takenga mai

#### Background

- 5. At the 13 May 2021 Council meeting, the recommendations of the Wellington City Council Governance Review (the Review Report) were endorsed and agreed to be implemented.
- 6. The purpose of this report is to ensure that all resolutions are being actioned over time. It does not take the place of performance monitoring or full updates. The committee could resolve to receive a full update report on an item if it wishes.

#### Kōrerorero

#### Discussion

- 7. Of the 34 resolutions of the Pūroro Rangaranga | Social, Cultural and Economic Committee in November 2021:
  - 20 are complete.
  - 14 are in progress.
- 8. 36 in progress actions were carried forward from the last action tracking report. Of these:
  - 14 are complete.
  - 22 are still in progress.
- 9. Further detail is provided in Attachment One.

#### Attachments

Attachment 1. Actions Tracking

#	Date	Meeting	Report	Clause	Status	Comment
14	Wednesday, 2 June	Pūroro Rangaranga	2.3 City Housing Financial	6. Agree to the following:		Work on
	2021	Social, Cultural and Economic	Sustainability	a) Note that it is estimated that approximately 80% of city housing tenants would be eligible for IRRS if it was available	Complete	Recommendation e continues in line with the resolutions from the October paper. Next paper is to AP/LTP Committee on deliberations post- consultation on 1 June and Council on 30 June. Subject to Council adopting the LTP amendment on 30 June, the next paper to Social and Rec committee is in August and will cover decisions on detailed CHP design and transition.
				b) Note that the Council is disappointed that the Government did not commit to implementing IRRS for City Housing tenants in budget 2021 given the long standing importance of this to tenant welfare and to the ongoing sustainability of City Housing.	Complete	
				c) Instruct the Mayor and the CEO to write to the Minister of Housing and the Minister of Finance seeking to enter into formal negotiations to amend the Deed of Grant between the Council and the Crown including, but not limited to providing that IRRS is available for City Housing tenants.	Complete	
				d) Agree that the reply to the letter to the Minister is formally tabled at the next available Council committee meeting after it is received.	Complete	
				e) Instruct officers to commence work in parallel on items (i – iv) below for an initial report back to the Committee in September 2021 and to provide further reports to Committee on a quarterly basis:		
				<ul> <li>i) Establish a CHP (new entity) to enable tenants to access the IRRS and substantially address the operating deficit (subject to public consultation)</li> </ul>		
				<ul> <li>ii) Negotiate with the government for the CHP to receive immediate access to the IRRS for all current, eligible tenants, rather than only for new tenants as properties turn over (current government policy settings)</li> </ul>		
				<ul> <li>iii) Establish a sustainable financing model to fund the CHP's housing upgrade and asset maintenance requirements which may be another new entity (e.g. an SPV), or other arrangement, depending on subsequent decisions about the CHP structure (subject to public consultation)</li> </ul>		

				iv) If required, commit to provide a one-off capital injection to set the CHP (or SPV) up on a sustainable long-term footing, the size of which will depend on the terms of access to the IRRS and the financing terms available to the CHP or SPV (subject to public consultation)		
				(v) Fund City Housing's operating deficit and capital shortfall through debt and City Housing cash reserves until the CHP is operational (up to three years)		
				(vi) Provide advice in the report on if Council assets have been transferred to a community housing provider and should there be any change to that CHP where the assets are no longer required, these will be transferred back to council or council will have for first right of refusal.		
38	Wednesday, 2 June 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.5 Affordable Housing Supply and Development	9. Agree that Build Wellington will progress with further assessment and feasibility on the potential for development, under a joint venture approach, of the five sites identified for divestment under the Strategic Housing Investment Plan (SHIP) that have capacity for redevelopment.	In progress	Update on programme will be reported back to Pūroro Āmua Planning and Environment in February 2022, it was agreed at the chairs' meeting to push this to Feb 2022 when we will have greater clarity on wider development programme and approach with KO.

39	Wednesday, 2 June 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.5 Affordable Housing Supply and Development	10. Agree, that subject to agreement of recommendation 9, officers engage early with Ngāti Toa Rangatira and Taranaki Whānui ki Te Upoko o te Ika on opportunities to undertake a joint venture approach to redevelopment.	In progress	Update on programme will be reported back to Pūroro Āmua Planning and Environment in February 2022, it was agreed at the chairs' meeting to push this to Feb 2022 when we will have greater clarity on wider development programme and approach with KO.
63	Tuesday, 22 June 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 Cemeteries Management Plan	6. Note that options for non-perpetual plots will be reported back to Council for approval within the next three years.	In progress	The information was noted by the committee.
105	Thursday, 2 September 2021	Pūroro Rangaranga   Social, Cultural and Economic	3.1 Põneke Promise safety initiatives	5. Agree that Council officers approach DCM, Take Ten, the Ministry of Social Development, the Ministry of Housing and Urban Development, Kainga Ora, Capital and Coast District Health Board and the tertiary institutions and students' associations in Wellington with a view to them becoming partners. Note that this is not an exhaustive list. It is anticipated that other appropriate organisations may wish to become partners over time, the Council will encourage this.	In progress	Over the next 2 months we will engage with our stakeholders and agree on a process for this. Estimated to be completed by December.
106	Thursday, 2 September 2021	Pūroro Rangaranga   Social, Cultural and Economic	3.1 Poneke Promise safety initiatives	6. Note that for public sector agencies, the provision of agreed actions, services, resourcing and/or funding should form part of the relevant MOU.	In progress	Estimated to be completed by December.
113	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.1 Reserves Act 1977: Stormwater Attenuation Easement - 33 Ladbrooke Drive, Newlands (Waihinahina park - In Memory of Dennis Duggan)	<ol> <li>Agree to grant an easement in perpetuity over land at Waihinahina Park - in Memory of Dennis Duggan, being part of Lot</li> <li>DP 303502 (ROT 14039), pursuant to s48 of the Reserves Act</li> <li>1977.</li> </ol>	In progress	Currently waiting for detailed designs from applicant.
123	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	2. Note, following direction by Pūroro Rangaranga in June, officers are pursuing two parallel tracks to resolve City Housing's financial sustainability challenges, including:	In progress	As above on resolution #14.

				<ul> <li>a. direct discussions with the Crown seeking opportunities to partner in new social housing supply and Crown financial support for City Housing (particularly access to the Income Related Rent Subsidy (IRRS)) to resolve City Housing's financial sustainability challenges</li> <li>b. beginning design work to establish a new Community Housing Provider (CHP)</li> <li>c. Note the community requests for the Income Related Rent Subsidy (IRRS) for Wellington City Council tenants and agree to make further representations to Government to share these views.</li> </ul>		
126	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	5. Note that following this meeting, officers are actively working with the Ministry of Housing and Urban Development (HUD) and Kāinga Ora to consider ways in which the Crown and Council may work together to resolve City Housing's financial situation (Crown Support Option)	In progress	As above on resolution #14.
127	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	6. Note that there is currently no certainty about if or when a decision on the Crown Support Option would be made by the government	In progress	The information was noted by the committee.
128	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	7. Note that, given the limited time between now and 2022/23, the two workstreams (discussions with the Crown and CHP design) need to continue to progress in parallel	In progress	The information was noted by the committee.
129	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	<ul> <li>8. Agree that the following prioritised objectives will guide analysis of options, including determination of a preferred option, across the two parallel workstreams:</li> <li>a. Tenant wellbeing: Improve the rental affordability and social outcomes for existing and future social housing tenants</li> </ul>	In progress	Objectives will be included for consultation as part of the SCP process run during the Annual Plan
				b. Financial sustainability: Return the social housing service and portfolio to a stable, long-term financial footing, while minimising any adverse impact on the Council's financial position and/or borrowing capacity		
				<ul> <li>c. Increase supply: Increase the supply of social housing in the Wellington region</li> <li>d. Housing upgrades: Meet the Council's commitment under the Deed of Grant to deliver the second half of the upgrade programme and meet its \$180m share of the cost</li> </ul>		

				e. Partnerships: Create opportunities for community partnership in the delivery of social housing and other services and housing development		
				f. Feasibility: Ensure the solution is feasible to deliver and implement in the short-term		
				g. Flexibility: For CHP options only, provide Council with flexibility to adjust the design of the CHP in the future, subject to the CHP's performance, or to take advantage of future opportunities		
130	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and	2.2 City Housing sustainability: CHP design	9. Note that, in designing a CHP, the Council needs to make five key decisions:	In progress	Next report back on further detailed CHP
		Economic	options	i. What kind of legal entity should the CHP be – this determines its ownership and governance arrangements, and the Council's role in governance		design will be in August 2022.
				ii. Should the Council transfer housing assets to the CHP – this determines the extent to which the CHP can pursue new supply and redevelopment objectives and the Council's ownership of the portfolio		
				iii. Aside from housing assets, should the Council provide the CHP with an upfront capital injection – this determines the pace at which it can advance the upgrade work and pursue new supply and redevelopment objectives		
				iv. What services should the CHP provide – this determines whether the CHP only provides tenancy services and manages minor/reactive repairs or whether it also manages major property maintenance and upgrades. A CHP could also offer an expanded range of support services by tendering for government social service contracts		
				v. How will the CHP finance the housing upgrade programme – this determines whether the CHP finances the upgrades directly using its own balance sheet, or whether it uses the Council's balance sheet, or finances the programme via an alternative off-balance sheet financial arrangement		
131	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	10. Note that this paper seeks decisions on questions i-iv. and that question v. will be brought back to the Committee for consideration, along with further advice, in May 2022	In progress	Next report back on further detailed CHP design will be in August 2022.

132	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	<ul> <li>11. Note officers have developed three shortlisted CHP options and assessed these against the objectives in Recommendation 8:</li> <li>a. Option 1 ("Maximum" CHP): Independent community-owned trust (or limited partnership or company), with full asset transfer, no additional capital injection, and a full-service offering (not officer preferred)</li> <li>b. Option 2 ("Intermediate" CHP): Independent community-owned trust (or limited partnership or company), with leasehold assets, "medium" capital injection, and a transition to a full-service offering (with Option 2 – independent community-owned trust (Option 2 – ICT) as officer preferred)</li> <li>c. Option 3 ("Minimum" CHP): Independent community-owned trust (or limited partnership or company), with leasehold assets, "low" capital injection, and limited service offering (not officer preferred)</li> </ul>	In progress	Next report back on further detailed CHP design will be in August 2022.
133	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	12. Agree that Option 2 – ICT is the Council's preferred CHP option, on the basis that it best meets the prioritised objectives set out in Recommendation 8	In progress	As above on resolution #14.
134	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	<ul> <li>13. Agree to consult through a Special Consultative Procedure (with a consultation document and corresponding LTP amendment) as part of next year's Annual Plan, on the reasonably practicable options to address City Housing's financial sustainability, being:</li> <li>a. Three shortlisted CHP options set out in Recommendation 11 above (with Council preference indicated for Option 2 – ICT)</li> <li>b. Fully funding the operating deficit through rates and debt funding the capital programme</li> </ul>	In progress	As above on resolution #14.
135	Thursday, 7 October	Pūroro Rangaranga	2.2 City Housing	14. Note the proposals for consultation will note that:	In progress	As above on

	2021	Social, Cultural and Economic	sustainability: CHP design options	<ul> <li>a. Feedback is being sought on the public's preferred way forward if the Crown does not provide support or if the Crown Support Option is insufficient to return the portfolio to a financially sustainable footing</li> <li>b. If, following completion of the consultation process, the Crown</li> </ul>		resolution #14.
				does provide support, then further consultation may occur, if required, in relation to the Crown Support Option		
137	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	<ul><li>16. Direct officers to report back to the AP/LTP Committee by March 2022 with the following:</li><li>a. Consultation document, Statement of Proposal (and</li></ul>	In progress	As above on resolution #14.
				corresponding LTP amendment) and engagement programme for review, prior to audit of the consultation material		
138	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing sustainability: CHP design options	17. Direct officers to report back to Pūroro Rangaranga by May 2022 with further detailed CHP design advice on:	In progress	Next report back on further detailed CHP design will be in August 2022.
				a. CHP governance arrangements, including partnership opportunities (further detail on question i)		
				b. Source, form and timing of CHP capitalisation (further detail on question iii)		
				c. Design of a ring-fenced major maintenance fund (further detail on question iv)		
				d. Options to finance the upgrade programme (question v)		
				e. CHP registration process and requirements f. A CHP transitional support package that will meet the Council's financial commitments under the Deed of Grant and provide early support for the CHP while the IRRS revenue stream increases over time.		
143	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Economic wellbeing strategy - engagement approach	3. Agree to Option 2: Co-creation of draft strategy – the co- creation approach of developing the draft Economic Wellbeing Strategy as outlined in the report.	In progress	A paper seeking approval to consult is scheduled to come to this committee on 3 February 2022.

144	Thursday, 7 October 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Economic wellbeing strategy - engagement approach	4. Note that officers will bring a co-created draft Economic Wellbeing Strategy to the December committee meeting.	In progress	A paper seeking approval to consult is scheduled to come to this committee on 3 February 2022. This has been rescheduled due to the heavy workload of the committee in December.
167	Tuesday, 2 November 2021	Pūroro Rangaranga   Social, Cultural and Economic		3. Instruct officers to finalise the terms and conditions of the easement which will be broadly similar to the terms and conditions in the existing easement to Telecom.	In progress	
168	Tuesday, 2 November 2021	Pūroro Rangaranga   Social, Cultural and Economic	3.1 Report of the Kāwai Whakatipu   Grants Subcommittee Meeting of 13 October 2021	1. Agree to bring forward \$100,000 of allocated funding for Wellington Tennis Inc from the 2022-23 financial year and allocate from the 2021-22 Sports Partnership Fund budget	In progress	Underway.
169	Tuesday, 2 November 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.5 Trails Wellington New Track Proposal for Matairangi/Mount Victoria	2. Agree that Council publicly consult on the proposal to build a new mountain bike track in Matairangi/ Mount Victoria (outlined in Attachment 1).	Complete	
170	Tuesday, 2 November 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.5 Trails Wellington New Track Proposal for Matairangi/Mount Victoria	3. Agree that hearings will be held on the track proposal if this is requested by submitters	Complete	
171	Tuesday, 2 November 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.5 Trails Wellington New Track Proposal for Matairangi/Mount Victoria	<ol> <li>Agree that officers will return to the committee to report back on submissions and with recommendations on the track proposal.</li> </ol>	Complete	
172	Tuesday, 2 November 2021	Pūroro Rangaranga   Social, Cultural and Economic	2.6 Trading and events in public places policy	3. Agree to adopt the new Trading and Events in Public Places Policy 2021 and revoke the Footpath Management Policy (2007) and Trading in Public Places Policy (2006).	In progress	Policy due to take effect July 1 2022 - still working with old policies until then
188	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	4) Agree that the cost is met by running down City Housing's cash reserves, noting this would be reflected in City Housing's Annual Plan budget through lower revenue for 2022/23 and future years.	In progress	

189	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	5) Agrees to freeze rents for all tenants in 2022 and fund this through the City Housing's cash reserves	In progress	
192	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	8) Recommend to the Pūroro Maherehere   Annual Plan / Long- term Plan Committee that the tenants welcome pack is translated into Arabic, Tamil, Farsi, Mandarin/Cantonese, Spanish, Samoan, Russian, Cambodian and Hindi.	Complete	
193	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	9) Agrees that officers will prepare advice for how to end the ring fencing of city housing finances and operations in time for deliberations for the Pūroro Maherehere   Annual Plan / Long- term Plan 2022/2023.	Complete	
194	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	10) Request officers to provide advice through the Annual Plan process on remitting rates back to City Housing to assist with long term financial sustainability issues.	In progress	
195	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	11) Restate the long standing position of this Council requesting that Council tenants can access IRRS.	In progress	
196	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	12) Agree to support the Mayor's Taskforce on Social Housing.	Complete	
197	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 City Housing interim tenant support measures	13) Agree to Council officers providing support to the mayoral taskforce on housing where consistent with existing agreed work programmes and Council policy.	Complete	
199	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	2) Recommend that the Pūroro Maherehere   Annual Plan / Long- term Plan Committee agree to a budget of up to \$1.5 million remove, upgrade, or develop the building and grounds of the former NWBC site for community use, dependent on the results of community engagement described at 3 below.	In progress	
200	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	3) Agree that Council run an expression of interest process for community groups or related parties, wishing to use or manage the site, including groups who may need assistance from Council.	In progress	
201	Thursday, 4 February 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Future of the former Workingmen's Bowling Club Site, Wellington Town Belt	4) Agree that officers report to the Pūroro Maherehere   Annual Plan / Long-term Plan Committee about the outcome of this process.	In progress	

202	Thursday, 4 February	Pūroro Rangaranga	2.3 Future of the former	5) Agree that Council officers will not limit the discussions with	In progress	
	2022	Social, Cultural and	Workingmen's Bowling Club	relevant community groups to a formal lease or new building		
		Economic	Site, Wellington Town Belt	arrangement.		
203	Thursday, 4 February	Pūroro Rangaranga	2.3 Future of the former	6) Request officers to maintain the building and grounds to a	In progress	
	2022	Social, Cultural and	Workingmen's Bowling Club	reasonable standard including security, while the community		
		Economic	Site, Wellington Town Belt	tender and design process is progressing.		
204	Thursday, 4 February	Pūroro Rangaranga	2.3 Future of the former	7) Request officers to engage with Kainga Ora as part of the	In progress	
	2022	Social, Cultural and	Workingmen's Bowling Club	consultation process regarding potential partnership or mutually		
		Economic	Site, Wellington Town Belt	beneficial opportunities for extended community use.		
205	Thursday, 4 February	Pūroro Rangaranga	2.3 Future of the former	8) Request officers to engage with local community groups who	In progress	
	2022	Social, Cultural and	Workingmen's Bowling Club	are looking for space to enable temporary lease arrangements		
		Economic	Site, Wellington Town Belt	while the consultation design process is underway.		
209	Thursday, 4 February	Pūroro Rangaranga		4) Refer to the Pūroro Maherehere   Annual Plan / Long-term Plan	In progress	
	2022	Social, Cultural and		Committee that a longer operating service (for March 2023) be		
		Economic	2.1 Khandallah Pool Options	Rconsidered		
211	Thursday, 4 February	Pūroro Rangaranga		6) Agree that Khandallah Pool will be upgraded in line with Option	In progress	
	2022	Social, Cultural and		B (clause 94- Increase level of service) of the report subject to		
		Economic		further detailed design and community (place and interest)		
				engagement and that Officers will report back with an achievable		
				construction timeline at the Pūroro Rangaranga Committee in May		
			2.1 Khandallah Pool Options	<b>2</b> 022.		
213	Thursday, 4 February	Pūroro Rangaranga		8) Refer the decision, to include the additional funds of \$7 million	In progress	
	2022	Social, Cultural and		to be included in the 2023/24 budget, to this year's Pūroro		
		Economic	2.1 Khandallah Pool Options	Maherehere   Annual Plan / Long-term Plan Committee.		
215	Thursday, 4 February	Pūroro Rangaranga	2.4 Land Exchange - 135	2) Recommend to Council that it: a. Authorise, pursuant to Section	In progress	
	2022	Social, Cultural and	Makara Road and 129	15 of the Reserves Act 1977, the exchange of approximately 78m <sup>2</sup>		
		Economic	Makara Road, Karori	of land held as Local Purpose (Water Reservoir) Reserve (the Land)		
				at 135 Makara Road Karori (being Part Lot 1 Application Plan 2142,		
				ROT WN942/12) (the Land), for approximately 190m <sup>2</sup> part of		
				privately-owned land at 129 Makara Road, Karori (being Lot 14 DP		
				21009, ROT WN841/58) (the 129 Makara Road Land). b. Agree to		
				dispose of the Land, in order to give effect to the exchange. c.		
				Agree to acquire the 129 Makara Road Land, in order to give effect		
				to the exchange. d. Delegate to the Chief Executive Officer the		
				power to conclude all matters in relation to the disposal of the		
				Land, and the acquisition of the 129 Makara Road		

				Land, including all legislative matters, issuing relevant public notices, negotiating the terms of the sale or exchange, imposing any reasonable covenants, and anything else necessary.		
				e. Note that the above approvals are conditional on public notification under section 15 of the Reserves Act 1977, and no sustained objections resulting from this public notification.		
221	Thursday, 7 April 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.1 Name Change Proposal for the ASB Sport Centre	3. Agree to rename the building 'Akau Tangi'.	Complete	
223	Thursday, 7 April 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.1 Name Change Proposal for the ASB Sport Centre	5. Note that existing budgets will be reprioritised to update signage and collateral at the centre.	In progress	
225	Thursday, 7 April 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 Trading and event sites on Wellington Town Belt and reserves	2. Agree to the amended "pre-approved" trading and event activities and the identified locations on Wellington Town Belt land held under the Wellington Town Belt Act 2016 and reserve sites held under the Reserves Act 1977 for the new approval framework (as set out in Attachment Four).	In progress	
230	Thursday, 7 April 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.2 Trading and event sites on Wellington Town Belt and reserves	7. Agree to review the approval framework in three years.	In progress	
241	Thursday, 7 April 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.4 Destination Skate Park Feasibility Study	7. Agree to recommend to the Annual Plan/Long Term Plan Committee that a further 5.64M of capital funding is budgeted in the 23/24 (2M) and 24/25 (3.64M) years for the development of a destination skate park.	In progress	
		Pūroro Rangaranga   Social, Cultural and Economic	2.1 Tūpiki Ora Māori Strategy	1. Receive the information.		The information was formally received by the committee.
244	Thursday, 5 May 2022				Complete	
245	Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.1 Tūpiki Ora Māori Strategy	2. Approve the Tūpiki Ora Māori Strategy with minor editorial changes before launch.	Complete	
		Pūroro Rangaranga   Social, Cultural and	2.1 Tūpiki Ora Māori Strategy	3. Agree that Council support Māori Wardens in their important work around the city		

	Thursday, 5 May 2022	Economic		including finding them a base to operate from and supporting with equipment and support to operate.	In progress	
240	2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	1. Receive the information.	In progress	The information was formally received by the committee.
247	Thursday, 5 May 2022				Complete	
	Thursday, 5 May	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	2. Agree that a one new mountain bike trail in Matairangi will be built as per Attachment 1 and that the short section of track already used for walking near Hataitai saddle is retained		
	2022 Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	<ul> <li>as shared track and designed accordingly.</li> <li>3. Note that officers will work with Trails Wellington to ensure the findings of the ecological and traffic impact assessments will be included in the detailed design.</li> </ul>	In progress In progress	
	Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	<ul> <li>4. Agree that officers will report back to Council through the Open Space and Recreation</li> <li>Strategy and the Open Space Access Plan to investigate and then develop in partnership</li> <li>with disabled people.</li> </ul>		
	Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	<ul> <li>5. Agree that an existing section of the City to Sea walkway is sealed and realigned to meet</li> <li>the accessibility needs for a broader audience on Matairangi.</li> </ul>	In progress	
252	Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	<ul> <li>6. Agree that officers will reassess walking and biking trails on Matairangi within the next 6 months, giving effect to existing plans and policies (such as Open Space Access Plan 2016) that prioritise walkers and investigate changing some existing trails to walking only.</li> </ul>	In progress	
	Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	7. Note that Council will plant native forest species around the entrance to mitigate noise and visual impacts.	In progress	
254	Thursday, 5 May 2022	Pūroro Rangaranga   Social, Cultural and Economic	2.3 Trails Wellington Matairangi Track Proposal	8. Note that Council officers will work with Trails Wellington on a formal agreement under which they will operate	In progress	

		Pūroro Rangaranga	2.3 Trails Wellington	9. Note that Council officers will work to find an appropriate name		
	Thursday, 5 May	Social, Cultural and	Matairangi Track Proposal	for the trail in accordance		
255	2022	Economic		with Te Māpihi Maurea (Wellington City Council Naming Policy).	In progress	
		Pūroro Rangaranga	2.3 Trails Wellington	10. Note that Council will work with Trails Wellington to continue		
	Thursday, 5 May	Social, Cultural and	Matairangi Track Proposal	closing illegal mountain bike		
256	2022	Economic		trails on Matairangi, making the area safer for walkers.	In progress	
		Pūroro Rangaranga	2.3 Trails Wellington	11. Agree that after completion of this trail no new trails will be		
		Social, Cultural and	Matairangi Track Proposal	constructed on Matairangi		
		Economic		focusing instead on realignment and improvement of existing		
	Thursday, 5 May			tracks to increase user		
257	2022			experience and to reduce conflict with walkers.	In progress	
		Pūroro Rangaranga   Social, Cultural and Economic	2.4 Action Tracking	1. Receive the information		The information was formally received by the committee.
258	Thursday, 5 May 2022				Complete	
		Pūroro Rangaranga   Social, Cultural and Economic	2.5 Forward Programme	1. Receive the information		The information was formally received by the committee.
259	Thursday, 5 May 2022				Complete	

# FORWARD PROGRAMME

#### Kōrero taunaki

#### Summary of considerations

#### Purpose

1. This report provides the Forward Programme for the Pūroro Rangaranga | Social, Cultural and Economic Committee for the next two meetings.

#### Strategic alignment with community wellbeing outcomes and priority areas

Aligns with the following strategies and priority areas:

	<ul> <li>Sustainable, natural eco city</li> <li>People friendly, compact, safe and accessible capital city</li> <li>Innovative, inclusive and creative city</li> <li>Dynamic and sustainable economy</li> </ul>	
Strategic alignment with priority objective areas from Long-term Plan 2021–2031	<ul> <li>Functioning, resilient and reliable three waters infrastructure</li> <li>Affordable, resilient and safe place to live</li> <li>Safe, resilient and reliable core transport infrastructure network</li> <li>Fit-for-purpose community, creative and cultural spaces</li> <li>Accelerating zero-carbon and waste-free transition</li> <li>Strong partnerships with mana whenua</li> </ul>	
Relevant Previous decisions	Not applicable.	
Financial consideration	าร	
	dgetary provision in Annual Plan /   Unbudgeted \$X erm Plan	
Risk		

Author	Alisi Puloka, Democracy Advisor
Authoriser	Kym Fell, Chief Customer and Community Officer

🗆 Medium 🛛 🗆 High

□ Extreme

#### Taunakitanga

#### **Officers' Recommendations**

🖾 Low

Officers recommend that Pūroro Rangaranga | Social, Cultural and Economic Committee:

1. Receive the information.

## Whakarāpopoto

#### **Executive Summary**

- 2. The Forward Programme sets out the reports planned for Pūroro Rangaranga meetings that require committee consideration.
- 3. The Forward Programme is a working document and is subject to change on a regular basis.

#### Kōrerorero

#### Discussion

- 4. Thursday 4 August 2022
  - Petition: Call for Public Toilets at Ian Galloway BMX/Skate/Dog Park
  - Tūpiki Ora Action Plan (Chief Māori Officer)
  - City Housing sustainability: Detailed CHP design (Chief Customer and Community Officer)
  - Khandallah Pool (Chief Customer and Community Officer)
  - Regional Economic Development Plan (Chief Strategy and Governance Officer)
  - Grenada North Nominees Agreement (under Reserves Act 1977) (Chief Customer and Community Officer).

#### Attachments

Nil

# 3. Committee Reports

# REPORT OF THE KĀWAI WHAKATIPU | GRANTS SUBCOMMITTEE MEETING OF 24 MAY 2022

**Members:** Mayor Foster, Councillor Day, Councillor Fitzsimons (Chair), Councillor Foon, Liz Kelly, Councillor Matthews, Councillor O'Neill, Councillor Young.

#### MULTI-YEAR FUNDING- ARTS AND CULTURE FUND- 2022/23

The Kāwai Whakatipu | Grants subcommittee recommends that the Pūroro Rangaranga | Social, Cultural and Economic Committee:

- 1) Approve the allocation of multi-year contract funding (from 1 July 2022) for applications #3, #5, #6, #7, #9, #18, #19 being allocations greater than \$100,000, subject to the Arts and Culture Funds being available through the Annual and Long-Term Plans
  - 3. BATS Theatre Limited: \$100,000 p.a. for three years
  - 5. Circa Theatre Incorporated; \$186,385 p.a. for three years
  - 6. Creative Capital Arts Trust: \$155,510 p.a. for three years
  - 7. Katherine Mansfield Birthplace Society Incorporated: \$124,784 p.a. for three years
  - 9. Newtown Festival Trust: \$161,606 p.a. for three years
  - 18. The Royal New Zealand Ballet: \$167,238 p.a. for three years
  - 19. Wellington Regional Orchestra Foundation Incorporated (Orchestra Wellington): \$305,400 p.a. for three years
- Approve the allocation of multi-year contract funding (from 1 July 2022) for applications #9, #12, #18, #19, being an allocation of greater than \$100,000 p.a., subject to the Social and Recreation Fund being available through the Annual and Long-Term Plans.
  - 9. Newtown Community & Cultural Centre: \$217,500 p.a. for three years
  - 12. Strathmore Park Community Centre Trust: \$167,600 p.a. for three years
  - 18. Citizens Advice Bureau Wellington Incorporated: \$225,000 p.a. for three years
  - 19. Community Law Wellington and Hutt Valley Trust: \$158,000 (\$85,000 p.a. for three years and \$73,000 in 2022/2023)

#### Attachments

Nil