
REPORT 4
(1215/52/IM)

WELLINGTON REGIONAL STRATEGY - INITIAL FEEDBACK

1. Purpose of Report

To seek initial feedback from Councillors on the draft Wellington Regional Strategy (WRS) including preliminary governance and funding proposals. The draft WRS will be presented at the end of July for approval before going out for public consultation and at that stage it will be formatted as a “mock up” document.

Since there is a further meeting of the Wellington Regional Strategy Forum at the end of June, this report provides an opportunity for specific input from Councillors before the draft is finalised and then presented to constituent councils in mid-late July.

2. Executive Summary

The Wellington Regional Strategy aims to provide a framework for economic and urban development in the region. It is a groundbreaking piece of work since it brings together all councils in the region and major stakeholders, to address steps needed to build international competitiveness.

The joint committee formed to develop the strategy has been working assiduously and their progress has been regularly reported back to this Council. Extensive analysis of issues and options has been undertaken and a draft is nearing completion for public consultation over the period mid August to mid September. The end of October is the expected date for finalisation of the strategy.

The major components of the draft Strategy, under the areas *Investment in Increasing Exports*, *Quality Regional Form and Systems*, and *Effective Leadership and Partnerships* have been broadly agreed by the WRS Forum.

They involve significant change in the focus of economic development activities undertaken jointly (which are mostly delivered by Positively Wellington Business and Positively Wellington Tourism at present). In the urban development area a new, harmonised approach to managing urban growth is proposed, focussing on key locations where a more active approach is needed. The *Effective Leadership and Partnerships* area recognises the importance of appropriate governance, funding and implementation mechanisms, and these are still being worked through.

A summary diagram of these components, and a detailed description of specific objectives and proposed actions, is attached as Appendix 1 – noting that a complete draft will be presented in late July.

A major consideration is the governance and funding proposals for the strategy, particularly in the economic development area. Normally these would be considered at the implementation phase but significant changes are mooted. These involve rating at a regional level for collective economic development activity and establishing a new Board to direct a revamped regional economic development agency. The structure of the agency itself would be similar to Positively Wellington Business but its primary task would be delivering the WRS through new and different activities.

3. Recommendations

It is recommended that the Committee:

1. *Receive the information.*
2. *Note the draft contents of the draft Wellington Regional Strategy attached in the Appendices, and provide any initial feedback to assist in the formulation of the final draft Strategy.*

4. Background

The Wellington Regional Strategy process was initiated to address major planning issues at a regional level in the economic and urban development areas. The region essentially functions as one economic unit which makes the division into separate administrative areas for planning purposes artificial.

The overall objective of the strategy is to promote and manage growth, i.e. to develop an internationally competitive Wellington Region. In the early stages of development of the Strategy a number of leading consultants were used to identify global trends and issues and how Wellington might respond to these. A very large amount of information was also assembled on the current situation and projections with regard to demographics, infrastructure, the economy, land use, and other factors.

In developing strategic objectives and proposals for action, there has been broad agreement on the need to improve the competitiveness of Wellington region and the desirability of promoting and managing growth. However the specifics of what might happen in particular areas has generated a lot of discussion and debate at the WRS Forum. Significant areas remain where a common view has not yet been reached, particularly governance and funding of the Strategy.

5. Discussion

The Strategy itself is still in draft form and its components have not yet been assembled in a draft document. An outline of key elements is attached as Appendix 1, and includes a diagram showing all components.

5.1 New direction for regional economic development

For economic development, the focus of the draft strategy is on *Investment in Increasing Exports*, delivered through:

- Developing products, businesses and services that relate to identified ‘centres of excellence’;
- Selling and marketing overseas;
- Getting our products to international markets; and
- Key business growth inputs

Appendix 2 contains the draft *Investment in Increasing Exports* ideas that were presented to the WRS Forum in May.

5.2 New direction for regional urban development

The approach taken in *Quality Regional Form and Systems*, has been to focus on urban issues which contribute to the economic competitiveness of the region as well as targeted urban issues with significant regional implications and interconnections that would benefit from integrated regional management. The action areas provide a guiding framework, some of which would be implemented through individual TAs district plans.

These action areas are consistent with the approach currently being taken by the Council and include:

- Investment in change areas;
- Investment in centres;
- Employment locations;
- Intensification;
- Affordable housing;
- Rural residential;
- Quality urban form and design;
- Open space; and
- Region’s movement network.

It is proposed to use the Regional Policy Statement to set out those elements of the WRS able to be addressed using the Resource Management Act 1991 (RMA). These elements will be agreed via a process resulting in a Memorandum of Agreement and the Triennial Agreement. Such agreements can also address any associated matters not able to be enacted via the RMA processes.

Appendix 3 contains the draft *Quality Regional Form and Systems* ideas that were presented to the WRS Forum in May.

5.3 New governance arrangements

A further, major component of the Strategy is the area titled *Effective Leadership and Partnerships*. This covers:

- Ongoing governance arrangements to deliver the Strategy;
- Implementation tools such as delivery agencies;
- Kainga-a-tikanga process;
- Regionally shared knowledge management; and
- Genuine Progress Indicators (GPI).

With regard to ongoing governance arrangements, deliberations to date have indicated that there is general agreement that for the WRS to be successful there needs to be:

1. *A formally constituted regional body that reviews progress against the WRS and leads reviews as required i.e. a ‘keeper of the strategy’*

The three options considered to date for this role are:

- Continuing the current WRS Forum with a revised terms of reference
 - A formally constituted (as a local authority committee) Mayoral forum
 - Establishing a ‘Board for Wellington’ that has a mix of local authority, private and other public sector members
2. *Improved governance arrangements for the regional economic development agency, which includes having one Statement of Corporate Intent (SCI) as opposed to five.*

Two options have been considered so far for how such a single SCI can be developed and reviewed:

- The SCI is developed by the selected ‘keeper of the strategy’ body (refer above)
 - Regional economic development becomes a responsibility of Greater Wellington Regional Council, who develops the SCI with input from territorial authorities through the ‘keeper of the strategy’ body (this is the Auckland model).
3. *Improved certainty of funding for both the regional economic development agency, and the various urban development initiatives.*

The two options considered to date are:

- Greater Wellington Regional Council would also take responsibility for funding regional economic development initiatives (and the agency that will implement most of the initiatives) through a regional rate
- Alternatively, the current funding arrangements (annually reviewed contributions from each member authority) would be replaced by a separate rate in each local authority that is struck on a uniform basis across the region.

6. Conclusion

This report presents an early draft of the Wellington Regional Strategy and provides an opportunity for initial feedback before a fuller draft is presented in late July.

Contact Officers: *Ernst Zöllner, Director Strategy and Planning*
 Karen Wallace, Chief Operating Officer

Supporting Information

1) Strategic Fit / Strategic Outcome

This report deals with a strategy designed to provide direction at the regional level, which will strongly influence Council's own economic development strategy. The Economic Development Strategy has been written with this in mind and anticipates repositioning of, in particular, the activities of Positively Wellington Business.

2) LTCCP/Annual Plan reference and long term financial impact

xxx.

3) Treaty of Waitangi considerations

The Wellington Regional Strategy process has used the Ara Tahi group convened by Greater Wellington Regional Council to provide input on tangata whenua issues.

4) Decision-Making

Development of the strategy is consistent with the region's Triennial Agreement required under the Local Government Act 2002.

5) Consultation

a) General Consultation

An extensive consultation process is planned for the draft strategy.

b) Consultation with Maori

See above. The consultation process will include Maori .

6) Legal Implications

Not applicable

7) Consistency with existing policy

The report discusses a plan that is consistent with existing policy.