

Wellington

Digital Strategy

August 2011

Introduction

In response to the opportunities that technology changes provide to a city like Wellington, we have considered how Wellington can become a smart city through development and implementation of a digital strategy.

In formulating a digital strategy we looked to establish what the digital sector's perceptions of Wellington as a digital city are, what the current strengths are and what might be changed or better supported to develop it in the future. We asked for ideas about where we, as a city, would like to aim and we asked for ideas about how to get there.

From discussions with people across the sector it became apparent that there is a particular way in which Wellington is thought to stand out from other major New Zealand cities. While Auckland is perceived to have strengths in the areas of communication technology and IT consultancy and Christchurch in electronics and technology equipment, Wellington has a digital industry that is strong in development of creative digital products such as web design, gaming, applications, film, music, digital art and web tools.

Products such as these require no fuel to transport and therefore reduce the disadvantage that our distance to global market brings when comparing with export of primary produce.

There are many digital creative companies in Wellington currently operating successfully in a global market. We consider that deliberate growth of these activities can bring advantages in economic and social development to Wellington City, while also contributing to green aspirations.

We have developed this draft digital strategy to support the city's digital development over the next 30 years by identifying activities in the sector that can positively impact our prosperity and wellbeing. Noting that, given the fast pace of technology change, we intend to review the activities and implementation plan sections of the strategy every two years.

It has been noted in feedback that we have received through consultation that the implementation of the Digital strategy will, with acquired computer skills, enable older citizens to contribute to the digital welfare of the city.

Another respondent suggested that we change the aim to make Wellington the "Hi-Tech" ecosystem for the country. While we agree this idea has merit, the majority

supported the aim however we will endeavour to support high tech industries that do not specifically fall in the digital area, through the economic development strategy.

It is envisaged that the role of Council will be mostly an enabling one. The expertise for a number of the proposed initiatives lie outside Council, but it is appropriate that Council is aware of barriers to implementation and act wherever possible to enable the best outcomes for Wellington City.

While the focus of this specific strategy is on creative digital, we welcome innovation and success across the whole digital sector.

Note: There are 'high tech' industries in Wellington that do not fall within a definition of digital and there are strong digital companies in Wellington whose activities fall outside the loose definition of 'creative digital'. This strategy does not seek to be all things to all people, therefore there will inevitably be organisations and individuals that do not see themselves or their work reflected there. Wellington City Council values all the businesses in the city and is undertaking other work that will underpin support for development across a wider range of organisations.

Aim

The aim of the strategy is to set the direction for Wellington to achieve global recognition as a creative digital city and alongside our other goals, evolve to 'Wellington Creative Digital Capital'. The primary reasons for recommending this are:

- It builds on the current strengths of Wellington's digital and creative sectors
- It reflects the aspirations of the sector, but at the same time is measurable and achievable.
- Achieving this aim will bring tangible advantages in the context of our city's distance from global markets and the increasing difficulties that will present in light of expected increasing fuel prices and climate issues.
- It creates new job opportunities as well as economic and social efficiencies.
- It will grow our economy through business attraction.
- Responds in a unique Wellington way to global trends affecting cities around the world, in particular:
 - increasing reliance on technology,
 - increasing importance of sustainable business models
 - need to find a relevant positioning to respond to increasing economic influence in large cities and
 - increasing scarcity of commodities such as oil
- It supports the establishment of a range of programmes and activities that focus on both social and economic outcomes.

If we achieve this aim

If we achieve this aim, we will have a city that people from New Zealand and overseas are constantly and actively seeking to live in, where our talented young people leave school and know they can become world leaders in digital technology businesses here in their own city. We will have a city that is noted for its digital accessibility, where people of all ages and skill levels can access and contribute to the digital economy of the city.

A CEO of a digital start up company will have confidence in his or her ability to access the support and finance needed to develop a concept and will be more likely to 'go for it'.

A head of R & D in an overseas company have to seriously consider investing in work being undertaken in Wellington – either by locating an office here or having work undertaken by technology companies located here.

Strategy

The strategy is focused in three areas:

1. Make Wellington the place where talent wants to live

We need more skilled technology people in Wellington.

The formation of this strategy is happening at a time of global recession and relatively high national unemployment, and yet nearly every business we spoke to in the digital sector is struggling to fill positions for skilled technology workers.

A strategy to retain our talented people and target immigrants that are talented in digital creativity has a number of benefits:

- The city's current form, culture and creative reputation already attracts technology talent. Many of our entrepreneurs in this sector are immigrants, so we know it is achievable and that we have what it takes to attract skilled technology people to live here.
- Digital technology has international celebration. In the same way that there are international celebrities in music, art and screen there are celebrities with fans and followers in such things as coding and application design. Increasing the digital talent base in Wellington will exponentially affect the city's reputation as a great place to live and a great place to visit.
- Encouraging our home-grown talent to stay as well as encouraging more talent to live here, will lead to more digital business and more digital exports. Digital exports are high margin and low transport cost. This is going to become increasingly desirable with Wellington's distance from global markets alongside expected global fuel cost increases and a need to reduce carbon emissions.

Our many and varied arts events have attracted people to Wellington nationally. World of Wearable Art and Te Papa have put Wellington on the map internationally, but with a relatively small number of people. This strategy will widen that group considerably, affecting export and tourism.

Measures:

- Number of digital businesses in Wellington
- Number of employees working in digital businesses in Wellington
- Increase in export dollars

Activities to implement this strategy are outlined on page 7.

2. Inspire shared knowledge and development of ideas and creativity.

Wellington has a high number of digital businesses that turn creative ideas into product. Elements such as excellent art, music and coffee have supported the development of a culture of sharing ideas to develop local responses to emerging market opportunities.

There are conditions that we can encourage as a city to support this; conferences and expos, freely available civic information, highly visible digital creative works, access to information and by making a conscious effort to overcome our New Zealand culture cringe - the often held perception that 'if it comes from overseas it must be better'.

The ideas, creations and business start ups we produce now are achieved through a variety of ways. This strategy will seek to identify the factors that lead to the successful development of ideas and enable more to happen with more opportunity for productive outcomes.

Wellington is home to Webstock, AnimFX, FullCodePress, Unlimited Potential and Ignite Wellington to name a few. These are all good models for exchange of ideas and our recommendation is not to change this but to support the people and organisations that run great events and if desirable help them grow the number and variety.

Measures:

- Number of overseas visitors attending digital events in Wellington
- Number of digital start up businesses in Wellington
- Number of digital installations in Wellington
- Success in local, regional, national and international awards

Activities to implement this strategy are outlined on page 9.

3. Make Wellington a world leading place for digital activity.

Every digital strategy must acknowledge the critical role of infrastructure. Without good infrastructure it is difficult to make progress in any digital endeavour.

Wellington City Council's foresight in developing the CityLink network in 1995 has stood the city in good stead however, that legacy is not enduring. Our city digital infrastructure is already falling short of cities overseas and with the expected rollout of Ultra Fast Broadband by Central Government is not likely to continue to give us an edge nationally for much longer.

Further, the service in Wellington by infrastructure providers is not ubiquitous or always well utilised. For example, our reputation suffers when speakers to

internationally renowned conferences like Webstock have to pay high prices for poor broadband speeds in our hotels.

Developing a free-to-use WiFi network will boost the city's reputation, but other cities are likely to catch up with this trend quickly.

Traditionally councils have approached this issue by identifying infrastructure gaps and tendering to infrastructure providers for provision of the required infrastructure. This then gets rolled out either through underwriting demand or subsidising the capital expenditure of the telecommunications company.

We are proposing an approach for Wellington City that focuses more on outcomes than on specific technologies or infrastructure. Again the primary intent is to enable. The high level outcome is to have a city with 'impressive' infrastructure. More detailed outcomes would be identified in consultation with the sector and the providers.

Measures:

- Access to broadband
- Broadband speed and quality satisfaction
- Use of library and community venue technology

Activities to implement this strategy are outlined on page 11.

Action Plans

This section examines the Action Plans that can be implemented to achieve the strategic goals. Final decisions about activities that are dependant on Council funding will be made in the context of the Long Term Plan.

Make Wellington the place where talent wants to live.

1. *Foster education in innovative digital sectors and link education to industry needs.*

Nearly every IT or digital company we have spoken to has expressed frustration in securing staff with desired skills. There appears to be a number of factors contributing to this.

There is a shortage of talent in the digital sector in Wellington both in technically skilled people and in management.

WelTec has attempted to address some of the needs of Wellington business in their courses through their creative technologies programme, Victoria University has been primarily focussed on law and politics in the past but has recently begun to move into creative technology, recently partnering with Weta to offer computer design and Massey has Creative Arts, Business and Science courses at its Wellington Campus.

A detailed plan to provide educators with the information they need from employers that will inform their decisions around course availability can assist in this area. In addition consideration of other training methods and initiatives such as Summer of Tech and Catalyst Academy can provide a more targeted 'Wellington' solution.

Action: Work with Grow Wellington to understand the results of their evaluations of education and business links and assist with resourcing their communication.

Action: Work with the private sector to encourage initiatives that they can develop to educate talent in Wellington to their specific needs

Action: Investigate the possibility of establishing a Computer Clubhouse in Wellington (subject to Long term Plan deliberation).

2. *Develop and tell Wellington digital story.*

Wellington has a high number of immigrants working or owning businesses in the digital sector.

Anecdotally they move here because of our reputation for:

- Great food and coffee
- Walkable City
- Relatively mild weather
- Arts and Culture
- Creative productivity

Ease of doing outdoor pursuits (hiking, mountain biking, windsurfing etc)

Action: Work on the development of the 'Wellington digital story' including options for 'telling' the story. This will be done as part of wider talent attraction and Destination Wellington work under the Council's Economic Development Strategy.

3. Investigate city relationship and/or connections with Silicon Valley City/s.

We currently have sister city relationships with Beijing, Xiamen and Sakai. The success of these relationships has been in developing business links and professional exchange programmes.

Action: investigate what form of relationship and with which cities, is most likely help with export of digital product and strengthen our reputation, promote travel and knowledge exchange.

4. Connect Wellington businesses with overseas businesses.

Under the right circumstances, City Council support of links between our business and overseas business can help grow export opportunities.

Action: Work with Grow Wellington to:

- ensure that emerging business understand how to access programmes available from Central Government, NZ Trade and Enterprise and Grow Wellington
- identify whether further targeted initiatives need to be established
- identify the most effective method/s to do this.

5. Use networks to connect to New Zealanders and New Zealand supportive people around the world.

This would entail a stronger link with Kea Network for both Council and Wellington businesses.

Action: Ensure talent attraction initiatives identify digital skills as a priority.

Action: Develop stronger links with KEA network

Inspire knowledge, ideas and creativity.

1. *Make Wellington a leader in freely providing civic data for use and manipulation.*

Wellington City Council has recently made much of its GIS data freely available for anyone to see, use, develop and manipulate. Provision of civic data enables developers and programmers to develop applications that benefit residents and tourists in and around the city.

The more access is provided to data free of charge, the less we are restricted by the custodian of the data's vision for its use. This can lead to application and use that would otherwise be unthought-of and leads to a much greater citizen participation in, and enhancement of civic activity.

Action: Reflect this in our corporate IT plan

Action: Support events, collaborations and competitions that promote the availability and use of free civic data (e.g. Digital Earth Summit)

2. *Promote collaboration and access to global experts*

Webstock, AnimFX, FullCodePress, Unlimited Potential and Ignite Wellington are all events that are successful and work well in the Wellington technical environment.

Working to extend this selection, fill the gaps and extend the great reputation that Wellington is getting for attracting inspiring speakers from around the world, is critical to growth of our digital reputation as well as being a catalyst for creation of digital ideas.

We have a fabulous opportunity with the calibre of people that are attracted to speak at some of these Wellington events. However as well as increasing the opportunities to attract such people, we also need to do more to ensure that they can speak highly of Wellington as a digital city when they return home.

Action: Support events that will contribute to Wellington's aim to be globally recognised as a creative digital capital (subject to Long term Plan deliberation)

Action: Investigate opportunities to collaborate with experts and institutes with recognised areas of expertise from around the world

Action: Bid for international conferences that will enhance Wellington's digital reputation (subject to Long term Plan deliberation).

Action: Work with our education institutes to develop mechanisms for the city to access the expertise that they attract – bring 'gown' into 'town'.

3. *Develop easy mechanisms to link investors, businesses and ideas.*

Many Wellington digital businesses have established good links within the global market for their product, however initially making those links can be difficult.

NZTE and Grow Wellington have programmes to assist businesses to connect with their potential export markets, however both these organisations have defined parameters in which they operate.

A plan to ensure that Wellington technology businesses have easy access to markets to sell their product, either through existing programmes or by enabling further programmes if gaps are apparent is an initiative that can be developed under this strategy.

The ability for start up businesses to access investment funding is hindered by a reluctance to take risks, inability to identify funders and restricted funding opportunities.

Action: develop mechanisms to ensure people have access to information on who to approach for funding and how to make that approach

Action: Investigate opportunities to encourage more investors to locate in Wellington or take an interest in Wellington businesses.

4. *Prioritise home made product – Wellington businesses supply Wellington organisations.*

Wellington, like a lot of New Zealand cities, suffers from a certain amount of 'cultural cringe'. We have amazing talent and expertise here, but often don't even look to see what is available locally to fill our requirements.

Without suggesting that Wellington organisations should ever compromise on quality, we can encourage policies that allow recognition of local provision.

Allowing local provision to factor into consideration when assessing our digital needs can have a major flow-on effect for Wellington companies, allowing them to establish references for their product. If the product is proven locally it is more likely to be able to be sold nationally and internationally.

Action: review Council's procurement policies to ensure that they do not disadvantage Wellington businesses

Action: investigate opportunities to promote Wellington digital product to Wellington businesses 'buy Wellington made'.

5. *Visual expression of Wellington's digital culture through the city.*

Wellington's future can be enhanced by expanding its digital outputs. It needs to be patently visible that this is our chosen path. Expressing our digital creativity is critical to the reputational development of the city.

Our digital talent should be self evident when planning a visit to Wellington, when stepping off a plane at Wellington Airport, and when walking through Wellington CBD.

We propose development of a plan that includes 'in your face' digital art and digital commerce exhibits. Including demonstrations and communications to leave no doubt that we are the best place for talented technology people to be.

Action: Call for submissions for a significant digital art instalment in Wellington to firmly establish our commitment to a creative digital city (subject to Long term Plan deliberation)

Action: Work with events to investigate options for a lights festival for Wellington (subject to Long term Plan deliberation)

Action: Engage with the Airport and Te Papa to establish digital projects (subject to Long term Plan deliberation)

Wellington - the place for digital activity

1. *Develop joint strategies with digital infrastructure providers to establish Wellington's premier digital status.*

This action is a suggestion for a different approach to enhancing technology infrastructure in Wellington. It is suggested that we develop agreements with the ISP's and Telecommunications companies to provide the outcomes we want for the city.

The rationale for this is that it allows us to engage with the service providers on a basis that does not limit their participation by restricting the technology used. In this way we can maximise the benefits of all the technologies available and encourage providers to maximise their existing networks.

Action: Engage with Telco's to understand the nature of barriers to Wellington having the fastest possible broadband speeds and develop a plan to resolve issues.

2. *Develop enabling digital infrastructure.*

Wellington has a great head start underpinned by the previous Council investment in CityLink cable, however the advantage of that is eroded every day as other cities lay more and more fibre. While we have good IT infrastructure in comparison to other New Zealand cities, that comparison is irrelevant when we are targeting global markets.

The central government Ultra Fast Broadband project is progressing, but ensuring that there is a good argument for prioritising Wellington and ensuring that infrastructure in Wellington connects to good infrastructure to the rest of the world, is important for ensuring that we are the best city for the location of world class digital businesses.

Action: Cost options to provide better internet and cellphone access to Makara Village and Makara Beach (subject to Long term Plan deliberation)

Action: Action: Extend free-to-use wireless network in public spaces across the city, including community facilities and visitor destinations (subject to Long term Plan deliberation) – nothing that this will also support the next goal of making access to technology available to all.

Action: Work with the region, Crown Fibre Holdings and Chorus to get Ultra Fast Broadband rolled out quickly in Wellington City

3. *Make access to technology available to all – privately or through community groups.*

Access to the internet and to technology tools provides opportunities for individuals and organisations to extend their knowledge and experiences.

We propose the development of a plan to ensure that internet access is available in Wellington's public places, that access and equipment is available to everyone through libraries and community venues and that there are initiatives to ensure our communities work together so that social organisations have the right tools and web presence to support their activities.

Action: Continue to provide computer hubs in Council housing developments

Action: Investigate options for Makara as outlined above.

4. Encourage digital technology companies to test in Wellington.

In the same way that making our civic data available can lead to civic participation and innovation, technology testing can lead to product ideas and application invention that we may not be able to anticipate.

While Telecom has largely moved its head office functions to Auckland, its technology laboratory remains in Tory Street, Wellington. This can potentially be a stepping stone to promoting Wellington as a city that supports technology innovation.

A plan to target more involvement across the sector in testing and experimenting with new technology ideas could result in leading edge application and product development.

Wellington central city is compact with a highly educated population. This provides an opportunity for technology companies to do 'contained' testing and the availability of emerging technologies in the city will in turn provide opportunities for application developers to be one step ahead in experiencing and responding to emerging platforms.

A plan can look at whether the city would like to be a place that is easier for technology companies to try out new infrastructure options and bring the innovations out of laboratories and into the city.

Action: Open discussions with Ministry of Economic Development and Telecommunications organisations about trialling emerging technologies here

5. Have a robust IT and communications continuity plan.

We are all aware of the risks of natural disaster in Wellington. While there is considerable work being done to ensure safety of people and resilience of basic infrastructure, we also need to ensure that should such an event occur we have robust plans for business continuation.

Action: undertake a stock-take of current plans including central government then, if necessary, development of options that provide the ability for Wellington businesses and social organisations to resume operating as quickly as possible

Action: Investigate a city project to establish offsite data storage ability and operation hubs (subject to Long term Plan deliberation)

Action: Look at the possibility of piloting GIS data modelling of the city to collate information needed by emergency services and disaster recovery organisation in the event of disaster (subject to Long term Plan deliberation).

Summary of Actions:

1 Make Wellington the place where talent wants to live.

Foster education in innovative digital sectors and link education to industry needs.

Action: Work with Grow Wellington to understand the results of their evaluations of education and business links and assist with resourcing their communication.

Action: Work with the private sector to encourage initiatives that they can develop to educate talent in Wellington to their specific needs

Action: Investigate the possibility of establishing a Computer Clubhouse in Wellington (subject to Long term Plan deliberation).

Develop and tell Wellington digital story.

Action: Work on the development of the 'Wellington digital story' including options for 'telling' the story. This will be done as part of wider talent attraction and Destination Wellington work under the Council's Economic Development Strategy.

Investigate city relationship and/or connections with Silicon Valley City/s.

Action: Investigate what form of relationship and with which cities, is most likely help with export of digital product and strengthen our reputation, promote travel and knowledge exchange.

Connect Wellington businesses with overseas businesses.

Action: Work with Grow Wellington to:

- ensure that emerging business understand how to access programmes available from Central Government, NZ Trade and Enterprise and Grow Wellington
- identify whether further targeted initiatives need to be established
- identify the most effective method/s to do this.

Use networks to connect to New Zealanders and New Zealand supportive people around the world.

Action: Ensure talent attraction initiatives identify digital skills as a priority.

Action: Develop stronger links with KEA network

2 Inspire knowledge, ideas and creativity.

Make Wellington a leader in freely providing civic data for use and manipulation.

Action: Reflect this in our corporate IT plan (currently in development)

Action: Support events, collaborations and competitions that promote the availability and use of free civic data (e.g. Digital Earth Summit)

Promote collaboration and access to global experts

Action: Include in the upcoming review of the events strategy, consideration of support for events that will contribute to Wellington's aim to be globally recognised as a digital creative capital

Action: Investigate opportunities to collaborate with experts and institutes with recognised areas of expertise from around the world

Action: Bid for international conferences that will enhance Wellington's digital reputation (subject to Long term Plan deliberation)

Action: Work with our education institutes to develop mechanisms for the city to access the expertise that they attract – bring 'gown' into 'town'.

Develop easy mechanisms to link investors, businesses and ideas.

Action: develop mechanisms to ensure people have access to information on who to approach for funding and how to make that approach

Action: Investigate opportunities to encourage more investors to locate in Wellington or take an interest in Wellington businesses.

Prioritise home made product – Wellington businesses supply Wellington organisations.

Action: review Council's procurement policies to ensure that they do not disadvantage Wellington businesses

Action: investigate opportunities to promote Wellington digital product to Wellington businesses 'buy Wellington made'.

Visual expression of Wellington's digital culture through the city.

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Action: Engage with the Airport and Te Papa to establish digital projects (subject to Long term Plan deliberation).

3 Wellington - the place for digital activity

Develop joint strategies with digital infrastructure providers to establish Wellington's premier digital status.

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Action: Extend free-to-use wireless network in public spaces across the city, including community facilities and visitor destinations (subject to Long term Plan deliberation)

Action: Work with the region, Crown Fibre Holdings and Chorus to get Ultra Fast Broadband rolled out quickly in Wellington City

Make access to technology available to all – privately or through community groups.

Action: Continue to provide computer hubs in Council housing developments

Action: Investigate options for Makara as outlined above

Encourage digital technology companies to test in Wellington.

Action: Open discussions with Ministry of Economic Development and Telecommunications organisations about trialling emerging technologies in Wellington

Have a robust IT and communications continuity plan.

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