

**Joint Regional Economic Development
Committee**

Friday 11 March 2022 at 10.00am

AGENDA

Joint Regional Economic Development Committee Agenda

Meeting to be held remotely
on Friday 11 March 2022, commencing at 10.00am

Recommendations contained in the agenda are NOT decisions of the meeting. Please refer to minutes for resolutions.

MEMBERSHIP OF THE JOINT REGIONAL ECONOMIC DEVELOPMENT COMMITTEE

Chairperson, Councillor Justin Blaikie

Councillor Terry Archer

Councillor Anna Curnow

Councillor David Clendon

Councillor John Vujcich

Councillor Peter Wethey

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Opening Karakia – Whakataka te hau

Whakataka te hau ki te uru
Whakataka te hau ki te tonga
Kia mākinakīna ki uta
Kia mātaratara ki tai
E hī ake ana te atakura
He tīo, he huka, he hau hū
Tihei mauri ora!

Closing Karakia – Karakia Whakamutunga

Unuhia, unuhia
Unuhia ki te uru tapu nui
Kia wātea, kia māmā, te ngākau,
te tinana, te wairua i te ara tanagata
Koia rā e Rongo, whakairia ake ki runga
Kia tina! TINA! Hui e! TĀIKI E!

TITLE: Confirmation of Minutes - 10 December 2021

From: Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Authorised by Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on
Group Manager/s: 04 March 2022

Ngā mahi tūtohutia / Recommendation

That the minutes of the Joint Regional Economic Development Committee meeting held on 10 December 2021 be confirmed as a true and correct record.

Attachments/Ngā tapirihanga

Attachment 1: Joint Regional Economic Development Committee Minutes 10 December 2021 [↓](#) 

Joint Regional Economic Development Committee
10 December 2021

Joint Regional Economic Development Committee Minutes

Meeting held remotely via Zoom
on Friday 10 December 2021, commencing at 10.00am

Tuhinga/Present:

Full Meeting

Councillor Justin Blaikie (NRC) - Chair
Councillor Anna Curnow (KDC) – Deputy Chair
Councillor Terry Archer (NRC)
Councillor David Clendon (FNDC)
Councillor John Vujcich (FNDC)
Councillor Peter Wethey (KDC)
Kris McDonald (NINC)
Liz Oliver (NINC)
Geoff Chopstick (NINC)
Vaughan Cooper (NINC)
Tammy Fromont (NINC)
Nicole Anderson (NINC) - Chair
Bill Lee (FNDC)
Darryl Jones (NRC)
Emmanouela Galanou (NRC)

I Tae Mai/In Attendance:

Part Meeting

Malcolm Nicolson (NRC) - CEO
Jason Marris (KDC)

The Chair declared the meeting open at 10.00am.

Secretarial Note: Due to the current Covid-19 restrictions and the meeting being conducted fully remotely, proceedings were livestreamed in order to be open to the public.

Karakia Timatanga Justin Blaikie

- Justin Blaikie acknowledged the retirement of Bill Lee.
- Introductions of all members attending today's meeting.

Ngā Mahi Whakapai/Housekeeping (Item 1.0) Nil

Ngā whakapahā/Apologies (Item 2.0)

Nil

Joint Regional Economic Development Committee
10 December 2021

Confirmation of Minutes - 30 September 2021 (Item 4.1)

Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Moved (Justin Blaikie/Peter Wethey)

Ngā mahi tūtohutia / Recommendation

That the minutes of the Joint Regional Economic Development Committee meeting held on 30 September 2021 be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 5.1)

Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Moved (Anna Curnow/Terry Archer)

Nga mahi tutohutia / Recommendation

That the action sheet be received.

Carried

Secretarial Note:

- *The Joint Committee would like a discussion on "Regional Reach" to be prioritised for its meeting on 11 March 2022.*

Northland Inc Limited: Annual Report for the Year Ending 30 June 2021 (Item 6.1)

Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Moved (Peter Wethey/John Vujcich)

Ngā mahi tūtohutia / Recommendation

That the report 'Northland Inc Limited: Annual Report for the Year Ending 30 June 2021' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 17 November 2021, be received.

Carried

Secretarial Note:

- *The Joint Committee would like explanations to be provided going forward for all significant variations from budget in Northland Inc's financial statements (10% or greater was suggested).*

Joint Regional Economic Development Committee
10 December 2021

Northland Inc Limited: First Quarter 2021/22 reporting against Statement of Intent 2021-2024 (Item 6.2)

Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Moved (Anna Curnow/Justin Blaikie)

Ngā mahi tūtohutia / Recommendation

That the report 'Northland Inc Limited: First Quarter 2021/22 reporting against Statement of Intent 2021-2024' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 17 November 2021, be received.

Carried

Secretarial Note:

- *Northland Inc will provide a district breakdown, where available, in future KPI reporting to show regional dispersal.*
- *Joint Committee members have extensive networks which can be used to both promote Northland Inc and to bring potential investment to the attention of Northland Inc.*
- *Northland Inc are working on a communication strategy to increase the visibility of their activities within the region, and will provide the Joint Committee with an update in 2022.*

Northland Inc Limited: Draft Letter of Expectations to SOI 2022-25 (Item 6.3)

Report from Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Moved (Justin Blaikie/John Vujcich)

Recommendation(s)

1. That the report 'Northland Inc Limited: Draft Letter of Expectations to SOI 2022-25' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 18 November 2021, be received.
2. That the Letter of Expectations on the Statement of Intent 2022-25 as set out in **Attachment 1** be provided to Northland Inc Limited.
3. That the Chair be delegated authority to make minor amendments to the letter of expectations to Northland Inc Limited on its Statement of Intent 2022-2025 in line with comments received on this report, and any amendments be circulated to members of the Joint Regional Economic Development Committee prior to the letter been released to Northland Inc Limited.

Carried

Secretarial Note:

- *11am Malcolm Nicolson left meeting.*
- *Minor grammar changes suggested. Letter to be sent to Northland Inc.*

Northland Inc Limited Directors: Review of remuneration (Item 6.4)

Report from Darryl Jones, Economist

Ngā mahi tūtohutia / Recommendation

Joint Regional Economic Development Committee
10 December 2021

That the report 'Northland Inc Limited Directors: Review of remuneration' by Darryl Jones, Economist and dated 2 December 2021, be received.

Northland Inc Limited Directors: Appointment of director (Item 6.5)

Report from Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor

Moved (Justin Blaikie/Terry Archer)

Recommendation(s)

1. That the report 'Northland Inc Limited Directors: Appointment of director' by Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor and dated 30 November 2021, be received.
2. That Kris McDonald be reappointed to the Board of Northland Inc Limited for a term of three years beginning 1 July 2022.

Secretarial Note:

- *11.06am Kris McDonald left the meeting whilst the Joint Committee discuss his reappointment.*

Regional Economic Development Strategy (Item 6.6)

Report from Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor

Moved (Anna Curnow/Terry Archer)

Ngā mahi tūtohutia / Recommendation

That the report 'Regional Economic Development Strategy' by Darryl Jones, Economist and Emmanouela Galanou, Economic Policy Advisor and dated 22 November 2021, be received.

Carried

Secretarial Note:

- *11.22am Jason Marris left meeting.*
- *The Joint Committee request that Northland Inc set target dates for project milestones.*
- *Although it is important that the strategy has a targeted date, time is required in order to fully engage and achieve effective collaboration with Māori, iwi and hapu.*

Karakia Whakamutanga Justin Blaikie

Whakamutunga (Conclusion)

The meeting concluded at 11:50am.

TITLE: **Receipt of Action Sheet**

From: Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Authorised by Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on
Group Manager/s: 04 March 2022

Whakarāpopototanga / Executive summary

The purpose of this report is to enable the meeting to receive the current action sheet.

Nga mahi tutohutia / Recommendation

That the action sheet be received.

Attachments/Ngā tapirihanga

Attachment 1: Joint Regional Economic Development Committee Action Sheet 2021/22 [↓](#) 

Joint Regional Economic Development Committee - schedule of actions

Meeting date	Item	JREDC Action	Responsible staff	Status	Notes
8-May-21 (meeting held as Working Party)	Northland Inc Limited: Extending Regional Reach	Discussion on this item was postponed due to tsunami alert. Bring item for workshop discussion at a later date.	Darryl Jones, Emmanouela Galanou, Vaughan Cooper	In progress	Item to be discussed at the JREDC workshop on 11 March. Paper is outdated so we suggest it is discussed as part of the workshop rather than the JREDC meeting.
30-Jul-21	Investment and Growth Reserve: Funding available for 2021/22	Future workshop discussion on how funding can be increased, including investigation to what other regions are doing in this space, i.e. loans, collaboration with banks, bonds etc.	Darryl Jones, Emmanouela Galanou	In progress	Workshop to be held following 11 March JREDC meeting.
30-Sep-21	Investment and Growth Reserve: Allocation of funding for Regional Economic Development Strategy	Prepare an information paper on the progress of the Economic Development Strategy to share with all council elected members twice a year.	Darryl Jones, Vaughan Cooper, Emmanouela Galanou	In progress	Initial information update will be prepared for 11 March JREDC meeting.
10-Dec-21	Northland Inc Limited Statement of Intent 2022-2025: Letter of Expectations	Send final version to Northland Inc.	Justin Blaikie	Complete	Letter sent on 14 December 2021.

Notes

Use the words "In progress" and "Complete" for the status column of the Action Sheet

*Once items are secured in the agenda, mark as "Complete", provide this as Action Sheet to Meeting and then delete.

TITLE: Northland Inc Limited Reporting Against Statement of Intent 2021-2024: Second Quarter 2021/2022

From: Emmanouela Galanou, Economic Policy Advisor; Darryl Jones, Economist and Simon Crabb, Finance Manager

Authorised by Group Manager/s: Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on 04 March 2022

Whakarāpopototanga / Executive summary

The Joint Regional Economic Development Committee (Joint Committee) has received the second quarter report for the 2021/2022 financial year from Northland Inc Limited (Northland Inc) against the Key Performance Indicators (KPIs) in its Statement of Intent 2021-2024 (**Attachment 1**).

Staff have assessed the information provided for the 16 KPIs. Most indicators are on track and progressing well except for two indicators under the Regional Investment work area. The KPI report indicates that the target number of inward delegations hosted is unlikely to be achieved primarily due to Covid-19. The impact of the pandemic and subsequent alert level policies has also impacted the progress of the indicator 'Number of high impact projects that are implemented'. A change in focus by Kānoa – MBIE's Regional Economic Development & Investment Unit – may also impact Northland Inc's ability to achieve this KPI. Northland Inc have exceeded their target in terms of number of unique businesses assisted and number of destination promotion campaign initiatives to generate national exposure to the region. Pie graphs are provided to give additional information for some measures, e.g., the district distribution of businesses assisted in 2021/22.

The Northland Inc financial performance for the six months to 31 December 2021 is tracking ahead of budget, with the net income result being better than budgeted by \$120,576. This positive variance is due to the delayed payment of budgeted project direct costs. The anticipated full year result is a net income of \$1,223 which is \$608 ahead of the corresponding budgeted result of \$615. With \$1.9M of cash on hand at the end of December 2021 it appears Northland Inc will not have any issues with operating cashflows through to the end of this financial year.

Representatives from Northland Inc will attend the Joint Committee meeting.

Ngā mahi tūtohutia / Recommendation

That the report 'Northland Inc Limited Reporting Against Statement of Intent 2021-2024: Second Quarter 2021/2022' by Emmanouela Galanou, Economic Policy Advisor; Darryl Jones, Economist and Simon Crabb, Finance Manager and dated 22 February 2022, be received.

Background/Tuhinga

Not applicable.

Attachments/Ngā tapirihanga

Attachment 1: Northland Inc Limited Second Quarter reporting 2021/22 against SOI [↓](#) 

TITLE: Northland Inc Limited Statement of Intent 2022-2025:
Draft received from Northland Inc

From: Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Authorised by Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on
Group Manager/s: 04 March 2022

Whakarāpopototanga / Executive summary

The purpose of this report is to provide the Joint Regional Economic Development Committee (Joint Committee) with Northland Inc Limited's (Northland Inc) draft Statement of Intent (SOI) 2022-2025 received on 1 March 2022 (**Attachment 1**) so that at its meeting on Friday 11 March, members of the Joint Committee can have an initial discussion on the content of the draft SOI. Along with the draft SOI, Northland Inc provided a cover letter highlighting several key points in the draft (**Attachment 2**). A letter of expectations in relation to this SOI from the Joint Committee was sent to Northland Inc on 14 December 2021 (**Attachment 3**).

At the meeting of the Joint Committee on Friday 11 March, staff will provide an assessment as to how the issues raised in the letter of expectations have been addressed by Northland Inc in the draft received. Following the meeting, the Joint Committee will have the opportunity to ask questions or seek clarification from Northland Inc on the draft SOI at quarterly workshop with Northland Inc that will take place in the afternoon of 11 March 2022. The Joint Committee will have the opportunity to further discuss the context of Northland Inc's draft SOI and preparation of the shareholder comment to the SOI at their meeting in April 2022.

An initial assessment of the draft SOI indicates that all the necessary statutory requirements as per Schedule 8(9)(1) of the Local Government Act 2002 have been met including the time requirement (on or before 1 March). The Joint Committee has until 1 May 2022 to provide comments back to Northland Inc on the draft SOI.

Northland Inc's draft SOI 2022-2025 reflects changes suggested by the Joint Committee through the letter of expectation. Firstly, Northland Inc have attempted to correct spelling and grammar errors. Reference to Northland Inc's Covid-19 response has been made within the "Context" section of the draft SOI. Finally, although Northland Inc have not modified the Doughnut Economic model, have improved the explanation that accompanies it. Careful consideration was put to align the language and pathways of the model with the rest of the document.

Northland Inc's cover letter to their SOI 2022-2025 draws attention to issues the organisation would like to raise in relation to its funding arrangements with its shareholders. Northland Inc highlight the potential risk of not being able to cope with the increasing inflation and express an interest in an increase in funding of economic development activities as they are currently underfunded compared to national and international best practice. Northland Inc welcomes the opportunity to discuss these at its quarterly workshop on 11 March 2022.

Ngā mahi tūtohutia / Recommendation


That the report 'Northland Inc Limited Statement of Intent 2022-2025: Draft received from Northland Inc' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 3 March 2022, be received.


Background/Tuhinga

Not relevant.

Attachments/Ngā tapirihanga

Attachment 1: Northland Inc Draft Statement of Intent 2022-2025 [↓](#) 

Attachment 2: Northland Inc Draft SOI 2022-2025 Cover Letter to Justin Blaikie [↓](#) 

Attachment 3: Letter of Expectations to Northland Inc on SOI 2022-2025 [↓](#) 

TITLE: Annual Work Plan 2022/23

From: Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist

Authorised by Auriole Ruka, Pou Manawhakahaere - GM Governance and Engagement, on
Group Manager/s: 04 March 2022

Executive summary/Whakarāpopototanga

The purpose of this report is to seek agreement on the annual work plan for 2022/23 for the Joint Regional Economic Development Committee (Joint Committee). It is being brought for decision by the Joint Committee at this time because of the triennial local government elections set to take place in early October 2022. Staff also seek agreement to shift the Joint Committee meeting scheduled for 22 April 2022 back by one week to 29 April 2022.

Recommendation(s)

1. That the report 'Annual Work Plan 2022/23' by Emmanouela Galanou, Economic Policy Advisor and Darryl Jones, Economist and dated 28 February 2022, be received.
2. That the Joint Regional Economic Development Committee agrees to the Annual Work Plan as set out in **Attachment 1** of this report.

Options

No.	Option	Advantages	Disadvantages
1	Agree to the proposed annual work plan.	Provides all necessary steps for developing Northland Inc's SOI and therefore enables the Joint Committee to meet its responsibilities and processes. Also allows for necessary discussion in preparation of the EDS.	Could give the impression that there is no flexibility to the items recommended for discussion by the Joint Committee.
2	Do not agree to the proposed annual work plan.	Provides extreme flexibility to the items discussed by the Joint Committee.	Could negatively affect the sound and efficient operation of the development of Northland Inc's SOI and other matters the Joint Committee is responsible for including the EDS.

The staff's recommended option is Option 1. The annual work plan sets out a schedule of meeting dates and agenda items that allows the Joint Committee to meet its statutory obligations in relation to the development of Northland Inc's Statement of Intent. It also provides the opportunity to have quarterly workshop discussions with Northland Inc. While the Annual Work Plan sets out specific items that are anticipated to be brought to the Joint Committee for decision and discussion, it is anticipated that additional items will be added to the agendas as issues and matters for discussion arise during the year.

Considerations

1. Significance and engagement

An agreement to an annual work plan provides security and support for the Joint Committee plans for year 2022/23.

2. Policy, risk management and legislative compliance

This report is submitted for consideration by the Joint Committee and is considered to be of low risk and compliant with legislative requirements.

Being a purely administrative matter, Environment, Community Views, Māori Impact Statement, Financial Implication, and Implementation Issues are not applicable.

Background/Tuhinga

Staff propose that the Joint Committee agree to the annual work plan for 2022/23 as set out in **Attachment 1**. The annual work plan proposes six Joint Committee Meetings, each of which to be held on a Friday. The Joint Committee meetings will be followed by a workshop to allow progression, feedback and discussion of items in the work plan. Four of these workshops will also play host to a quarterly workshop with Northland Inc. Additional in-person and /or online discussions could take place if necessary and agreed to. Certain flexibility to amend and add to the work plan as the work progresses is available.

Staff recognise the challenge that local council elections in early October 2022 impose in preparation of the Joint Committee meeting plan for the last quarter of 2022. There is a need for the Joint Committee to meet in September 2022 to progress the discussion on the regional economic development strategy provide guidance to Northland Inc as they move forward preparing the strategy.

Staff also recommend a Joint Committee meeting take place on 9 December 2022. This meeting will only occur if all three councils have appointed members to the Joint Committee following the local council elections. Depending on who is appointed to the Joint Committee from each of the three councils, it may be necessary to undertake induction sessions in addition to the formal meeting sessions.

Attachments/Ngā tapirihanga

Attachment 1: Annual Work Plan 2022/23 [↓](#) 

