

<b>Subject:</b>	<b>Enabling Investment Funding Application</b> Regional Economic Development Strategy
<b>Report by</b>	Codie McIntyre, Business Analyst, Investment & Infrastructure
<b>Dated:</b>	September 2021
<b>Commercial in Confidence:</b>	No

**Recommendation:**

Recommend that \$80,000 of enabling investment funding be approved for the completion of a regional economic development strategy.

### Project Overview:

#### Background

As identified in the S17a review, Northland as a region does not have an agreed economic development strategy or economic development goals or priorities that provide clear guidance on the activities that should be delivered in the region. Instead, it has a number of strategic plans that have been developed with differing stakeholder groups and outcomes in mind, e.g. Tai Tokerau Northland Economic Action Plan, He Tangata, He Whenua, He Oranga, Destination Management Plan, etc. A risk of not having an overarching strategy is that there is a lack of alignment about priorities and outcomes across stakeholder groups which means that resources are not necessarily being guided into the most relevant economic development services/activities which could have the greatest benefits for all of Northland.

The S17a review identified that the process for establishing regional economic development priorities and the mix of activities that occur within the region can be improved by:

- Developing and adopting an overarching regional economic development strategy and plan that all the Councils, Northland Inc, Māori/iwi and key economic support organisations contribute to and buy into.
- Ensuring district-level economic plans and activity-specific strategies (e.g., a visitor and events strategy) are clearly aligned with and effectively sub-sets of the regional strategy and plan.
- Adopting a broader range of mechanisms to discuss and agree on economic development objectives and priorities for Northland Inc each year, such as a strategic workshop with economic development partners and stakeholders, regular meetings between combined Council representatives and Northland Inc, and a Letter of Expectation that sets out combined Council expectations about outputs, outcomes, measurement, reporting and priorities to inform Northland Inc's Statement of Intent.

The latter point has largely been addressed through Kaipara District Council and Far North District Council becoming shareholders in Northland Inc and the establishment of the Joint Committee. We believe the points prior to this can be addressed through the development of a Regional Economic Development Strategy.

**What is the overall Project?**

The project in which is funding is being sought for is the development of a regional economic development strategy. In our view, this strategy has a number of key purposes:

- Confirm regional aspirations and provide a clear strategic vision and focus, set priorities
- Guide and direct investment e.g. govt, iwi/hapu, private sector, community, partnerships
- Give confidence to Northlanders that there is a strategy
- Provide agreed long-term intergenerational outcomes for the regional economy
- Guide long term planning of key entities (including but not limited to Māori/iwi/ hapu, communities, sectors, Councils, agencies)
- Guide and direct the new joint CCO (Northland Inc)

There are a number of schools of thought regarding the best way to structure a strategic document such as this. Taking a sector based approach is consistent with previous studies, the recent Martin Jenkins review and the current Action Plan Structure. The document would be based on the tikanga framework and thought will need to be given as to how to reference more strategic interventions and concepts such as localism, provenance, circular economy and recognising regional strengths and opportunities are overlaid across the sectors.

We recognise that the purpose of the Enabling Investment category is to provide funding for projects that lift the economic performance of Northland through the construction of public or community held infrastructure that underpins economic growth or the development of regionally strategic sectors. Although the development of the strategy itself does not result in the construction of public/community held infrastructure, we believe that its development will create greater clarity around what the priorities of the region are and help to guide investment (both public and private) into projects and infrastructure that underpin and enable the development of the region.

**Where is it:**

The strategy will focus on the Northland economy as a whole.

**When will it begin (and end):**

The development of the strategy will get underway once all funding from stakeholders has been confirmed. To genuinely engage Māori and community, a start point is a blank piece of paper and the ability to co-author the future – to do this effectively across the entire rohe would require an engagement process that is spread over 6-12 months.

An indicative outline of a potential development process could be:

Step 1:

Two or three workshops with key stakeholders from Northland to brainstorm the “strawman”. Workshop attendance could include:

- Leadership group members and working group members
- Maori leaders (would seek EDLG’s advice on this)

- Leadership of Councils (CEO's or Mayors?)
- Thought leaders within the region (those on Peter Heath's videos, others etc.)
- A select range of consultants with expertise in this process and who know the region (paid on hourly rate to participate and share thoughts / knowledge) – e.g. David Wilson, Patrick McVeigh, Sue Dobbie, Te Hiku/Berl.

Step 2:

Draft the strawman document – led by Northland Inc

Step 3:

Test strawman with both the previous workshop attendee's and a broader audience (broader than workshops but still not a full public engagement process). This can be agreed closer to time as there may be a desire to fast track publishing the document or there may be desire to add a month to the process to undertake a fuller engagement process

Step 4:

Finalise document – endorsed/signed off by the Economic Development Leadership Group

**Who are the parties involved (background, experience)?**

The development of this strategy is proposed to be championed by an independent governance group including membership from Maori, Northland Inc, the joint committee, Central Government and the private sector. The process and output would be managed by the management team at Northland Inc. The other funding partners are:

- Ministry for Social Development
- Whangarei District Council

**What is the potential total investment into the project and potential I&GR investment: (if possible, include central government and or private sector contributions)?**

The total project cost is \$200,000 and the funding for it is being committed from a number of stakeholders who have an interest in the economic development of the region.

Funder	Amount
Northland Inc	\$80,000
Ministry for Social Development	\$100,000
Whangarei District Council	\$20,000
<b>Total Project Cost</b>	<b>\$200,000</b>

**What are the projects outcomes and how are they consistent with the Investment & Growth Reserve criteria? (High Level (Infometrics), GDP, Jobs, Household Income)**

**Enabling Investment Funding Application:**

**Estimate of project costs and timeframes:**

The indicated budget for the project is \$200,000 excluding GST.

Northland Inc Limited  
Board Minutes 21 September 2021  
Item 5.2 Enabling Investment Funding Application – Regional Economic  
Development Strategy

5.2 Enabling Investment Funding Application – Regional Economic Development Strategy

The Board approved the application request to JREDC for \$80,000 from the Enabling Investment fund to contribute to a regional economic development strategy. The total cost of the strategy development will be \$200,000 and further funding will be secured from the Ministry of Social Development and WDC.

Proposed – Liz Oliver, Seconded – [Jim Makaweo](#)

*Carried*