

## Council/Committee

Date 23 August 2016




### Title: Regional Economic Development Strategy (REDS) for Hawke's Bay – Matariki. Adoption.

<b>Department</b>	Economic Development / Operations
<b>Author</b>	Helen Montgomery Chief Operating Officer
<b>Contact Officer</b>	Chief Operating Officer
<b>1. Purpose</b>	1.1 To adopt Matariki – Hawke's Bay Regional Economic Development Strategy
<b>Recommendation</b>	The Chief Operating Officer RECOMMENDS that Council endorses the Regional Economic Development Strategy and continues to provide support for the implementation of the strategy.
<b>2. Background</b>	<p>2.1 The Regional Economic Development Strategy (REDS) for Hawke's Bay – Matariki - was launched by Government Ministers on 27 July 2016. This announcement was the culmination of nearly two years' work with broad and deep regional engagement. The project grew out of the earlier (2011) REDS which contained much that was valuable but which was never fully committed to by stakeholders. The process started by Business Hawke's Bay aimed to "refresh" the 2011 REDS, but concluded that the region needed a broad, partnered and effort to achieve the best result for Hawke's Bay.</p> <p>2.2 The subsequent work was undertaken by a project team representing the 5 councils, Business Hawke's Bay, Iwi and Post Settlement Governance Entities, Central Government and private enterprise, with the assistance of consultants, and reporting to a regional Governance Group that is ultimately responsible for delivering the project.</p> <p>2.3 The outcome is a comprehensive vision for the whole Hawke's Bay region, a set of aspirational but achievable objectives, a fully engaged strategy, and a detailed action plan. The strategy is a work of strong partnership and high level collaboration between Māori and regional stakeholders.</p> <p>2.4 The Strategy's focus is very much on jobs and on providing career opportunities and pathways for our people, now and into the future. And to encourage innovative and productive businesses that will create good, well-paying jobs and to create a positive and vibrant business culture with tangible rewards.</p>

	<p>2.5 The strategy will build upon the many recent economic initiatives and emerging opportunities already occurring in Hawke’s Bay, and will provide strong future direction, partnered leadership and delivery of REDS’ core objectives.</p> <p>2.6 A copy of the strategy has been available on the hub from shortly after its launch and can be found under the Reference ED tab. <a href="#">It is available to the public on the REDS website (see ‘Further Information’ below).</a></p>
<p><b>3. Purpose</b></p>	<p>3.1 The purpose of REDS is to provide strategic direction and a detailed action plan for economic development in Hawke’s Bay for the next five to ten years. REDS is a “living document” that will provide an agile framework for the region and will be able to respond to shifting opportunities and emerging challenges. The success of the strategy will depend on continuing collaboration across all regional organisations involved in the delivery of economic development – including Councils, Māori stakeholder groups, industry groups, business, the social sector, government agencies and central Government.</p> <p>3.2 Delivery of the strategy will require the ongoing support of councils, while recognising that no one single agency will be responsible for delivering all of the strategy. It will require a networked approach. The delivery of REDS will not require councils to give up their own economic development activities, but will allow councils to leverage off REDS regional initiatives and the central Government financial support attached to many of the proposed actions. Council will continue to provide economic development services to its own communities.</p> <p>3.3 Councils and stakeholders have to be realistic about what can be achieved. A strategy is not a panacea, nor is it a silver bullet for the region. No economic development strategy or delivery model can guarantee regional economic success, nor the flow through benefits to everyone in the community. However, a well-developed and strongly supported strategy can ensure that we as a region focus on deliverables, on developing new economic opportunities, on growing and attracting new talent and skills, and on giving the best support we can to our businesses.</p>
<p><b>4. Options</b></p>	<p>4.1 The options identified are: to adopt REDS or to not adopt REDS at this time. The adoption of the REDS document will be in line with the work that WDC has contributed over the formation of this document. And demonstrates this council’s continued commitment to working in partnership with the rest of the Hawke’s Bay on economic development opportunities. It will also allow WDC access</p>

	<p>to central government funding related to economic development opportunities identified in the REDS.</p> <p>4.3 Not adopting the REDS will limit our ability to leverage opportunities and funding from the strategy.</p> <p>4.4 The preferred option is to adopt the strategy and continue to support the implementation of the identified actions. The strategy has been developed in consultation with key stakeholders and was taken out to the wider community, iwi and various organisations inviting comment and feedback. The process has produced a truly regional economic development strategy that has been embraced by iwi, government, other councils and the local community.</p> <p>4.5 The preferred option is to adopt the REDS, this meets the purpose of local government as it will help meet the current and future needs of our community for good-quality infrastructure, and local public services in a way that is most cost-effective for households and businesses.</p>
<b>Conclusion</b>	The adoption of the REDS is in keeping with council's values and commitment to regional partnerships.
<b>Corporate Considerations</b>	Initially the REDS can be supported out of existing allocated staff resources.
<b>5. What is the change?</b>	<p>5.1 The WDC will confirm its commitment to carrying out economic development activities in a coordinated way with the rest of the region.</p> <p>5.2 This will not trigger a s17Aa review.</p>
<b>Compliance with legislation and Council Policy</b>	Annual Plan, Long Term Plan 2015-2025 and Economic Development Strategy
<b>What are the key benefits?</b>	Adoption of the strategy allows council to be a part of an integrated cross-region approach to economic development without limiting our ability to put forward our own priorities.
<b>6. What is the cost?</b>	<p>6.1 Many of the action items are to be funded or supported by the Government, as per the recent announcement. This is a very welcome development for the Hawke's Bay region.</p> <p>6.2 Council will be required to contribute to the support of the delivery model, but this is currently the subject of an independent investigation of delivery options and this work will be presented separately to councils for later endorsement if outside existing budget allocations.</p> <p>6.3 As a living document, the action plan is likely to change in the future, and new items will be added, as others are completed.</p>
<b>7. Who has been consulted? (please refer to significance and</b>	7.1 There was extensive consultation during the REDS process beginning with an engaged scoping process; the development of a detailed survey; over one hundred interviews with key regional stakeholders and businesses;

<b>engagement policy)</b>	two workshops, the second of which was designed to capture the thinking and aspirations of younger business owners and entrepreneurs in the region; and, importantly a co-designed strategy and action plan with Māori groups, additionally presentations to Hawke's Bay Councils were made in July 2016.	
<b>Service delivery review</b>	The delivery of the REDS will require an integrated approach by all parties.	
<b>Māori Standing Committee</b>	The committee were invited to be a part of the consultation process and invited to the launch.	
<b>8. Significance (please refer to significance and engagement policy)</b>	8.1 As noted above initial involvement in the strategy has been resourced within existing budgets, extensive regional consultation has been undertaken with a wide variety of parties including various iwi groups.	
<b>Further Information</b>	The REDS website can be found here <a href="http://www.hbreeds.nz/">http://www.hbreeds.nz/</a>	
<b>Background Papers</b>	As noted above the REDS document is on the hub in the Reference ED tab	
<b>References (to or from other Committees)</b>	A workshop/presentation was held on the 12 <sup>th</sup> of July 2016 in Council chambers and all councillors were invited to the launch of the REDS on the 27 <sup>th</sup> of July.	
<b>Confirmation of statutory compliance</b>	In accordance with section 76 of the Local Government Act 2002, this report is approved as: a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and, b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.	
<b>Signatories</b>	Author Helen Montgomery 	Approved by Fergus Power 