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Committee Council  
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Regional Strategy Committee

## **Approval of the Wellington Regional Strategy and its Governance and Funding Arrangements**

### **1. Purpose**

To make the decisions on the Wellington Regional Strategy and the governance and funding proposals following completion of the Local Government Act special consultative procedure, as recommended by the Interim Wellington Regional Strategy Committee.

### **2. Significance of the decision**

The content of this report is the result of the Council's consultation with the public which took the form of submissions being made on the Wellington Regional Strategy and the governance and funding proposal. The proposed amendment to the 2006-16 LTCCP triggered section 76 (3)(b) of the Local Government Act 2002 and triggered the Council's own policy on significance. The formal submission process undertaken by the Council complied with the decision making and special consultative procedures set out in sections 76 to 79 and 83 to 85 of the Local Government Act 2002.

### **3. Background**

On the 8<sup>th</sup> August 2006 the Council established an Interim Wellington Regional Strategy Committee (Interim Committee) to carry out a special consultative procedure for the Wellington Regional Strategy (WRS), and a Statement of Proposal for its governance and funding. The Council approved the WRS and the Statement of Proposal for consultation on the 12<sup>th</sup> September 2006.

### **4. Special Consultative Process**

The special consultative process undertaken by the Interim Committee, on behalf of Greater Wellington, included:

- A survey of residents and businesses in the region
- A document summarising the WRS and governance and funding proposals distributed to all households in the region (180,000 households)
- Public notices in major newspapers
- Information on the Greater Wellington and WRS websites
- Copies of the proposals sent to 1200 stakeholders (individuals and organisations)
- Media articles and advertising
- A 6 week submission period (which included a 2 week extension from the original 4 weeks period)
- Briefings with stakeholder groups.

During the submission period further information on alternative funding options was distributed, via advertisements, direct mail outs and the Greater Wellington website.

The consultation process met the requirements of the Local Government Act 2002 for a special consultative procedure. Details of the outcome of the consultation are discussed below.

#### **4.1 Region Wide Survey Results**

In August 2005 research was undertaken on a “*Growth Strategy*” document among 1200 members of the public and 300 businesses in the region. The public sample – 1200 – was chosen because it provided a minimum sample size of 200 in each local authority area with the exception of the Wairarapa which had a combined sample of 200.

In October and November of 2006 a further survey was undertaken on the WRS and its governance and funding using the same methodology and database numbers. Questions were asked on aspects of the Strategy and its proposed governance and funding where the public could reasonably have a view and where it is important to gauge public opinion.

The consultant’s report on the 2006 Wellington Regional Strategy Survey provides a detailed analysis and summary of the survey results. This is in **Attachment 1**.

#### **4.2 Submissions and Hearings**

A total of 440 submitters responded to the Wellington Regional Strategy itself and 253 were received on the proposed LTCCP amendment. Of these submitters 68 requested to be heard in person.

Consideration of the submissions was undertaken by a sub-committee of the Interim Wellington Regional Strategy Committee. The Hearings Sub-Committee comprised Chairman Buchanan (chairperson of the Interim WRS Committee), Mayor Guppy, Mayor Milne, and Sir John Anderson.

The Hearings Sub-committee members each received a full set of all submissions in advance of the hearing days of 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> December 2006.

In addition to hearings being held at the Greater Wellington Regional Council chamber, a hearing session took place on the 5<sup>th</sup> December at the Upper Hutt City Council chambers. The approach to the hearings took account of information provided to the Sub-committee on the principles of consultation set out in the Local Government Act 2002.

Deliberations on the submissions by the Hearings Sub-committee followed on 19<sup>th</sup> December 2006 and 23<sup>rd</sup> January 2007. Officer comment and recommendations on the submissions were provided to the Sub-committee members to help inform their consideration of the matters raised.

The recommendations provided to the Interim WRS Committee (Report 07.22) reflected the majority view of the Hearings Committee.

#### 4.3 Positive / negative summary of submissions provisional

	WRS	LTCCP Amendment
Total number of submissions	440	253
Support	20%	18%
Support with conditions	9%	
Don't support	62%	81%
Unclear	9%	1%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

#### 4.4 Submitter by local authority area (WRS only)

	Submission volumes	Population
Carterton District Council	1%	2%
South Wairarapa	2%	2%
Masterton District Council	4%	5%
Porirua City Council	5%	11%
KCDC	8%	10%

Lower Hutt	12%	21%
Wellington	21%	41%
Upper Hutt	47%	8%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

There was significant variation between the local authority area submitters both in terms of volume and matters raised. For example Upper Hutt submitters were 94 percent opposed to the WRS. This contrasts with Wellington City who were 19 percent opposed.

Of the 205 submissions opposing the LTCCP proposal, 25% of these supported the Upper Hutt City Council's submission, without adding additional information.

A map is included in **Attachment 2** showing the geographical spread of submitters, based on local authority areas.

## 5. Council's Decision

The Interim Wellington Regional Strategy Committee's Terms of Reference record that:

*"4(a) The Council has agreed that it will not act independently of the Committee, so that any Committee recommendations that the Council is not prepared to accept will be referred back to the Committee for further consideration."*

Therefore, if the Council does not agree with the recommendations of the Committee it will need to refer the matters back to the Committee.

## 6. Interim Committee Recommendations

The Interim WRS Committee received a comprehensive report from the Hearings Sub-committee at its meeting on the 30<sup>th</sup> January 2007. The report (**Report 07.22**) contained an outline of the issues raised in submissions, the Sub-committee's recommendations for changes to the WRS document and the governance and funding proposal in response to the matters raised in submissions, and the rationale for the recommendations. Councillors received copies of this report in January.

The Interim Committee generally agreed on a number of the recommendations, and on other matters there was some debate. These are set out below.

The Interim Committee's recommendations are at Section 9 of this report.

## 6.1 Areas of Interim Committee Agreement

### 6.1.1 Wellington Regional Strategy Document

The Interim Committee was in agreement (with the exception of Mayor Guppy) on all the changes recommended by the Sub-committee on the WRS document itself. These included various improvements to the WRS to:

- clarify a number of the provisions, especially the change areas
- more explicitly recognise the role of current business and government sector activity
- extend the WRS to include sport and active leisure and to strengthen the role of education
- recognise the role of the rural sector, including pastoral farming and forestry
- acknowledge the importance of the Port to the regional economy
- more strongly incorporate sustainability and climate change considerations, and to consider setting carbon emission reduction targets
- strengthen the broadband initiatives
- provide more of the background analysis and research information in the document.

The Interim Committee was also in agreement for the WRS to explicitly recognise the need for a high degree of interaction and working together of all parties to progress the WRS initiatives, including infrastructure providers. Specific wording changes to the WRS document arising from the Interim Committee's recommendations are shown in **Attachment 3**.

One of the themes that came through submissions was a challenge that not enough background work had been done and justification of the WRS had not been provided for the WRS to be confirmed at this time. Officers provided detailed advice to both the Sub-committee and the Interim Committee on the development of the WRS and the research that had been carried out. A copy of the background report prepared for the Sub-committee is in **Attachment 4**.

The Interim Committee's general views on the research were summed up by Professor Callaghan, a non-local government member of the Committee, who commented that in his experience the level of analysis and research that has gone into the strategy has been excellent and the process followed very good. The Interim Committee agreed that, while more work could be undertaken to strengthen the strategy, it is important that it now be implemented. The Committee recognised that the strategy will continue to evolve and improve over time, but that implementing the initiatives within the strategy cannot be delayed further if the outcomes sought by the strategy are going to be achieved.

This is needed to retain current momentum and agreements for action between stakeholders.

### 6.1.2 Governance Proposal

With the exception of Mayor Guppy the Interim Committee agreed to the establishment of a regional economic development agency (EDA) and the appointment of a merit-based EDA board of 7 members. It also agreed that the EDA should be established as soon as possible to enable a transition from the current Positively Wellington Business EDA to the new entity during the first half of 2007.

The Interim Committee also agreed, with the exception of Mayor Guppy, to Greater Wellington establishing a keeper committee as a standing committee of the Council. During the debate Mayor Prendergast reconfirmed her Council's views that it would have preferred a joint committee governance option. However she said that this was not a viable option at this time and that in order to effectively implement the strategy and achieve the outcomes being sought, the Greater Wellington option should be confirmed.

The Committee debated the issue of an "exit strategy" for the participating Councils. This was a matter raised by some of the Councils both through submissions and through the consultation processes leading into the formal special consultative process. The Committee agreed that an "exit strategy", to enable part of the region to opt-out of the strategy, was not possible and was contrary to getting a workable arrangement to foster regional progress.

The Committee agreed, however, to review provisions for the WRS to address at least some of the concerns expressed by the Councils wanting exit provisions. This includes a full and independent review of the WRS and its implementation after 5 years of its adoption, with further reviews every three years, to coincide with LTCCP cycles. The Committee noted that the review provisions also address some of the concerns raised through the consultation process about the effectiveness of the strategy and questions asked about how success was going to be measured and therefore the value of the WRS identified. Detailed business case development (including key performance indicators and benefit/cost assessments) are recognised as necessary for the EDA projects.

## 6.2 Areas of Interim Committee Debate

There were two areas of particular debate within the Interim Committee. These related to:

- the quantum of funding for the EDA; and
- the allocation of the rates to fund the EDA.

### 6.2.1 Quantum of Funding

In the Statement of Proposal a \$4 million rate (excl GST) was proposed for the Regional EDA in 2007/08, an increase of \$600,000 over the current funding for

Positively Wellington Business. The proposal provided for the funding to rise to \$4.5 million in 2008/09 and up to \$5 million in 2009/10. The Subcommittee recommended this quantum be confirmed.

The Interim Committee agreed to the recommendation, but with Mayors Ogden, Guppy and Milne voting against it. Mayor Ogden expressed a wish to have the rating quantum capped at \$4 million, with the 07/08 rate being at levels currently rated to fund Positively Wellington Business (\$3.4 million). Mayor Milne proposed an amendment to the recommendation that would have reduced the total rate quantum by 10%, with the reductions benefiting ratepayers outside the large territorial authority areas (namely Kapiti, Upper Hutt and the three Wairarapa Council areas). Under this option residential ratepayers in the metropolitan council areas would pay \$14.07 (GST incl), with the other residential ratepayers paying \$8.80. The rationale given by Mayor Milne for the amendment was affordability for those communities. The amendment was not seconded and was therefore not put to the Committee.

During the Committee's debate the view was expressed that in order to have an effective strategy more investment was required over what was currently paid to Positively Wellington Business. Any reduction in the finding levels proposed would mean fewer initiatives would be undertaken and the strategy significantly less effective. It was also recognised that Central Government support and funding for the WRS would be available and had been assumed when the WRS Forum originally agreed to the \$4 - \$5 million levels. The Committee (except the three mayors as above) agreed that the levels proposed were affordable to the regional community.

#### 6.2.2 Proposed Rating Model

Significant debate occurred on the allocation of rates across the region and across classes of ratepayers. The original proposal provided for a simple rating option on a capital value basis across all ratepayers. A transition was proposed, which had Wellington City ratepayers contributing at higher rates for the first 2 years, based on current contributions to Positively Wellington Business.

The Statement of Proposal signalled other options would be considered on rating allocations. Officers carried out further work in response to feedback being received during the first part of the consultation period. Alternative funding options were developed and made available to all interested parties. The alternatives were widely advertised in local newspapers and on the Greater Wellington and WRS websites and were distributed via an extensive mail out. Parties were invited to submit on the options. An additional two weeks for submissions to be received was added to the process to enable time for people to consider the other options identified.

The Interim Committee considered the feedback on the various options and, with the exception of Mayors Mine, Guppy and Ogden, agreed that a uniform annual charge for residential and rural ratepayers across the region was the most fair and equitable rating approach, with business ratepayers paying on a

capital value basis. The Committee agreed to the Sub-committee's recommendation of:

- a. A uniform annual charge to residential ratepayers of \$12.50 plus GST.
- b. A uniform annual charge to rural ratepayers of \$25.00 plus GST.
- c. The remainder of the cost of the EDA (42%) being charged to business ratepayers on the basis of their capital values.

The business rates will be equalised in accordance with Greater Wellington's usual practice, and as permitted by Section 131 of the Local Government Ratings Act. If the proposal is confirmed officers will review the definitions of categories of ratepayers used in the region to ensure territorial authorities are able to efficiently collect the rates on behalf of Greater Wellington. Any necessary changes to the revenue and funding policy will be reported back to the Council at its meeting on the 13<sup>th</sup> March, along with the amended LTCCP for adoption.

The Committee discussed the possibility of a transition to ease the burden on ratepayers outside Wellington City in the first year (2007/08) and noted in its resolution that Greater Wellington may wish to consider this as an option. Officers were asked to investigate possible transition arrangements, and seek feedback from the councils on an option.

A transition option was developed by officers of Greater Wellington, and distributed to the Chief Executives of all the Councils in the region for feedback. The option included the following elements:

- Wellington City allocation is kept at the current levels of \$2.48 million. (This is the principle used in the Statement of Proposal.)
- Business is given a weighting of 46% i.e. 46% of the \$4.0 million, (\$1.8 million) is allocated to individual business (on a capital value basis) prior to any other allocation being made. Once the uniform charge is calculated and allocated to residents/rural ratepayers, the remaining amounts are then allocated to business.
- The result of the above is that Wellington City remains largely unchanged from the current level. Under this method the residential annual charge is the same as the Interim Committee's recommended option.
- Business across the region pays 54% of the EDA rate compared with 52% currently.
- The uniform charges are:
  - Wellington City
    - Residents \$12.50 (\$14.07 incl gst)
    - Rural \$17.26 (\$19.42 incl gst)

#### Rest of the Region

- Residents \$7.79 (\$8.76 incl gst)
  - Rural \$18.10 (20.36 incl gst)
- The transition period would only be for one year. In 2008/9 the allocation model would use the same uniform charge for all residential ratepayers. The business component would fall to around 42%.
  - While Wellington City ratepayers would pay more than the other cities and districts they would get an additional spend on the EDA (as a region) of \$0.6 million, which is effectively funded by the other TA's.
  - The calculations are based on 30 June 2006 rating information. This will be updated.

Wellington City expressed strong opposition to the option. Carterton District Council indicated support for the option. No other feedback was received.

Based on the lack of general support for a transition option, and the strong opposition expressed by Wellington City, a transition does not appear to be necessary.

## 7. Next Steps

If Greater Wellington resolves not to take on the keeper role, the WRS Forum will need to reconvene to discuss what should happen with the WRS. This would significantly impact the ability to progress the WRS in a timely fashion as any alternative approach will involve going through individual Councils' Annual Plan processes.

If Greater Wellington adopts the recommendations of the Interim Committee the next steps will be to:

- prepare and send response letters to all submitters, to be signed by the Chairman of the Interim WRS Committee
- adopt the amended LTCCP (to be considered at the Council meeting on the 13<sup>th</sup> March)
- include the funding provisions in the Greater Wellington Draft Annual Plan 2007/08
- include in the Draft Annual Plans of the councils currently contributing to Positively Wellington Business explicit provisions to show their funding to that agency ceasing (i.e. showing a reduction in rates for their economic development activities)
- establish the WRS Committee (a separate report is included in the agenda addressing the committee)

- seek confirmation from the WRS Committee as to the legal form of the regional EDA and recommendations as to initial EDA Board directors
- resolve to establish the regional EDA, as a Greater Wellington Council Controlled Organisation (likely to be considered at the Council meeting on the 13<sup>th</sup> March)
- appoint initial EDA board directors, to carry out tasks associated with the set-up phase of the agency, including managing any relevant transition arrangements from Positively Wellington Business to the new regional entity
- initiate a process to identify and then appoint permanent EDA Board directors
- progress the signing of a multi-party agreement between the region's councils, specifying how the councils will work together and how they expect the WRS Committee to operate. The Chief Executives Group would distribute a draft multi-party agreement for consideration by the region's councils in March.

## 8. Communication

If the recommendations of the Interim Committee are adopted a press statement will be prepared in relation to the decisions of the Council. Key messages, especially around the significance of the regional approach to economic development will be highlighted.

## 9. Recommendations

*That the Council:*

1. ***Receives the report.***
2. ***Notes the content of the report.***
3. ***Agrees to the following changes to the Wellington Regional Strategy document:***
  - a. *Change the WRS text to strengthen recognition of factors influencing the Wellington regional economy, particularly those around private sector activity and central government's role and actions.*
  - b. *Address the perceived lack of analysis and evaluation by including reference in the WRS to background work such as:*
    - *Business sector analysis by 3 digit ANZSIC codes (Kemp),*
    - *Regional Full Time Equivalent projections by 1 digit ANZSIC codes (NZIER),*

- *Floor space projections for office, industrial and commercial (Property Economics),*
  - *Housing segment demand information (Property Economics and SGS economics and planning)*
  - *Cluster performance information (Infometrics, BERL and NZIER and MED).*
  - *WRS evaluation and development process information*
- c. *More strongly incorporate sustainability and climate change considerations into the WRS in the introductory text and principles and assessment criteria for WRS projects.*
- d. *Note that ongoing discussion will occur with stakeholders such as the Wellington Regional Chamber of Commerce and Business Porirua around specific analysis expectations beyond the current work available.*
- e. *Make more explicit that the WRS promotes a high degree of interaction and working together of all parties able to progress WRS concepts. Accept the various offers of resource support and input to progress components of the WRS (through the proposed implementation agencies/forums) including entities such as Go Wairarapa and from the Wellington Regional Chamber of Commerce, Employers & Manufacturers Assn, Tertiary Education Providers, Central Government Agencies and Crown Research Institutes.*
- f. *Confirm that the WRS provides a high level framework and that the details of the implementation initiatives are appropriately left to the EDA to determine.*
- g. *Include some additional background detail and justification as to benefits accruing from WRS initiatives.*
- h. *Strengthen references to the fact that business plan detail and specific benefit analysis will occur at implementation level via the regional EDA and as ad hoc projects arise.*
- i. *Amend the text on page 2 of the WRS beginning “We need to do better...” by replacing the discussion on the role of 4% economic growth with a more aspirational statement as follows:*

*“We need to do better. To improve prosperity in our region we need to develop better paying jobs and sustain ongoing business investment. For the next decade we need to aim to roughly double our economic growth rate.”.*

*Add new text on page 2 after that in 5.3.2 (a) above to make clear that actions of the private sector and central government have a significant bearing on prosperity prospects.*

- j. Include in the WRS an undertaking to investigate development of the regional economy in ways that align to 'carbon neutral' goals.*
- k. More strongly emphasise sustainability objectives (including addressing climate change risks) in the WRS.*
- l. Signal that consideration will be given to setting a target date for the Wellington region to become 'carbon neutral' / 'carbon zero' and include research to be undertaken into actions to examine the feasibility of this goal.*
- m. Signal that the potential for a 'centre of excellence' around practical application of 'green technologies' in the Wellington region will be explored (e.g. energy related applications such as wind, current, and biomass sources, and building technologies).*
- n. Incorporate the importance of sport and active leisure into the WRS, especially in relation to the region's community outcomes and its economy.*
- o. Incorporate 'sport and active leisure' in the WRS vision and/or community outcomes.*
- p. Confirm the change areas set out in the WRS and note these will be progressed through separate public processes and be informed by principles under the N.Z. Urban Design Protocol.*
- q. Change the description for the Pauatahanui and North Waikanae Change Areas to make clear that these are not being promoted for strong growth, but rather careful management in light of environmental and / or servicing issues.*
- r. Modify the text in relation to the Grenada to Gracefield change area to make clear that proposals to explore broadening housing choice in some parts of the change area, and to address roading links will proceed through local community based planning processes. These will be informed by principles under the N.Z. Urban Design Protocol.*
- s. Include in the WRS the definition of "environment" suggested by NZHPT.*
- t. Make a recommendation from the WRS Interim Committee to GWRC's Environment Committee that the Regional Policy Statement review include consideration of a region wide agreement on heritage principles and practices.*

- u. *Confirm the WRS intention to provide mechanisms for regular and focused involvement of infrastructure providers with the WRS processes. In particular the WRS keeper committee will have a role in keeping informed of, and contributing to consideration of regional infrastructure issues and the prioritisation and funding of these. This will require liaising with the Regional Land Transport Committee and other entities addressing regional infrastructure provision and maintenance.*
- v. *Add new to page 40 of the WRS, following the discussion under “LAND FOR BUSINESS GROWTH”:*

#### **RURAL INDUSTRY GROWTH**

*The region has a strong rural industry sector, centred primarily in the Wairarapa. This sector makes a contribution to the regional economy,. While the rural sector has potential to grow, in the Wairarapa predicted shortages of water limit capacity to both grow current production and also limit the opportunities to convert to more intensive land uses.*

*An irrigation scheme would enhance the growth opportunities in the Wairarapa and for this reason an irrigation project has been initiated by Go Wairarapa. Like all major projects any future scheme would need to attract significant funding and would be subject to the requirements of the Resource Management Act. Potential effects associated with damming water and the impacts of potential future land uses would need to demonstrate their environmental sustainability.*

- w. *Incorporate into the WRS the importance of farming and forestry across the region in both an environmental and economic sense, especially in relation to the region’s proposed carbon neutral objectives.*
- x. *Note the potential to harness the Wairarapa’s food and wine opportunities through the Cuisine School in the WRS.*
- y. *Incorporate greater emphasis on existing businesses including what the WRS proposes to improve business retention and include an action step to work with other key stakeholders on this.*
- z. *Include the following:*
  - a. *That, within a decade, all of the Wellington Region will have affordable access to an interactive, open access, broadband network capable of supporting applications and services using integrated layers of voice, video and data, with sufficient symmetrical capacity to meet the ongoing information and communications needs of the city’s residents, businesses and institutions, and help*

*catalyse a transformation in regional economic development.*

- b. That as an interim target, the Wellington Region build on the definition of fast broadband in the Government's digital strategy. In this strategy, fast broadband is defined as data transfer at a rate greater than 5 Megabits per second (Mbps). Therefore it is recommended that the Committee suggests an interim target (say by 2010) for the WRS regionally of a 5 Mbps symmetrical data rate. Further, that it recognises that this will quickly be inadequate to meet the needs to the Region, and therefore endorses a more aggressive objective of removing data transfer speeds as a constraint on the Region's ability to maximise the economic and social benefits of broadband. For example, in the Wellington CBD and Miramar (centres of digital content creation) this will mean facilitating access to 10Gbps services as soon as possible.*
  - c. That urgency be given to implementing the broadband strategy, with priority given to actions that will lift labour productivity, assist in transforming the economic development of the Wellington Region and deliver major social benefits (e.g. through health care, schools and libraries) to the communities of the region.*
- aa. Acknowledge and explain the importance of the Port to the regional economy, acknowledging the importance of good transport links, as follows:*

*“Wellington's Port handles 1.7 million gross tonnes of freight and 28000 cruise liner tourists and crew, annually. It is vital to the exporting objectives of the WRS. The WRS can add value to the Port's operation through the 'regional form' initiatives detailed later in the document, especially those that facilitate efficient road and rail transport to and from the port*

*The WRS can also play a part in the development of a coastal shipping strategy for the benefit of the region.”*

- bb. Confirm that Centres of Excellence be established under the Economic Development Agency (EDA) auspices. This will provide for consistency of approach, cross sectoral learning and idea generation and a cost effective support infrastructure.*
- cc. Confirm one region-wide EDA for the region but discuss with the key stakeholders of existing EDAs (e.g. Go Wairarapa and Enterprise Coast) how any integration will occur. This to be undertaken by the new EDA Board when it has been appointed.*

- dd. Confirm a merit based EDA Board comprising 7 people with the capability and experience to govern a successful EDA.*
- ee. Confirm that the EDA be established as soon as possible (a transition from the current state to the new entity should occur during the first half of 2007) in order that it can determine its priorities, complete the analysis on its identified priorities and move quickly to implementation.*
- ff. Increase emphasis on the role of education in the WRS, especially its potential to increase export earnings and to close the skills gap. Ensure that its inclusion is consistent with the overall strategy by aligning student attraction work to centres of excellence.*
- gg. Incorporate direct reference to Education Wellington International in WRS and ensure ongoing funding support*
- hh. Tie student attraction programme into sister city relationships.*
- ii. Confirm the concept of consolidation of regional incubator in the WRS.*
- jj. Note submitters' interest in further dialogue on incubators, and that a consolidation approach will form the basis of further dialogue between WRS representatives and relevant stakeholders.*
- kk. Confirm WRS concepts for promoting greater co-ordination and, where appropriate, alignment of activity around destination marketing, migrant attraction, educational opportunities and related matters.*
- ll. Incorporate information on the region's climate into marketing material generated.*
- mm. Confirm WRS proposals to provide a mandate for a 'keeper' committee on the basis of the current timetable.*
- nn. Confirm WRS proposals to provide a regional Economic Development Agency on the basis of the current timetable.*
- oo. Note the intention for engagement and partnerships across all strands of the WRS via development of an Implementation Project Plan.*
- pp. Include in the terms of reference or statement of intent for the regional EDA a requirement to actively consider a broad range of working arrangements for progressing sector related development activity, including scope for private sector lead and funded options acting independently but reporting back through appropriate WRS channels.*

- qq. *Confirm funding be made available for the WRS at the levels proposed in the WRS consultation documents.*
4. *Adopts the Wellington Regional Strategy, subject to the changes in (3) above and detailed in Attachment 4, on behalf of the region.*
5. *Agrees to the following in relation to the governance and funding of the Wellington Regional Strategy:*
- i. *Confirm the proposed Greater Wellington standing committee as the “keeper” of the WRS.*
  - ii. *Confirm the proposed standing committee membership structure, with details to be agreed by the participating Councils through the Multi-Party Agreement.*
  - iii. *Confirm Greater Wellington’s role as host of the WRS standing committee.*
  - iv. *Confirm a regional economic development agency, in the form of a not-for-profit Council Controlled Organisation, and that further detailed work be carried out to determine its relationship with Go Wairarapa and Enterprise Coast, in consultation with the “owners” of those agencies.*
  - v. *Confirm the appointment of a merit-based board to the EDA.*
  - vi. *Agree to a targeted economic development agency rate of \$4.0 million (plus GST) for 2007/08, to be allocated on the following basis (allocating 42% to businesses and 58% to non-businesses):*
    - a. *A uniform annual charge to residential ratepayers of \$12.50 plus GST.*
    - b. *A uniform annual charge to rural ratepayers of \$25.00 plus GST.*
    - c. *The remainder of the cost of the EDA being charged to business on the basis of their capital values.*

*Note: the Council will need to define the three categories to enable implementation in the 2007/08 Annual Plan as although the definitions exist in some form in each of the territorial authorities' LTCCPs, further work will be done to develop uniform definitions to implement the above rating decision.*

- vii. *Confirm the quantum of funding for the EDA of \$4.0 million plus GST in 2007/08 and up to \$5.0 million in 2009/10 (plus GST).*
- viii. *Endorse the following review provisions as appropriate:*

- a. *An independent review of the effectiveness of the entire Wellington Regional Strategy to be undertaken regularly. The review to address and make recommendations for changes to the strategy. This will include consideration of whether the WRS Committee and / or its funding and other arrangements should continue.*
  - b. *The first review to be commissioned 5 years after the adoption of the WRS.*
  - c. *The subsequent reviews to be undertaken on a 3-yearly cycle to coincide with LTCCP cycles.*
6. ***Instructs*** officers to prepare the amended Greater Wellington Regional Council's ten year plan 2006-16 for adoption on the 13<sup>th</sup> March.

Report prepared by:



**Ian Buchanan**

Chairman, Interim Wellington Regional Strategy Committee

- Attachment 1: Consultant's Report on the Wellington Regional Strategy Survey  
Attachment 2: Geographical spread of submitters  
Attachment 3: Detailed Changes to the Wellington Regional Strategy Document  
Attachment 4: Background Research Report