



I hereby give notice that an ordinary meeting of the Economic Development Committee will be held on:

Date: Wednesday, 19 February 2014
Time: 1.30pm
Meeting Room: Reception Lounge
Venue: Auckland Town Hall
301-305 Queen Street
Auckland

Economic Development Committee

OPEN AGENDA

MEMBERSHIP

Chairperson	Cr Anae Arthur Anae
Deputy Chairperson	Cr Ross Clow
Members	Cr Cameron Brewer Cr Bill Cashmore Member Precious Clark Cr Linda Cooper, JP Cr Hon Chris Fletcher, QSO Cr Denise Krum Member Kris MacDonald Cr Dick Quax Cr Penny Webster
Ex-officio	Mayor Len Brown, JP Deputy Mayor Penny Hulse
IMSB Alternate	David Taipari

(Quorum 6 members)

Mary Binney
Democracy Advisor

12 February 2014

Contact Telephone: (09) 373 6211
Email: mary.binney@aucklandcouncil.govt.nz
Website: www.aucklandcouncil.govt.nz

TERMS OF REFERENCE

Areas of Activity

- Providing strategic oversight and direction to economic development in Auckland
- Management, monitoring and reporting on of the performance of Auckland's economy and the coordination of Auckland's Economic Development Strategy
- Proposing, supporting and reviewing strategic projects and programmes which will deliver on Auckland's Economic Development Strategy
- Facilitating partnerships and collaborative funding models to support economic development initiatives
- Providing a point of engagement for the Council with the government, business and business organisations and local economic development agencies in relation to all economic policy and strategy matters
- Evaluating the balance of economic development policies, programmes and initiative across Auckland and ensuring an appropriate balance between rural and urban opportunities

Responsibilities

Within the specified area of activity the Committee is responsible for:

- In accordance with the work programme agreed with the parent committee, developing strategy and policy, including any agreed community consultation, to recommend to the Regional Strategy and Policy Committee
- Acting as a community interface for consultation on policies and as a forum for raising community concerns, while ensuring community engagement is complementary to that undertaken by local boards
- Making decisions within delegated powers

Powers

All powers necessary to perform the Committee's responsibilities

Except:

- (a) powers that the Governing Body cannot delegate or has retained to itself (see Governing Body responsibilities)
- (b) where the Committee's responsibility is limited to making a recommendation only
- (c) where a matter is the responsibility of another committee or a local board
- (d) the approval of expenditure that is not contained within approved budgets
- (e) the approval of expenditure of more than \$2 million
- (f) the approval of final policy
- (g) deciding significant matters for which there is high public interest and which are controversial
- (h) the commissioning of reports on new policy where that policy programme of work has not been approved by the Regional Strategy and Policy Committee

ITEM	TABLE OF CONTENTS	PAGE
1	Apologies	5
2	Declaration of Interest	5
3	Confirmation of Minutes	5
4	Petitions	5
5	Public Input	5
	5.1 Judy Speight - Accelerating Aotearoa	5
6	Local Board Input	5
	6.1 Mark Thomas - Orakei Local Board	6
7	Extraordinary Business	6
8	Notices of Motion	6
9	A shared economic development agenda for Auckland	7
10	Economic Development Strategy: Business friendly overview and draft framework	13
11	Auckland Skills and Local workforce programme - update	25
12	Presentation by Susan Warren, Chief Executive of Comet Auckland	29
13	Review of regional migrant settlement strategies and planned new arrangements	31
14	Auckland Economic Quarterly Update	35
15	Consideration of Extraordinary Items	

1 Apologies

An apology for absence has been received from Deputy Mayor Penny Hulse.

2 Declaration of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

3 Confirmation of Minutes

That the Economic Development Committee:

- a) confirm the ordinary minutes of its meeting, held on Wednesday, 18 December 2013, including the confidential section, as a true and correct record.

4 Petitions

At the close of the agenda no requests to present petitions had been received.

5 Public Input

Standing Order 3.21 provides for Public Input. Applications to speak must be made to the Committee Secretary, in writing, no later than **two (2)** working days prior to the meeting and must include the subject matter. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders. A maximum of **thirty (30) minutes** is allocated to the period for public input with **five (5)** minutes speaking time for each speaker.

5.1 Judy Speight - Accelerating Aotearoa

Purpose

1. Judy Speight will update the Committee on the Accelerating Aotearoa programme.

Recommendation/s

That the Economic Development Committee:

- a) thank Judy Speight for her presentation.

6 Local Board Input

Standing Order 3.22 provides for Local Board Input. The Chairperson (or nominee of that Chairperson) is entitled to speak for up to **five (5)** minutes during this time. The Chairperson of the Local Board (or nominee of that Chairperson) shall wherever practical, give **two (2)** days notice of their wish to speak. The meeting Chairperson has the discretion to decline any application that does not meet the requirements of Standing Orders.

This right is in addition to the right under Standing Order 3.9.14 to speak to matters on the agenda.

6.1 Advancing Auckland's local economic development

Purpose

1. Mark Thomas (Orakei Local Board), Lisa Whyte (Upper Harbour Local Board), Vanessa Neeson (Henderson-Massey Local Board), Michael Bailey (Manurewa Local Board) and Andy Baker (Franklin Local Board) will address the meeting.

Recommendation/s

That the Economic Development Committee:

- a) thank Mark Thomas for his presentation.

7 Extraordinary Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
 - (i) The reason why the item is not on the agenda; and
 - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
 - (i) That item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

8 Notices of Motion

At the close of the agenda no requests for notices of motion had been received.

A shared economic development agenda for Auckland

File No.: CP2014/01808

Purpose

1. This report sets out a shared economic development agenda for Auckland. The agenda has been developed to focus the 2014-17 implementation of the Auckland Economic Development Strategy (AEDS) on impactful priorities to position Auckland as a globally competitive city.

Executive Summary

2. A mid-course assessment of the AEDS highlighted the key achievements, gaps and learnings in the current implementation of this strategy.
3. Under the guidance of global city development expert Greg Clark, and with the assistance of representatives from business, the wider Auckland Council and Government, critical priorities for Auckland's future economic performance have been identified.
4. It is proposed to establish a new Auckland Leadership Team between business, Auckland Council and Government to drive and deliver a shared economic agenda to:
 - Raise youth employability
 - Build, retain and attract talent
 - Build the Auckland business proposition for a business-friendly city
 - Boost the investment rate into Auckland's economy and infrastructure
 - Motivate greater investment in products, services and markets
 - Increase Auckland's visibility
 - Optimise Auckland's platforms for growth: housing, transport and availability of employment land
 - Support improved performance of Māori businesses
5. Resources will need to be reallocated to fund the delivery of the agenda and implementation will be prioritised within existing economic development activities in the Long Term Plan 2015-2025.

Recommendation/s

That the Economic Development Committee:

- a) endorse the shared economic agenda for Auckland for 2014-17 as:
 - i. establish a new Auckland Leadership Team
 - ii. raise youth employability
 - iii. build, retain and attract talent
 - iv. build the Auckland business proposition for a business-friendly city
 - v. boost the investment rate into Auckland's economy and infrastructure
 - vi. motivate greater investment in products, services and markets
 - vii. increase Auckland's visibility
 - viii. optimise Auckland's platforms for growth: housing, transport and availability of employment land
 - ix. support improved performance of Māori businesses

- b) recommend to the CCO Governance and Monitoring Committee that the shared economic agenda for Auckland be incorporated in ATEED's 2014-17 Statement of Intent.
- c) note that the shared economic agenda for Auckland 2014-17 focuses effort on a smaller number of high impact actions which will require reprioritisation of existing activity.
- d) endorse that the shared economic agenda be formally communicated to the Minister of Economic Development as the economic development priorities for Auckland over the next three years and that commitment be sought from Government on the delivery of these priorities.

Discussion

6. Over the past three months, Auckland Council and Government officials and business leaders have engaged in a mid-course assessment of the Auckland Economic Development Strategy (AEDS) in order to develop a prioritised shared agenda for its future implementation. The purpose of this assessment is to identify a smaller number of collectively agreed actions that will bring focus and momentum to the implementation of the AEDS in the shorter term (e.g., within a three year period).
7. Auckland has ambitious targets for an average annual increase of regional exports greater than 6 per cent, an average annual real gross domestic product increase of greater than 5 per cent, and an average annual productivity growth of greater than 2 per cent.
8. To accomplish this, the AEDS identifies five goals:
 - Grow a business-friendly and well-functioning city
 - Develop an innovation hub of the Asia-Pacific rim
 - Become internationally connected and export-driven
 - Enhance investment in people to grow skills and a local workforce
 - Develop a creative, vibrant international city
9. The proposed shared agenda addresses the critical areas of focus to lift Auckland's economic performance and achieve the region's ambitious targets.
10. The development of the shared agenda has been sponsored by the Economic Development Department and Auckland Tourism, Events and Economic Development (ATEED) and was the result of a three stage process.
11. **Stage One** sought feedback on key achievements, gaps and learnings from the Auckland Council group, Government officials, and selected stakeholders across the AEDS goals.
12. **Stage Two** assessed Auckland's economic development performance in terms of the current scale of activity and alignment between business, Council and Government. The aim was to identify areas poised for transformation shift – where there can be significant investment in activity of scale which is also well-aligned.
13. **Stage Three** was the focus of the work with Greg Clark from 28-30 January 2014, to develop a bold and deliverable economic agenda. Greg Clark is an international expert on city development, who highlighted the importance of cities to compete globally for business and talent and the need for Auckland to prioritise its strategy delivery. The programme included:
 - A Business Breakfast hosted by the Business Advisory Panel chair Michael Barnett, which identified areas for business priorities and leadership.
 - Broad engagement with Auckland Council, CCO and Government officials to develop priorities.
 - An Auckland Conversation public event on Liveable Cities and Business-Friendly Cities.

- Report back and confirmation session on priorities to senior officials, Economic Development Committee members, business leaders and ATEED Board of Directors.

14. The proposed shared agenda is set out below.

Shared economic development agenda for Auckland

Priorities	Rationale and action
1. A new Auckland Leadership Team	<p>Delivering economic growth needs a new partnership between business, Auckland Council and Government. This will be achieved through:</p> <ul style="list-style-type: none"> • Establishing a new Auckland Leadership Team consisting of the Mayor, ATEED Chair, Chief Executives of Chamber of Commerce and EMA, Committee for Auckland, Māori corporate leaders, chief executives of major corporates and multinational businesses, Ministers • Identifying and animating a wider network of champions <p>The leadership team will agree a common prioritised agenda, proactively sell Auckland to world, and provide advocacy and case making with government, media and community.</p>
2. Raise youth employability	<p>Auckland's youth need to be employable if they are to compete effectively in the labour market and obtain productive employment. This will require:</p> <ul style="list-style-type: none"> • Negotiating a new funding model that combines skills, social welfare and benefits, and private sector resources. • Scaling up the number of opportunities for young people to gain work experience. • Developing and actively communicating a new Employers' Pledge to give status and weight to this commitment.
3. Build, retain and attract talent	<p>Auckland's businesses need a skilled labour force if they are to compete effectively in the global economy. This will require:</p> <ul style="list-style-type: none"> • Encouraging our businesses to invest in skills. • Thoroughly understanding Auckland's skills shortages and ensuring training provision and immigration policy parameters can respond to these needs quickly. • Delivering an orchestrated campaign to attract international talent, students and institutions matched to Auckland's future skills needs.
4. Build the Auckland business proposition for a business-friendly city	<p>Auckland needs to be recognised as a business destination nationally and internationally. This will require:</p> <ul style="list-style-type: none"> • The development of Auckland's business proposition that effectively leverages its unique attributes. • Delivering a targeted global business marketing campaign. • Auckland Council and Government honouring the promise to be business-friendly, both in terms of service provision to business and the establishment of a well-functioning city in terms of its economic infrastructure.

Priorities	Rationale and action
<p>5. Boost the investment rate into Auckland's economy and infrastructure</p>	<p>Auckland needs international/national investment to finance economic growth, stay competitive and to provide the economic infrastructure required for it to be the world's most liveable city. This requires:</p> <ul style="list-style-type: none"> • On-going effective communication of the value of international investment and Auckland's commercial opportunities. • The development and leveraging of a full range of funding options, including: PPPs, iwi partnerships, alternative funding, commercial partnerships, tax incremental financing (TIFs), network charging. • Powering up the Auckland Investment Office to promote an investment pipeline.
<p>6. Motivate greater investment in products, services and markets</p>	<p>Auckland's firms need to innovate to remain internationally competitive for the long term. This will require:</p> <ul style="list-style-type: none"> • The appointment of an Innovation Champion for Auckland. • The development of a high visibility campaign to promote the benefits of innovation and entrepreneurship. • Creating and connecting spaces for innovation and entrepreneurship, including maximising the opportunity of Wynyard Quarter, the innovation corridor and the CBD.
<p>7. Increase Auckland's visibility</p>	<p>Despite our wealth of assets and history, Auckland needs to increase its international visibility and relevance. This requires:</p> <ul style="list-style-type: none"> • Transforming our existing partner city relationships to a new global partnership programme, to increase Auckland's exposure and esteem in the global economy. • Effectively telling Auckland's story in a way that leverages our distinctive advantages (e.g., indigenous peoples, volcanoes, oceans, food, sport). • Identifying how Auckland's identity can be significantly leveraged by iconic statements (events / festivals / buildings / acts).
<p>8. Optimise Auckland's platforms for growth</p>	<p>The growth of Auckland's economy is currently constrained by housing, transport and availability of employment land. Overcoming these barriers requires:</p> <ul style="list-style-type: none"> • Promoting and accelerating key housing, employment land, transport projects that are needed to meet the growth potential of Auckland. • Developing and adopting a new implementation model to achieve growth in key locations – CBD and metropolitan centres. • Leveraging the fibre network to its full potential.

Priorities	Rationale and action
9. Support improved performance of Māori businesses	An iwi/Māori economic powerhouse is an essential part of Auckland's future global competitiveness. This requires: <ul style="list-style-type: none"> Supporting Māori businesses to grow.

15. The next steps are to confirm the shared agenda with Government and establish the Leadership Team to drive it forward. An initial step would be for the Mayor (and/or his delegate), senior Council staff and business representatives to seek an audience with the Minister of Economic Development with the view to obtaining Government commitment to the implementation of the shared economic agenda.
16. Delivery of the agenda will be reported regularly to the Economic Development Committee.

Consideration

Local Board Views

17. There are no specific local implications associated with this report. However it should be noted that where appropriate there will be greater focus on scaling up small-scale initiatives that are successful at the local level to provide Auckland-wide impact.

Maori Impact Statement

18. To facilitate an iwi/Māori economic powerhouse in Auckland the proposed shared agenda prioritises support to improve performance of Māori businesses. Representatives from the Independent Māori Statutory Board attended a number of the workshops during the mid-term assessment process and were actively involved in the development of the proposed economic priorities.
19. Māori economic interests will be represented on the Leadership Team, the partnership which will confirm and deliver the shared agenda.

General

20. N/A

Implementation Issues

21. There will be resource impacts from implementing the shared economic agenda. It will require resources to be reallocated to fund new programmes and scale-up exiting ones.
22. It is expected that the agenda will be reflected within ATEED's 2014-2017 Statement of Intent and implementing the agenda will be prioritised within economic development activities in the Long Term Plan 2015-2025.

Attachments

There are no attachments for this report.

Signatories

Authors	Claire Gomas - Project Leader – Economic Development Strategy
Authorisers	Harvey Brookes - Manager Economic Development

Economic Development Strategy: Business friendly overview and draft framework

File No.: CP2014/01845

Purpose

1. The purpose of this report is to present the Economic Development Committee with an overview of the business friendly strategic priority in Auckland's Economic Development Strategy (EDS). In particular, the report outlines Council's work programme in this area for 2013/14 and seeks feedback on a draft framework for monitoring business friendliness.

Executive Summary

1. The EDS has five strategic priorities supported by four cross cutting themes. Strategic priority one is to 'Grow a business friendly and well-functioning city'. This has been identified as a particularly important economic development priority for Council due to its direct ability to influence outcomes related to this priority.
2. Business friendly is defined in the Auckland Plan and EDS as "*the explicit attempts by local governments and their partners (including central government) to reduce the regulatory and non-regulatory barriers, costs, risks and uncertainties of all forms of commercial activity to stimulate and support local business growth, local business retention and the attraction of new business to the local area*".¹
3. Understanding what it means to be more business friendly is complex, the recent three day economic forum in January 2014 with international expert on cities Greg Clark, has given renewed vigor to the implementation of the EDS. In particular, the need to build on the Auckland business proposition for a business friendly city, the importance of Council honouring its promise to be business friendly and partnering with business through the proposed new shared leadership team.
4. The EDS work programme for 2013/14 includes an action to coordinate and integrate a business-friendly customer focus across Council and its Council Controlled Organisations (CCOs), including understanding and conveying the voice of business to key players and aligning this work with the Council's Organisational Transformation project.
5. Key to this action is gaining a more comprehensive understanding of how Council is performing in becoming more business friendly; as well as being able to understanding current and future drivers for business.
6. A draft business friendly framework has been drafted composed of four quadrants (*certainty, responsiveness, city shaping and value for money*), which represent the key business-Council interaction and interest areas.
7. The first stage in developing the framework has been to identify relevant existing Council/CCOs measures. Key findings from this review is that results vary greatly across the measures and that the majority of existing measures focus on the needs of the general citizen and have limited direct relevance to monitoring business friendliness. However, there a number of Council initiatives underway that will result in an advanced understanding of the difference between business and residential customers' interaction with the Council and how the Council organisation can better respond to business needs.

¹ G. Clark and J. Huxley, Business Friendly Cities: City Government and the Local Business Growth and Investment Climate, September 2011.

8. In addition, Council has participated in the Local Government New Zealand (LGNZ) Core City business friendly project. This has resulted in the development of local government business friendly guidelines. These will be launched on 25 February 2014 in Auckland at the metropolitan mayors meeting.
9. Officers are seeking feedback from the Economic Development Committee on the draft framework for monitoring business friendliness and an endorsement of the approach taken.

Recommendation/s

That the Economic Development Committee:

- a) endorse the approach to the development of a business friendly framework for Auckland.
- b) note that officers will report back to the May 2014 Economic Development Committee on progress towards the development of a business friendly framework for Auckland.

Discussion

Business Friendly: Auckland strategic context

10. The EDS supports the Auckland Plan and has five strategic priorities supported by four cross cutting themes: sustainable eco-economy, iwi/ Māori economic, innovative and rural maritime economy and diverse, ethnic economy.
11. The EDS's number one strategic priority is 'Grow a business friendly and well-functioning city' and is identified as the economic development action that Auckland Council has most control, in terms of underpinning outcomes.
12. Business friendly is defined in the Auckland Plan and EDS as "*the explicit attempts by local governments and their partners (including central government) to reduce the regulatory and non-regulatory barriers, costs, risks and uncertainties of all forms of commercial activity to stimulate and support local business growth, local business retention and the attraction of new business to the local area*".
13. The business friendly priority can be thought of as having two dimensions. The 'public face', which is understanding what Council can offer business and how Council can improve its services and deliver value for money and the 'business face', understanding how businesses work, what they need from Council, the drivers for their transactions and how Council can add value.
14. Understanding what it means to be more business friendly is complex, the recent three day economic forum in January 2014 with international expert on cities Greg Clark, has given renewed vigor to the implementation of the EDS. In particular, the need to build on the Auckland business proposition for a business friendly city, the importance of Council honouring its promise to be business friendly and partnering with business through the proposed new shared leadership team. Another item on this committee agenda discusses in more detail the output from the recent EDS mid-course review.
15. In addition, Council has participated in the Local Government New Zealand (LGNZ) Core City business friendly project. This has resulted in the development of local government business friendly guidelines. These will be launched on 25 February 2014 in Auckland at the metropolitan mayors meeting.

Business Friendly: challenges, opportunities and work programme 2013/14

16. Through the initial amalgamation of the legacy councils and the transition to one Auckland Council, the focus was very much on the general citizen in delivery of Council services. However, being business friendly was identified as a top 10 priority for the Council for 2013/14, supported by the appointment of the Manager Economic Development as the organisational Business Friendly Champion in 2013. The business friendly 2013/14 work programme has five areas of focus.

Focus Area One: Aligning and leveraging the Organisational Transformation project

17. It is important for the Council is to get a better understanding of the drivers of business value and to understand more fully the commercial realities that business face, so it can contribute to creating a business environment that encourages business to grow and prosper.
18. Through the Organisational Transformation project Council is now starting to get an advanced understanding of the difference between business/retail and residential customers. The majority (96 per cent) of the 132,000 businesses within Auckland are small to medium enterprises (SMEs). However, even within these groups there are differing needs, from those who are seasoned professionals in dealing with Council to transactional novices. Further work is now underway by Organisational Transformation to understand more fully the diversity of business needs.
19. The development of a region-wide regulatory key account service is an example of where Council provides a 'bespoke' business friendly service and receives very high satisfaction levels. This service is for large developers and the challenge here is to improve the service offering to SMEs. A number of improvement processes are underway to Council's general provision of regulatory services such as the recently adopted integrated consents process between Council, Watercare and Auckland Transport and the recent establishment of the Housing Project Office is further streamlining the consenting process.
20. The Economic Development department was involved in the development of new complaints process for the Council during 2013 as part of Organisational Transformation. The aim of this project is create a culture of learning from complaints, improved reporting and identification of common and key issues that contributes to continuous process improvement.

Focus Area Two: Providing targeted policy advice, especially in land use and transport planning

21. Partnership and leveraging of existing business relationships to provide more informed policy development is a key opportunity area; the recent Business Friendly Unitary Plan document is an example of this. The majority of media coverage of the Proposed Auckland Unitary Plan (PAUP) had been focused on residential issues, resulting in business issues not being widely communicated. Council has worked with the Auckland Chamber of Commerce and the Northern Employers and Manufacturing Association (EMA) to identify what would be of interest to business and developed a document that would 'talk' to business. The Business Friendly Unitary Plan document was 'launched' at an EMA event in December 2013 and has been well received.
22. Other examples include the Chief Economists unit contributing to the cost benefit analysis for the PAUP and Auckland Tourism Events and Economic Development (ATEED) understanding and communicating the needs of the international education sector in regards to future development opportunities on school and tertiary education proposed PAUP zoning.

Focus Area three: Strategic development and input into significant development opportunities

23. Economic Development provides input into key development opportunities such as the proposed Drury South Industrial project. Economic advice was provided for the plan change process which was approved by Council in 2013. This project will provide an additional 360 hectares of industrial land for the region and an expected 7000 jobs once fully built out. The

Economic Development department will continue to provide an economic and business perspective into key projects going forward such as; the East-West Link, Strategic Housing Areas and the proposed Auckland Infrastructure Strategy.

Focus area four: Communication, raising internal awareness and tailored external communications

24. When it comes to raising internal awareness across the organisation and CCOs, it is important to understand what value Council is offering for its business customers, as a business customer will have different needs from a residential or even non-residential customer - even if they are the same person. This is part of an ongoing conversation as to why it matters that business customers are important and what value and satisfaction really mean to them. An example of this is the resource consents customer advisory group which meets annually to test new processes and annual consent staff fora on topical economic and business issues to up skill on business-like thinking.

Focus area five: Engagement in organisational processes like the Long Term Plan and Annual Plan and meaningful engagement with the business community

25. Significant work is underway by Council with the New Core project, which will consolidate legacy Council information systems and in doing so enhance the customer experience and reduce Council's cost to serve. This is a long term project and the challenge is in the interim to roll out quick wins, such as the launch in December 2013 of the new business landing page on the Council's website. This page was developed in conjunction with business users of the website; it creates a one stop shop for business information, making it easier and quicker for businesses to find out what they need to know. More detail can be found at www.aucklandcouncil.govt.nz/businessandeconomy.

Focus area six: Research and monitoring, understanding current and future needs of business

26. To improve business friendly outcomes, it is important that Council has improved customer insights and understands the needs of business. For example, having a good understanding of future business growth to ensuring there is sufficient provision of business land and the development of a business precinct plan for the industrial south. The Economic Development department is currently establishing and will facilitate an officer led Business Land Working Group to co-ordinate and advance policy implementation in business land, with representation from across Council and CCOs. The Research Investigation and Monitoring Unit (RIMU) have also undertaken considerable analysis on retail centres and trends across Auckland.
27. The EDS work programme for 2013/14 also includes an action to coordinate and integrate a business-friendly customer focus across Council and its CCOs, including understanding and conveying the voice of business to key players and aligning this work with Councils Organisational Transformation project.

Draft Business friendly framework: stage one

28. The development of a business friendly framework will monitor how Council is performing in terms of becoming more business friendly. The key objectives of this work area is:
- To gather information on business customer satisfaction with Council's, and its CCOs services and operations and demonstrate the extent of how 'business friendly' the council is;
 - To gain a better understanding of the diverse business needs - from big and small, rural and urban, established and emerging;
 - To identify the areas where businesses are dissatisfied with Council services and operations and why;
 - To determine how often (and how) businesses interact directly with Council and for what purpose/s;
 - To learn how Council and its CCOs can make it easier for business to do business and grow a business friendly culture within the organisations;

- To gain a better understanding of the role of the wider business environment in decisions made by business; and
 - To identify and understand at a broader level, the issues affecting business productivity and growth.
29. A draft business friendly framework (as shown in figure 1 below) has been developed composed of four quadrants (*certainty, responsiveness, city shaping and value for money*). These quadrants represent the key business-council interaction/interest areas, culminating in trust in the center. Within these quadrants sit relevant data sets covering the dual dimension of business friendly defined as perception/reputation and reality/performance. The audience is both internal and external stakeholders.

Figure 1: Draft Business Friendly Framework



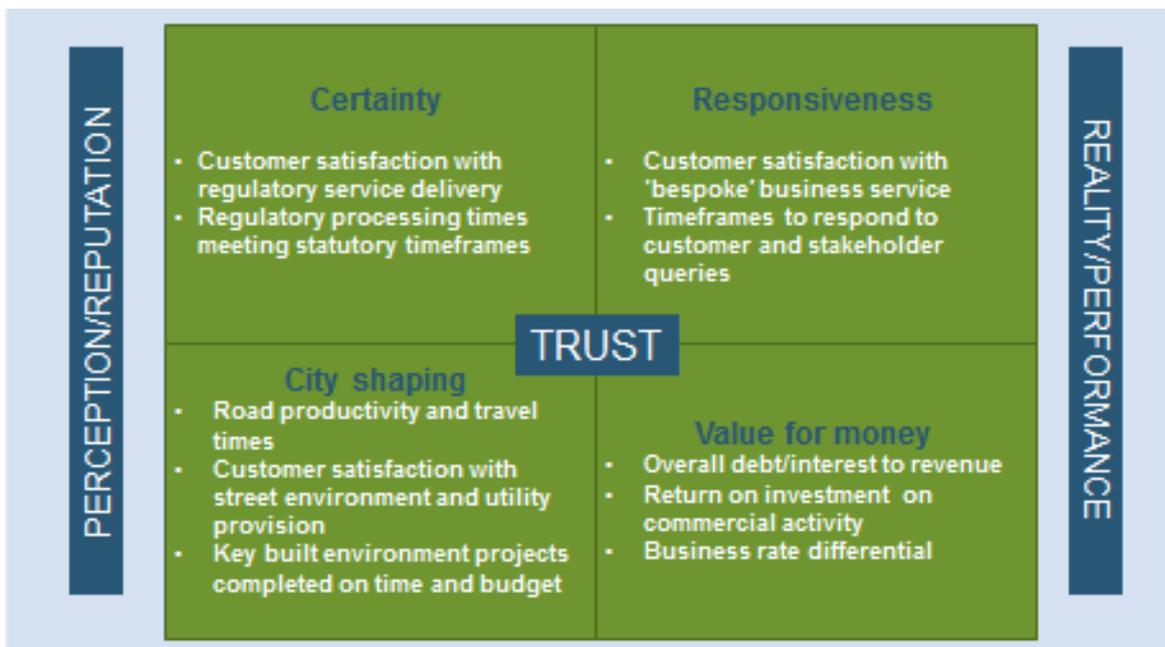
30. Developing the framework and associated measures is complex. The first stage has been to review existing publically available Council/CCO measures. These measures were chosen for their alignment to the draft scorecards four quadrants and represent both qualitative and quantitative data. The majority of these measures are sourced from the Long Term Plan (LTP) / Annual Plan (AP). The customer satisfaction results are mainly derived from the annual residents' omnibus survey. These measures represent a regional perspective and are not available at a Local Board level.

Auckland Council's existing business friendly measures

31. The majority of existing measures focus on the needs of the general citizen and have limited direct relevance to monitoring business friendliness. A summary of these measures mapped within the four quadrants is shown in figure two below, with more detail provided in Attachment A.
32. In the *certainty quadrant*, existing customer satisfaction metrics portray mixed satisfaction levels (from 40-79 per cent) with the Council's overall regulatory services, whereas metrics for compliance with statutory processes indicate that the Council has been achieving its legislative requirements and in some cases improving its processing times.
33. As a comparison in the *responsiveness quadrant*, in surveying businesses directly on 'bespoke' business services such as the regulatory key account services, satisfaction is very high (85 per cent).

34. Under the *city shaping quadrant*, transport is a key issue for business and metrics indicate mixed results in decreasing congestion levels, but we do know that increases have been achieved in public transport patronage and this contributes to freeing up the roads for commercial and freight use. Existing measures in the business environment focus on street maintenance and show improved satisfaction in quality of maintenance.
35. Progress in the *value for money quadrant* is harder to measure, although the business rates differential is being reduced over time. The return of investment from CCOs is another measure as well as Council's delivery (time and cost) of its core property projects.
36. Complementing the LTP/AP measures will be results from the first comprehensive Council Auckland business stakeholder survey. This is a significant piece of work and will offer valuable insight. Research was undertaken by a professional independent research agency with a proven reputation in both public sector and local government research. The sample consisted of 504 Auckland businesses across a wide range of sectors and industries with fieldwork conducted during August – September 2013. The focus of this research was to gain the business community perception of Council's performance, leadership, vision and services. The results of this survey are still being compiled and are expected to be available in the first quarter of 2014.

Figure 2: Draft Business Friendly Framework with existing measures mapped



Business friendly Framework: stage two

37. The next stage of the business friendly framework is to both look at new/business specific measures for the Council and CCOs and incorporate external measures (such as those from business industry groups, central government etc.).
38. There is currently a review underway of the existing LTP/AP measures to inform the next LTP, this will be an opportunity to explore more relevant business friendly measurement. The idea of a rolling review of surveying is also underway, where Council is looking at regularly deploying a survey on hot topics and questions, rather than waiting to survey annually. Topics have been sought for the resident component, with business to follow. This will enable Council to be able to react in a more timely manner to issues of concern and target and make more efficient its stakeholder engagement.

39. There is currently a gap at the Local Board level in monitoring business friendliness, although there are specific initiatives underway such as surveying ethnic businesses in Northcote and along Dominion Road, through the development of a business precinct plan for the industrial south and surveying of business in Wairau Valley as part of Council's local economic work programme. Given that Economic Development do not hold any specific budget to develop the business friendly framework, they will continue to work with other key parts of the Council and CCOs to advocate for a business component to any monitoring and measurement.
40. Bringing in external partner evidence such as general business confidence and the number of Auckland business startups and failures will help to present a more holistic business friendly story for Auckland.
41. It is proposed that stage two of the scorecard be brought back to the Economic Development Committee in May 2014 for approval. Targeted communication will then take place both within Council and to business, informing them of how Council is delivering on being more business friendly.

Consideration

Local Board Views

42. There are no specific local implications associated with this report. Council's Economic Development Department reports to Local Boards six monthly on its activities delivering the agreed local economic development work programme. The need for a more business friendly Council has been identified by a number of Local Boards as an area of interest.

Maori Impact Statement

2. Amongst the Auckland Plan's six transformational shifts is the shift to 'Significantly shift Māori social and economic well-being' and is supported by the strategic direction to 'enable Māori aspirations through recognition of the Treaty of Waitangi and customary rights.' The Māori Plan for Tāmaki Makaurau also sets out the Independent Māori Statutory Board's (IMSB) priorities for Māori economic development.
3. The Economic Development department in partnership with Te Waka Angamua and with input from the IMSB, are advancing the development of the Māori Economic Development Programme to focus on priorities and actions to help facilitate a Māori economic powerhouse in Auckland.
4. Work on the business friendly work programme and draft framework will be integrated with the outcomes of the development of the Māori economic development programme as it progresses over the first two quarters of 2014.
5. The output from the recent EDS mid-course review has identified the need to prioritise support to improve the performance of Māori businesses.

Implementation Issues

6. There are no financing or resourcing implications associated with this report.

Attachments

No.	Title	Page
A	Draft business friendly framework: stocktake of existing Council/CCO measures	21

Signatories

Authors	Stephanie Jowett - Principal Advisor - Regional Economic Policy Implementation
Authorisers	Harvey Brookes - Manager Economic Development

Draft Business Friendly framework: stocktake of existing Council/CCO measures

CERTAINTY						
Measure	Baseline 2011/12	Actual 2012/13	Target 2013/14	Target 2014/15	Source	
Percentage of customers satisfied with the overall quality of resource consents service delivery	50%	48%	50%	50%	Annual Plan/LTP	
Percentage of non-notified resource consent applications processed within 20 days	93%	95.5%	100%	100%	Annual Plan/LTP	
Percentage of notified resource consent applications processed within 70 days	65%	78%	100%	100%	Annual Plan/LTP	
Percentage of customers satisfied with the overall quality of building control service delivery	40%	64%	60%	60%	Annual Plan/LTP	
Percentage of building consent applications processed within 20 working days	93%	96%	96%	100%	Annual Plan/LTP	
Percentage of customers satisfied with the food and liquor licensing service	83%	79% (food) 77% (liquor)	83%	85%	Annual Plan/LTP	
Percentage compliance with legislative planning requirements	100%	100%	100%	100%	Annual Plan/LTP	
Percentage of unitary and area plan changes and Notices of Requirement processed within statutory timeframes	100%	100%	100%	100%	Annual Plan/LTP	

RESPONSIVENESS						
Measure	Baseline 2011/12	Actual 2012/13	Target 2013/14	Target 2014/15	Source	
Percentage of regulatory key account customers agree the Key Account Manager provides a valuable service to their organisation or company	85%	Survey only undertaken every 2 years	Not yet available	tbc	Key Account satisfaction survey	
Percentage of stakeholders satisfied with provision of business advice, start-up, training and mentoring programmes	88%	95%	85%	85%	Annual Plan/LTP ATEED SOI	
Percentage of Māori organisations who consider they have an appropriate working relationship with council	75%	23%	80%	80%	Annual Plan/LTP	
Percentage of calls that are answered within 20 seconds	77%	74%	80%	80%	New measure 2012/13 Annual Plan/LTP	
Percentage of emails actioned and responded to within 72 hours	92%	70%	80%	80%	Annual Plan/LTP	

CITY SHAPING						
Measure	Actual 2011/12	Actual 2012/13	Actual 2013/14	Target 2014/15	Source	
Arterial road network productivity (Percentage of road corridor productivity maintained or improving on key arterial routes)	38,000 person km, per hour, per lane	55.4%	51% of the ideal achieved	52% of the ideal achieved	Annual Plan/LTP	
Travel times along strategic freight routes during the inter-peak (9am- 4pm)	85% of trips are travelled within the specific time in minutes	Not achieved on all routes*	Maintain travel times for 85 th percentile on all nominated freight routes	Maintain travel times for 85 th percentile on all nominated freight routes	Annual Plan/LTP	
Percentage of residents satisfied with the quality of roads in the Auckland region	79%	46%	No less than 75%	No less than 75%	Annual Plan/LTP	
Percentage of residents satisfied with the cleanliness of their local town centre	53%	59%	65%	65%	Annual Plan/LTP	
Percentage of residents satisfied with the quality and maintenance of the street environment	55%	43%	65%	60%	Annual Plan/LTP	
Percentage of agreed street environment upgrade programmes and initiatives completed on time and within budget	New measure	100%	80%	90%	Annual Plan/LTP	
Percentage of transformation and city centre masterplan projects delivered on time and within budget	New measure	88%	85%	90%	Annual Plan/LTP	
Percentage of city transformation projects contributing to Māori outcomes	New measure	Establish baseline	Maintain or improve	Maintain or improve	Annual Plan/LTP	
Percentage of area spatial plans and initiatives that met agreed milestones	New measure	80%	90%	90%	Annual Plan/LTP	
Percentage of waste recycling collections completed on time	99.9%	99.9%	99%	99%	Annual Plan/LTP	
Percentage of customers satisfied with stormwater management	47%	55%	Greater than 50%	Greater than 50%	Annual Plan/LTP	
Percentage of customers satisfied with delivery of water and wastewater services	Not available	81.4%	Greater or equal to 80%	80%	Annual Plan/LTP	
Percentage of unplanned water shut downs restored within five hours	98%	96.7%	Greater than or equal to 95%	Greater than or equal to 95%	Annual Plan/LTP	

VALUE FOR MONEY				
Measure	Baseline 2011/12	Actual 2012/13	Target 2013/14	Target 2014/15
Percentage net debt to total revenue	108.0%	147.5%	187.2%	199.4%
Percentage net interest to total revenue	6.0%	9.2%	10.5%	11.5%
Urban business rates differential**	2.63	2.63	2.53	2.43
Return on equity (ROE)*** for Auckland Council Investment Limited (ACIL) group	4.2%	11.2%	6.7%	13.1
Return on regional investment (RORI)**** from major events invested in (\$million)	14	39.1	47	41
Return on investment (ROI) on commercial waterfront activities and marinas	New measure	3.58%	8%	8%
Percentage of projects delivered according to plan (time and cost) – core property portfolio and tenants	New measure	67%	70%	70%

*SH20 to SH1 via Neilson Street - 17.8 minutes (2013 target 16)
 SH1 to SH20 via Neilson Street – 14 minutes (2013 target 13)
 Sylvia Park to East Tamaki via South-eastern arterial – 11 minutes (2013 target 11)
 East Tamaki to Sylvia Park via South eastern arterial – 10.5 minutes (2013 target 12)
 SH1 to SH18 via Wairau Road – 8.7 minutes (2013 target 8)
 SH18 to SH1 via Wairau Road – 8.8 minutes (2013 target 8)
 East Tamaki to SH1 Highbrook interchange via Harris Road – 9.7 minutes (2013 target 10)
 SH1 Highbrook interchange to East Tamaki via Harris Road – 10.3 minutes (target 11)

**Starting from July 2013, business rates differentials will reduce by a factor of 0.1 over 10 years. This means the business differential will reduce to 1.63 in 2022/23. Rural business rates differential 2013/14 - 1.92 (Franklin 2.13 – will increase by 0.1 annual until it comes in line with the rest of the region in 2015/16)

***ROE is calculated as the change in the shareholders' funds of ACIL group plus dividends from ACIL to the council divided by shareholders' funds at the end of the period.

****RORI is the sum of money that accrues in Auckland from an event, less the amount that originates within Auckland.

Auckland Skills and Local workforce programme - update

File No.: CP2014/00330

Purpose

1. This memo updates the Economic Development Committee on initiatives being implemented to deliver skills, transition, and employment priorities in the Auckland's Plan. It highlights agreement coming out of the recent Economic Development Strategy (EDS) mid-term assessment, on an immediate focus on building youth employability, and on building, attracting and retaining skills.

Executive Summary

2. Auckland Council group's roles in growing Auckland's skills and employment are: systems integration, leadership and facilitation; skills development; and place making. Effective working arrangements have been established within the Council group, and with key external stakeholders, that support implementation of skills and employment actions. Platforms include the Auckland Skills Steering Group, and an internal Council group education and skills officer team.
3. A recent mid-course assessment of EDS implementation delivered multi-stakeholder agreement to focus on two skills-related priorities over the next 1-3 years:
 - Building youth employability: including new funding models, increasing opportunities for work experience, and an employers' pledge.
 - Building, attracting and retaining skills: encouraging skills investment; providing information on skills shortages, training provision, and immigration, and attracting international talent.
4. Council is carrying out a stocktake of its role and contribution to Auckland education and skills, so that it can articulate its role and prioritise resources to maximise its contribution to the wider regional system. Council is contributing to the Auckland Construction and Infrastructure Workforce Roadmap project, which is an example of an industry-led collaborative approach to lifting skills and employment outcomes.

Recommendation/s

That the Economic Development Committee:

- a) note that at a January 2014 mid-course assessment of Economic Development Strategy (EDS) implementation, stakeholders agreed two skills-related priorities for the next 1-3 years:
 - i) *Building youth employability*: including new funding models, increasing opportunities for work experience, and an employers' pledge
 - ii) *Building, attracting and retaining skills*: encouraging skills investment, providing information on skills shortages, training provision, and immigration, and attracting international talent
- b) note that the focus on building youth employment is well aligned with the Auckland Skills Steering Group Alignment Project, and forthcoming Mayoral Youth Employment Action Plan, and that a new leadership group will strengthen business voice and action on building, attracting and retaining skills.

Discussion

- Item 11**
5. Inclusive and equitable economic growth means all Aucklanders participating in growing the economy and enjoying its benefits. Raising skill levels will improve Auckland's economic performance and reduce skill shortages, vital to the achievement of Auckland's ambitious OECD gross domestic product per capita ranking target.
 6. The Auckland Economic Development Strategy establishes "skills and local employment" as one of five priorities. It sets out Council's key roles in growing skills and employment in Auckland, including:
 - Systems integration: championing a joined up approach through relationships with central government, community and business networks, providing leadership, facilitation and at times, advocacy.
 - Skills development: through locally-led programmes such as Youth Connections and COMET Auckland's family learning project, and as an employer of scale.
 - Place-making: through its planning and built environment functions, provision of infrastructure (such as libraries and sports grounds) and arts and cultural activities.
 7. During 2011-12, effective working arrangements have been established within Council group, and with key external stakeholders, that support implementation of skills and employment actions. Platforms include the Auckland Skills Steering Group (ASSG), and an internal Council group education and skills officer operational team. These arrangements are facilitating implementation through information sharing, joint projects, more joined-up action, and influencing investment priorities.

Economic Development Strategy mid-course assessment – two skills priorities

8. The January 2014 mid-course assessment of EDS implementation delivered multi-stakeholder agreement to focus on two skills-related priorities over the next 1-3 years:
 - Building youth employability: including new funding models, increasing opportunities for work experience, and an employers' pledge.
 - Building, attracting and retaining skills: encouraging skills investment; providing information on skills shortages, training provision, and immigration, and attracting international talent.
9. Key Auckland skills and labour market indicators suggest that progress is being made in a number of areas. However, stakeholders agree that strengthening employer voice and further supply-side alignment - including building young people's employability - is required. The new Leadership Team coming out of the EDS mid-term assessment will strengthen business voice and action on skills, with members from government and the private sector.
10. These priorities are well aligned to the youth employability priority, Auckland Children and Young People's Strategic Action Plan, COMET Auckland's research with the Auckland Chamber of Commerce, and a forthcoming Mayoral Youth Employment Action Plan. The Mayoral Plan will create a platform for youth-focused initiatives, allowing Council to come together with employers, and central government, to lift youth skills and employment outcomes.

Auckland Skills Steering Group

11. The Auckland Skills Steering Group (ASSG) was established in late 2011 and meets bi-monthly. It is co-chaired by Auckland Council (Economic Development), and the Ministry of Education (Education System Performance). MBIE (Auckland Policy Office) and Auckland Council Economic Development co-facilitate the group. Eleven central and local government agencies are permanently represented on the group. Its role includes Auckland regional skills system oversight, direction setting, action, and monitoring functions.

12. The ASSG is developing an Auckland Skills Dashboard. The dashboard is intended to support the Group's Auckland skills oversight and monitoring functions. More detailed information on sub-groups such as youth, Māori, and Pasifika, and sub-regional priorities (such as The Southern Initiative), will be included where these are priorities and data is available.
13. The ASSG has also indicated that it will consider using the Better Business Case methodology to develop an investment programme for skills in Auckland. ASSG members are beginning to share information on their Auckland regional investment, starting with details on investment in youth initiatives in South Auckland. A clearer picture of central government's Auckland region skills investment will provide a foundation for on-going efforts to enhance skills investment and outcomes.

Auckland Skills Steering Group Alignment project: youth, Māori, Pasifika

14. During 2013-2014, the ASSG is also implementing an Alignment Project focused on youth, Māori and Pasifika, as priority groups, and language, literacy and numeracy. The project includes a geographic focus in The Southern Initiative (Mangere-Otahuhu), using a collective impact approach.

Auckland Council Education and Skills Narrative

15. Council articulates its education and skills roles, priorities and actions in key documents including the Auckland Plan and The Southern Initiative, Auckland Economic Development Strategy, I am Auckland: Children and Young People's Strategic Action Plan, Thriving Communities, Libraries Future Direction, and Māori Plan for Tāmaki Makaurau. While these documents establish an evidence base, priorities for action, and outcomes, Council has not yet developed a full understanding of its contribution to the Auckland education and skills eco-system.
16. This project aims to articulate Council's role in the education and skills eco-system, using the Auckland Plan transformational shifts as a framework. A stocktake and series of cross-Council workshops has mapped a range of education and skills related activities that are being delivered or facilitated through Council, including the wider Council family. This highlights the range of roles and detail of activity that Council is involved in (champion, provider, facilitator, etc.)
17. The stocktake and narrative are expected to be completed in mid-2014, and will provide a comprehensive understanding of Council's direct and indirect role and contribution to the education and skills eco-system. Council will then understand its de facto positions and engagement on education and skills, and will be able to communicate these effectively both to internal, and external, stakeholders and audiences. This will provide a platform for Council to prioritise resources where they will contribute most to Auckland.

Auckland Construction and Infrastructure Workforce Roadmap

18. The development of the Auckland Construction and Infrastructure Workforce Roadmap, including a labour demand model, is a Unitec and industry led collaborative project supported by Council and the Ministry of Business, Innovation and Employment (MBIE).
19. The Auckland Construction and Infrastructure Sector Skills and Occupations model (the Auckland Skills model) will be publically available at the end of March 2014. The model uses demand driven analysis, based on investment plans, to forecast labour demand. This follows international best practice for cities and regions with high levels of construction and infrastructure investment to develop sector-specific workforce strategies that can help ensure the supply of skills into industry.

20. The benefits of the Auckland Skills model include:
- Building the capability to establish a skilled workforce - a competitive advantage, supporting on-going investment in Auckland
 - Supporting the current committed investment of the Council in construction and infrastructure spending - managing risk around strategic investment
 - Assisting in the delivery of a residential construction workforce in the region - including the Housing Accord outcomes
21. Council is also scoping wider opportunities for collaboration between Council and Unitec, including potential place-based demonstration projects that apply the workforce roadmap methodology, for example linked to Special Housing Areas. Central government plans to scale up provision of the Maori and Pasifika Trades Training initiative in Auckland, will support the industry skills pipeline.

Consideration

Local Board Views

22. Skills and local employment opportunities are a priority for most Local Boards. These priorities are being implemented and delivered via Local Economic Development Plans and annual plans. Youth Connections is championed by 10 Local Boards, while a number of Auckland-wide initiatives include actions targeting specific Local Boards. For example the ASSG Alignment project is focused on Mangere-Otahuhu in the TSI, and a number of local boards are delivering initiatives to support their young people.

Māori Impact Statement

23. Māori skills and employment, including Māori entrepreneurship, are a priority for Auckland. For example, Council has championed the scale up of Māori and Pasifika Trades Training initiative which provides opportunities for 18-34 year old Māori and Pasifika learners to gain a level 4 trade qualification and employment. Deputy Mayor Penny Hulse, and Economic Development Committee Chair Arthur Anae, welcomed stakeholders to information sharing workshops for the programme in September 2013.
24. Similarly, projects such as the Memorandum of Understanding with the Manaiakalani Trust, and other locally-led initiatives – such as a forthcoming Māori economic development plan in Papakura – will contribute to lifting Māori skills and employment.

General

25. There are no general issues.

Implementation Issues

26. There are no implementation issues.

Attachments

There are no attachments for this report.

Signatories

Authors	Melissa Hall - Principal Advisor - Regional Economic Policy Implementation
Authorisers	Harvey Brookes - Manager Economic Development

Presentation by Susan Warren, Chief Executive of Comet Auckland

File No.: CP2014/01010

Item 12

Purpose

1. To address the Economic Development Committee providing an update on the current work of Comet Auckland.

Recommendation/s

That the Economic Development Committee:

- a) thank Susan Warren for her presentation.

Attachments

There are no attachments for this report.

Signatories

Authors	Mary Binney - Democracy Advisor
---------	---------------------------------

Review of regional migrant settlement strategies and planned new arrangements

File No.: CP2014/01645

Purpose

1. To provide the Economic Development Committee with an overview of a 'Review of regional settlement strategies – Wellington and Auckland', its recommendations, and next steps.

Executive Summary

2. The current Auckland regional migrant settlement strategy arrangements have been in place since 2006, and are supported by an Action Plan that is being implemented and due for completion in mid-2014.
3. MBIE Immigration New Zealand in collaboration with regional settlement strategy partners, commissioned an independent review of the Auckland and Wellington regional migrant settlement strategies in 2013. This review highlighted key achievements and made recommendations on future arrangements.
4. MBIE Immigration New Zealand is refreshing the national settlement strategy and a new regional partnership agreement model is proposed to be in place from July 2014. These new regional partnership agreements will represent a change to Immigration New Zealand's existing relationship with Auckland in terms of settlement, attraction and retention activities.
5. Auckland Council staff will report to the Regional Strategy and Policy Committee in April, with recommendations towards finalising the proposed regional partnership agreement.

Recommendations

That the Economic Development Committee:

- a) note that there has been a review of regional migrant settlement arrangements, and that MBIE Immigration New Zealand is working with regional partners to develop new regional partnership arrangements from 1 July 2014.
- b) note that Community Development and Economic Development are leading cross-Council work to clarify Council's future role and contribution to migrant Auckland regional settlement under the new arrangements.
- c) note that the Community Development and Safety Committee will also receive an update on the review of regional settlement strategies at its February 2014 meeting.
- d) note that officers will work with Immigration New Zealand to develop a new Auckland regional partnership agreement that will replace the current Auckland Regional Settlement Strategy.
- e) note that officers will report to the Regional Strategy and Policy Committee in April 2014, with recommendations towards finalising the regional partnership agreement.

Discussion

Background: Auckland Regional settlement strategy 2006-2014

6. Developed in 2006 and launched in 2007, the multi-stakeholder Auckland regional settlement strategy has been jointly led by central government, Auckland Council, business, non-government organisations and other stakeholders. It is guided by the MBIE (Ministry of Business, Immigration, and Employment) Immigration New Zealand group's national settlement strategy.
7. The Auckland regional settlement strategy is a locally-led and mandated collaboration to improve settlement outcomes. The strategy focused on improving Auckland's readiness to deliver good settlement and integration outcomes for migrants.
8. It is supported by an Action Plan, with both community and economic-focussed activity, which is scheduled to be delivered by mid-2014. Good progress is being made on implementing the three activities that comprise the economic settlement actions, and these will be complete by July 2014.

Regional settlement strategy review context

9. With the current implementation phase of the Auckland Regional Settlement Strategy and action plan due for completion in June 2014, Immigration New Zealand, in collaboration with Auckland Council and Hutt City Council, commissioned an independent review of the Auckland and Wellington regional migrant settlement strategies. The final Martin Jenkins report was shared by the MBIE Immigration New Zealand group in October 2013.
10. The purpose of the review was to assess the implementation and achievements of the regional strategies, and provide advice on the future approach to governance, infrastructure and support required for collaborative, well-coordinated settlement activities in the regions.

Review findings and recommendations

11. The Martin Jenkins review highlighted key Auckland regional settlement achievements delivered since 2007. Over 40 actions were delivered in Auckland by central and local government and non-government organisations. Target groups ranged from school students of ethnic backgrounds, to government workers, across more than 160 ethnic groups. Central and local government coordination led to improved regional service provision for migrants including reduced duplication and filling of gaps.
12. Success in placing settlement on the agenda in the Auckland Plan complemented skilled migrant attraction and entrepreneurship priority actions in the Auckland Economic Development Strategy. Formal relationships between government, community non-governmental organisations, and businesses, in Auckland were successfully established to lead dialogue on migrant and settlement issues. There is greater understanding of the needs and challenges faced by migrants settling in Auckland.

Future settlement arrangements

13. The review also made recommendations on future settlement arrangements to take effect from 1 July 2014. The national settlement strategy is to be refreshed with the addition of a stronger 'economic lens', and a broader focus, covering attraction, settlement and retention, as well as enhanced monitoring and evaluation. Immigration New Zealand advises that this refresh is underway, and will be complete in June 2014.
14. Separate strategies and approaches for regions, reflecting distinctive regional contexts are to be considered. These could be supported by streamlined and future-proofed governance arrangements that respond to variations in both national and regional priorities and resources.
15. Under the new arrangements, central and local government will be expected to have clearer roles and responsibilities including ownership of, and accountability for, actions. The review

is taking place in the context of wider reforms to the NZ immigration system. These changes include amendments to the Immigration Act (2009) that are designed to improve the sustainability of funding in the system with reduced emphasis on settlement initiatives, and to avoid large deficits in future.

16. The Bill proposes to amend the existing Migrant Levy paid by visa applicants. The levy will be renamed the “Immigration Levy” and its use will no longer be limited to the provision of settlement programmes, and research into settlement issues and the impacts of immigration.

Regional partnership agreement model from 1 July 2014

17. The review recommended that MBIE Immigration New Zealand enter into a regional partnership agreement for settlement with Auckland Council. These agreements are intended to be jointly negotiated, owned and led by two partners. Immigration New Zealand identified Auckland Council as the key partner for Auckland, noting good alignment with the Auckland Plan reflecting the unique regional context.
18. The recommended regional partnership agreement for settlement is set to take effect from 1 July 2014. Features include:
 - joint negotiation, ownership and leadership by the two partners – one at the national level (Immigration New Zealand) and one at the regional level (Auckland Council)
 - negotiation over roles and responsibilities, settlement related scope and emphasis, a monitoring and evaluation framework, and governance arrangements
 - responsibility for coordinating relationships – MBIE Immigration New Zealand would coordinate whole of central government relationships and actions nationally and regionally. The regional partner would coordinate regional relationships and actions (including community NGOs and other sectors).
19. The regional partnership agreement represents a change to MBIE Immigration New Zealand’s existing relationship with Auckland in terms of settlement, attraction and retention activities. MBIE Immigration New Zealand will no longer have a coordinating role in Auckland.

Next steps for Council

20. Auckland Council, led by Community Development, is reviewing its regional settlement role as part of the changes to settlement arrangements. Work is underway across the Council group, led jointly by Community Development and Economic Development, to clarify Council’s role and contribution to migrant settlement in the region. A workshop will be held in late February, which will inform Council’s engagement with MBIE Immigration New Zealand on the new arrangements.
21. This workshop will provide the foundation for Auckland Council’s engagement with MBIE Immigration New Zealand on the proposed new regional partnership agreement for migrant settlement. Following the workshop, officers will report to the Regional Strategy and Policy Committee with Council’s perspective, and recommendations towards finalising the regional partnership agreement.

Consideration

Local Board Views

22. Local boards have been engaged in the development and delivery of the current Action Plan. Local boards whose areas include significant migrant communities that have participated in actions include Howick, Puketapapa, and Upper Harbour. Any proposed regional partnership model would be expected to engage with local board priorities.

Maori Impact Statement

23. Māori have a key role in welcoming migrants to Auckland, related to the concepts of kaitiakitanga and manaakitanga. Any future partnership arrangements would be expected to include actions that will nurture effective engagement between Māori and migrants, and provide opportunities for migrants to enhance their understanding of Te Ao Māori. It is desirable that all new migrants to Auckland gain an appreciation of kaitiakitanga.

General

24. There are no general issues resulting from this report.

Implementation Issues

25. There are no implementation issues resulting from this report.

Attachments

There are no attachments for this report.

Signatories

Authors	Melissa Hall - Principal Advisor - Regional Economic Policy Implementation
Authorisers	Harvey Brookes - Manager Economic Development

Auckland Economic Quarterly Update

File No.: CP2013/28445

Purpose

1. To provide an economic update to the Committee

Executive Summary

2. Auckland Council's Chief Economist Geoff Cooper will give a presentation.

Recommendation/s

That the Economic Development Committee:

- a) thank Geoff Cooper for his presentation

Attachments

There are no attachments for this report.

Signatories

Authors	Mary Binney - Democracy Advisor
---------	---------------------------------