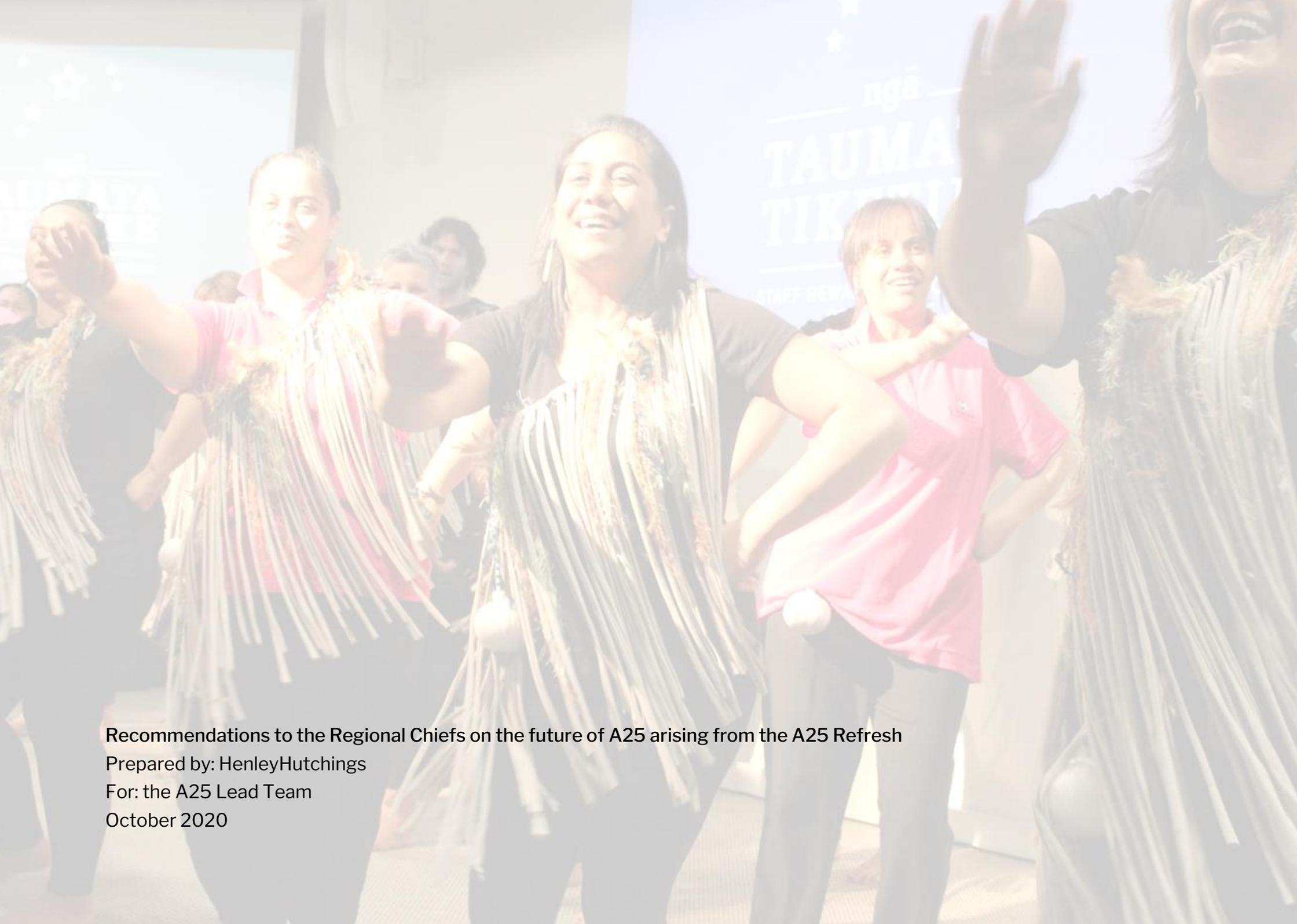


ACCELERATE▶25
MANAWATŪ-WHANGANUI

Prosperous. Strong. Vibrant.

Recommendations on the future of A25





Recommendations to the Regional Chiefs on the future of A25 arising from the A25 Refresh

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For: the A25 Lead Team

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Findings from the A25 Refresh

A REGION ON THE MOVE

Back in 2015 the region was branded as a "surge region" by Government, meaning that it was not sharing in the growth and development emerging in many parts of the country at that time.

Five years on, things are very different. The region has benefitted from a strong period of growth evident across the New Zealand economy generally. The region as whole has kept up with this nationwide growth and some parts of the region have at times exceeded it.

What changed? The A25 Refresh has identified five vital differences:

- Growth across the whole nation meant that all boats lifted on a rising tide. Growth drives confidence and purpose and this has been evident in Manawatū-Whanganui.
- The preparation and launch of the Growth Study and the 2015/16 Strategy and Action Plan brought the region to the attention of Government, where prior, Government's attention appeared to be elsewhere.
- Government (both National and Labour-led) became more active in regions and with a clear plan, Manawatū-Whanganui was seen as good investment.

- The Plan identified real opportunities for the region which gave shape and focus to a level of ambition that had largely been absent previously.
- The region quickly consolidated a united and integrated view of itself and the leadership that emerged from that renewed confidence served to accelerate the momentum that was already growing.

These changes are different facets of a single overall change. The region had found renewed economic and political leadership in a way that it had not had previously. This is the vital ingredient that the Refresh identified. It had arisen from a new-found sense of collective purpose, to do better.

The Manawatū-Whanganui of today
is a different proposition from the
region that was the subject of the
2015 Growth Study.

STAKEHOLDER PERCEPTIONS OF A25

To understand what had changed and identify the key to going forward, the Refresh involved extensive discussions and surveying of stakeholders. These inquiries focused on A25, but also looked at the broader picture. This is what was found:

- Confidence in the future seemed stronger.
- A greater sense of regional purpose was reported, and examples given.
- The A25 programme and the Lead Team were seen as having been effective and well supported by regional leaders.
- The relationship with Government was seen as much stronger.
- Local councils were seen to be acting together on regional issues and experiencing the benefits.
- Strong ambition was evident with many regional leaders and stakeholders saying that the region is ready for further growth and that they would welcome a new step forward for the region.
- This confidence contrasted with the tendency in the past to make excuses or try to explain away the underperformance of the region.

WHAT IS THE REGION'S POTENTIAL?

The region has most of the ingredients for success. It is geographically large, with a significant and well-educated population and workforce. It has a diverse, if somewhat traditional economy. It is well situated across the middle of New Zealand, well positioned in relation to main centres, transport arterials and ports. It has a strong foundation in the primary industry with a small, but dedicated manufacturing base and a rapidly

growing tertiary services sector. It has a university, other training centres and research institutions and facilities.

These are all assets which it has had for some time. What is different is that there is improving integration within and between them so that they represent a foundation for regional achievement. Comparative analysis with other advanced regions indicates that future progress needs to be in the vital features of a modern economy: innovation, greater use of technology, further enhanced workforce skills, better transport infrastructure and internet connection.

It is these types of features that differentiate by degree, a region like Waikato from Manawatū-Whanganui. The fact that a region like Waikato is able to develop these features to more advanced levels poses the question why can't Manawatū-Whanganui do the same? The answer is that it can.

The result could be a region that is a growth centre for central New Zealand, cementing a leadership role for the region in the national economy and community. The A25 programme and Lead Team could contribute leadership to the attainment of that potential as part of a regionally-focused effort.

Comparative analysis with other advanced regions indicates the potential of future progress in Manawatū-Whanganui.

WHAT'S MISSING FROM THE MIX?

There is nothing missing. It's all there, but it needs a stronger leadership focus and continuing integration of effort.

- The role of A25 and the Lead Team needs to be focused solely on that transition of building a modern contemporary economy and community on the foundation of the existing traditional economy.
- Their role is one of “enabling”: facilitation, encouragement, thought leadership and pressing parties to invest in the region.
- The “doing” role is for each of the agencies – councils, EDAs, business enterprises and other entities.
- The Māori programme Te Pae Tawhiti needs sustained leadership support from A25 working with iwi and Māori entities and incorporations.

It's all there, but it needs a stronger leadership focus and continuing integration of effort.



The Plan

In a post-COVID-19 world the focus will be on the twin goals of value and resilience. We will need to restore value to our economy lost in the pandemic and we will have to ensure resilience as a protection against future COVID-like events.

Evidence from around the world is that a contemporary post-COVID economy will require businesses to grow value and resilience in two key areas:

1. **Products/services that people really need on an ongoing basis** – food being an obvious one – and this is a strength of the region
2. **Products/services with a high technology factor** – because of the ease of achieving high productivity and ease of market access.

Manawatū-Whanganui produces food. It is less adept in the technology area. This needs to be a strong focus of attention of the Lead Team.

Manawatū-Whanganui's greatest potential is to blend its food capability with growing technology prowess, producing enhanced Food Tech and Agri-Tech capacity. Of all the opportunities in the region, this is the area most likely to achieve transformation.

Manawatū-Whanganui's greatest potential is to blend its food capability with growing technology prowess.

A GLIMPSE OF THE FUTURE

A glimpse of a Manawatū-Whanganui of the future could reveal a national growth centre based on the foundation of sustainable food and fibre, enhanced into Food-Tech and Agri-Tech, supported by specialised

services, the Maori Economy and Tourism. The foundation is there, but some transformational features are required in a post COVID-19 era. Here they are:

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FOUR PILLARS



1. Sustainable food and fibre

- including Food Technology products
- and Agri-tech capability



2. Specialised services

- Technology, high value specialised manufacturing and tertiary services



3. Māori economy

- realising the value lying in the Maori economy



4. Tourism

- shaped with a long-term view

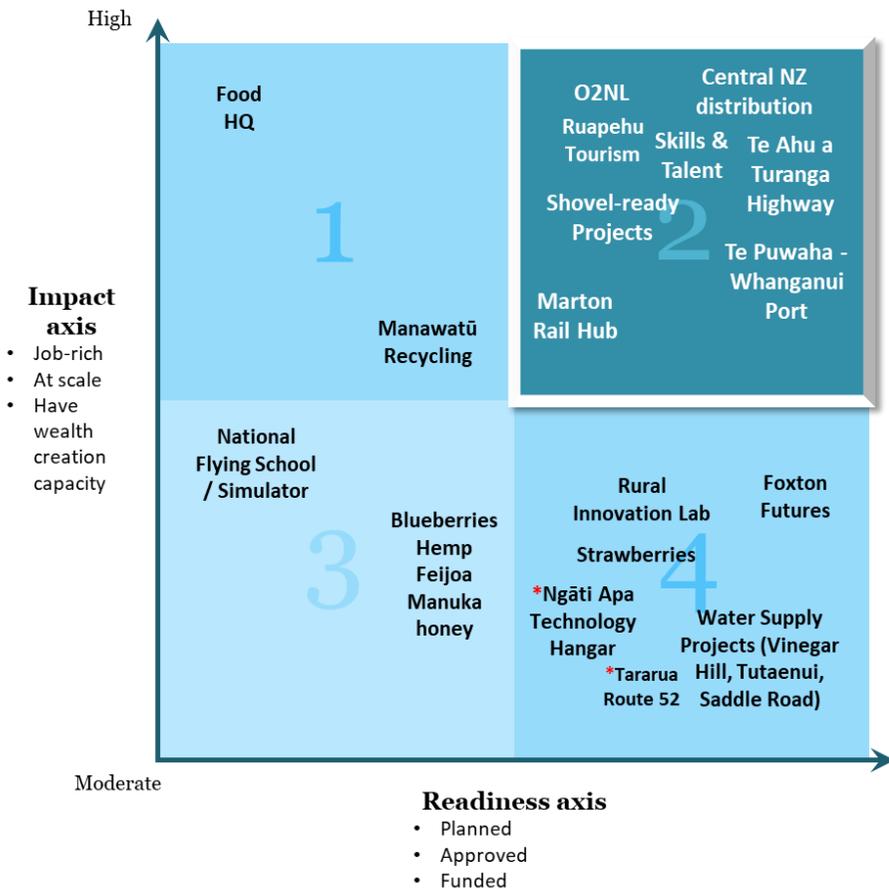
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SIX BEARERS

1. **Effective transport networks** - throughout the region and with other regions, scaled for growth
2. **High performing workforce** – through education, learning and skills
3. **High speed internet connectivity** - to support enhanced business technologies
4. **Community infrastructure** - to support quality of life and attract population
5. **Energy** – renewable and available
6. **Environmental sustainability** – because this is a bottom line for a modern economy

Priority (Recovery) Projects

The pillars and bearers summarise the high-level priority-focus. Within them, there are a number of projects, some of which are part of COVID-19 recovery, others of which are longer-term directions for the region. They are summarised in the below matrix, which allocates their priority on an axis of impact and readiness:



The ideal is to gradually move projects into the top right-hand box, as they pass through feasibility and development stages.

*This matrix (left) was first developed in April 2020 and it should be noted that the Ngati Apa Technology Hangar and Taranua Route 52 have both since been moved into the bottom-right box.

While it is important to have strong transformational projects in the top-right box, smaller sub-regional projects with a more local impact are vitally important to complement and complete the picture.

The projects in the right-hand boxes will gradually change from COVID-19 recovery to longer-term regional transformation. It is a task of the Lead Team to actively facilitate this transition.

The projects in this matrix are large and small and are located all around the region.

The Role of a ‘Refreshed Lead Team’

The Lead Team for the next five years should be operating as a **super-enabler** to the delivery agencies in Manawatū-Whanganui: councils, EDAs, enterprises and entities. The Lead Team should be strongly focused on the identified “Pillars” and “Bearers” which are going to be the critical difference between Manawatū-Whanganui being a national growth centre and being just another region.

The key components of that enabling role are:

- **Resourcing major projects** – engaging at the highest levels of Government and the private sector to source capital and operational resources to mount projects
- **Government connection** – engaging with Government at the highest policy levels and maintaining a constant presence of the requirements noting the context of the four well-beings (Environmental, Social, Cultural and Economic)
- **Māori/iwi leadership connection** – working with Māori to support leadership around vital projects in the Te Pae Tawhiti suite of projects
- **Supporting local leaders** – giving high level support to Mayors, CEOs, regional leaders for city and district-level projects that have a regional impact.

How will the Lead Team do this?

- **Championing the vision of a Manawatū-Whanganui as a national growth centre** – articulating it to all audiences until it is embedded in agencies, Government, private interests and the public
- **Demonstrating independence** – how the region can stand on its own feet and forge its own direction

- **Sticking to the ‘script’** – focusing on the high-level priorities; not being diverted
- **Enabling not delivering** – enabling others; keeping out of the weeds
- **Leadership engagement** – active support for agency leaders to empower them to deliver critical projects
- **Never acting alone** – acting as a collaborative team, not a group of individuals
- **Not taking “no” for an answer** – showing determination and singlemindedness on agreed priorities
- **Mandate** – working with a clear mandate from the Regional Chiefs based on a Terms of Reference agreed with councils and other agencies, including private sector interests
- **Right skills** – by having a diverse membership of highly skilled people on the team – private and public sector, Māori, regionally sourced with particular emphasis on international marketing and technology skills, and scaling up businesses
- **Regional Resourcing** – by receiving a funding/resource commitment from Horizons Regional Council with a potential further contribution from local councils as a statement of intent from those agencies to support the Lead Team and its programme.

The Lead Team should be strongly focused on the “Pillars” and “Bearers”.

Recommendations

A number of recommendations were made in the recently completed A25 refresh. Here they are:

- **Retain the A25 programme and the Lead Team structure** – give it a more defined and definitive role.
- **Set up the Lead Team to ‘lead’** – in the region, with Government and other resource providers.
- **Look beyond COVID-19** – into a different future.
- **Commit to becoming a national growth centre** – own it, drive it.
- **Stick to the game plan** – this will drive collective effort.
- **Stretch regional capability** – lead thinking, challenge traditional funders to envisage a more ambitious future. Don’t just do the easy stuff.
- **Give special attention to food futures** – there is a solid foundation and regional scale in food futures – Food Tech, Agri Tech.
- **Define everyone’s roles** – every agency plays its role and sticks to its swim lane. The cumulative effect is what will move the region forward.
- **Build key points of engagement for Māori** – build Māori leadership from within Māori, iwi and entities.

These recommendations are built around the idea of “get the governance/leadership right” and ensure a substantive role for everyone, and the rest will follow.

Terms of Reference

Key points in the Terms of Reference for the Lead Team:

Organisation name:	Accelerate 25 (A25)		Mayors and chief executives of local authorities within the M-W region
Governance/			
Leadership:	A25 Lead Team		Chairs and CEOs of Economic Development Agencies in the region
Appointment:	Appointed by the Regional Chiefs on rolling three-year contracts. Existing A25 Lead Team members will be eligible for reappointment.		Senior members of Government (Ministers)
Appointees:	A mixture of people from leadership roles in the region including business, government and Māori, with a stronger bias towards business. The skill mix would include: <ul style="list-style-type: none">• Public and enterprise management• Maori enterprise management• Understanding of international markets and connections• Understanding of technology in enterprise• Skills in investment, finance and enterprise development	Intent:	Leaders of Iwi, Maori enterprise and incorporations Government Officials as required (MBIE, MSD, TPK, MPI and others) Subject matter experts such as University and CRI researchers Industry and sector leaders
Chairmanship:	Appointed by the Regional Chiefs from nominations by the Lead Team itself.	Objectives:	To set the M-W region on a pathway towards becoming a national growth centre by providing high level regional enabling leadership. To represent the vision and purpose of A25 throughout the region. To be a focus of the A25 vision which is to be tracking towards the region becoming a regional growth centre by 2025. To provide energy, motivation and determination to achieve the vision and purpose. To seek resources – human and financial - for the successful completion of the A25 programme.
Key relationships:	Chair and chief executive of Horizons Regional Council		

	<p>To support the agency leaders in the region to deliver the A25 programme.</p> <p>To support Maori/iwi in the development of leadership of the Māori economy to accelerate the growth of that economy.</p> <p>To maintain the currency of the A25 Action Plan and ensure it is understood and taken into account in the planning and activity of regional leaders.</p> <p>To develop further plans and approaches where they have a regional application.</p> <p>To liaise regularly and in depth with local agency leaders to support their delivery of A25 Action Plan priorities.</p> <p>To convene discussions and workshop of stakeholders on key issues to set direction and engage them in delivery.</p> <p>To maintain an active, high level relationship with Government on the critical projects in the A25 Action Plan with a particular focus on funding and resourcing.</p> <p>To build relationships with funders and develop funding strategies for the region to support the A25 initiatives.</p> <p>To maintain active relationships with sector leaders and subject matter experts related to key A25 priorities.</p>		<p>Central Government may also be a contributor.</p> <p>A minimum annual budget of \$350,000 is envisaged.</p>
Activities:		Servicing:	<p>The Lead Team will be serviced by a small secretariat of staff based at Horizons Regional Council and tasked with assisting the Lead Team achieve its objectives.</p>
		Reporting:	<p>The Lead Team will report annually on a formal basis to the Regional Chiefs, but as often as required in agreement between them.</p>
		Duration:	<p>The A25 programme and the Lead Team will be in place until 2025 unless unforeseen or extenuating circumstances result in a change of approach by the Regional Chiefs. Any change would be at their discretion.</p>
		Full review:	<p>If the Lead Team wishes to make a significant and substantial change of direction from the programme outlined in the Refresh it can only do so with the agreement of the Regional Chiefs.</p> <p>The work of the Lead Team and the whole A25 programme will be refreshed once again in 2025.</p>
Funding:	<p>The Lead Team’s activities will be funded by a combination of contributions from the Horizons Regional Council and contributions from each of the councils in the region appropriate to their size and resources.</p>	Conflicts:	<p>Where conflict may arise between the Lead Team and agencies or enterprises in the region which cannot be resolved by mutual engagement, the Regional Chiefs will form a small group to review the situation and seek a resolution.</p>

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