



## A25 LEAD TEAM PROGRAMME

19 July 2021

The programme in this document and the accompanying A3 visual presentation is the product of planning that emerged from the A25 Refresh conducted in 2020/21. It will form the programme for the Lead Team for the coming three years and beyond.

A25 serves the region by inspiring and connecting key people, organisations and resources to work as one across Manawatū-Whanganui. They form the heart of our regional efforts and deserve our collective support.

The approach of the A25 Lead Team, when addressing these focus areas is as a catalyst or enabler. It provides direction, energy and resources, but works through other parties to achieve the acceleration goal in each of the focus areas. These other parties working hard together on the right things in the right way and at the right time is the critical element of our growth programme.

This plan:

- Has a tight focus on a limited number of priority focus areas so that the programme is manageable and can produce practical results.
- Emphasises integrated leadership in the region to achieve these results.
- Also emphasises sustainability which underpins our whole approach.
- Aligns the A25 programme with Government funding priorities as conceived through the regional funding channel now known as Kānoa.
- Can be a guide to all parties in the Manawatū-Whanganui so that every agency knows their role with alignment and collaboration between those roles.

Within each of the focus areas, and there are eight of them, actions have been identified that will accelerate their progress. We have termed this the “Acceleration Zone”. These are listed in the A3 presentation and detailed in this document. These acceleration actions will be overseen by the A25 Lead Team with delivery via project teams.

The A25 Lead Team’s acceleration actions will not be the only activity that supports these priority focus areas. They are simply designed to accelerate them by whatever means, such as problem-solving, re-scoping, stiffening the resolve of the players and so on.

### Accelerate 25 impacts to date

Accelerate 25 has operated in Manawatū-Whanganui for six years and a great deal has been achieved. The acceleration programme has arisen out of a refresh undertaken in the last two years designed to increase the pace of achievement.

During its period of existence, the A25 Lead Team has:

- Developed a structure of regional teams to lead action from the 2015 Regional Growth Study.
- Commissioned and supported Te Pae Tawhiti, the Māori economy plan.
- Formed effective channel and credible relationships with Central Government.
- Aligned Central/Local Government policy with our region's businesses and communities.
- Actively supported A25 priority projects across the region.
- Become a regional collaboration vehicle to collectively develop and advocate for critical areas.
- Played a key part in developing a recognised prosperous region in spirit and collective priorities.

## Mission

The refreshed mission of the Lead Team is to fast-track the major strategic priorities for Manawatū-Whanganui that will propel the region forward. The result will be for the Central North Island to occupy an important place in the national economy and community commensurate with its potential.

## Approach

The A25 Refresh identified the eight focus areas which, if accelerated could have the flow-on effect to achieve the mission. These are a combination of pillars (economic improvement activities) and bearers (enablers or support activities).

Each focus area project will have a project team of stakeholders who bring commitment and project knowledge to the task. It will be their role to recommend to the Lead Team what actions are necessary and who is best to do them. The Lead Team will then support the project team to oversee the programme.

The activity programme, whatever it may be, and it will differ between focus areas, will be provided by these project teams. They could be economic development agencies, councils, community entities, iwi agencies and incorporations, companies, joint ventures, individual entrepreneurs and other types of operational groupings brought together for a particular purpose.

By focusing on these intervention points within the **acceleration zone**, major strategic priorities are fast-tracked which will help propel Manawatū-Whanganui community and economy forward.

This is possible because the Lead Team is:

- Able to work independently of traditional structures.
- Able to set its own agenda.
- Able to reach to the highest levels of Government and councils.
- Able to exercise leadership.

## Government Alignment

Support for regional priorities will come from many sources - local, regional and national – also from public and private sources. Key strategic funding will be available through a Central Government agency called Kānoa - the Regional Economic Development and Investment Unit which is an evolution of the former Provincial Development Unit.

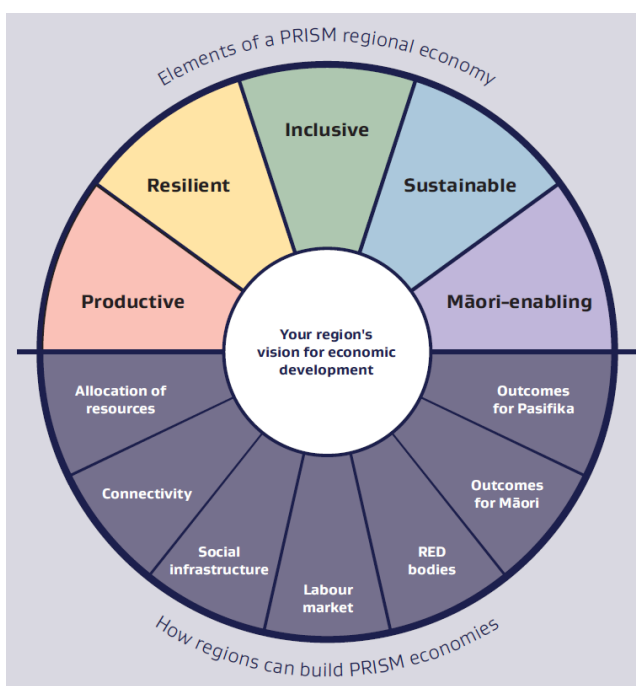
Kānoa has developed a funding framework called PRISM which they use for making decisions about what projects are funded, why, and for how much. They are particularly interested in co-funding arrangements, especially where their support funding might take a project over the barrier of viability.

The funding criteria are represented in the adjacent diagram.

The A25 programme is currently being put through the PRISM filter to align it as best with this framework and Government regional funding priorities.

In the text of this paper, notes on alignment with PRISM have been added into a number of the initiatives. Progressively most, if not all, will be aligned, but at this point the process is not yet complete. Where this is the case it is noted in the text.

Once in place the partnership with Central Government will be clear and transparent.



## Acceleration Projects



### 1. Specialised Services

Our focus:

- Support for and attraction to the region for innovative small and medium enterprises.

Background considerations:

- This relates to the many small-mid-sized businesses in the region.
- Examples are the Head Road manufacturing companies in Whanganui and emerging commercial and technical companies in Palmerston North.
- While the focus is on urban manufacturing, there is potential with rural, artisan and farm-based businesses.
- It also includes business attraction activity which is challenging.
- These companies represent the opportunity for the region to gradually build comparative advantage in key areas.

**Acceleration Zone:** it is difficult to identify a single point of intervention that could stimulate this cluster of businesses and it requires discussion by the Lead Team. One possibility is using local legal and accounting practices who support these businesses as a conduit for information and education such as seminars, training and advisory support. This would probably be an EDA led enterprise.

Action required:

- Thinking is required as to how best to leverage this cluster.
- Once opportunities are scoped then resourcing would likely be the challenge. It is envisaged that this work would, at least in part, be self-funding.
- The key agency is the EDAs (and perhaps NZTE).
- Engage and support business attraction activities of Councils and EDAs via value proposition development and regional engagement throughout the process.

Lead Team action themes: **“triaging”** – identifying candidate businesses, **“scoping”**, **resourcing”**.

### Alignment with PRISM

- Productive - Application of global technology to manufacturing. Innovation through design-led processing and product development.
- Sustainable - Sustainable product solutions. Modern sustainable production practices.

- Inclusive – Regional cluster development both geographically and industry segment based, e.g. Heads Road manufacturing/ pharmaceutical ingredient supply/IT clusters. Integrating talent development pipelines e.g. RSLG/Talent Central.
- Māori-enabling – Optimising Māori business opportunities through Te Pūwaha.



## 2. Sustainable Food and fibre

Our focus:

- To use technology and innovation to sustainably grow and optimise key regional food and fibre industries.

Background considerations (2A – food):

- The opportunity for Agri-tech and Food-tech was identified as a key opportunity in the A25 Action Plan.
- It is a huge sector in which intervention points have to be carefully identified.
- The region has all the ingredients for this to be a successful venture.
- Two projects that are currently in this category are:
  - Rural Innovation Lab
  - Food HQ
- While both are important projects, Food HQ has been universally supported but has not as yet cracked its significant potential, while the Rural Innovation Lab relies heavily on voluntary input.
- Other progress includes the Agri-tech strategy of CEDA and Whanganui & Partners activity.

**Acceleration Zone:** Ready to launch is the Rural Innovation Lab. This is attractive to Government and has received significant financial help (\$400,000) but its development is constrained by the management task required with only a few people involved. The attraction of this programme is the combination of agriculture and technology being applied for greater productivity. If this project were to take off it would be an exemplar and potentially drive this type of development throughout the region.

Action required:

- A25 is still to determine its intervention to the wider regional food industry.
- RIL needs to be re-scoped, re-scaled and appropriately resourced.
- Food HQ needs to work through its core role and develop to full potential.
- The regional farming community needs to be bought into this approach as suppliers of the raw material.

Lead Team action themes: **“Scoping”** – aiding with the development, **“resourcing”** – supporting with identification of funding streams, **“empowering”** – providing some wrap-around of support.

### Alignment with PRISM

- **Productive** - Application of technology to food production. Clustering business and initiatives to connect and improve skills and access to markets. Driving and evolving regional food innovation capabilities.
- **Resilient** - Diversification of food sources and products through land use diversification and product development through food innovation. Land use adaptation and applications to climatic changes and consumer preferences.
- **Sustainable** - producing food in an environmentally sustainable way to meet future quantity and quality needs, developing new people, integrating new skills and ways of thinking, technology applications.
- **Māori-enabling** – Optimising /developing underdeveloped Māori land and skills to future food production economy.

### Background considerations (2B – fibre):

- The key project in this category is the Bio-forestry project with the prospect of 2 million tonnes of timber harvested per year over an extended period across Central New Zealand
- It is based around the Marton Rail Hub proposal to provide the logistics for distribution – the central point of the timber harvest area.
- This project has attracted the attention of Government and has received significant financial help and is progressing steadily.

**Acceleration Zone:** there is no doubt that this is just the type and scale of project that is required to take advantage of the wood resource in the central North Island. The opportunity is for the Lead Team to get in behind this project and drive it forward, particularly supporting in the investment area.

### Action required:

- Continue to lead the Regional Bio Forestry Alliance.
- Active watching brief.
- High level advocacy support to Government.
- Ensuring that the planning and execution is effective and timely.
- Supporting Rangitikei District Council to develop the industrial precinct.
- The key agency is the Rangitikei District Council.

Lead Team action themes: **“Stiffening”** – helping when the going gets tough and ensuring **“resourcing”**.

### Alignment with PRISM

- **Productive**- Technology to revolutionise the husbandry harvest and processing for new Timber by products.
- **Inclusive** – Enabling greater parts of the community to be engaged in the industry. Create a new industry to benefit all NZ Forestry.

- **Sustainable** - Utilising the production available, improving forestry management and maximising value from assets. Reducing reliance on petroleum-based plastics.
- **Māori-enabling** - Significant forestry holdings optimised. Opportunity for Māori business enterprises.



### 3. Tourism

Our focus: Upscaling major tourism structures and opportunities

Background considerations:

- Huge potential remains after the COVID effect has worn off.
- The COVID experience has not been all bad because kiwis have come out to play.
- Significant potential remains across Ruapehu and the Whanganui River.
- The challenge is getting the sector to scale so that it is self-sustaining.
- The challenges are tourism infrastructure and marketing.
- Ruapehu District Council has worked diligently on this programme but have not broken through and are restructuring and refocusing in other ways to boost their capacity and capability.
- There are other areas developing – Foxton Loop, Te Āpiti – Manawatū Gorge and Route 52.
- Manawatū tourism is a major industry at \$500m per annum and should not be excluded, rather nourished as required.

**Acceleration Zone:** the problem is achieving the scale of effort and operation that will take tourism in the region over a threshold and into self-sustaining forward momentum. There have been individual projects of note, but they have not added up to enough to gain that momentum. Part of the difficulty is that Ruapehu District Council has a small ratepaying base with a corresponding budget. What is required is a structure and programme with sufficient resource to meet the scale challenge.

Action required:

- High level scoping to ensure sufficient scale of the project.
- Advocacy to Government for resources.
- Support for the capability of Ruapehu District Council.
- Well-conceived programmes and marketing.
- The key agency is Ruapehu District Council together with tourism agencies and EDAs.
- Facilitate and support the three regional RTOS to achieve a regional network and plan.

Lead Team action themes: “scoping”, “resourcing” and “problem solving”.

**Alignment with PRISM** 

- **Resilient** - Focus on the transition to domestic tourism focus from international. Show agility in global travel challenges.
- **Inclusive** - Optimise employment opportunities.

- **Sustainable** - Broadening the experience offering to new demands. Broaden the skill and perspectives of our regional industry.
- **Māori-enabling** - Share and grow Māori culture and beliefs and create wealth from it.



#### 4. Māori Economy

Our focus:

- Build sufficient momentum to support a suite of economic development projects.

Background considerations:

- The Te Pae Tawhiti plan of 2015 was well received and well regarded.
- The shortfall has been implementation planning rather than the plan itself.
- There is the will, but not quite the way!
- Government is actively looking at ways to support.

**Acceleration Zone:** the A25 Refresh identified the need to build regional leadership support from the ground up, with the sole purpose of assessing the programmes in Te Pae Tawhiti and getting them through the starting gate. This could involve a process of consultation leading to locally based leadership later grossed up into regional leadership. The purpose of the leadership is to scope, structure and resource projects to be run by iwi, incorporations or other appropriate entities.

Action required:

- A short term Te Pae Tawhiti facilitator is required to achieve this, perhaps working closely with, and to a similar model, to that employed by Craig Nash in other parts of the programme.
- This would initiate and get the process of development underway. At present it is stalled.
- The facilitator would also seek funds from Government to support the programme.
- The key agency is not clear and would need to be identified.
- Develop a focused project to achieve the Central and Local Government procurement targets for Māori businesses, ensuring increased local employment.

Lead Team action themes: **“scoping”, “resourcing” and “empowering”** skills will be required.

#### Alignment with PRISM

- Māori-enabling – execution of Te Pae Tawhiti will grow Māori businesses and employment. Contributes to cultural understanding and supports priorities.
- Productive – Transformation of lowly productive land. Integration of technology across iwi enterprises.
- Inclusive – Māori benefit through higher skilled employment and business opportunities. Synergy created across regional Iwi industries



- Resilient – Stronger and more modern technology based Māori businesses helps deal with domestic and global changing conditions.



## 5. Transport

Our focus:

- To support an integrated infrastructure programme that will give better access to central New Zealand.

Background considerations:

- Traditional investments have been siloed with little regard to alignment of a regional strategy.
- The region is naturally situated as a transport hub for the central North Island.
- There have been prior projects that have contributed to this, but in the last 4-5 years many of these have been under construction or planning.
- The ring road and railway hub connections are key infrastructure to develop the network.
- The arterial roads such as O2NL feed into this, also Te Ahu A Turanga/Manawatū Tararua highway.
- The Regional Land Transport Committee feeds into this consideration.
- The A25 “Accessing Central NZ Group” is the key leadership forum.
- The overall benefit is that an effective transport hub will drive forward all sorts of enterprises in the area.

**Acceleration Zone:** the programme is largely in place and much of it is underway. Various agencies are involved. To accelerate this programme these agencies (including Government) need to be held to their commitments as the network will only be fully effective if it is completed as planned.

Action required:

- Oversee investment benefits and outcomes.
- High level A25 regional advocacy with Government as required.
- Keeping the tight integration of the region around the priorities.
- Problem solving with Government as required.
- The key agency is the “Accessing Central NZ” group, but also councils and Government.
- Using agility, engage and support new or changing infrastructure projects.

Lead Team action theme: **“Stiffening”** – stiffening resolve and ambition. **“Problem-solving”** – not allowing problems to stall or stop the projects. **“Monitoring”** – keeping across progress with projects and project support.

### Alignment with PRISM

- **Productive** - Enabling connection of business networks access to market, making the most of logistics, research technology and development. Increasing scale improves efficiencies.

- **Resilient** - Mitigating failure points including climate and geological events. Improving safety.
- **Sustainable** – Developing with a 100-year vision, taking into account future growth trends and changing needs. Movement of freight from road to rail reduces carbon emissions by 66%. Promotion of and development of cycling and walking pathways. Preparing for low carbon future e.g. EV charging stations infrastructure



## 6. High Performing Workforce

Our focus:

- Supporting the direction and effectiveness of talent development activities in the region.

Background considerations:

- This is a key enabler role.
- It is also a very broad area and is subject to the reforms of vocational education.
- Ruma Karaitiana is on the Lead Team and is also the chair of the Interim Regional Skills Leadership Group for the region.
- The challenge for these RSLG groups is to refocus skills training and development so that it is learner and employer centred and meets the development needs of both, not just learners.

Action required:

- Champion the RSLG and support its successful establishment in the region.
- Connection of the RSLG to employers (and vice versa), especially in the important sectors to A25.
- Adequate freedom to act and resources for the Group to do its job.
- Oversee and optimise demand and supply of training services.
- Connection with the big users of labour in the region such as the farming sector to ensure they are linked into the directions of the RSLG.
- Connection with key agencies such as Talent Central, Central Skills Hub and economic development agencies.

Lead Team action themes: **“Resourcing and Stiffening”**.

### Alignment with PRISM

- Productive – Builds capability and higher skilled workforces which increases enterprise productivity.
- Māori-enabling – Customised Māori business programmes for skill development.
- Resilient - Strengthening workforce responses to domestic and global change.
- Sustainable - focus on sustainable practice skills development.



## 7. Digital

Our focus:

- Supporting digital infrastructure adoption across rural areas.

Background considerations:

- The rural digital roll-out still remains a problem.
- This is particularly an issue for rural and farming communities and in many cases, it is limiting the capability of farm businesses.
- Success has been achieved in Tararua through strong community teamwork and should be used as a model for other parts of the region.
- Press for a current state assessment to identify gaps and shortcomings.

**Acceleration zone:** alert other parts of the region to the Tararua approach and connect them up. Align this with how stakeholders engage and identify the gap analysis across the region.

Action required:

- Assessment of current state in the region
- Alert local communities to the possibilities

Lead Team action themes: **“connecting”** and **“resourcing”**.

### Alignment with PRISM

- Productive - increasing ultra-fast Internet availability and applications across rural food producers. Increasing farmers capability.
- Resilient – connectedness to manage extreme climate events. Automation across farms.
- Inclusive – building strong and connected rural communities.
- Māori-enabling – Improving returns across large tracts of whenua low production areas.



## 8. Housing

Our focus:

- Address the housing supply issue with a regional approach.

Background considerations:

- Housing is a challenge all around the country.
- Population increases in the region make it no different and the problem is worsening.
- All levels of Government are seeking to address this problem.
- The potential of local solutions has perhaps not been sufficiently explored.

**Acceleration zone:** there are matters that can be dealt with at a local level such as land supply, streamlining of consenting and supply of project-built houses. Arguably there is a leadership void that brings all these requirements together with the single purpose of expanding housing supply. This could be billed as a regional pilot so that it can tap into Central Government funding.

Action required:

- Activation of a regional action group
- Identification of the exact type of intervention required and the agencies who need to be connected and roll out across the region.

Lead Team action themes: **“triaging, scoping, connecting, resourcing.”**

### Alignment with PRISM

- Inclusive – Providing necessary and modern housing will build stronger communities.
- Māori-enabling – Unlocking Māori land potential for Papakainga TPK programme.
- Sustainable – Modernised housing development with energy efficiencies built with sustainable materials.
- Resilient – Able to withstand extreme climate events.