

# Report

**Six Monthly Update**  
January – July 2021



## Executive Summary

As another six-month period transitions Te Waka to the end of the 2020/2021 financial year, efforts have continued to facilitate and advance economic wellbeing across the region.

This year has seen Te Waka kaupapa focus on developing a new structure and approach to enact a stronger and more responsive partnership model with key stakeholders. Critical to this has been the continued commitment of Waikato Councils, identified through their Long-Term Plan processes. Central government has also provided avenues to activate investment across our communities and the creation of a strategic partners advisory group will support Te Waka's drive for regional collaboration going forward.

Sector work programmes designed in conjunction with industry leaders continue to focus on a collective response to reduce barriers for Construction, Logistics & Distribution, Innovation, and International Education, in order to fully realise growth opportunities.

Our business support offerings have continued to tautoko the region's business community after COVID's national lockdown response with \$10.2 million being issued this year to build resilience and capability. The Regional Business Partners programme (RBP) has opened the door to over 2000 enterprises in the last 12 months. While the contract to deliver the RBP has extended for another six months until the end of 2021, the team are looking forward to expanding its reach and impact in the Waikato.

Te Waka's grassroot approach to bring education opportunities to businesses in each district, saw a partnership with the Ministry of Business, Innovation and Employment to coordinate the Digital Boost programme locally which hosted 11 workshops with over 260 business leaders participating.

The Waikato's Business Mentor NZ programme continues to be held up as the premium example of enterprise matches with 108 businesses now signed up and paired with a mentor since July 2020.

## Report

**Six Monthly Update**  
January – July 2021



January brought a significant milestone for Te Waka with a Memorandum of Understanding being signed with Waikato Tainui, a solid workplan is now progressing to enhance social procurement models in the region and to identify collective trade responses to opportunities.

Intelligence and data collection has been a strong foundation for telling the Waikato Story, while highlighting key sector opportunities and barriers. The first Business Sentiment Survey was conducted in August 2020 and later followed with the second survey in February 2021 showing a significant increase in confidence in the Waikato economy with a net confident score of -14% moving to 11%. The support of Waikato Regional Council to gather and collate intelligence in partnership with Te Waka continues to be appreciated.

While Te Waka's focus has been outward facing, it is important to note that internal changes have also occurred, and recruitment has been a focus to resource and deliver upon Te Waka's strategy and to create meaningful impact for the region. Most recently we have created a new position to support operations with Suzanne Lorenz starting in July 2021 as Operations Manager and Rosie Spragg is due to start on 1 September as the Industry & Sector Manager. We are also continuing our search for a Regional Engagement Manager to lead our sub regional engagement program.

**Hamish Bell**

Board Chair

Outlined below is a summary activity report aligned to Te Waka’s strategy

<p><b>Sector Development</b></p>
<p><b>Logistics and Distribution</b></p> <p>A report has been commissioned by Te Waka on behalf of industry within Waikato and Bay of Plenty. The purpose of the report to better define the issues and opportunities in the sector and summarise those in a concise way, the report by Ernst Young is now in the final stages with a draft report due 5 August after completing all stakeholder interviews, this report will be sent to the Advisory Group for review and feedback before being finalised and circulated, with the process planned to be completed by early September.</p> <p>It is worth noting that the Ministry of Transport is now planning to conduct regional workshops from mid-August to the end of September to develop a NZ Freight and Supply Chain Strategy, in which Te Waka has been invited to participate and contribute insights from our own sector work.</p>
<p><b>Construction</b></p> <p>The last forum meeting recommended investigating existing initiatives around sector skills development and financing to help inform and shape planned workstreams.</p> <p>A workshop facilitated by Doug Wilson (Deloitte) will now take place in August to define the problem areas around infrastructure investment and investigate potential solutions.</p> <p>A further workstream around the promotion of the region as desirable destination for skilled labour is planned for September and will coordinate with MBIE and RSLG members who are focused on workplace skills in the Waikato labour market.</p>
<p><b>International Education</b></p> <p>Te Waka continues to deliver on the International Education Strategy, recently completing a draft of the Sustainable Model report.</p> <p>Members from the Advisory Group and representatives from Te Waka attended an Education NZ mini fair held in Auckland on 9 &amp; 10 June, with collateral for promoting the Waikato being developed.</p> <p>The Destination Waikato pillar of the strategy is progressing with a formal written brief and RFP document is being finalised for Hamilton agencies relating to campaign collateral development for ‘Destination Waikato’.</p> <p>Along with this funding has been received from ENZ for Te Waka to work with their PR agency for the creation of Regional Stories to support positive public perception of international students.</p> <p>There has been ongoing communication with ENZ to discuss the status of International Education Plan initiatives and potential ongoing funding.</p> <p>We are now beginning a small project to quantify the current value of international education to the Waikato region, which can be used to inform discussion and decision-making, especially around investment and resourcing.</p>

### IT/Innovation

The Tech and Innovation Sector survey was conducted in partnerships with Hamilton City Council, Gallagher and Cultivate IT with results published in March 2021. The purpose of the survey is to understand the size and shape of the sector along with a perspective on the opportunities and challenges facing business in a COVID-19 environment. Survey results painted a positive picture with 92 percent of participants expecting their business to improve over the next three years.

A meeting of key stakeholders held on 25 May agreed that the region required an industry body to own and lead industry activity, it was proposed that Cultivate IT is repurposed and reinvigorated, being relaunched with a fresh definition of what it covers without losing the brand equity already created and utilising any value of the existing framework.

The agreed purpose of this new entity:

- Align messaging about Waikato’s tech sector to increase awareness, participation, and investment
- Our points of difference are authenticity, making a difference, collaboration and thinking big

It is planned to create a Trust entity that would be named “Cultivate”, targeted for September formation, with a remit to:

- Promote tech as a field of study
- Coordinate government and education actions
- Create investment
- Do anything else to promote technology
- Not intended to do charitable endeavours

### Other sector activities:

Looking Ahead:

Industry & Sector Manager position being filled by Rosie Spragg from 1 September.

### Māori Economic Development

Te Waka’s goal to work alongside Iwi, Hapu and Māori enterprises to realise economic aspirations for all Māori within the Waikato rohe continues, with working partnerships developed with Tainui Waka affiliated Iwi, local and central government agencies as well as key Māori lead organisations across the region.

The last 6 months has seen a transition from a strategy development phase to an implementation one. The signed MOU with Waikato Tainui in January has seen the development and implementation of an agreed work plan, with an emphasis on supporting the capacity building of businesses lead by Tainui tribal members, to a level that would allow them to participate within the central government developed supplier diversity framework. A secondary consideration is the development of a live database that will identify businesses owned by Tainui tribal members

A focus on providing pre and post treaty settlement support has allowed the opportunity to introduce the various networks and services available to Te Waka across the rohe, with Ngāti Hinerangi in particular taking advantage of this support as they have looked to develop their economic aspirations post settlement.

Activities to date:

- Supporting the development of the construction collective “Waikato Trade Collective”, a collective of approximately 40 Māori owned trades who are looking to participate within the Tier 3 housing development arena.
- Supporting Te Riu o Waikato’s economic aspirations across Rāhui Pōkeka by facilitating funding applications with Te Puni Kōkiri.
- Supporting Nikau Constructions \$2.9 million application for MFE funding for the installation of a concrete recycling plant at the old power station site in Meremere.
- Received continued support from Kanoa to support our Māori Economic Development programme of work.

Looking ahead:

Continued discussion to formalize partnerships and creation of agreed work plans with Tainui Waka affiliated Iwi.

Development of further Māori led collectives that can participate within the government supplier diversity framework.

Continued creation and identification of frameworks and expertise that can support the economic aspiration of pre and post settlement Iwi.

### Regional Business Support Network

Te Waka is the delivery agency for the Waikato Region of the Ministry of Business Innovation and Employment (MBIE) Regional Business Programme (RBP), Callaghan Innovation programmes and Business Mentors.

The second half of 2020 saw a further extension of Government’s Covid-19 business support package and by the end of October 2020, the COVID-19 support, and Tourism Transition funding was fully allocated in the Waikato region. This resulted in a huge profile rise for the Regional Business Partner Network.

The first half of 2021 saw the Business Growth team exceptionally busy, with a lot of re-engagement from new and existing businesses to see where Te Waka could next support them in their business journey, whether it be mentoring, R&D, capability building, or connections and support to further grow their business or mitigate challenges that COVID-19 brought.

Activities to date over the previous 12months

- Over 2000 businesses were met, and the majority received some level of funding or further connections.
- A total of \$10.2m of support was provided to Waikato businesses. This was made up of RBP, Management Capability; \$500k, Tourism Transition \$560k, COVID Advisory \$5.1m, Callaghan Innovation \$4.1m.

- Callaghan Innovation activities across Waikato businesses continues at twice the pace of any previous year with project grants, student support and the R&D loan package all being delivered through this period.
- 108 Mentees were matched with Business Mentors.
- In partnership with Digital Boost, 11 workshops were delivered across the region in June 2021.
- Hubs across the Waikato region, in 16 different locations, have regained consistency with resumed face-to-face meetings. However, virtual meetings continue to be an efficient delivery method as business owners gained more confidence in going digital.
- Business trends shows that Digital Enablement, Growth Strategies, R&D, and HR/Leadership development are current key needs

Looking ahead:

Re-secure the Regional Business Partner contract for the next 5 years

#### **Gather Intelligence Share Insights and Advocate**

Economic Radar & Quarterly Report publications have continued with the support of Waikato Regional Council, Principal Economist Blair Keenan

Waikato Business Sentiment Survey April 2021 results published, the second survey was conducted by Te Waka in partnership with local authorities, chambers of commerce, regional tourism operators, business associations and other economic development organisations. The March 2021 sentiment survey shows business owners and managers are significantly more optimistic about their sector and the region's economic performance than they were six months ago, but remain less confident in the country's economic performance.

Looking Ahead:

Te Waka will complete the Waikato Business Sentiment Survey as an annual survey with both the Economic Radar and Quarterly updates by Blair Keenan to be completed every 3 months.

#### **The Waikato Story**

Te Waka continues to manage and maintain the Waikato.com platform as a one-stop-shop of information for business in the Waikato.

Over 30 stories have been published to the site from various stakeholders in the Jan-June 2021 period.

Looking Ahead:

Continue to develop content for the Waikato Story aligned to the sector activities and in collaboration with partners to meet the needs of industry in profiling the Waikato.



### **Build Connections and Partnerships; and Drive Collaboration**

Te Waka continues to partner with Waikato Regional Council as they lead the Regional Economic Development Strategy, a refreshed version of the original Waikato Means Business. As part of this process District Profiles have been created to fully recognise opportunities, strengths, and alignment across sub-regions

Communication with the Economic Development community across the region continues to be free flowing and highlights the commitment, vibrancy and policy making enabling both business development and economic wellbeing occurring in the Waikato.

Economic Development Manager forums have been held quarterly with a continued focus on a joint regional strategy and investigations into Central Government investment opportunities. This process has also seen an Opportunities List created to advance regional discussions with Kanoa.

District visits through the Business Growth Team have expanded to incorporate targeted district events showcasing the services of Te Waka and these are expected to continue with more frequency in the coming months.

The Regional Engagement Strategy developed in November 2020 has now been adopted by the Board and stage one of the Outreach Plan is now being implemented through the Business Growth Team. A regional engagement schedule has also been crafted to advance district visits and profile Te Waka services

In addition to a Regional Project assessment tool being created to identify the value of opportunities and the support level required by Te Waka, a draft Terms of Reference for a Te Waka Business Advisory Group has been crafted and options presented for Board consideration.

#### Looking Ahead:

- Continue to develop region-wide engagement
- Appointment of a Regional Engagement Manager
- Co-located regional services headed up Te Waka to create a collaborative working space for regional entities.