



Te Waka 6 Monthly Stakeholder Report

January – June 2020

Introduction

The initial vision was clear

- Waikato Means Business was a great tag line, the fundamentals underpinning the formation of Te Waka remain as valid today as ever
- **A joined-up regional approach supported by localised delivery has significant benefit**

But the world has changed, and our focus must now shift

- We **learnt a lot** over the last six months – and Covid will have a once in a generation impact
- We must now **focus our attention** on where we can achieve material economic impact
- And on how we best focus limited resource to **add the most value**

We continue to engage widely on our new Strategic Plan – the focus our efforts moving forward.

Te Waka is:

- The Economic Development Agency for the Waikato Region, serving as a **Champion for and the Collective Voice of the region's** Economic and Business Needs and Opportunities

We exist to:

- **Lift Economic Performance** across the Waikato Region
- Support and **Enable Business & Industry Growth**
- **Attract Business and Investment**

We will achieve this by:

- **Gathering Intelligence, Sharing Insights, Advocate** on behalf of the region and its businesses
- Building Connections, Creating **Partnerships & Driving Collaboration**
- Being **well managed and financially sustainable**

And by living our Values:

- Collaborative, Inclusive, Outcome Focused, Agile / Nimble, Responsive, Courageous

This report updates and builds on the 6-month report to December 2019.



Executive Summary

Much has been achieved to date

- Despite being in establishment mode, we have **met the KPIs set by our council stakeholders**
- Real support delivered in volume to business across the region, plus **some decent regional wins**
- We doubled down during Lockdown and significantly **extended our support** and engagement

Business Support & Business Attraction

- Waikato **Business Support Centre** established, and staff doubled in response to Covid
- Delivered **\$4.4m in funding to 1373 businesses**, with ~\$4m more to come
- Successfully spearheaded the **NZIST head office bid** alongside Hamilton City Council, Waikato Tainui and the Waikato Chamber of Commerce
- Supported delivery of **\$110m in inwards investment** (PGF & CIP)
- Attracted further support from TPK for **Maori ED** and from MSD to support **job redeployment**
- Supported the **Waikato Plan** refresh plus the establishment of the **interim Regional Skills Leadership Group**

Regional Collaboration & Stakeholder Engagement

- Established **Regional Communities of Learning** – enabling localised engagement, understanding of needs
- Launched **Mighty Local** with Hamilton Waikato Tourism and started discussions with others re collaboration
- **Re-engaged** with local stakeholders, and lifted engagement with large business
- Launched the new **Waikato.com** website as a one-stop destination

Market Intelligence & Advocacy

- **Expert groups** mobilised to gather/interpret intelligence - **Economic Radar** launched
- **Targeted advocacy** on a range of issues and opportunities

And lastly, we acknowledge and celebrate Dallas Fisher who was instrumental in the establishment of Te Waka and getting it operational, Dallas stepped down as Chair in March 2020.



The functions and services outlined in our Partnership Agreement with our 10 funding councils remain relevant and are reported on in the sections below.

Contribute to operationalising the Waikato Regional Economic Development Strategy

Te Waka continues to coordinate alignment between regional agencies. The need for this was magnified during COVID-19 with several hosted forums per week to ensure alignment in response efforts. We continue to host forums for Local Authority economic development staff to increase alignment and economic development capability across the region.

Craig Barrett was appointed as Iwi representative to the Board in early 2020. Craig was selected by Tainui Waka Iwi and nominated by the Waikato Mayoral Forum as allowed for by the Te Waka constitution. This appointment has already resulted in improved engagement with Iwi and increased momentum with delivery of the Māori economic development agenda.

Aside from deviations in work priorities caused by the response to COVID-19, Te Waka has met all key performance indicators agreed under the partnership agreement with 10 Waikato councils.

Te Waka's role as a connector with central and local government about economic development priorities in the region has continued to strengthen. Currently four government agencies have active partnerships supporting regional delivery with resourcing aligned with Te Waka.

Hamish Bell was appointed Acting Chair in March and permanent Chair in June following the resignation of previous Chair, Dallas Fisher in March. With stewardship from Hamish, the board has undertaken a refresh of the Te Waka Strategy to incorporate experience gained during the first two years of operation and learning from COVID-19 response efforts. Engagement continues with key stakeholders on the refreshed strategy.

Te Waka has continued to provide resource and support to the Regional Housing Initiative and Waikato Wellbeing Project. We seek to link the critical function of housing as an enabler to economic growth, linking and connecting the Wellbeing agenda to Economic agenda is a critical and important function for Waikato leaders and leadership.

Provide contracted Business Growth Advisory, Innovation and Mentoring Services

Business support has dominated the work of Te Waka with the equivalent of nearly three years of business engagements completed in the period from April to June supported by a doubling of staff numbers during lockdown. Over \$4.4 million in support funding has been allocated to 1373 Waikato businesses during the year comprising capability development vouchers, COVID-19 support funding, and research and development funding. **Waikato continues to be the leading region nationally for R&D funding per SME business.**



With recent expansion into the Matamata-Piako district, we have now completed the hub and spoke model of delivery that has permanent locations in towns around the region for monthly visits. This represents seven years of working with Local Authority partners to provide joint services across 10 districts and city.

A highlight during COVID-19 was the establishment of a regional business response framework comprising an Eastern, Southern and Central economic communities of learning. These cross-functional groups of business support agencies work together to support businesses and garner intelligence. Looking ahead these groups will continue to develop, building a network to:

- Enable a common voice and advocacy channel for sub-regional and regional projects/opportunities;
- Growing capability of the network to ensure local businesses thrive; and
- Developing, designing and collaborating on shared work programmes.

Deliver and continue to develop the Waikato Story

The Waikato Story supported the Mighty Local initiative by telling the stories of businesses who have innovated during the COVID-19 lockdown. Eight businesses were profiled across hospitality and tourism, services for the deaf and children's entertainment.

The Waikato Story had 9,500 story views between January and June 2020 with 42 new stories published.

A focus for the last year has been the development of a new website to act as a platform to better tell Waikato's story. It is now live and the Waikato Story toolkit has updated infographics available using 2019 data.

Develop and deliver a Sector and Industry Development Programme

Sector development has been a focus of COVID-19 recovery efforts. The strength of relative sectors has been assessed alongside their traditional contribution to the Waikato Economy. Sector resilience, ability to respond and provide growth in a time of recession, potential contribution to employment and collaborative opportunities across business in industry were considered, together with Te Waka's ability to influence the sector and industry. Key sectors prioritised as part of our future work plan include:

1. Logistics and Distribution
2. Technology and Innovation
3. Construction
4. Agriculture
5. Manufacturing
6. Healthcare
7. Education (with an emphasis on international education) and education as an enabler of sector development



We recognise the significant role of Hamilton & Waikato Tourism, Destination Coromandel and Enterprise Great Lake Taupo in the Tourism sector and will continue to support these organisations with development of this important sector.

Sector development has a strong connection to labour market and workforce planning. Work programmes for each priority sector are being developed, with recent work including:

- Supported construction sector leaders to develop a comprehensive bid for Waikato to host the Centre of Vocational Education (CoVE) for Construction. Whilst unsuccessful in the bid, initiatives developed during the bid preparation will proceed.
- Working with Hamilton City Council on an innovation workstream with initial traction developed with tech sector leaders with actions currently being progressed.

Support Māori Enterprise and co-facilitate the implementation of the Iwi Economic Development Plans

20 out of 22 economic goals have been achieved in Te Whare Ohaoha (Māori Economic Action Plan Refresh) launched by Minister Mahuta in mid-2019, with two actions still in progress. The action plan celebrates collaboration with Iwi, Te Hūmeka, Te Puni Kōkiri, the Ministry for Social Development, Ministry for Business Innovation and Employment and Tainui Waka Tourism to deliver outcomes for Māori Collectives and Whānau Enterprises, including support for regional projects and land development.

Whānau Enterprise remains the heart of the Māori economy. Te Waka continues to prioritise Māori enterprise through business growth engagement and partnering to deliver business support events, for which Waikato is recognised as a national leader in this space. **More than 100 Māori enterprises** received funding, coaching and mentoring, and in-market connections in their pursuit of financial independence through enterprise.

Just before lockdown and in conjunction with Te Hūmeka and He Waka Eke Noa, we hosted a social procurement event for suppliers in Waikato to promote and encourage business entry into diverse supply chains across the region. We work closely alongside Te Ahikōmako to foster enterprise start-up and acceleration through focussed capability programming and resourcing.

Iwi engagement continues under the guidance of our Kaumaatua, Tame Pokaia. Critical to success is understanding Tainui Waka Iwi economic recovery plans and ongoing engagement to identify and monitor how we can support the delivery of outcomes, in these plans.



Support and Facilitate, as agreed, a Waikato Regional Labour Market Strategy, actions and Initiatives

Te Waka continued to lead the Regional Labour Market Working Group as it explored forums and trends in education and workforce development. COVID-19 dramatically changed New Zealand's workforce landscape, moving the Waikato from less than 4% unemployment with themes of skills shortages to projected 10-15% unemployment with a focus on redeployment and skills shortage in a changing economic context.

We partnered with Cambridge Chamber of Commerce to launch the Waikato Nxtstep job redeployment website, support by funding from WEL Energy Trust. The Ministry for Social Development has aligned redeployment focused resources alongside the Te Waka team.

Te Waka provided guidance to the Ministry for Business, Innovation and Employment in the formation of the interim Regional Skills Leadership Group, part of the Review of Vocational Education. Te Waka holds a position on the group alongside industry sector leaders and aims to find better ways of meeting future skills and workforce needs, and a joined-up approach to labour market planning.

Develop, support and promote proposals to local regional and national funding programmes including Provincial Growth Fund

Te Waka continues its advocacy on regional priority projects including projects to the Provincial Growth Fund and the Crown Infrastructure Partners "shovel ready" initiative. We have **assisted to develop 15 successful funding applications alongside project owners and advocated for an additional 10 successful projects for a total of \$110 million** of government investment into the region. Many more projects are still being considered by government.

Momentum has continued with businesses interested in establishing in Waikato. The successful NZIST head office bid is a great example of how regional leaders rally in support of common objectives. It follows the Rabobank head office announcement in Hamilton. There are many other business attraction opportunities underway that will transpire over the coming months and years.

Te Waka will continue to develop its relationship with Waikato LASS in support of council-initiated projects.



Deliver a communications and engagement programme to inform stakeholders of the Te Waka programme and information on the state of the economy.

Prior to the COVID-19 lockdown Te Waka had been working with councils and other partners to consider effective ways to bring meaningful economic data to inform investment decisions. During lockdown we established the Waikato Economic Radar collating weekly live information on consumer spending, employment, business leases and sales, residential consents and property sales, financial indicators (interest rates, exchange rates and trade data). We will continue to evolve this report to track and monitor Waikato Economic progress.

In partnership with Waikato Regional Council, we released quarterly economic reports that focused on GDP, labour market, international markets and tourism in relation to COVID-19. We will continue to partner with Waikato Regional Council, Waikato Wellbeing Project and Waikato LASS to align intelligence and insights for the region.

To guide and support the establishment and enablement of regional insights we formed an Intelligence Network. It includes senior partners from PWC, KPMG and Deloitte, and Waikato Regional Council senior economists. Regular insights and advice are sourced from national economic specialists Brad Olsen and Cameron Bagrie.

During COVID-19, business support communications grew significantly, encompassing newsletters, social media news and events. A total of 30 webinars were developed and presented in partnership with various business advisory experts. These webinars had more than 2,000 attendees and are available on Waikato.com to view on-demand.