Economic Development and Transport in New Zealand

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4/7/2016

We are. LGNZ.
Economics is about people and communities, and the skills, equipment and resources they acquire to pursue their lives and lifestyles.

Economic development is about setting the platform to foster this pursuit and, also, to ensure it further widens the development choices and opportunities of future generations.

Spatial planning systems refer to the methods and approaches used by the public and private sector to influence the distribution of people and activities in spaces of various scales.
Economic development in New Zealand

> Urban development: Receives the most focus, but....

> GDP: Future growth from the regions;

> Regional NZ: Added $88 billion to the national economy (40 per cent of GDP); and

> Hollowing: Managing stabilised and declining populations.

We are. LGNZ.
Potential benefits of creating a rural regional spatial plan

- Use of Existing Data
- Baselining Communication
- Model Creation
- Streamlining Regulatory Requirements
- Rural Regional Spatial Planning
Transport Expenditure and Local Government Funding Review Discussion Documents. Feb 2015

We are. LGNZ.

Local Government Funding Review Discussion Documents. Feb 2015
Mobilising the regions (2015)

> What is the status of regional social and economic development?

> Why should we care about strong regional growth across all of New Zealand?

> How are transport decisions made?
Roughly $250 million is invested annually by local governments which includes EDA’s and RTO’s;

That most councils do not share the same definition of economic development in their planning documents;

That standardised metrics or KPIs are not in place; and

That our reputation with business and the public needs improving.
Council definitions of ED aren’t the same:

“Economic development spans a range of issues…. regulation, district planning, providing recreational amenities, and investing in roads.”

“The Council is at a cross roads. They have recently resolved to take part in active economic development. Traditionally a right wing Council which believed in a market based approach to economic development….just get regulatory policy setting right and the rest will follow.”
Research results – the red flags

Why is there a lack of unity/direction?

Among others:

• the four “well-beings”;
• resources;
• understanding;
• council characterises / identity; and
• culture.
Initial research results (continued)

- tourism and economic development;

- alignment of ED spend and ED strategy;

- relationship between the size of council and service delivery models;

- ED activities, councils business and long term plans; and

- Councils' relationships with non-government and private sector signalled as the reason for external agency approach.
Changing Statutory and Regulatory Setting

> **Section 17a of the LGA**

- review the cost effectiveness of current arrangements for providing local infrastructure, services and regulatory functions at regular intervals; and

- ensure that there is a binding contract or agreement where delivery of infrastructure, services or regulatory functions is to be undertaken by a different entity than the entity responsible for the governance of those things.

> **Clause 11, Resource Legislation Amendment Bill, 2015**

- introduces a new RMA function for regional and territorial local authorities, requiring them to establish, implement, and review “objectives, policies, and methods to ensure that there is sufficient development capacity in relation to residential and business land to meet the expected long-term demands of the [region][district]”
We are at a cross-roads

> Available Resources (financial, statutory mandate)
> Understanding of ED (changing councilmembers)
> Evolving regulatory setting – adding pressures for continuity
> Solutions:
  > Incentives;
  > Vision;
  > Communication; and
  > Shared resources (for some)
A New Approach and Tools are Needed

Rural Regional Spatial Planning

...23 out of the initial data set of 87 strategies, frameworks, plans and codes of practice appear to have a direct bearing on where urban development should occur in the region and how infrastructure, services and investment is to be co-ordinated.” 6 May 2016 LGC Report

<table>
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<tr>
<th>Strategies, Frameworks, Policies, Plans Number</th>
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<td>Land transport, urban development, urban growth strategies</td>
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<td>Growth management, urban development frameworks</td>
<td>3</td>
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<td>Regional Policy Statement, centres policy</td>
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<td>District, urban growth, structure, development plans</td>
<td>13</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
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Population: aging and retrenching

Hashed areas show where total population has decreased since 1996.

Hashed areas show where total population is predicted to decrease between 2013 and 2031.
Conclusions and Observations

> Some elements in place for a trial rural spatial plan:
  – RLTPs
  – ONRC;
  – GIS of land use;
  – Statistical community data and economic projections; and
  – Growing base of statutory and regulatory requirements.

> Rural spatial planning may provide a nexus, but:
  – requires a starting point for agreement;
  – resources (time, money and people);
  – Leadership (CG, LG, Business and volunteer); and
  – Courage (by all).
Finally...

“Opportunity is missed by most people because it is dressed in overalls and looks like work.”

Thomas Edison
Who’s looking after our communities’ future?