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**PALMERSTON NORTH CITY COUNCIL**

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**AGENDA**

**MANAWATU**

**DISTRICT/PALMERSTON NORTH**

**CITY JOINT STRATEGIC PLANNING**

**COMMITTEE**

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**1PM, THURSDAY 12 MARCH 2020**

**MANAWATU DISTRICT COUNCIL, 135 MANCHESTER STREET, FEILDING**

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## MEMBERSHIP

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### **Members Manawatu District Council**

**The Mayor Helen Worboys  
Councillor Steve Bielski  
Councillor Michael Ford  
Councillor Grant Hadfield  
Councillor Phil Marsh**

### **Members Palmerston North City Council**

**Mayor Grant Smith  
Councillor Tangi Utikere  
Councillor Susan Baty  
Councillor Leonie Hapeta  
Councillor Aleisha Rutherford**

**Agenda items, if not attached, can be viewed at:**

**pncc.govt.nz | Civic Administration Building, 32 The Square  
City Library | Ashhurst Community Library | Linton Library**

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**Heather Shotter**

**Chief Executive, Palmerston North City Council**

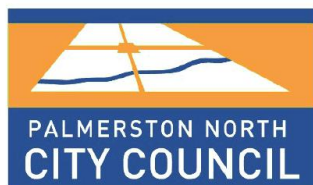
**Palmerston North City Council**

**W [pncc.govt.nz](http://pncc.govt.nz) | E [info@pncc.govt.nz](mailto:info@pncc.govt.nz) | P 356 8199**

**Private Bag 11034, 32 The Square, Palmerston North**







# Joint Strategic Planning Committee Agenda

Thursday 12 March 2020, 1.00pm

Manawātū District Council Chambers, 135 Manchester Street, Feilding

[www.mdc.govt.nz](http://www.mdc.govt.nz)

## **MEMBERSHIP**

### **Chairperson**

TBA

### **Deputy Chairperson**

TBA

### **Members**

#### *Manawatū District Council representatives:*

Her Worship the Mayor Helen Worboys and Councillors Steve Bielski, Michael Ford, Grant Hadfield and Phil Marsh

#### *Palmerston North City Council representatives:*

His Worship the Mayor Grant Smith and Councillors Tangi Utikere, Susan Baty, Leonie Hapeta and Aleisha Rutherford

### **Responsibilities**

- a. To address strategic planning issues that impact on both Manawatū District and Palmerston North City, in particular issues relating to but not restricted to infrastructure, land use planning and economic development.
- b. To consider community planning and community outcomes implications. For the purpose of the Joint Committee's Terms of Reference, "Strategic Planning Issues" mean those that are referred to the Joint Committee by either MDC and/or PNCC, taking an inter-regional perspective.
- c. To consider and promote the creation and growth of economic wealth for Manawatū and beyond, with particular reference to the activities of the Central Economic Development Agency Limited.

### **Delegated Authority**

The Joint Committee will have recommending status only, other than the power:

- a. To appoint and discharge subcommittees and working parties as it considers appropriate, and to delegate any of its functions or duties to subcommittees so appointed; and
- b. To make decisions on meeting procedures where such decisions are either required or permitted by Standing Orders or relevant legislation.
- c. In relation to the Central Economic Development Agency Limited (CEDA), the Joint Strategic Planning Committee has the following functions, powers, and duties under the Local Government Act 2002 and/or the Companies Act 1993:
  - i. To adopt a policy that sets out the process for the identification, appointment and remuneration of directors;
  - ii. To appoint and remove a person or persons to be directors of CEDA;
  - iii. To approve the remuneration to be paid to directors of CEDA;
  - iv. To undertake performance monitoring of CEDA, as per section 65 of the Local Government Act 2002;
  - v. To agree with the Statement of Intent of CEDA or, if the Joint Committee does not agree, to take all practical steps to require a Statement of Intent to be modified, as per section 65 of the Local Government Act 2002.
  - vi. To receive the half yearly report of CEDA, as shareholder;
  - vii. To receive the Annual Report of CEDA, as shareholder.

Recommendations made by the Joint Committee will be reported immediately to the Councils for adoption. Minutes of meetings of the Joint committee will be reported to the following ordinary meeting of the Joint Committee for confirmation as a correct record.



Dr Richard Templer  
**Chief Executive**

## ORDER OF BUSINESS

		PAGE
1.	<b>MEETING OPENING</b>	
2.	<b>APPOINTMENT OF CHAIRPERSON AND DEPUTY CHAIRPERSON</b>	5
	Report of the General Manager – Community and Strategy dated 2 March 2020	
3.	<b>APOLOGIES</b>	
	Consideration of any apologies from members of the Joint Committee.	
4.	<b>DECLARATIONS OF INTEREST</b>	
	Notification from elected members of:	
4.1	Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and	
4.2	Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968	
5.	<b>NOTIFICATION OF LATE ITEMS</b>	
	Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:	
5.1	The Committee by resolution so decides; and	
5.2	The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.	
6.	<b>PUBLIC FORUM</b>	
6.1	<b>MARTIN LEE – LIBRARY MEMBERSHIP</b>	
	Martin Lee will be in attendance to speak about reciprocal arrangements for library membership of Palmerston North City and Manawātū District.	
7.	<b>PRESENTATIONS</b>	
	There were no presentations scheduled for this meeting.	
8.	<b>OFFICER REPORTS</b>	
8.1	<b>CENTRAL ECONOMIC DEVELOPMENT AGENCY – SIX MONTH REPORT</b>	9
	Report of the General Manager – Community and Strategy and the General Manager Strategy and Planning dated 2 March 2020.	
8.2	<b>CENTRAL ECONOMIC DEVELOPMENT AGENCY – DRAFT STATEMENT OF INTENT 2020-21</b>	72
	Report of the General Manager – Community and Strategy and the General Manager Strategy and Planning dated 2 March 2020.	
9.	<b>CONSIDERATION OF LATE ITEMS</b>	
10.	<b>NOTIFICATION OF ITEMS FOR FUTURE MEETINGS</b>	



11. PUBLIC EXCLUDED BUSINESS

COMMITTEE TO RESOLVE:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- a) Appointment of Directors to CEDA Board

That the general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution
a) Appointment of Directors to CEDA Board	Section 7(2) (a) – to protect the privacy of natural persons, including that of deceased natural persons.	Section 48(1)(a) - the public conduct of the relevant part of the proceedings would be likely to result in a disclosure of information for which good reason for withholding that information would exist, under Section 7 of the Local Government Official Information and Meetings Act 1987.

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as specified above.

12. MEETING CLOSURE



## Joint Strategic Planning Committee

Meeting of 12 March 2020

Business Unit: Community and Strategy  
Date Created: 02 March 2020

### Appointment of Chairperson and Deputy Chairperson

#### Purpose

To formally appoint a Chairperson and Deputy Chairperson for the Manawātū District- Palmerston North City Joint Strategic Planning Committee.

#### Significance of Decision

The Manawātū District Council's Significance and Engagement policy is not triggered by matters discussed in this report.

#### Recommendations

1. That the Manawātū District-Palmerston North City Joint Strategic Planning Committee uses System B of Clause 25 of Schedule 7 of the Local Government Act 2002 for the election of its Deputy Chairperson.
2. That the Manawātū District-Palmerston North City Joint Strategic Planning Committee appoints Mayor Helen Worboys as its Chairperson.
3. That the Manawātū District-Palmerston North City Joint Strategic Planning Committee appoints Mayor Grant Smith as its Deputy Chairperson.

Report prepared by:  
Allie Dunn  
Governance Team Leader

Approved for submission by:  
Brent Limmer  
General Manager - Community and Strategy

## **1 Background**

- 1.1 The Manawatū District-Palmerston North City Joint Strategic Planning Committee was established following the 12 October 2019 local elections by resolutions of both member Councils.
- 1.2 Each Council appointed five representatives to be members of the joint committee.
- 1.3 The appointment of the Chairperson and Deputy Chairperson is a decision to be made by the Manawatū District-Palmerston North City Joint Strategic Planning Committee at its first meeting of the triennium.

## **2 Discussion and Options considered**

- 2.1 The agreement in relation to the re-establishment of the Manawatū District-Palmerston North City Joint Strategic Planning Committee sets out that the Joint Committee would appoint both the Chairperson and the Deputy Chairperson, one of whom would be the Mayor or a Councillor of the Manawatū District Council and the other would be the Mayor or a Councillor of the Palmerston North City Council.
- 2.2 In previous triennia the Mayor of the Council providing administrative services for the Joint Committee was appointed as Chairperson, with the Mayor of the other Council being appointed as Deputy Chairperson.
- 2.3 There are specific requirements around the voting system used for electing a Chairperson and Deputy Chairperson set out in the Local Government Act 2002. The meeting is required to choose between two systems of voting (known as System A and System B) prior to undertaking the election:

### **System A**

Under System A, there is a first round of voting for all candidates, and if no candidate is successful then there is a second round of voting from which the candidate with the fewest votes in the first round is excluded. Further rounds are held as required and if two or more candidates tie for the lowest number of votes, the person to be excluded is resolved by lot.

### **System B**

System B has one round of voting, and if two or more candidates tie for the most votes, the tie is resolved by lot.

- 2.4 Once the committee has agreed which system of voting it will use, nominations can be sought from the members present and a vote undertaken to appoint the Chairperson and Deputy Chairperson.
- 2.5 System B is recommended as the simplest system to use, however the choice of system is up to the joint committee to make.

## **3 Operational Implications**

- 3.1 There are no capital or operating expenditure implications associated with this matter.



#### **4 Financial implications**

- 4.1 There are no unbudgeted financial implications associated with this matter.

#### **5 Statutory Requirements**

- 5.1 The Joint Strategic Planning Committee was established as a Joint Committee of the Manawātū District Council and Palmerston North City Council in accordance with the requirements of Clauses 30 and 30A of Schedule 7 to the Local Government Act 2002.
- 5.2 Clause 25 of Schedule 7 to the Local Government Act 2002 sets out the choices for systems of voting that must be used for electing a Deputy Chairperson of a committee. The committee must decide which system it will use prior to undertaking its election:

*System A—*

- (a) requires that a person is elected or appointed if he or she receives the votes of a majority of the members of the local authority or committee present and voting; and*
- (b) has the following characteristics:*
  - (i) there is a first round of voting for all candidates; and*
  - (ii) if no candidate is successful in that round there is a second round of voting from which the candidate with the fewest votes in the first round is excluded; and*
  - (iii) if no candidate is successful in the second round there is a third, and if necessary subsequent, round of voting from which, each time, the candidate with the fewest votes in the previous round is excluded; and*
  - (iv) in any round of voting, if 2 or more candidates tie for the lowest number of votes, the person excluded from the next round is resolved by lot.*

*System B—*

- (a) requires that a person is elected or appointed if he or she receives more votes than any other candidate; and*
- (b) has the following characteristics:*
  - (i) there is only 1 round of voting; and*
  - (ii) if 2 or more candidates tie for the most votes, the tie is resolved by lot.*

#### **6 Delegations**

- 6.1 The power to appoint the Chairperson and Deputy Chairperson has been delegated to the Joint Strategic Planning Committee through the agreement to re-establish the committee signed by both Councils.

## **7 Consultation**

- 7.1 There are no community consultation requirements associated with this report.

## **8 Cultural Considerations**

- 8.1 There are no cultural considerations associated with this report.

## **9 Conclusion**

- 9.1 The Joint Committee needs to make its decision in two parts. Firstly, deciding which system of appointment under the Local Government Act 2002 that it will use. Having made that the decision, the Joint Committee can then call for nominations and undertake the election of its Chairperson and Deputy Chairperson.
- 9.2 The officer's recommendation is to use System B for these appointments due to its simplicity, and to appoint the Manawātū District Council Mayor as the Chairperson, and the Palmerston North City Council Mayor as the Deputy Chairperson.

## **10 Attachments**

- There are no attachments.



## **Joint Strategic Planning Committee**

Meeting of 12 March 2020

Business Unit: Community and Strategy  
Date Created: 04 March 2020

### **Presentation of the Central Economic Development Agency's Half-Yearly Report to 31 December 2019**

#### **Purpose**

To present the Central Economic Development Agency's (CEDA) Half- Yearly Report to 31 December 2019.

#### **Significance of Decision**

The Council's Significance and Engagement policy is not triggered by matters discussed in this report.

#### **Recommendations**

That the Central Economic Development Agency's Half-Yearly Report to 31 December 2019 be received.

Report prepared by:  
Brent Limmer  
General Manager - Community and Strategy  
Manawātū District Council

Sheryl Bryant  
General Manager Strategy and Planning  
Palmerston North City Council

Approved for submission by:  
Brent Limmer  
General Manager - Community and Strategy



## **1 Background**

- 1.1 CEDA's Statement of Intent for 2019/20 was considered and formally accepted by the Committee in June 2019.
- 1.2 The 6-month report provides an interim update on the performance of CEDA against objectives, measures and targets included within the Statement of Intent (SOI) 2019/20. The interim report also includes an assessment of financial performance. The report for the period ending 31 December 2019 is attached.

## **2 Discussion and Options considered**

- 2.1 The report highlights the following activity for the period ended 31 December 2019:
  - Progressed the development of the AgriFood hub to attain a position in the world top three.
  - Launched the Manawatū Agritech Strategy and action plan in partnership with Sprout.
  - Supported and invested in FoodHQ's growth and development plans as well as developing a three-year strategic plan for New Zealand AgriFood Week.
  - Worked with Talent Central on pathways to employment in the distribution and logistics sector.
  - Renewed the partnership agreement with Immigration New Zealand to provide support to the business community in the attraction of international talent.
  - Made some internal structure and capability changes.
  - Worked with Education New Zealand, tertiary and secondary schools to increase marketing activity in China and Japan.
  - Developed employability resources and workshops for students and employers.
  - Increased the regional profile amongst agents as an international destination of choice, and improving the opportunities to retain these students in the workforce and region.
  - Transitioned the Palmerston North City i-SITE and the Feilding and Districts Information Centre back services to their respective councils.

## **3 Operational Implications**

- 3.1 There are no operational implications as a result of this report.

## **4 Financial implications**

- 4.1 There are no additional financial implications as a result of this report.

## **5 Statutory Requirements**

- 5.1 Under the Local Government Act 2002, section 66 titled “Half-yearly or quarterly reports” requires that *“During each financial year, the board of a council-controlled organisation must report on the organisation’s operations to its shareholders.”*

## **6 Delegations**

- 6.1 In relation to the Central Economic Development Agency, the Joint Strategic Planning Committee has the function, power, and duty: *“To undertake performance monitoring of CEDA, as per section 65 of the Local Government Act 2002”.*

## **7 Consultation**

- 7.1 There are no consultation requirements as a result of this report.

## **8 Cultural Considerations**

- 8.1 There are no cultural considerations as a result of this report.

## **9 Conclusion**

- 9.1 The CEDA Half-Yearly Report to 31 December 2019 is ready for consideration by the Committee.

## **10 Attachments**

- CEDA's Half-Yearly Report to 31 December 2019

## Half Yearly Report to 31 December 2019

12

28 February 2020



# Company Directory

## Central Economic Development Agency Limited

Level 1, 478 Main Street  
Palmerston North 4410

☎ 06 350 1830  
📧 CEDA.nz

## Chief Executive

Linda Stewart

## Directors

Malcolm Bailey (Chairperson)  
Shamubeel Eaqub  
Susan Foley  
John Fowke  
Lucy Griffiths  
Blair O'Keeffe

## Registered Office

Morrison Creed Advisory  
First Floor/236 Broadway Avenue, Palmerston North

## Bankers

Westpac New Zealand Ltd

## Auditors

Audit New Zealand (on behalf of the Office of the Auditor General)

## Legal Status

Central Economic Development Agency Limited ("CEDA") was incorporated in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawatu District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

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## Joint Report of Chairman and Chief Executive

Tēnā Koutou Katoua

The CEDA team has been working hard to achieve the ambitious goals we have for our city and region. We are experiencing strong economic conditions, with the GDP for Manawatu up 2.4% for year to December 2019, which is ahead of the New Zealand average. This coupled with strong consumer spending over the past six months, double digit growth in house prices, and unemployment trending downwards, has seen business confidence hold firm, and therefore investment in the region has continued to grow. Further to this, Palmerston North city and the Manawātū district are strategically important for the lower North Island in terms of distribution and logistics as the New Zealand economy grows. We are working with our shareholding Councils to ensure that this inevitable growth is supported by Central Government support for the required development of our roading network.

The goal of further developing our leading agrifood hub to attaining a position in the world top three is progressing well. We launched the award-winning Manawātū Agritech Strategy and action plan in partnership with Sprout. This strategy and plan have been implemented at pace, involving many key partners such as Massey University, the Rural Innovation Lab and FoodHQ. This work supports, and is supported by, CEDA's increased focus on business and investment attraction, retention and expansion.

We have supported and invested in FoodHQ's growth and development plans as well as developing a three-year strategic plan for New Zealand AgriFood Week. To support these plans, we have leveraged the great lifestyle our region offers to face into a very competitive labour market across New Zealand. The ability to attract, retain and develop talent is a vital challenge that is not easing. As well as the more tried and tested approaches to addressing these issues, such as our work with Talent Central in our pathways to employment in the distribution and logistics sector, we have renewed our partnership agreement with Immigration New Zealand to provide support to our business community in the attraction of international talent.

To effectively work on these key opportunities and deliver results, CEDA has made some internal changes in 2019 to ensure we have the structure and capability to succeed.

Our work with Education New Zealand and our tertiary and secondary school partners has seen increased marketing activity in China and Japan, as well as commencing the development of employability resources and workshops for students and employers; increasing our profile amongst agents as an international destination of choice, and improving the opportunities to retain these students in our workforce and region.

We transitioned the Palmerston North City i-SITE along with the support services to the Feilding and Districts Information Centre back to their respective councils, which ensures greater integration of these valuable services within the communities they predominantly serve. Our relationship remains close as they are an important channel for our ongoing work as the Regional Tourism Organisation for Manawātū.

Looking forward to the next six months we are focused on delivering on projects of significance, from the freight hub and the transformation of Te Āpiti – Manawātū Gorge, through to New Zealand AgriFood Week, the Sort It Careers Expo and programmes of work from the Manawātū Destination Management plan.

Our ongoing work with our shareholders, iwi and stakeholders such as The Factory, Sprout, FoodHQ, Massey University, UCOL and IPU New Zealand will continue to be crucial, and we value and appreciate these highly productive relationships.

Ngā mihi nui ki a koutou katoua,



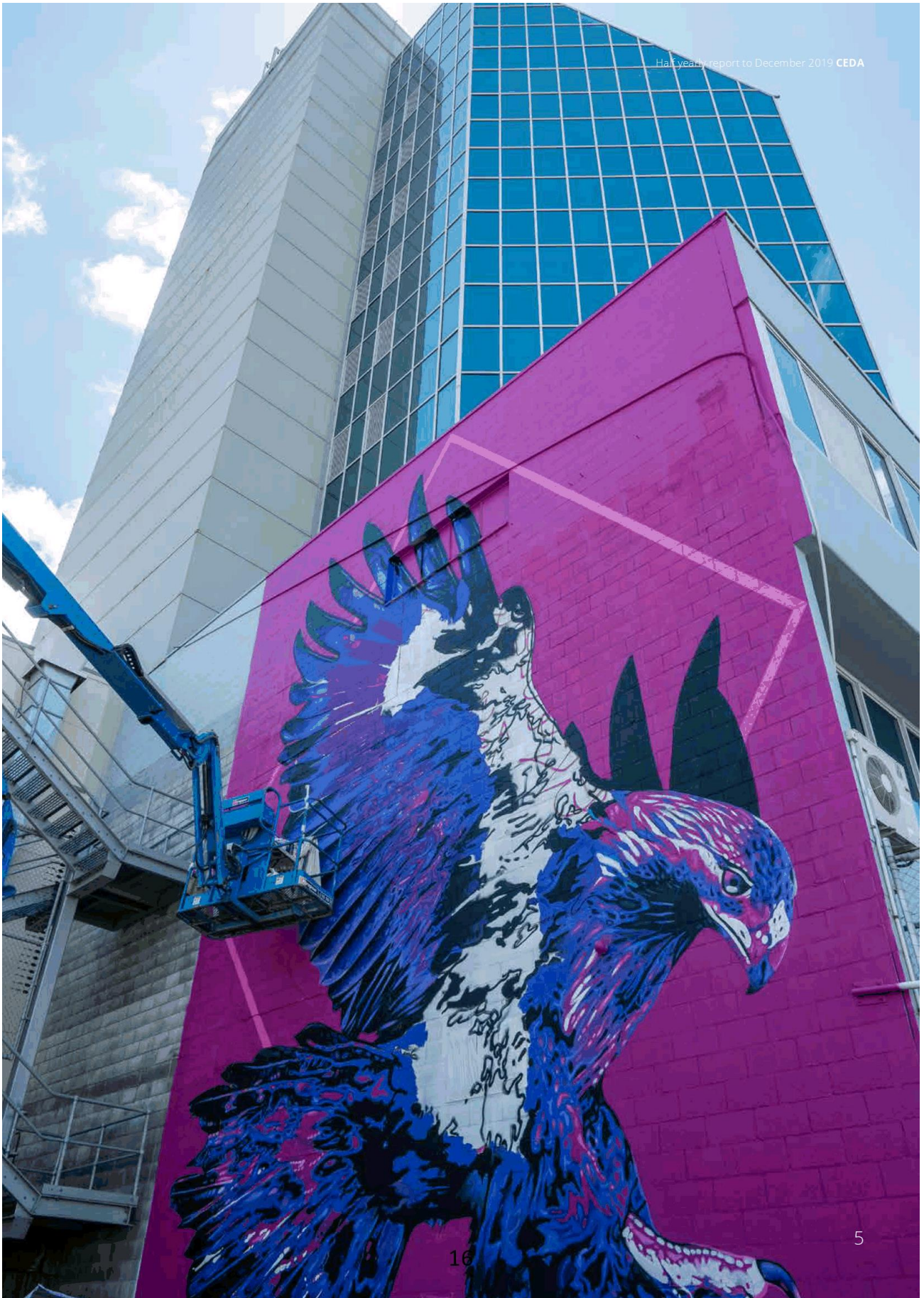
Malcolm Bailey  
Chairperson



Linda Stewart  
Chief Executive

***"We are focused on delivering on projects of significance"***







## Purpose of the Half Yearly Report

This Half Yearly Report is presented by Central Economic Development Agency Limited (CEDA) in accordance with the requirements of Section 64(1) of the Local Government Act 2002 (LGA 2002).

In accordance with the Local Government Act 2002, this report publicly states the activities and progress for the year to date against objectives set in the CEDA Statement of Intent for the 2019-20 financial year.





# Our Vision

## Manawatū 2025; New Zealand's most progressive region

Our vision is bold and purposefully so, it encompasses the ambitions of both our shareholder Councils. It requires our region to move from comfortable to ambitious, from reactive to future focused, and to move with an increased cadence and sense of resolve. We believe that Manawatū has the leadership and the ingredients to reposition itself on the national stage - a vibrant and innovative region that will be first choice for talent, business and investment.

Three key indicators that show we are on our way to achieving this vision are:



Manawatū is recognised as one of the top three agrifood hubs in the world



Manawatū is a leading distribution hub, and leverages off its role in central New Zealand



Manawatū is renowned for its exceptional lifestyle, competitive advantages, and is a magnet for investment, business and talent

To achieve this vision CEDA must work in partnership with our shareholders, central government, Māori, local iwi, industry and other regional stakeholders - it cannot be achieved alone.



# Our Strategic Objectives

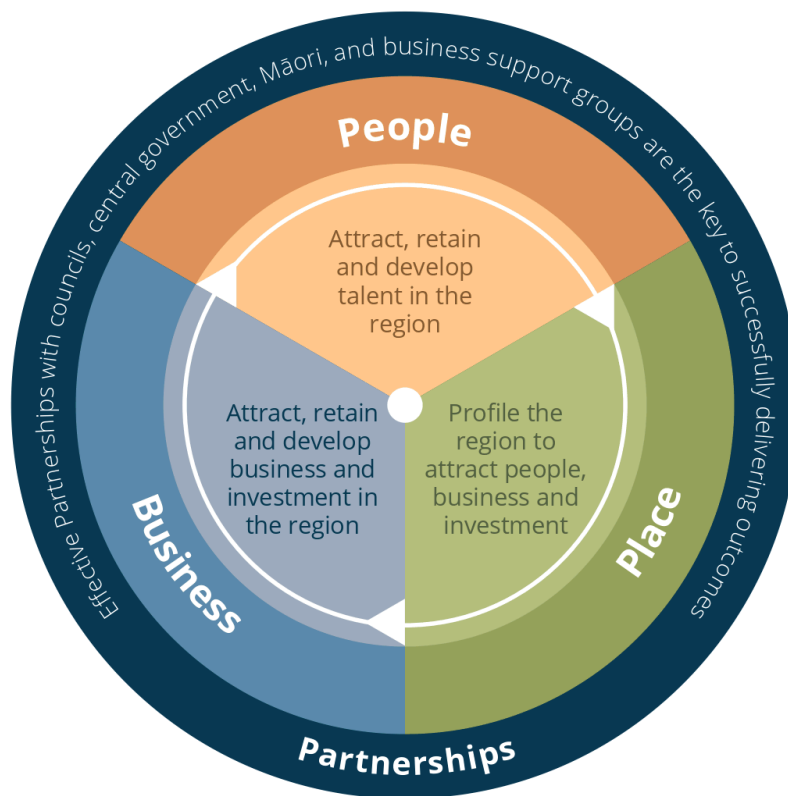
## Powering our progress; achieving the vision

CEDA works across three strategic pillars of economic development; People, Place and Business, and our success is underpinned and enabled by the strength of our relationships with regional and national partners. Our core objectives, programmes and activities are all aligned to these pillars, and are designed to create the environment, stimulus, outcomes and impact that will power our economic prosperity and achieve our vision for Palmerston North city and Manawātū district.

These key objectives guide the development of the short and medium-term programmes of work for CEDA as articulated through the Statement of Intent for 2019/20.

When considering how to prioritise our efforts, and based on our current resources and functions, CEDA focuses on programmes and activities that offer the greatest opportunities for economic growth.

These are identified through research, monitored and reviewed using the latest data, and viewed through a regional, national and international lens.







# What We Do



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# Attract, retain and develop talent in the region

We know that the biggest barrier to business growth is access to the right talent and skills; to retain and develop those that we have, as well as attracting more. We also know that we're in a global competition for talent, so the importance of having a strategic and targeted approach has never been more important.

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## Developing the talent pipeline to grow a skilled workforce and better utilise the existing labour market

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Ensuring we have the right talent and skills in the region is critical in ensuring Manawātū is positioning itself as one of the top three agrifood hubs in the world and cementing our strength as a distribution and logistics hub.

It's not just about attracting more people to our region; it's also about developing the talent and skills that are already here, and where, as a region we need it most, both now and into the future.

### Regional skills gaps – addressing the challenges

Connectedness to the labour market and community in the region is key to ensuring we're across the challenges, opportunities and trends of talent attraction into our region while also driving a collaborative and cohesive approach to communicating the region's strengths and profiling success stories of new residents to the region through video and digital channels. A Talent and Skills working group has been developed with key business, education and community (iwi and Pasifika) stakeholders from the Manawātū, to allow for this collaboration and facilitate information into, and communication outcomes from, the wider Accelerate25 Regional Working Group which CEDA is a member of.

We continue to work under our Regional Partnership Agreement with the Ministry of Business Innovation and Employment to provide an additional lever to connect businesses with the international talent and skills they need via immigration to meet immediate skills pressures in the short term.

### Employment Opportunities

To further support the attraction of tertiary students to the Manawātū, CEDA has partnered with NxtStep, a leading New Zealand graduate employment and careers platform. This partnership has resulted in the development of a dedicated Manawātū recruitment website, [manawatu.nxtstep.co.nz](http://manawatu.nxtstep.co.nz), which features Manawātū specific employers and employment opportunities, and highlights the lifestyle and career opportunities in the city and region.

## Developing the skills in our region and supporting job opportunity connections

CEDA has been working in partnership with the National Driver Training Centre, Talent Central and through the Accelerate25 Talent and Skills committee to support the establishment and development of the National Driver Training Centre and employment hub – designed to connect those seeking training and employment in distribution, logistics, and civil construction with a workplace brokering service.

### Sort It Careers Expo

The Sort It Careers Expo aims to encourage secondary school students, those returning to work or newly relocated to the region, and those looking for a change of direction to explore the different types of skills and positions available to them by engaging with industries and businesses directly. For many, the Expo can fuel or re-ignite a passion for their current or future career pathways. A new website for [sortexpo.co.nz](http://sortexpo.co.nz) has been developed and launched for the May 2020 expo.

### Te Aho Tāmaka

The aim of the Te Aho Tāmaka Manawatū Leaders programme is to profile and connect Manawatū's most illustrious leaders across all fields – academia, business, arts, sport, culture, technology, theology and more, with local opportunities and talent, and to build a global network of leaders and advocates whose journeys are connected to our region.

Four new leaders have been confirmed as Te Aho Tāmaka leaders and were recognised and celebrated at an event in December.

## Understanding the future of work and preparing our region for change

As a region we need to better understand what the future of work in Manawatū will look like and therefore what skills we will need for our future prosperity. Research into what best practice in developing a future of work project is underway.

## NxtStep Manawatū

Regional Student Employment Website Launched

## Immigration NZ

Regional Partnership Agreement renewed

## Sort It website

Redeveloped and launched

## 4

New Te Aho Tāmaka Manawatū Leaders confirmed

## Japan

School visit and Agent engagement  
in partnership with Education NZ

## Employability Study

Project commenced





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## **Deliver information, advice, programmes and initiatives to attract more international students to the region**

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In building a pipeline of talent in the region, we have the ability to attract this talent not only nationally, but also internationally, to contribute not only to the economic benefit that international students bring to the region, but also in assisting with addressing skills gaps that we may have in the region.

### **Increase the value of international students in the region**

Through the implementation of the Regional International Education Strategy 2016-2020, CEDA supports the region's schools and tertiary providers to increase the number of international students studying here and the economic value that they add to the city and district.

CEDA in partnership with Education New Zealand accompanied three teaching institutions to Japan to engage in school seminars and grow education relationships in Tokyo.

A digital campaign was run, in conjunction with Education International Coordination (EIC) Group China, to recruit students to and market Manawātū as a study destination. UCOL, IPU New Zealand and Massey University were able to present their unique study opportunities direct to students in China, while a 'demo class' was filmed at Feilding High School to illustrate what a real-life classroom is like in New Zealand.

This enables us to position Manawātū's strengths and points of difference from other regions and enable greater impact through visual media that is able to be viewed online in China.

### **Enhance the experience of international students**

To further enhance the desirability of Palmerston North and Manawātū as a study destination, CEDA works alongside education institutions, PNCC and other key stakeholders to identify opportunities to help integrate international students into the local community, supporting Mayoral Welcomes and student connect events. Two events were held with over 190 students attending in total.

An application for funding through the International Student Wellbeing Strategy has been completed to enable a dedicated resource to manage cross institutional engagement activities as well as fund additional events. We will learn the results of the application in early 2020.

### **Increase the employability of international students**

Employability and Pathways to Employment is an initiative designed to make our city and region a more attractive place to study. In partnership with Education New Zealand and Ministry of Business, Innovation and Employment, CEDA has commenced a central regions employability project to create opportunities for increased pathways into local employment. CEDA is working with the central regions (Venture Taranaki Trust and Whanganui and Partners) to create employability resources and implement workshops for international students and local employers. Learning Works have been contracted to complete these resources, via funding CEDA has secured through Education New Zealand.

# Attract, retain and develop business and investment in the region

Attracting and retaining business and investment in the region is at the core of economic development. Our city and district have a strong competitive edge; our central location, comparatively affordable land and development costs, a diverse labour pool, and a growing culture of innovation and entrepreneurship. Manawatū is well positioned to begin to actively promote itself as an attractive, investment ready destination both in New Zealand and offshore.

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## Support our sectors of strength to grow through targeted business development actions, retention initiatives and activities

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Critical to the growth of our city and region is our sectors of strength, and strategic management and development of these sectors is important to future proofing our economy and region. With growth comes opportunities and challenges, so a targeted and cohesive approach to education, agrifood and tech, the visitor economy and distribution and logistics sector, ensures that as a region we're well positioned to leverage the growth, with the right talent in place, our competitive advantages leveraged and our economy positioned to maximise the opportunity.

Our strengths as a city and region make us the leading agrifood hub in New Zealand and a key centre for distribution and logistics, and leveraging these strengths is important to maximise the growth potential in the region.

## Support opportunities for growth

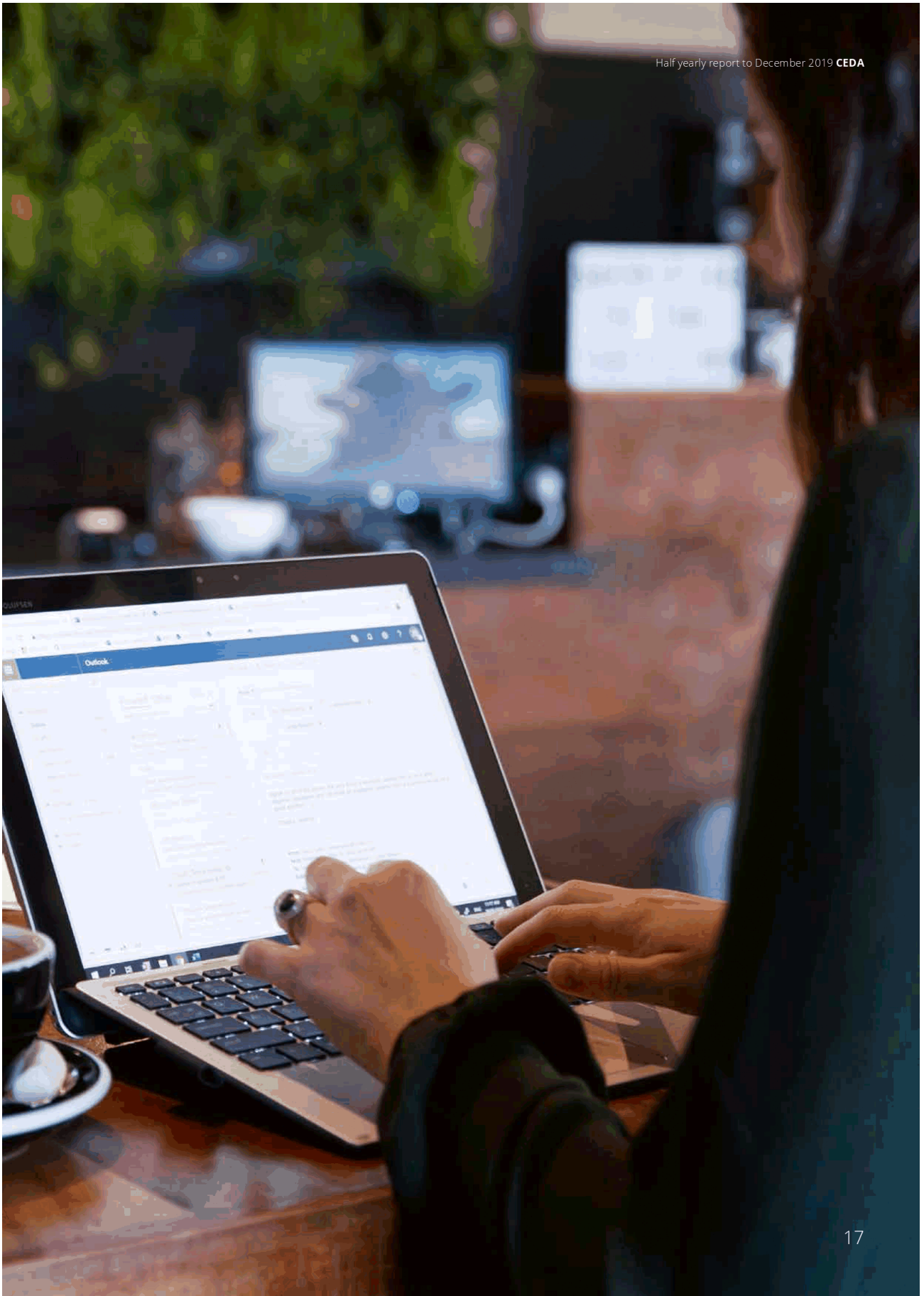
### Destination Management Plan

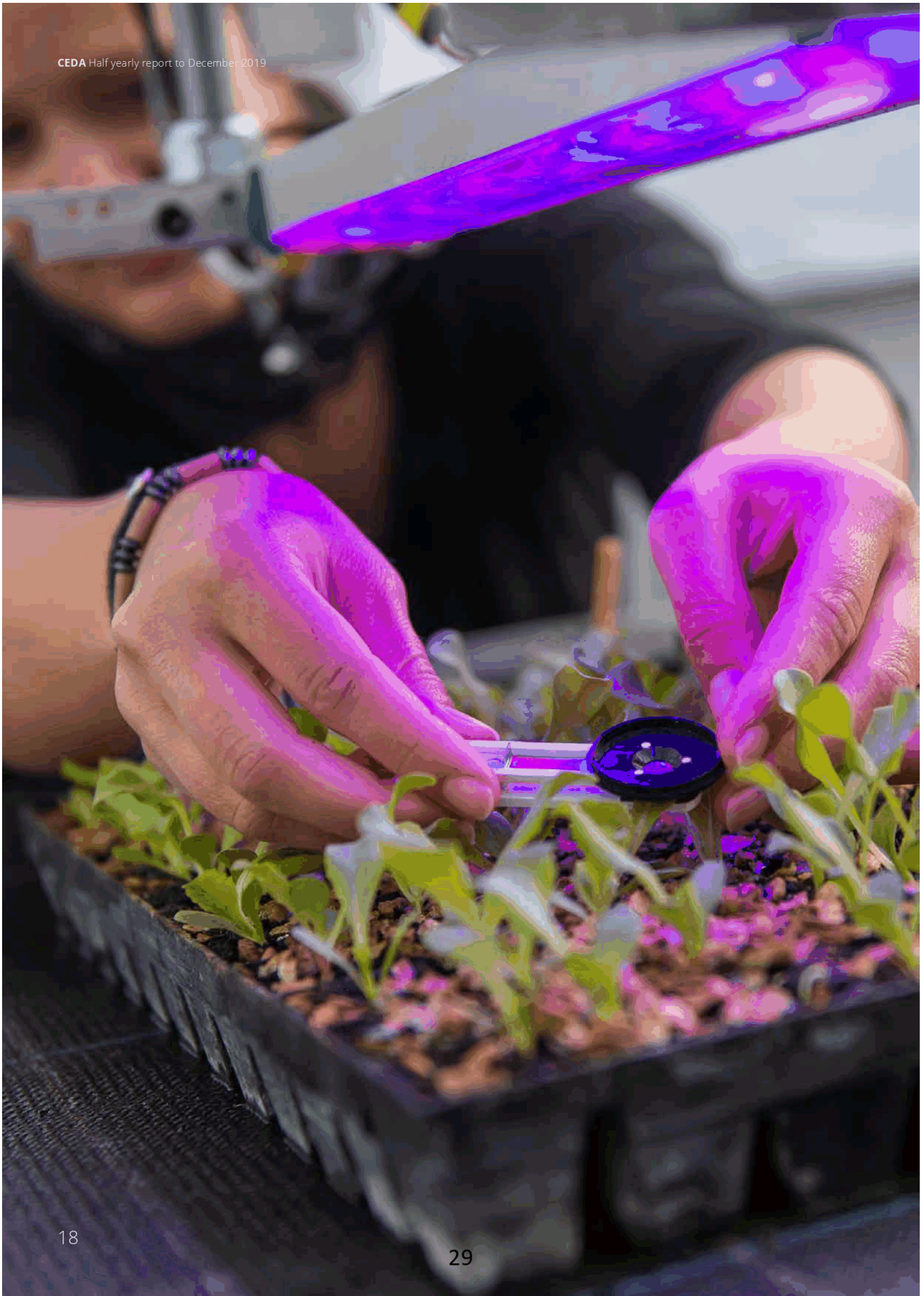
A strategic framework for the visitor sector was developed in 2018/19 in partnership with Palmerston North City Council and Manawatū District Council, iwi and key stakeholders in the region, creating a shared vision and goals for the regions' visitor sector through to 2030 that formed the basis of Manawatū's Destination Management Plan.

Implementation and refinement of the Destination Management Plan is now underway, with the action plan currently being developed to identify roles, responsibilities and opportunities. This work is being done in partnership with key stakeholders and iwi in the region.

Core components of the Plan are already underway including destination marketing activities, including the development of the Regional Identity and regional stories project, the continued development of The Country Road programme, visitor trade and industry partnerships and our core functions as the Regional Tourism Organisation for Palmerston North and Manawatū.







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### **Agritech Strategy**

With a history of innovation in agritech products and services, it is important for Manawātū to strategically build on the sector's strengths to position the region as a world-leading agritech hub, and establish Manawātū as a source of expertise grounded in New Zealand, with an international profile and opportunities.

With the Agritech Strategy finalised, CEDA is leading the implementation of the 3-year plan with our key partners Sprout, under the Roaming Networker<sup>1</sup> programme, and the Sprout Accelerator. Delivery is also underway through Massey University (Horticulture Immersion Programme), Rural Innovation Lab and FoodHQ. Further implementation includes CEDA's development of a Primary Industries Sector Spotlight at Sort It Careers Expo, and the development of a value proposition and communications plan to raise the profile of our region's strengths and capabilities nationally and internationally.

### **New Zealand AgriFood Week**

New Zealand AgriFood Week sits at the intersection of agriculture, science and technology, and is a unique coming together of diverse fields to facilitate future-focused conversations between leading players throughout the entire value chain. The week-long event hosted in Manawātū provides thought-provoking discussions that delve into the opportunities and challenges faced by our food sector, inspiring the next generation of farmers, scientists, innovators and consumers.

A 3-year Foundational Strategy for New Zealand AgriFood Week has been developed to ensure alignment with the development of the Manawātū Agritech Strategy, setting a clear roadmap for the future of the Week to become a national, then global event. The Week is a catalyst in achieving our ambitious vision of becoming a top three global agrifood hub, so ensuring that we have a cohesive, strong and collective strategy with our stakeholders is critical.

## **Award Winning Agritech Strategy**

**Implementation commenced**  
EDNZ Best Practise Award

## **NZ AgriFood Week**

**3-Year strategy developed**  
in partnership with key stakeholders

<sup>1</sup> The Roaming Networker is a market intelligence gathering service on regional agritech activity, including investments, R&D, research published and new products launched

\*YTD figures are reported against full year figures from the previous years annual report

## Develop and grow business

CEDA delivers the Regional Business Partners Programme on behalf of New Zealand Trade and Enterprise, Callaghan Innovation and Business Mentors New Zealand. The programme enables CEDA to work closely with central government to ensure businesses have access to high quality and practical business mentoring services, targeted and strategic co-funding schemes aimed at capability development, and research and development assistance that helps to convert ideas into innovation.

CEDA also provides general business advice and support; from those looking to start up a business through to more established businesses across all sectors of our economy including opportunities for Māori business.

Further to this, CEDA works to connect and facilitate relationships and expertise through a wide range of initiatives throughout the region, including Accelerate25, and the Provincial Growth Fund.

CEDA has assisted 235 businesses to develop and grow over the period including 157 businesses through the Regional Business Partner Programme with \$131,000 in business development training vouchers issued, and 17 businesses matched with a business mentor.

## Facilitate access to specialist innovation, business development and startup expertise

Through the delivery of startup workshops and innovation support, CEDA helps to get people informed, connects ideas to people in the right regional or national organisations, including The Factory, our local business incubator, and the Manawātū Chamber of Commerce. Five startup workshops have been held.

## The Factory Partnership

Our partnership with The Factory ensures a strong connection with the innovation and entrepreneurial centre of our region in supporting businesses to scale up. CEDA also supports the global accelerator programme, Sprout, which grows the next generation of agrifood and agritech startups. CEDA participated in the Sprout Accelerator Cohort selection process which adjudicated 28 agritech innovation businesses or startups.

The Factory Innovate Programme that helps turn ideas or innovative startups into businesses attracted 74 entries, with eight businesses being selected to go through the accelerator programme, of which CEDA provided mentoring, including to the winner.

## Callaghan Innovation

Through the Regional Business Partner Programme, we provide research and development assistance by facilitating access to grants and expertise through Callaghan Innovation, Massey University and Crown Research Institutes. A total of \$598,646 in Research and Development Grants have been issued to businesses.

**235**

**Business assisted through a CEDA intervention**  
(2018/19 Annual Report total 495\*)

**\$131,627**

**Business Capability Development vouchers issued**  
(2018/19 Annual Report total \$266,593\*)

**17**

**Businesses matched with a Business Mentor**  
(2018/19 Annual Report total 48\*)

**5**

**Startup workshops held**  
(2018/19 Annual Report total 11\*)

**74**

**Innovation startups entered Innovate 2019**  
(2018/19 Annual Report total 91\*)

**\$598,646**

**Research & Development Grants issued to businesses**  
(2018/19 Annual Report total \$1,599,433\*)

**30**

**Research and development student experience,  
fellowship or career grants facilitated, linking tertiary  
students directly to businesses**  
(2018/19 Annual Report total 30\*)

\*YTD figures are reported against full year figures from the previous years  
annual report

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## Attract business and investment to the region

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To ensure we're strategically targeting investment and profiling the region nationally and globally in a way that establishes the region as a magnet for investment, business and talent, CEDA's work is based on data and insights to ensure we're across any barriers, opportunities and key drivers to inform our work.

Quantitative research has been commenced in partnership with Colmar Brunton to ensure we're developing the right resources and value propositions to position our city and region. This research will ensure we're well positioned to capitalise on the significant growth trajectory of investment that our city and region is experiencing.

Our investment work is strongly focussed on investment facilitation which includes working on the delivery of key projects in the investment pipeline targeted to the regions sectors of strength.

### Inward investment strategy implementation

Building on the development of Manawātū's Inward Investment Strategy and implementation plan in 2018/19, CEDA has now moved into the delivery phase, driving the profile of our region nationally and internationally through the development of a regional investment profile which will be completed this year in partnership with our shareholders, regional stakeholders and partners New Zealand Trade and Enterprise, and relevant commercial parties.

### Investment Opportunities

CEDA continues to leverage our relationships with central government, with an emphasis on the Ministry of Business, Innovation and Employment and the Provincial Development Unit, New Zealand Trade and Enterprise and Immigration New Zealand, as well as other regional influencers including our education institutions, Accelerate25, Te Pae Tawhiti and Manawātū Chamber of Commerce to seek out and target prospective investors and business relocation opportunities.

Detailed work on the inward investment pipeline is on-going. Key projects include the KiwiRail Freight Hub, a potential investment in hydrogen technology, the Bio-forestry initiative (which has attracted \$380,000 of investment from the Provincial Growth Fund) and investment interest by a bio-pharmaceutical company.

### Key Infrastructure Projects

CEDA is supporting key infrastructure projects in the region namely the Central New Zealand Logistics Strategy which includes the KiwiRail regional freight initiative and the ring road development.

### Te Āpiti Tourism Opportunity

After a successful application to the Provincial Growth Fund for Te Āpiti Tourism development project, the feasibility study for the project has now been completed, including a preliminary evaluation of the tourism development opportunity, and an indication of potential opportunities and outcomes. The purpose of this project was to investigate the potential to transform Te Āpiti - Manawātū Gorge into an iconic tourism destination, offering a number of high-quality visitor experiences. A subsequent application for capability funding has been submitted for business case development.



## Attraction of conferences and business events

The attraction of conference and business events to Palmerston North city and Manawatu district works to profile our region as a great place to do business, adds significant economic benefit, and builds connections with national organisations. CEDA is focused on the development of a pipeline of potential conferences and business events within our sectors of strength.

Four conference bids have been submitted or supported and two bids have been won in the year to date. In addition, research on the conference sector has been initiated to understand best practice within New Zealand.

The development of a standardised conference bid template is underway to ensure that collaborative bids submitted from the region are competitive, compelling and build a strong cohesive profile of our offerings as a conference destination.

## Te Āpiti

Tourism Opportunity Feasibility Study Completed





# Profile the region to attract people, business and investment

Raising the profile of the region to highlight our strengths, our people and our places through targeted storytelling and partnerships will ensure Palmerston North city and Manawatū district are known for their distinctive and compelling proposition and benefits. CEDA will lead the narrative of the city and district through the Regional Identity which will underpin our work across people, place and business and will enable us to target key audiences under one consistent rhetoric – dialed up or down to meet the needs of each target audience.

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## Profile Palmerston North city and Manawatū district locally, nationally and globally

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To achieve our goal of ensuring that Manawatū is renowned for its exceptional lifestyle, competitive advantages, and is a magnet for investment, business and talent we must focus our efforts on profiling the regions strengths, successes and vibrancy through our media partnerships and storytelling.

In our role as the Regional Tourism Organisation for Palmerston North and Manawatū, CEDA works with key national organisations including Tourism New Zealand, NZ Motor Caravan Association, Air New Zealand and more to ensure we're maximising our relationships and opportunities as a region while establishing Manawatū as a desirable destination.

With a fast-growing visitor sector in Manawatū, CEDA works with regional tourism operators to provide connections into the national visitor sector industry, marketing tools and market insights through the CEDA Resource Hub, workshops and communications.

CEDA's relationships with national visitor sector and media ensure that we can support the marketing of key events, ensuring the region is profiled for its vibrancy and its variety of events

and activities. CEDA's digital channels, along with our partnerships with national media, mean we can target potential residents and visitors, as well as local audiences.

## Lead and develop stories of Manawatū

CEDA works with our shareholders, local iwi and stakeholders to collectively profile the region and build momentum and awareness of the city and district. Our target audiences include prospective investors, students and education agents, new and current businesses, potential residents, current residents, and visitors. Twelve new Manawatū stories were created and published through ManawatuNZ.co.nz in the last six-months, in a new dedicated content hub created to profile our city and region's businesses, people and places.

The second phase of Regional Identity research has been undertaken with Colmar Brunton. This research focused on potential residents and talent, existing residents and businesses and potential investors for the city and region.



## Lead the creation of regional content

Our work with local, national and international media ensures a strong and consistent regional presence across all traditional and digital channels.

We leverage existing media relationships and proactively pitch stories and features to national and local media organisations and publications. Twenty two direct media features on the city and region were published, including Kia Ora Magazine event features and the Manawātū Agritech Strategy gaining significant national coverage for the region including Newshub and Rural Exchange features.

This work is critical in building our profile not only as a brilliant place to live and work, but as a top three global agrifood hub, and in positioning our region as a leading distribution hub with a strong economy.

Extensive international media coverage has also been secured through our partnership with Tourism New Zealand, including several digital travel stories featuring the New Zealand Rugby Museum in the lead up to the Rugby World Cup in Japan.

## Grow engagement on digital platforms to increase awareness and promotion of the region

Digital marketing plays a key role in connecting with our main audiences and raising the profile of our city and district across multiple platforms, from our regional social media channels and the regional website ManawatuNZ.co.nz, through to partner websites and national platforms.

A focus on new content has been underway to increase traffic and engagement on ManawatuNZ.co.nz with new stories and content added to the site and a revised Live & Work webpage completed.

## Regional Identity

Phase two research completed

22

Direct Media Features published on the region

## The AM Show

Move to Manawātū campaign featured

6

Indirect Media Features published on the region

87,959

Unique visitors on ManawatuNZ.co.nz website  
(2018/19 Annual Report total 175,688\*)

4,408

Instagram followers  
(2018/19 Annual Report total 3,850\*)

12,173

ManawatuNZ Facebook page likes  
(2018/19 Annual Report total 11,480\*)

9,789

MyManawatu Facebook page likes  
(2018/19 Annual Report total 9,487\*)

\*YTD figures are reported against full year figures from the previous years annual report







# Lead inclusive and sustainable economic development for the region

Underpinning everything that we do is relationships and partnerships, with key regional and national stakeholders, central and local government, Māori and local iwi. We take the lead on ensuring a cohesive approach across Palmerston North and Manawatū harnessing our collective capabilities to achieve the vision and goals of the region.

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## Develop strategic partner relationships, leveraging opportunities

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CEDA's work cannot be done in isolation, and the strengths of our region rely on working together to use our combined strengths, connections and skills to compete nationally and globally.

### Strategic partnerships

Collaboration and partnerships are critical to ensuring the best outcomes for the city and district, and CEDA's role in bringing our diverse stakeholders into one conversation, steering others in the same direction, and co-ordinating our region's collective capability is key to achieving the vision and goals for the region.

CEDA holds strategic relationships with other regions and national organisations, to leverage mutual opportunities, and has formalised agreements with organisations such as New Zealand Trade & Enterprise, Callaghan Innovation, The Factory, Sprout Accelerator, Manawatū Chamber of Commerce, Talent Central and Immigration New Zealand.

We continue to work with businesses that identify as Māori via our Regional Business Partners Network, and our focus is to have built on this through the implementation of our Māori sector development plan.

With the appointment of a Māori Liaison Manager, CEDA is focusing on developing relationships and the capability of the team, as well as a bilingual approach to internal and external communications.

Along with working on the implementation of CEDA's iwi engagement plan we continue to work collaboratively with regional iwi through our strategic projects including the Destination Management Plan, Te Āpiti Tourism Initiative, partnership development with Rangitāne o Manawatū and ongoing relationships with iwi and Māori in the region.

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## Data and Insights

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CEDA are the experts for data and insights on the local economy and national trends across priority sectors including the visitor economy. We have a crucial role in enabling the coordination, connection and delivery of outcomes by striving for the transparency and alignment of the many economic development projects and initiatives that are underway or planned across our region.

Data and insights are regularly communicated to our stakeholders through economic impact events, 60 Seconds (e-newsletter) and quarterly economic updates. This includes information from the visitor and retail sectors, our sectors of strength and key growth indicators such as GDP, population, housing prices, consents, visitor spend and more, to enable our businesses and communities to better understand what's happening in the local economy.

## Business Community Research

In 2016 we undertook research within the business community, seeking to understand their views on the opportunities and barriers to business growth in Manawatū. We are repeating this research this year, with research undertaken in November and December. Results are currently being collated.

**Nāku te rourou nāu te rourou  
ka ora ai te iwi**

With my basket and yours,  
the people will thrive

# Statement of Service Performance

CEDA's performance measure framework identifies quantifiable measures of our programmes and activities aligned to our key strategic outcomes. Performance measures and outcomes to December 2019:

## 1. Attract, retain and develop talent in the region

Service Level Statement	Performance Measure	2019/20	Outputs/achievements Jul – Dec 19
Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Implementation of the action plan as a result of the regional skills gap analysis	Talent attraction and retention strategy and action plan developed, and implementation initiated	<p>CEDA has developed a Manawātū Talent and Skills Working Group, with key business and community stakeholders. CEDA also contributes to the wider Manawātū-Whanganui Talent and Skills Working Group, convened by Accelerate25.</p> <p>NxtStep - a leading NZ graduate employment and careers platform - partnership commenced, and dedicated website launched, to highlight career opportunities that exist in Manawātū - <a href="http://manawatu.nxtstep.co.nz">manawatu.nxtstep.co.nz</a>.</p> <p>CEDA's CEO appointed as chair of the New Zealand Institute of Skills and Technology Employer and Community Engagement Working Group.</p> <p>CEDA supported the Young Enterprise Scheme, encouraging students into entrepreneurship, providing mentorship and judging of the programme.</p> <p>CEDA provided support to UCOL sponsoring the Freemasons Willson Lewis Scholarship for trades.</p> <p>Immigration New Zealand Regional Partnership Agreement renewed.</p>
	Driving the development of skills in the region and supporting linkages to job opportunities	<p>Support provided to the development of the National Driving Training Centre and Talent Central employment hub</p> <p>Deliver the Sort it Careers Expo with 70+ exhibitors</p>	<p>Funding provided to Talent Central to support the National Driver Training Centre and the employment hub.</p> <p>Sort It Careers Expo new website launched.</p> <p>Application to the Ministry of Education submitted for funding of a new aspect to the Sort It Careers Expo - "Where's My Job?" that will focus on getting our young and unemployed people into employment, particularly through earn and learn pathways.</p>



## Attract, retain and develop talent in the region

Service Level Statement	Performance Measure	2019/20	Outputs/achievements Jul – Dec 19
		Deliver 5 key engagement activities through Te Aho Tāmaka	Four new Te Aho Tāmaka Leaders inducted into programme. A mentoring engagement between a Te Aho Tāmaka leader and a local business has been completed.
	Understanding of the future of work in the region and how best to prepare the region for change	Develop a Manawātū future of work project, in collaboration with Massey University, UCOL, employers and Infometrics	Research into best practice completed. Additional work is planned to commence in July 2020.
Deliver information, advice, programmes and initiatives to attract more international students to the region	Increase the value of international students in the region	Implement annual workplan as agreed with the International Education Leadership Group	International Education Lead Group meetings held, with International Education Strategy to 2020 under review.  CEDA accompanied two high schools (Awatapu College and Nga Tawa Diocesan School) and English Teaching College on a visit to Japan to attend ENZ organised school seminars in Osaka and Tokyo and an Agent Networking event at the New Zealand Embassy in Tokyo.  CEDA ran a digital campaign in collaboration with Education International Cooperation (EIC) Group, China, marketing Manawātū as a great place to study and live to Chinese students considering studying in New Zealand.
	Enhance the experience of international students while they are here	Deliver 6 cross institutional engagement activities	Mayoral Welcome delivered in partnership with PNCC and Welcoming Communities.  A Student Connect Event was held in November in conjunction with the Student Experience Working Group for Guy Fawkes. Approx. 120 students from Massey University, UCOL, IPU New Zealand and various secondary schools attended. Students via survey rated the event 4.9 out of 5.  Application for funding completed through the International Student Wellbeing Strategy to appoint a resource to manage cross institutional engagement activities as well as fund additional events.
	Increase the employability of international students	Deliver employability workshop(s) with 100+ International tertiary student participation  Individually assist 20+ students into local employment opportunities	Employability study project implementation commenced with the appointment of a key contractor.   CEDA is working with the central regions (Venture Taranaki Trust, Whanganui and Partners, and Study Hawke's Bay) to create employability resources and implement workshops for international students and local employers.

## 2. Attract, retain and develop business and investment in the region

Service Level Statement	Performance Measure	2019/20	Outputs/achievements Jul – Dec 19
Support our sectors of strength to grow through targeted business development and retention initiatives and activities	Assess and support opportunities for growth through key business engagement, cluster development and sector strategies and relationships with Māori	Implement the Visitor and Agritech sector strategies	<p>Destination Management Plan framework completed following community and iwi input. Product development for trade underway with product clusters identified and first workshop undertaken.</p> <p>Agritech Strategy completed and implementation commenced with The Factory on the 3-year implementation plan including:</p> <ul style="list-style-type: none"> <li>Establishing a Primary Industries Sector Spotlight at Sort It 2020</li> <li>Roaming networker commenced with Sprout</li> <li>Global agrifood hub communications planning commenced, including national media coverage of the Agritech Strategy launch and National Business Review feature interview</li> <li>Transformation initiative – participation in the selection process to nominate a winner in the Agritech Innovation category.</li> </ul>
		Deliver NZ AgriFood Week, 3 CEDA ag sector events. Event stakeholder satisfaction of 80%*	NZ AgriFood Week 3-year Foundational Strategy has been completed to ensure alignment with the development of the agritech sector.
		Increase in Pint of Science partnerships (events delivered externally) from 2018/19	Review completed and planning for Pint of Science 2020 initiated. Event and marketing plans underway.
	Develop and grow businesses by delivering information, advice, and support	<p>400 businesses supported to grow through the Regional Business Partner Programme** (15 businesses that identify as Māori)</p> <p>150 businesses assisted through CEDA's additional support services including access to government support/funding</p>	<p>157 businesses supported YTD, including 8 business that identify as Māori.</p> <p>17 Mentor Matches made through the Business Mentors New Zealand programme in partnership with the Manawatu Chamber of Commerce.</p> <p>A regional business mentor drive has resulted in 7 new mentors joining the Business Mentors New Zealand programme.</p> <p>78 businesses assisted to end of December including a Lean Workshop, Innovation Ecosystem breakfast and Refresh Your Business Strategy in conjunction with PNCC City Planning.</p> <p>Business support brochure developed to promote CEDA support services to business.</p> <p>CEDA and Naylor Lawrence Associates joint presentation to construction sector.</p> <p>CEDA also provided sponsorship of the Feilding Business Awards – Leading New and Emerging Business Award.</p>

Service Level Statement	Performance Measure	2019/20	Outputs/achievements Jul – Dec 19
	Facilitate access to specialist innovation, business development and start-up expertise	<p>Deliver 10 Start-up clinics to support new business</p> <p>40 referrals to the Chamber of Commerce and The Factory</p> <p>Attraction of 90 start-ups to enter the Innovate programme supporting 7 businesses to start or accelerate</p> <p>Support provided to The Factory 'Sprout' Agritech Accelerator</p>	<p>5 Startup workshops held</p> <p>5 referrals made to The Factory and Manawātū Chamber of Commerce.</p> <p>74 startups were attracted to enter the 2019 Innovate programme, with 8 businesses selected to complete the 12-week accelerate programme.</p> <p>CEDA also provided support and mentoring for a finalist business.</p> <p>Funding provided to The Factory to support the 'Sprout' Agritech Accelerator. CEDA also participated in the Sprout Accelerator Cohort selection process.</p> <p>CEDA supported Brave New Thinkers, developing entrepreneurial young talent for Manawātū, during New Zealand Business Week.</p>
Attract business and investment to the region	Implementation of Inward Investment strategy with regional partners, targeting the Agriculture, and Distribution and Logistics sectors	Investment profile for the region developed and investment ready opportunities identified	<p>Detailed work on the inward investment pipeline is underway with allocation of potential investors and projects completed and engagements underway.</p> <p>CEDA is supporting key regional infrastructure projects KiwiRail logistics hub and the Ring Road project.</p> <p>Te Āpiti - Manawātū Gorge Tourism Potential feasibility study was completed. An application for capability funding has been submitted to the Provincial Growth Fund to progress next steps, and develop a business plan.</p>
	Attraction of Conference and Business Events that bring economic benefit to the region	12 bids prepared/ supported with a 30% success rate***	<p>Four bids submitted/supported and two bids won (one from previous years bid)</p> <p>- Waves Conference August 2020 and New Zealand Airport Conference 2020.</p> <p>Research and engagement with key stakeholders (including Massey University) undertaken with a view to developing a Conference and Business Events Strategy.</p> <p>CEDA profiled the city as a key conference destination at the Australasian Society of Association Executives (AuSAE Linc 2019) conference, which resulted in 8 direct engagements and 1 lead which led to the submission of a conference bid.</p> <p>Refreshed, targeted Bid document template to attract conferences and business events being developed, including stakeholder testing and competitor benchmarking.</p>

\* Key specified partners to CEDA that are involved with the support of or delivery of events for the Week.

\*\* Dependent on continued government funding for the Regional Business Partner programme.

\*\*\* Calculated as wins divided by wins plus losses (bids pending, cancelled or unsubmitted, not included).



### 3. Profile the region to attract people, business and investment

Service Level Statement	Performance Measure	2019/20	Outputs/achievements Jul – Dec 19
Profile Manawatū locally, nationally and globally	Lead and develop the stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi.	Implement the Regional Identity project outcomes	The second phase of Regional Identity research has been undertaken with Colmar Brunton, focused on potential residents and talent, existing residents and businesses and potential investors.
	Lead the creation of quality, targeted regional content for distribution on owned and third-party platforms, working with media partners to showcase our region's strengths.	18 direct media features profiling the region	22 direct media features of the city and region were achieved, including Kia Ora Magazine event features, and stories on Newshub and Rural Exchange.  An additional 6 features were achieved indirectly, and extensive coverage through Tourism New Zealand is also underway.
	Grow engagement on regional web and digital platforms for increased promotion of and information on the region	10% increase in 'sessions' on ManawatūNZ.co.nz  10% increase in social media engagement across all channels	ManawatuNZ.co.nz has had a 4,14% increase on 'sessions' year to date  Palmerston North City & Manawatū Facebook followers up 6% year to date.  My Manawatū Facebook followers up 3% year to date.  Manawatū NZ Instagram followers up 14% year to date.

## 4. Lead inclusive and sustainable economic development for the region

Service Level Statement	Performance Measure	2019/20	Outputs/achievements Jul – Dec 19
Develop strategic partner relationships, leveraging opportunities	Continue to build on relationships with shareholders, central government agencies, key regional stakeholders, local iwi and Māori, and business support groups through the stakeholder engagement plan	Customer satisfaction survey increase on previous % of satisfaction  Partnership and workplans agreed and actioned as appropriate	Customer satisfaction survey to be completed at the end of the financial year.  Partnership Agreements entered into with Manawātū Chamber of Commerce, Immigration New Zealand, Sprout, The Factory and Talent Central.  Rangitāne o Manawātū engagement working group set up to commence in 2020.  CEDA Frequently Asked Questions information sheet developed and shared with PNCC and MDC elected members and stakeholders.
Data and insights communications on the performance of the region's economy	Undertake research 3 years on from 2016 survey to measure the pulse of the local business community and inform current and future projects.	Research undertaken, and results reported by end of February 2020	Research undertaken in November and December and preliminary results received.
	Quarterly economic updates provided in conjunction with shareholders	4 economic updates provided to stakeholders	Economic Updates completed for July and September.
	Economic update events to inform and create discussion on topics of relevance	2 economic update events held	Manawātū Growth Series Event held – Manawātū's Journey to being a top global agrifood hub - follow-up article published on CEDA.nz and distributed via 60 Seconds.
Work plan aligned to delivery of Statement of Service Performance	Development of Business Plan with outcomes on delivery of the Statement of Intent	Business Plan developed and delivered to shareholders by 31 October****	Business Plan developed and delivered to shareholders.

\*\*\*\* Dependent on Statement of Intent being signed off by 30 June 2019.





# Monitoring Indicators

In addition to our performance measures, the Shareholders have identified a further set of monitoring indicators. These indicators reflect outcomes at the regional level which are impacted by a range of factors outside of our control, for example; exchange rates, natural disasters, government policy. As the region's economic development agency, we have a role in monitoring and influencing these indicators where we can, however we do not measure the performance of our organisation against them.

The Councils have the responsibility to report on these indicators.

Indicator	2020	2021	2022	Regional target*
Change in total number of jobs	1.9% increase	1.9% increase	1.9% increase	1.9% average annual increase over three years.
Change in average salaries and wages	2.6% increase	2.6% increase	2.6% increase	2.6% pa increase.
Change in total earnings (salaries, wages and self-employment income)	3.7% increase	3.7% increase	3.7% increase	3.7% pa increase, average annual increase of \$104 million.
Change in total GDP and per capita GDP	1.8% GDP 0.6% per capita	1.8% GDP 0.6% per capita	1.8% GDP 0.6% per capita	1.8% average annual increase in total GDP. 0.6% average annual increase in per capita GDP.
Estimated population change - 65 years and over population (for demographic monitoring)	1,350 increase 530 increase	1,350 increase 530 increase	1,350 increase 530 increase	1,350 population increase pa, 1.2% average increase pa. Estimated 530 population increase pa, 3.3% pa.
Net overseas migration	660 gain	660 gain	660 gain	660 average annual net migration gain.
Spend by visitors in Manawātū region (domestic and international)	5.7% increase	5.7% increase	5.7% increase	5.7% pa increase, average annual increase of \$22 million.
Number of visitor nights in Manawātū region	1.6% increase	1.6% increase	1.6% increase	1.6% pa increase.
Change in MSD benefit numbers	1.6% decline	1.6% decline	1.6% decline	1.6% pa decline, average annual decline of 130 people.
Reputation of Manawātū / Palmerston North as a great place to live and do business**	1% increase	1% increase	1% increase	3% increase over 3 years.

\*excludes any annual inflation increase

\*\*as measured by UMR Research compiled 3 yearly, first measured 2016

# About CEDA

The Central Economic Development Agency (CEDA) is a Limited Liability Company incorporated and registered under the Companies Act 1993. CEDA commenced full operations in September 2016 and is a Council controlled organisation jointly owned by the Palmerston North City Council (50%) and the Manawātū District Council (50%).



## CEDA's Purpose and Principal Activities

The primary objective of CEDA is to drive and facilitate the creation and growth of economic wealth for Manawātū and beyond. CEDA's principal activities are directed by its Statement of Intent for the current year.

## CEDA's Constitution Objectives

- (a) The principal objectives of the Company are to achieve the objectives of the Shareholders, both commercial and non-commercial as specified from time to time in the Statement of Intent and, in particular, to drive and facilitate the creation and growth of economic wealth for Manawātū and beyond;
- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when reasonably able to do so.

## CEDA's Structure and Governance

The Board of up to seven (currently six) independent directors is responsible for the strategic direction and control of CEDA's activities.

The Board guides and monitors the business and affairs of CEDA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Company's Constitution and this Statement of Intent.

The Board's approach to governance is to adopt "good practice" with respect to:

- the operation and performance of the Board
- managing the relationship with the Chief Executive
- being accountable to all shareholders and reporting to the Joint Strategic Planning Committee of Manawātū District Council and Palmerston North City Council

The Chief Executive Officer is responsible for the day-to-day operations of CEDA, engaging and oversight of staff and reporting to the directors on performance against CEDA's objectives.







# Financial Performance

## Central Economic Development Agency Limited Group Statement of Comprehensive Revenue & Expense

For the 6 Months to December

Account	Notes	Jul-Dec 2019 (Unaudited)	Jul-Dec 2018 (Unaudited)	30 Jun 2020 (SOI)	30 Jun 2019 (Audited)
<b>Revenue</b>					
Council Funding	4	1,254,866	1,311,003	2,453,453	2,606,598
Other Services Revenue		328,947	393,750	605,927	777,772
Project Revenue		76,000	171,383	274,107	525,785
<b>Total Revenue</b>		<b>1,659,813</b>	<b>1,876,136</b>	<b>3,333,487</b>	<b>3,910,155</b>
<b>Cost of Sales</b>					
Other Services Expenses		440,182	419,276	714,369	944,380
Project Expenses		260,384	267,716	634,125	773,327
<b>Total Cost of Sales</b>		<b>700,566</b>	<b>686,993</b>	<b>1,348,494</b>	<b>1,717,707</b>
<b>Gross Surplus (Deficit)</b>		<b>959,247</b>	<b>1,189,143</b>	<b>1,984,993</b>	<b>2,192,448</b>
<b>Other Revenue</b>					
Interest Revenue		5,103	9,615	18,024	20,348
Sundry Revenue		420	373	0	1,677
<b>Total Other Revenue</b>		<b>5,523</b>	<b>9,988</b>	<b>18,024</b>	<b>22,025</b>
<b>Expenses</b>					
Depreciation		7,272	13,071	28,090	26,170
Directors' Fees		90,000	90,000	180,000	180,000
Employee Expense	5	756,665	834,534	1,564,689	1,718,255
Financing Expenses		235	410	500	825
Loss on Sale of Property Plant and Equipment		3,388	0	0	0
Other Operating Expenses	6	255,139	189,421	325,726	377,903
<b>Total Expenses</b>		<b>1,112,698</b>	<b>1,127,435</b>	<b>2,099,005</b>	<b>2,303,152</b>
<b>Surplus (Deficit) Before Taxation</b>		<b>(147,928)</b>	<b>71,696</b>	<b>(95,988)</b>	<b>(88,678)</b>
<b>Taxation</b>					
Income Tax Expense	7	0	20,075	0	0
<b>Total Taxation</b>		<b>0</b>	<b>20,075</b>	<b>0</b>	<b>0</b>
<b>Surplus (Deficit) after tax</b>		<b>(147,928)</b>	<b>51,621</b>	<b>(95,988)</b>	<b>(88,678)</b>



## Financial Performance

## Central Economic Development Agency Limited Group Statement of Comprehensive Revenue & Expense

For the 6 Months to December

Account	Jul-Dec 2019 (Unaudited)	Jul-Dec 2018 (Unaudited)	30 Jun 2020 (SOI)	30 Jun 2019 (Audited)
<b>Other comprehensive revenue and expense</b>				
Items that could be reclassified to surplus (deficit)	0	0	0	0
<b>Total Other comprehensive revenue and expense</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive revenue and expense</b>				
Total comprehensive revenue and expense	(147,928)	51,621	(95,988)	(88,678)
<b>Total comprehensive revenue and expense attributable to:</b>				
Palmerston North City Council	(73,964)	25,811	(47,994)	(44,339)
Manawatu District Council	(73,964)	25,811	(47,994)	(44,339)
<b>Total comprehensive revenue and expenses</b>	<b>(147,928)</b>	<b>51,621</b>	<b>(95,988)</b>	<b>(88,678)</b>

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Variations on comparatives from the previous Half Yearly Report, December 2018 are due to adjustments as part of the year end process. Income tax expense for December 2018 calculated prior to end of year changes resulting in a reduced tax expenses in December 2018 to a total of \$20,075.

## Financial Performance

### Central Economic Development Agency Limited Group Statement of Financial Position

As at 31 December

Account	Notes	31 Dec 2019 (Unaudited)	31 Dec 2018 (Unaudited)	30 Jun 2020 (SOI)	30 Jun 2019 (Audited)
<b>Assets</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	8	938,323	1,195,955	994,525	1,294,901
Receivables and Accruals	9	155,238	173,466	144,103	317,102
Prepayments		17,212	5,757	11,379	21,948
Inventories	10	0	13,721	13,721	10,140
<b>Total Current Assets</b>		<b>1,110,773</b>	<b>1,388,899</b>	<b>1,163,728</b>	<b>1,644,091</b>
<b>Non-Current Assets</b>					
Property, Plant and Equipment	11	39,814	91,729	79,774	78,631
<b>Total Non-Current Assets</b>		<b>39,814</b>	<b>91,729</b>	<b>79,774</b>	<b>78,631</b>
<b>Total Assets</b>		<b>1,150,587</b>	<b>1,480,628</b>	<b>1,243,502</b>	<b>1,722,722</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Payables and Deferred Revenue	12	310,086	300,942	230,454	654,009
Provisions		0	0	0	60,000
Employee Entitlements		56,746	55,419	55,419	49,877
Other Current Liabilities		0	52,286	52,286	27,153
<b>Total Current Liabilities</b>		<b>366,832</b>	<b>408,647</b>	<b>338,159</b>	<b>791,039</b>
<b>Total Liabilities</b>		<b>366,832</b>	<b>408,647</b>	<b>338,159</b>	<b>791,039</b>
<b>Net Assets</b>		<b>783,755</b>	<b>1,071,982</b>	<b>905,343</b>	<b>931,683</b>
<b>Equity</b>					
Contributed Capital	13	1,000	1,000	1,000	1,000
Retained Earnings		782,755	1,070,982	904,343	930,683
<b>Total Equity</b>		<b>783,755</b>	<b>1,071,982</b>	<b>905,343</b>	<b>931,683</b>

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Variations on comparatives from the previous Half Yearly Report, December 2018 are due to adjustments as part of the year end process.

## Financial Performance

## Central Economic Development Agency Limited Group Statement of Changes in Equity

For the 6 Months to December

Account	Jul-Dec 2019 (Unaudited)	Jul-Dec 2018 (Unaudited)	30 June 2020 (SOI)	30 Jun 2019 (Audited)
<b>Equity</b>				
Opening Balance	931,683	1,020,361	1,000,331	1,020,361
<b>Increases</b>				
Total comprehensive revenue and expense for the period	(147,928)	51,621	(95,988)	(88,678)
<b>Total Increases</b>	<b>(147,928)</b>	<b>51,621</b>	<b>(95,988)</b>	<b>(88,678)</b>
<b>Total Equity</b>	<b>783,755</b>	<b>1,071,982</b>	<b>905,343</b>	<b>931,683</b>
<b>Total comprehensive revenue and expense attributable to:</b>				
Palmerston North City Council	(73,964)	25,811	(47,994)	(44,339)
Manawatū District Council	(73,964)	25,811	(47,994)	(44,339)
<b>Total comprehensive revenue and expense</b>	<b>(147,928)</b>	<b>51,621</b>	<b>(95,988)</b>	<b>(88,678)</b>

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Variations on comparatives from the previous Half Yearly Report, December 2018 are due to adjustments as part of the year end process.

## Financial Performance

### Central Economic Development Agency Limited Statement of Cash Flows

For the 6 Months to December

Account	Jul-Dec 2019 (Unaudited)	Jul-Dec 2018 (Unaudited)	30 June 2020 (SOI)	30 Jun 2019 (Audited)
<b>Cash Flows from Operating Activities</b>				
Receipts of council funding	1,304,866	1,386,003	2,968,187	2,772,007
Interest received	3,763	6,957	18,024	14,618
Receipts from other operating activities	596,665	789,750	907,985	1,601,413
Income tax refunded/(paid)	(15,106)	(8,282)	17,811	(23,388)
GST	23,863	21,428	(219,263)	(8,046)
Payments to suppliers and employees	(2,269,594)	(2,152,532)	(3,570,162)	(4,213,920)
Finance costs	(235)	(410)	(500)	(825)
<b>Total Cash Flows from Operating Activities</b>	<b>(355,778)</b>	<b>42,914</b>	<b>122,082</b>	<b>141,860</b>
<b>Cash Flows from Investing Activities</b>				
Proceeds from sales of property, plant and equipment	28,157	0	0	0
Payment for property, plant and equipment	(28,157)	(27,925)	(34,500)	(27,925)
<b>Total Cash Flows from Investing Activities</b>	<b>0</b>	<b>(27,925)</b>	<b>0</b>	<b>(27,925)</b>
<b>Net Cash Flows</b>	<b>(355,778)</b>	<b>14,989</b>	<b>87,582</b>	<b>113,935</b>
<b>Cash Balances</b>				
Cash and cash equivalents at beginning of period	1,294,901	1,180,967	906,943	1,180,967
Cash and cash equivalents at end of period	939,123	1,195,955	994,525	1,294,901
<b>Net change in cash for period</b>	<b>(355,778)</b>	<b>14,989</b>	<b>87,582</b>	<b>113,935</b>

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements.

Variations on comparatives from the previous Half Yearly Report, December 2018 are due to adjustments as part of the year end process.





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# Notes to Accounts

## Accounting Policies

### 1. Reporting Entity

Central Economic Development Agency Ltd (CEDA) was established and commenced operations in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawatu District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002.

CEDA has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The financial statements of CEDA are for the 6 months ended 31 December 2019.

### 2. Statement of Accounting Policies

#### Basis of Preparation

The financial statements are prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period, unless otherwise stated.

#### Statement of Compliance

The financial statements of CEDA have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). CEDA is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

#### Presentation Currency

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### Historical Cost

These financial statements have been prepared on a historical cost basis.

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

## Notes to Accounts

### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured. Specific accounting policies for significant revenue items are explained below:

Sales of goods are recognised when the goods are sold to the customer.

Sales of services are recognised in the period by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Lease revenue is recognised on a straight-line basis over the life of the lease.

Interest received is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest method.

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Donated assets. Where a physical asset is gifted to or acquired by CEDA for nil consideration or at a subsidised cost, the asset is recognised at fair value. The difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of donated assets is determined as follows:

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

### Inventories

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus (deficit) in the period of the write-down.

### Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.



## Notes to Accounts

### Depreciation

Account	Method	Rate
Leasehold Improvements	Diminishing Value	10% - 40%
Office Furniture & Equipment	Diminishing Value	0% - 67%
Office Furniture & Equipment	Straight Line	10.5%
Plant & Equipment	Diminishing Value	10% - 20%
Vehicles	Diminishing Value	30%
Websites	Straight Line	40%

From 1 July 2018 all Office Furniture and Equipment purchases (excluding computer/IT equipment) has been depreciated using the straight line method of depreciation to better represent the reduction of the value of these assets over their useful life. This change will apply to all purchases of Office Equipment and Furniture (excluding Computer equipment) in future accounting periods.

As this change is a change in accounting estimates, no changes have been made to previously purchased assets in prior financial years, or the depreciate method on these assets in the current or future years.

### Income Tax

Income tax expense includes components relating to current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

## Notes to Accounts

### Receivables

Receivables are recorded at their face value, less any provision for impairment.

### Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

#### *Loans and receivables*

Impairment is established when there is evidence CEDA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits or bonds are recognised directly against the instrument's carrying amount.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

### Payables

Short-term creditors and other payables are recorded at their face value.

### Equity

Equity is the shareholders' interest in CEDA and is measured as the difference between total assets and total liabilities.

### Good and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

## Notes to Accounts

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

### Employee Entitlements

Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Short-term employee entitlements - Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned but not yet taken at balance date, and sick leave. These are classified as a current liability.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

CEDA does not provide for long service or retirement leave entitlements.

### Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a obligation (either legal or

constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expenses and is included in 'finance costs'.

### Leases - Where CEDA is the Lessee

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

### Critical accounting estimates and assumptions

In preparing these financial statements CEDA has made judgements, estimates and assumptions concerning the future.

These judgements, estimates and assumptions may differ from the subsequent actual results. Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

## Notes to Accounts

- Useful lives and residual values of property, plant, and equipment – refer to Note 11.
- Fair value of property, plant and equipment – refer to Note 11.

### *Critical judgements in applying accounting policies*

Management has exercised the following critical judgements in applying accounting policies:

- Funding received – refer to Note 4.

### **3. Subsidiaries**

CEDA consolidates in the group financial statements all entities where CEDA has the capacity to control their financing and operating policies so as to obtain benefits from the activities of the subsidiary. This power exists where CEDA controls the majority voting power on the governing body or where such policies have been irreversibly predetermined by CEDA or where the determination of such policies is unable to materially affect the level of potential ownership benefits that arise from the activities of the subsidiary.

CEDA has the power to appoint 100% of trustees of the Events Manawatū Trust. The consolidation of the Events Manawatū Trust into CEDA's financial statements has resulted in no change to the reported financial statements.

	<b>Jul-Dec 2019</b>	<b>Jul-Dec 2018</b>
<b>4. Council Funding</b>		
Palmerston North City Council	(958,910)	(1,000,004)
Manawatū District Council	(295,956)	(311,000)
<b>Total Council Funding</b>	<b>(1,254,866)</b>	<b>(1,311,003)</b>

Project income, as disclosed in the Statement of Comprehensive Revenue and Expense, includes income from Council's specifically received for project or other services delivery. This income is not included in Council Funding income.

<b>Council Funding included in Project Revenue</b>		
Palmerston North City Council	43,334	27,521
Manawatū District Council	6,666	4,234
<b>Total Council Funding included in Project Revenue</b>	<b>50,000</b>	<b>31,755</b>

Critical judgements in applying accounting policies - funding received

CEDA must exercise judgement when recognising project revenue to determine when conditions of the funding contract have been satisfied. As at 31 December 2019 nil (2018: \$43,245) has been recognised as a liability as the conditions attached to the receipt of this funding have not yet been met.



## Notes to Accounts

	Jul-Dec 2019	Jul-Dec 2018
<b>5. Employee Expenses</b>		
Salaries and wages	737,347	810,408
Employer contribution to Kiwisaver	17,991	20,525
Movement in employee entitlements	1,327	3,600
<b>Total Employee Expenses</b>	<b>756,665</b>	<b>834,534</b>
<b>6. Other Operating Expenses</b>		
Fees to Audit New Zealand for the audit of the financial statements	9,986	9,836
Consultants and legal fees	7,787	8,011
Other operating expenses	237,366	171,573
<b>Total Other Operating Expenses</b>	<b>255,139</b>	<b>189,421</b>
<b>7. Income Tax Expense</b>		
Net Profit (Loss) Before Tax	(147,928)	71,696
<b>Tax at 28%</b>	<b>20,145</b>	<b>57,085</b>
<b>Plus (less) tax effect of:</b>		
Non-deductible expenditure	0	0
Non-taxable income	0	0
Tax loss not recognised	41,240	0
Deferred tax adjustment	0	0
<b>Tax expense</b>	<b>0</b>	<b>20,075</b>
Change in 2018 comparative tax amount - Income tax expense for December 2018 was previously calculated prior to end of year audit changes resulting in a reduced tax expenses in December 2018 of \$20,075.		
<b>Components of tax expense</b>		
Current year	0	20,075
Deferred tax	0	0
<b>Total Deductions from Tax Payable</b>	<b>0</b>	<b>20,075</b>

## Notes to Accounts

	Jul-Dec 2019	Jul-Dec 2018
<b>8. Cash and Cash equivalents</b>		
CEDA Current Account	160,521	113,685
CEDA Money Market Account	700,000	1,000,000
CEDA Trust Account	77,802	81,471
i-SITE Petty Cash	0	800
<b>Total Cash and Cash equivalents</b>	<b>938,323</b>	<b>1,195,955</b>
<b>9. Receivables and Accruals</b>		
Accounts Receivable	91,754	133,418
Less: Provision for impairment	0	0
Income Tax	52,465	0
Accrued Interest	19	48
Funding Accruals	11,000	40,000
<b>Total Receivables and Accruals</b>	<b>155,238</b>	<b>173,466</b>
<b>Total Receivables and Accruals Comprise</b>		
Receivables from exchange transactions	39,742	67,348
Receivables from non-exchange transactions	115,496	106,406
<b>Total Receivables and Accruals Comprise</b>	<b>155,238</b>	<b>173,754</b>
<b>10. Inventory</b>		
i-SITE Retail Stock	0	13,721
<b>Total Inventory</b>	<b>0</b>	<b>13,721</b>

No inventories are pledged as security for liabilities.

The operations of the i-SITE were transferred to Palmerston North City Council from 1 October 2019.

## Notes to Accounts

**11. Property, Plant & Equipment**

	Opening Value	Accum Depn	Carrying Amount	Additions	Disposals	Depn	Closing Value	Accum Depn	Carrying Amount
Leasehold Equipment	19,093	6,068	13,025	0	5,721	477	13,372	4,023	6,827
Office Furniture & Equipment	71,956	41,446	30,510	0	7,376	2,127	64,581	25,533	21,007
Plant & Equipment	26,257	7,809	18,448	0	18,448	0	7,809	0	0
Vehicles	20,382	12,892	7,490	0	0	1,124	20,382	14,015	6,367
Websites	17,725	8,568	9,158	0	0	3,545	17,725	12,113	5,613
<b>Total</b>	<b>155,414</b>	<b>76,783</b>	<b>78,631</b>	<b>0</b>	<b>31,545</b>	<b>7,272</b>	<b>123,869</b>	<b>56,684</b>	<b>39,814</b>

There are no restrictions on title of CEDA's property, plant and equipment. No property, plant and equipment has been pledged as securities for liabilities.

The operations of the i-SITE were transferred to Palmerston North City Council from 1 October 2019.

All i-SITE assets were sold as part of the transfer.

**Jul-Dec 2019      Jul-Dec 2018****12. Payables and Deferred Income**

Accounts Payable	145,924	44,529
Accruals General	120,350	142,992
Funding in Advance	373	10,582
Funding in Advance - Major Events Fund	0	0
Funding in Advance - NZ AgriFood Week	0	43,245
Funding in Advance - International Education	0	0
GST	39,893	52,877
Income Tax	0	2,263
Operations Credit Card	3,545	4,454
<b>Total Payables and Deferred Income</b>	<b>310,086</b>	<b>300,942</b>

**Total Payables and Deferred Income Comprise**

Payables under exchange transactions	106,187	71,229
Payables under non-exchange transactions	203,899	229,713
<b>Total Payables and Deferred Income Comprise</b>	<b>310,086</b>	<b>300,942</b>

## Notes to Accounts

	Jul-Dec 2019	Jul-Dec 2018
<b>13. Equity</b>		
<b>Share Capital</b>		
Opening Balance	1,000	1,000
<b>Total Share Capital</b>	<b>1,000</b>	<b>1,000</b>
<b>Retained Earnings</b>		
Opening Balance	930,683	1,019,361
Current Year Earnings	(147,928)	51,621
<b>Total Retained Earnings</b>	<b>782,755</b>	<b>1,071,982</b>
<b>Total Equity</b>	<b>783,755</b>	<b>1,702,982</b>

Each fully paid ordinary share confers on the holder one vote at a meeting of the company, a share in distributions approved by the Directors, and a share in distribution of the surplus assets of the company on dissolution.

At balance date there were 1,000 shares on issue.

**14. Key personnel compensation**

<b>Directors</b>	2018	2017
Remuneration	90,000	90,000
Full-time equivalent members	6	6

Due to the difficulty in determining the full time equivalent for Directors the full time equivalent figure is taken as the number of Directors.

**15. Related Parties**

CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002. As per the constitution the shareholders of CEDA being Palmerston North City Council and Manawātū District Council, are responsible for the appointment of the Board of Directors.

All transactions conducted with related parties, other than as detailed below, have been under normal supplier/client relationship terms and at arm's length.

<b>Revenue</b>		
Westpac is naming sponsor of the Manawātū Business Awards, Malcolm Bailey and Sue Foley are Directors of Westpac. Money was received for sponsorship of the awards. GST Inclusive.	0	28,750
<b>Total Revenue</b>	<b>0</b>	<b>28,750</b>



## Notes to Accounts

	Jul-Dec 2019	Jul-Dec 2018
<b>Accounts Receivable</b>		
Westpac	0	28,750
<b>Total Accounts Receivable</b>	<b>0</b>	<b>28,750</b>

**16. Financial Instruments****Financial Assets****Loans and Receivables**

Accounts Receivable	91,754	133,706
Accrued Interest	19	48
Cash and cash equivalents	938,323	1,195,955
Funding Accruals	11,000	40,000
<b>Total Loans and Receivables</b>	<b>1,041,096</b>	<b>1,369,709</b>
<b>Total Financial Assets</b>	<b>1,041,096</b>	<b>1,369,709</b>

**Financial Liabilities****Financial Liabilities at amortised cost**

Payables	(257,248)	(247,222)
Unsettled Tickets	0	(52,286)
<b>Total Financial Liabilities at amortised cost</b>	<b>(257,248)</b>	<b>(299,508)</b>
<b>Total Financial Liabilities</b>	<b>(257,248)</b>	<b>(299,508)</b>

**17. Operating leases as lessee**

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

**Operating leases as lessee**

Not later than one year	50,084	128,013
Later than one year and not later than five years	0	49,177
Later than five years	0	0
<b>Total non-cancellable operating leases</b>	<b>50,084</b>	<b>177,190</b>

The i-SITE operations were transferred to Palmerston North City Council effective 1 September 2019. Prior to the transfer the i-SITE building was leased from the Palmerston North City Council.

The office space located at Level 1, 478 Main Street, Palmerston North, has a lease term to June 2020. The current conditions are a monthly lease charge with a notice period of 3 months.

**18. Events after balance date**

There are no significant events after balance date.



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## Partner Organisations

Current partner organisations that CEDA works with:

### Local

Feilding and District Promotions  
FoodHQ  
IPU New Zealand  
Lamberts  
Manawatū Chamber of Commerce  
Manawatū District Council  
Manawatū Standard  
Manfeild  
Massey University  
MediaWorks  
National Driver Training Centre  
Palmerston North City Council  
Palmerston North Airport  
Regional Schools  
Spearhead Manawatū  
Sport Manawatū  
Talent Central  
Te Au Pakihi  
Te Manawa  
The Factory  
UCOL  
Venues and Events Palmerston North

### Regional

Accelerate 25  
Te Pae Tawhiti  
Business Central and Export NZ  
Horizons Regional Council  
Horowhenua and Company  
Horowhenua District Council  
Ruapehu District Council  
Rangitikei District Council  
Tararua District Council  
Te Mana Atatu  
Whanganui and Partners  
Whanganui Chamber of Commerce  
Whanganui District Council

### National

Air New Zealand  
ASB  
Business Mentors New Zealand  
Callaghan Innovation  
Conventions and Incentives New Zealand  
Economic Development New Zealand  
Education New Zealand  
Immigration New Zealand  
i-SITE New Zealand  
Ministry of Business, Innovation & Employment  
Ministry of Social Development  
New Zealand Events Association  
New Zealand Trade and Enterprise  
New Zealand Media and Entertainment  
New Zealand Motor Caravan Association  
Regional Tourism New Zealand  
Regional Business Partners Network  
Regional Tourism Organisations New Zealand  
Stuff  
Tourism New Zealand  
Westpac





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**CEDA**  
CENTRAL ECONOMIC  
DEVELOPMENT AGENCY

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## **Joint Strategic Planning Committee**

Meeting of 12 March 2020

Business Unit: Community and Strategy  
Date Created: 04 March 2020

### **Presentation of the Central Economic Development Agency's Draft Statement of Intent 2020/21**

#### **Purpose**

To present the Central Economic Development Agency's (CEDA) Draft Statement of Intent 2020/21.

#### **Significance of Decision**

The Council's Significance and Engagement policy is not triggered by matters discussed in this report.

#### **Recommendations**

That the Central Economic Development Agency Draft Statement of Intent 2020/21 be received.

Report prepared by:  
Brent Limmer  
General Manager - Community and Strategy  
Manawātū District Council

Sheryl Bryant  
General Manager Strategy and Planning  
Palmerston North City Council

Approved for submission by:  
Brent Limmer  
General Manager - Community and Strategy

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## **1 Background**

- 1.1 CEDA is a Council Controlled Organisation (CCO) under the Local Government Act 2002 and is jointly owned by Palmerston North City Council and Manawātū District Council. A CCO must deliver a draft Statement of Intent (SOI) to shareholders by 1 March each year and a final SOI by 30 June.
- 1.2 The Board has two months from 1 March to consider any comments of the shareholders before delivering its final SOI in June. At that stage, the Councils agree to the SOI, or if they do not agree, take all practicable steps to require the SOI to be modified.

## **2 Discussion and Options considered**

- 2.1 CEDA's draft SOI is attached for any comment the Committee may want to provide for the Board's consideration in finalising the SOI.
- 2.2 The Committee can either receive the SOI as presented or make suggestions for change to a greater or lesser extent.
- 2.3 CEDA is obliged to consider shareholders' comments then decide whether or not to make any changes to the draft when finalising the SOI before 30 June.
- 2.4 In developing its SOI, CEDA has considered a Letter of Expectations from its Shareholders.

## **3 Operational Implications**

- 3.1 There are no operational implications as a result of this report.

## **4 Financial implications**

- 4.1 There are no financial implications as a result of this report. Manawātū District Council and Palmerston North City Council have both made financial provision for the service contract with CEDA.

## **5 Statutory Requirements**

- 5.1 The Local Government Act 2002 section 64 requires that "Every council-controlled organisation must prepare and adopt a statement of intent in accordance with Part 1 of Schedule 8".
- 5.2 The Local Government Act 2002 Schedule 8 Part 1 requires that:

“(1) *The board of a council-controlled organisation must deliver a draft statement of intent—*

(a) *to its shareholders; and*

(b) *in the case of an organisation that is indirectly controlled by 1 or more local authorities (for example, a subsidiary of a*

*holding company owned by a local authority), to each local authority that indirectly controls the organisation.*

- (2) *The draft statement of intent must be delivered on or before 1 March in the year preceding the financial year to which the draft statement of intent relates."*

## **6 Delegations**

- 6.1 In relation to the Central Economic Development Agency Limited (CEDA), the Joint Strategic Planning Committee has the function, power, and duty under the Local Government Act 2002 and/or the Companies Act 1993:

*"v. To agree with the Statement of Intent of CEDA or, if the Joint Committee does not agree, to take all practical steps to require a Statement of Intent to be modified, as per section 65 of the Local Government Act 2002."*

## **7 Consultation**

- 7.1 There are consultation requirements as a result of this report.

## **8 Cultural Considerations**

- 8.1 There are no cultural considerations as a result of this report.

## **9 Conclusion**

- 9.1 The CEDA Draft Statement of Intent 2020/21 is ready for consideration by the Committee.

## **10 Attachments**

- CEDA Draft Statement of Intent 2020/21



# Statement of Intent

for the year ending  
30 June 2021

1 March 2020



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*Cover image: He Ara Kotahi*

*Inside front cover: Te Marae o Hine (Daughter of Peace), The Globe Theatre*

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## Company Directory

### Central Economic Development Agency Limited Ltd

Level 1, 478 Main Street  
Palmerston North 4410

☎ 06 350 1830  
📧 CEDA.nz

### Chief Executive

Linda Stewart

### Directors

Malcolm Bailey (Chairperson)  
Shamubeel Eaqub  
Susan Foley  
John Fowke  
Blair O'Keeffe

### Registered Office

Morrison Creed Advisory  
First Floor/236 Broadway Avenue, Palmerston North

### Bankers

Westpac New Zealand Ltd

### Auditors

Audit New Zealand (on behalf of the Office of the Auditor General)

### Legal Status

Central Economic Development Agency Limited ("CEDA") was incorporated in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawātū District Council (50%) CEDA is a Council Controlled Organisation as defined in section 6 of the Local Government Act 2002.



## Foreword

Tēnā Koutou Katoa

While the New Zealand economy is growing at a reasonable pace, albeit slower than in recent years, there are global factors such as Brexit and Covid-19 that will undoubtedly have an impact through the latter part of 2020 and into 2021. While Brexit presents opportunities as well as risks, the likely economic impact of Covid-19 is more difficult to quantify; we have not seen a situation in recent times where we will face both demand and supply shocks, so our response to the most affected businesses and communities must be targets. For New Zealand, and particularly for Manawatu, we are heading into this in a more fortunate position, in a solid economic state, than many other countries and regions.

We are expecting unprecedented levels of investment coming into the region over the next ten years, mainly from central government and local government. You could say that this is long overdue, and making up for historically low levels of investment, but nonetheless, it is a confidence boost for the people and businesses in Manawātū and is already serving to attract interest and investment from the private sector.

With this growth comes the need to consider if our whole community is benefiting from it; from our whānau, to our environment, right through to the quality of life we can offer in Palmerston North and Manawātū. Our region must work together if we are to rise to the opportunities and challenges ahead of us; attracting people, capital and innovative, smart businesses; increasing our profile nationally and internationally, and relentlessly promoting the comparative advantages our region offers.

CEDA has led the development of a cohesive and ambitious strategy for the region, in conjunction with shareholders and regional partners, with three clear goals to be achieved by 2025; Manawātū is recognised as one of the top three agrifood hubs in the world, Manawātū is a leading distribution hub and leverages off its role in central New Zealand, and Manawātū is renowned for its exceptional lifestyle, competitive advantages and is a magnet for investment, business and talent.

CEDA is one part of our regional development ecosystem, and these goals will only be achieved through partnerships and a shared vision for what is possible. Our work over the past year with organisations such as Sprout, The Factory, FoodHQ, Rural Innovation Lab, Massey University, UCOL and Talent Central have helped

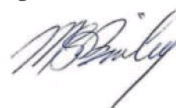
us to make real progress in attracting investment, accelerating innovation, developing talent, and improving the perception of our region nationally. The momentum we have collectively started remains a priority for us as we look to our programme of work for this coming year.

This clarity of focus is echoed in our Shareholder Letter of Expectation for 2020/21 which reinforced the need for us to remain focused on three strategic objectives and concentrate our resources on areas where we can create the greatest impact. These are to build a talent pipeline for the region, to retain and grow businesses in the region, and to attract national and international investment to the region. The reorganisation of our structure and team in mid-2019 ensured that we were positioned with the capability to respond and deliver to these strategic objectives, and now as we look to 2020/21, we will continue to sharpen our focus, hone our programmes and initiatives, and continue to seek improved ways in which to quantify the impact of our interventions.

We are projecting a deficit in 2020/21 which is indicative of our ongoing investment into significant programmes of work such as the freight hub, integrated transport plan, and surrounding commercial investment opportunities, the implementation of year three of the Manawātū Agritech Strategy and support for the FoodHQ future proofing the New Zealand food industry project, the implementation of the Manawātū Destination Management Plan, and the roll out of the regional profile for talent, business and investment.

We would like to take this opportunity to thank our shareholder councils for their ongoing support of CEDA, our partners across the region and New Zealand, central government, the CEDA Board of Directors, and most importantly, the whole of the team at CEDA who give their very best every day to supporting the growth and prosperity of Manawātū and beyond.

Ngā mihi nui ki a koutou katoa,



Malcolm Bailey  
Chairperson

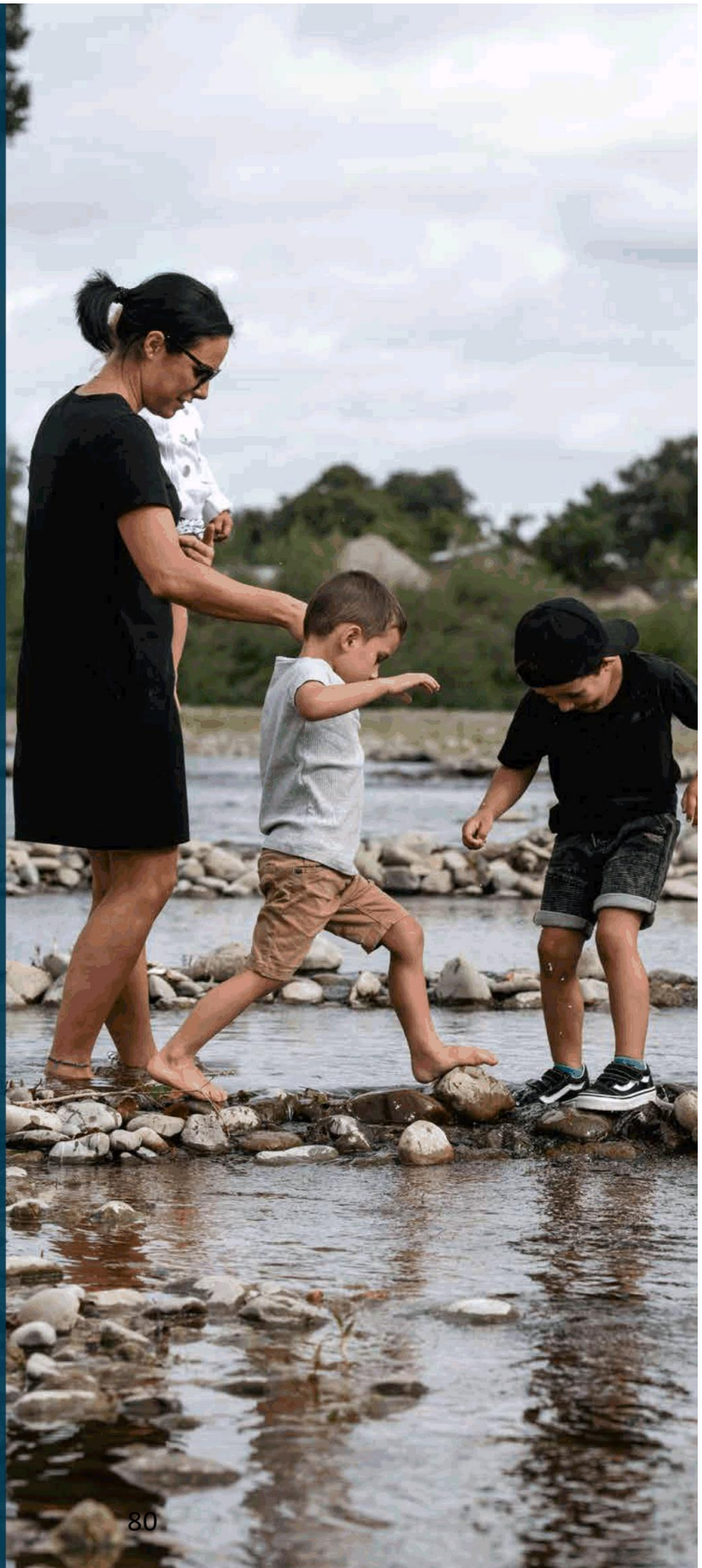
***Our region must  
work together  
if we are to  
rise to the  
opportunities  
and challenges  
ahead of us***

## Purpose of the Statement of Intent

This Statement of Intent is presented by Central Economic Development Agency Limited (CEDA) in accordance with the requirements of Section 64(1) of the Local Government Act 2002 (LGA 2002).

In accordance with the Local Government Act 2002, this annual Statement of Intent publicly states the activities and intentions of CEDA for the next three years, and the objectives to which those activities will contribute.

This Statement of Intent takes the shareholder letter of expectation comments into consideration and includes performance measures and targets as the basis of organisational accountability.





## About CEDA

The Central Economic Development Agency (CEDA) was incorporated with the Companies Office in October 2015 and began full operations in September 2016. CEDA is a Council Controlled Organisation jointly owned by the Palmerston North City Council and the Manawātū District Council.

### CEDA's Purpose

To drive and facilitate the creation and growth of economic wealth for Manawātū and beyond.

### CEDA's Constitution Objectives

- (a) The principal objectives of the Company are to achieve the objectives of the shareholders, both commercial and non-commercial as specified from time to time in the Statement of Intent and, in particular, to drive and facilitate the creation and growth of economic wealth for Manawātū and beyond;
- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when reasonably able to do so.

### CEDA's Structure and Governance

The Board of up to seven (currently six) independent directors is responsible for the strategic direction and control of CEDA's activities.

The Board guides and monitors the business and affairs of CEDA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Company's Constitution and this Statement of Intent.

The Board's approach to governance is to adopt "good practice" with respect to:

- the operation and performance of the Board
- managing the relationship with the Chief Executive
- being accountable to all shareholders and reporting to the Joint Strategic Planning Committee of Manawātū District Council and Palmerston North City Council

The Chief Executive is responsible for the day-to-day operations of CEDA, engaging and oversight of staff and reporting to the directors on performance against CEDA's objectives.

# Our Vision

## Manawatū 2025; New Zealand’s most progressive region

Our vision is bold and purposefully so, it encompasses the ambitions of both our shareholder Councils. It requires our region to move from comfortable to ambitious, from reactive to future focused, and to move with an increased cadence and sense of resolve. We believe that Manawatū has the leadership and the ingredients to reposition itself on the national stage - a vibrant and innovative region that will be first choice for talent, business and investment.

Our three big goals that show we are on our way to achieving this vision are:



Manawatū is recognised as one of the top three agrifood hubs in the world



Manawatū is a leading distribution hub, and leverages off its role in central New Zealand



Manawatū is renowned for its exceptional lifestyle, competitive advantages, and is a magnet for investment, business and talent

To achieve this vision CEDA must work in partnership with our shareholders, central government, Māori, local iwi, industry and other regional stakeholders - it cannot be achieved alone.







Feilding Farmers Market

# Our Strategic Objectives

## Achieving our vision

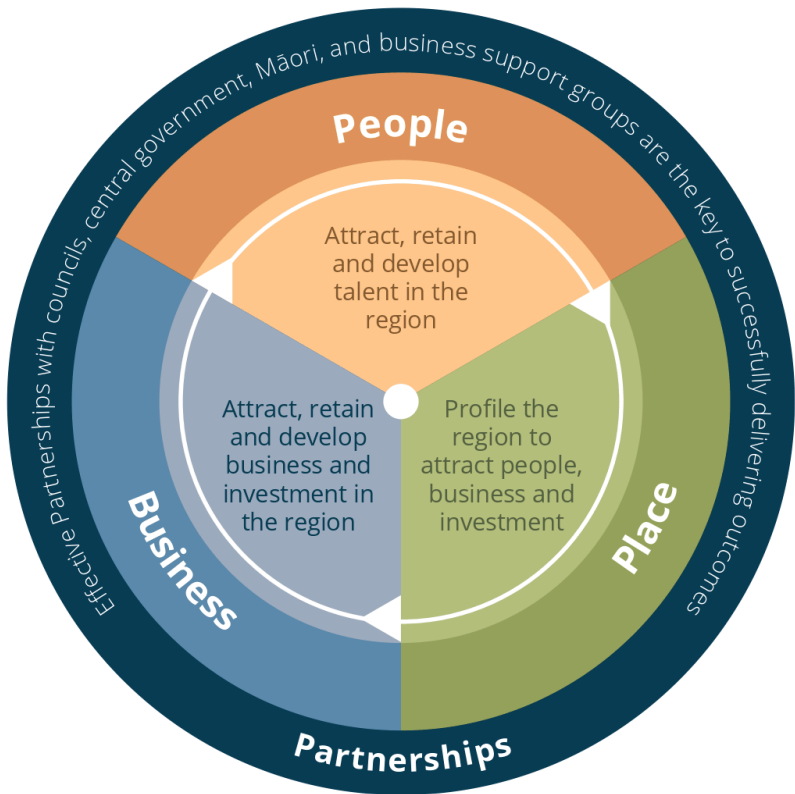
CEDA works across the three strategic pillars of economic development; People, Place and Business, and our success is underpinned and enabled by the strength of our relationships with our regional and national partners.

Our core objectives, programmes and activities are all aligned to these pillars, and are designed to create the environment, stimulus, outcomes and impact that will power our economic prosperity and achieve our vision for Palmerston North city and Manawātū district.

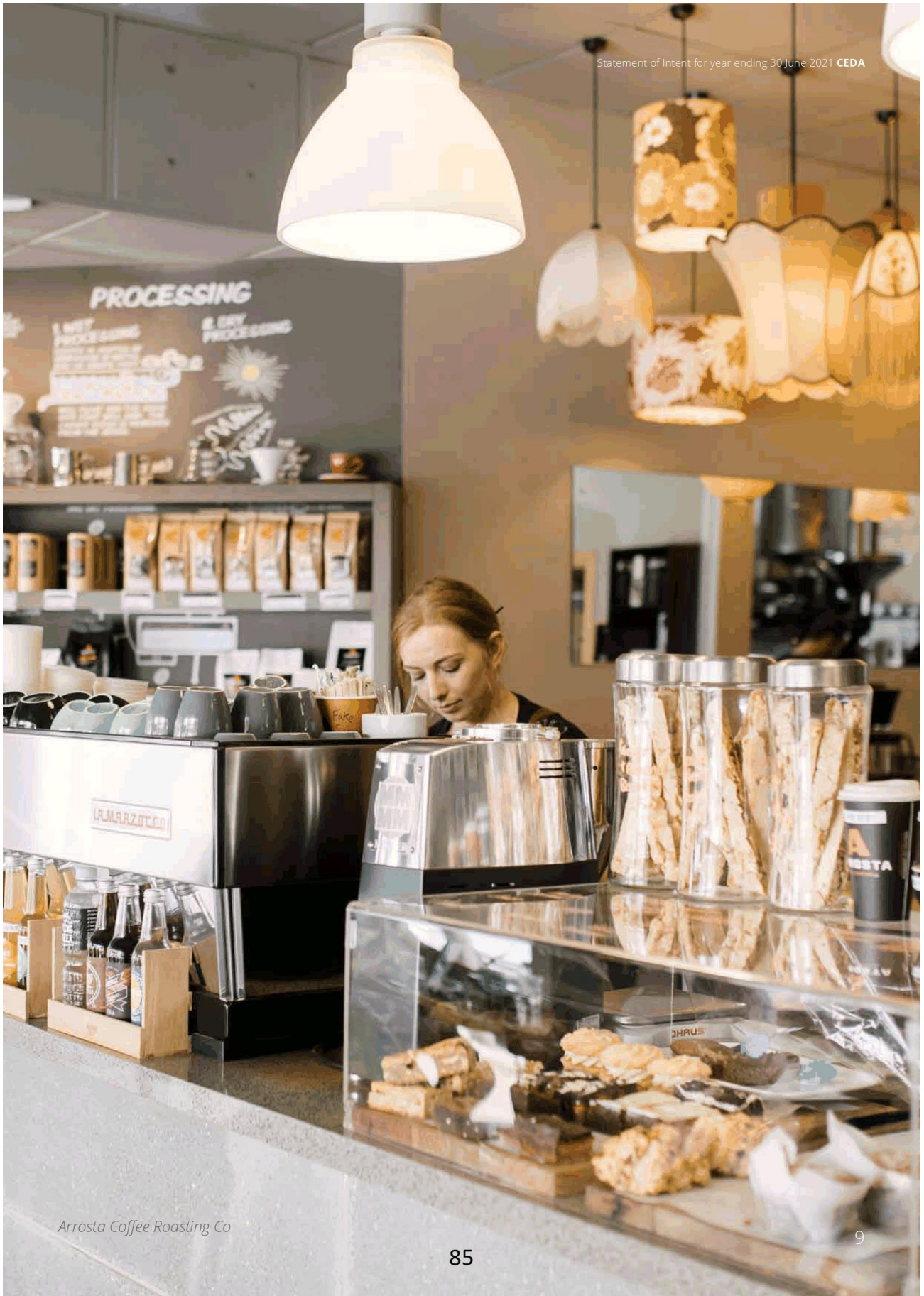
These key objectives guide the development of our short and medium-term programmes of work as articulated through this Statement of Intent for 2020/21.

When considering how to prioritise our efforts, and based on our current resources and functions, we focus on programmes and activities that offer the greatest opportunities for economic prosperity.

These are identified through research, monitored and reviewed using the latest data, and viewed through a regional, national and international lens.







Arrosta Coffee Roasting Co



# What We Do



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Beta Solutions



# Attract, retain and develop talent in the region

**Kia whakamanea, kia mau, kia whakawhanake i nga taranata o te rohe**

Through our data and research, we know that the biggest barrier to business growth in the region is the ability to attract the right people for the job. The development of a talent pipeline for the region that includes the attraction of those with the skills and experience our businesses need, the training and development of the people they already have, the recruitment of domestic and international students to the region, along with an understanding of the future needs of our sectors and businesses is key to the region being able to grow and prosper by 2025, becoming recognised for our exceptional lifestyle and competitive advantages.

## ***Develop the talent pipeline to grow a skilled workforce and better utilise the existing labour market***

Ensuring we have the right talent and skills in the region is critical in ensuring Manawātū is positioning itself as one of the top three agrifood hubs in the world and cementing our strength as a distribution and logistics hub. It's not just about attracting more people to our region; it's also about developing the talent and skills that are already here, and where, as a region we need people the most, both now and into the future.

## **Understanding the future of work and preparing our region for change**

Globally our ways of working are changing. As a region we need to better understand the challenges and opportunities that lie ahead and the possible impacts on our labour force, our sectors of strength and therefore our economy. This ensures we are prepared and ahead of the changes as they hit our region and community.

Working in partnership with Massey University, UCOL, and our business community, CEDA will lead the development of a Future of Work project, to better understand what skills we

will need for our future, enabling the region to become recognised for our exceptional career opportunities and helping in the development of the future talent pool.

## **Implementing a Talent Attraction and Retention Strategy to address regional skills gaps**

### **Recruiting talent to the region**

Our regional skills gap analysis, completed in 2018, identified that the labour market in our region is constrained across many sectors, and in specific qualifications, skills and roles. We have used this data and our primary sector skills research to inform the development of a Talent Attraction and Retention Strategy that focuses on talent attraction, reception, integration and reputation as well as management of the talent ecosystem.

CEDA established a Manawātū Talent and Skills working group with representatives from business, education and community stakeholders, including iwi and pasifika. The working group ensures connectedness to the needs of our business community, labour market and wider community, enabling us to identify challenges, opportunities and trends in talent attraction to our region. The functions of the working group are many, but importantly, it drives a collaborative and cohesive approach to communicating the region's strengths and profiling success stories of people moving to

the region through targeted marketing.

A primary focus for CEDA this year will be a talent attraction campaign as a part of the Talent Attraction and Retention Strategy implementation. This will be done in partnership with our stakeholder and business community and target the specific skills needed in our region.

#### **Growing career opportunities**

To further support the development of the talent pipeline in our region, we will look to grow the number of businesses on the dedicated recruitment platform NxtStep, providing them with a national and well recognised platform to promote the career opportunities in their business and an additional channel to help them to find the skills and talent they need.

Showcasing the types of companies and career opportunities available in the region is crucial to retaining and attracting skilled talent.

This targeted approach will also increase the engagement with graduates and tertiary students from across New Zealand, providing linkages to get them on their career path quickly and easily following their studies.

#### **Te Aho Tāmaka programme – growing future leaders**

Te Aho Tāmaka programme reaches out to highly accomplished individuals, who have a strong connection to Manawatū. It celebrates our leaders who are making a difference, both globally and in New Zealand, who are positively contributing to their communities and industries.

Te Aho Tāmaka is an integral part of CEDA's commitment to attract, retain and develop talent in the region, as well as raising the national and international profile of Manawatū. We are building a network of renowned leaders and advocates, who can foster pride in the region, raise our profile, connect, develop and grow our future leaders and ultimately support us to build a stronger and more prosperous economy and region. This is achieved through the identification of new leaders, engagement with current leaders and connecting them to people and business in the region through mentoring and engagement opportunities.

### **Developing the skills in our region and supporting job opportunity connections**

#### **Special Projects Skills Hub - developing pathways for employment**

The current period of economic growth in the region means that our labour market faces continued pressure to meet the supply of skilled civil construction workers, drivers, engineers, and tradespeople, so a collaborative approach to addressing these skills shortages is imperative.

Through our partnership with Talent Central, we are supporting the establishment and development of an employment hub - The Special Projects Skills Hub - and participate on the advisory group to it. The Hub is designed to connect those seeking training and employment in distribution, logistics, and civil construction, with a workplace brokering service; connecting and matching them to employers with vacant positions who can provide them with the training and support they need to progress in these industries.

#### **Sort It Careers Expo – developing skills in the region**

Further to developing people and skills within the region, CEDA showcases job and career opportunities to secondary school students, those returning to work or newly relocated to the region, and those looking for a change of direction. The Sort it Careers Expo gives the opportunity to explore the different types of careers and pathways to employment available to them, by engaging with training providers, industries and businesses directly. The Expo enables industries or sectors that are experiencing growth an opportunity to future proof their industry by ensuring they have access to future generations of skilled workers.







## Implementation of the action plan as a result of the primary sector skills gaps analysis

### Developing pathways to employment for the primary sector

Through the primary sectors skills gap analysis, migrant opportunities were identified as one of the keys to supporting immediate and short-term skills needs. It was also identified that investing in developing, training and motivating local people to consider job opportunities in the food production industry is essential.

Developing a strong pipeline of talent to support the growth of the primary sector is also necessary for the implementation of the Manawātū Agritech Strategy and becoming recognised as a global agrifood hub.

Developing a strong pipeline of talent to support the growth of the primary sector is also a necessity to implementing the Manawātū Agritech Strategy.

CEDA will partner with Talent Central to develop and support pathways to employment in the primary sector, particularly from secondary school into employment across the spectrum from low, to mid and highly skilled roles, including the ongoing development of the Primary Industries Sector Spotlight at the Sort It Careers Expo.

### Increase the employability of migrants

Our Regional Partnership Agreement with Immigration New Zealand will continue to be used to provide an additional lever to connect businesses with the international talent and skills they need to meet immediate skills pressures.

Further to this work, CEDA will focus on developing employers' awareness and capability through the development of resources and workshops which will also include international students, to help employers better understand the opportunities available to them, how they can work through the process of employing immigrants, and how they can work with migrants to ensure the best outcomes to their businesses.



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***Deliver information, advice, programmes and initiatives to attract more international students to the region***

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**Increase the value of international students in the region**

International education and the recruitment of international students to the region is a critical component of developing the regions skills and capability as well as the economic value that they bring.

The International Education Strategy 2016-2020 was developed to enable CEDA to support the region's schools and tertiary providers to increase the number of international students studying here. In partnership with the International Education Leadership Group comprising education industry leaders, and with the support of Education New Zealand, CEDA focuses on the areas of student recruitment through marketing of the region and engagement with education agents, the experience of students while they are in the region, and developing pathways to get students into employment once they have finished their studies.

**Recruitment and profiling the region**

Focusing on recruitment is critical and we will do this by profiling the city and region to targeted international markets through CEDA's media avenues and networks. Local education providers engage in activities and initiatives year-round to attract international students to their institute and to the region and CEDA will support these providers by providing marketing and communications support, by way of resources that profile the city and region and showcase Manawātū as a great place to study and start a career. We will ensure providers can easily and consistently rely on these materials, exploring new ways in which they can be provided.

Education agents are a key driver in being able to communicate with a wide range of international markets. Agent engagement activities with local secondary and tertiary education providers is essential to profiling the region to support students choosing to study here. It is important those working in the international education sector across the country are aware of what Manawātū has to

offer, and CEDA will facilitate opportunities for regional providers to foster relationships with agents, building on the positive perception agents have of Manawātū and ensuring they are ambassadors for the region when working with potential students.

**Enhance the experience of international students**

To ensure that our international students have a great experience while they are here, assist in connecting these students into employment opportunities and to attract students to the region, CEDA will work alongside education providers, PNCC and other key stakeholders to identify opportunities to help integrate international students into the local community. This includes the support of Mayoral Welcomes and Student Connect events that enable the students to make connections with students from other institutes. CEDA will deliver six cross institutional engagement activities with tertiary sector partners this year.

**Increase the employability of international students**

The opportunity for international students to stay in the region and gain employment opportunities after they have completed their studies continues the economic value they bring to the region and supports filling identified regional skills gaps.

In partnership with Education New Zealand, CEDA completed a central regions employability project to create opportunities for increased pathways into local employment. As a result, in partnership with the central regions (Venture Taranaki Trust and Whanganui and Partners) employability resources have been created to support both tertiary providers and employers.

Through the development of these new resources, and focusing this year on the implementation of workshops with international students, industry groups, and local employers, CEDA will support these students in their endeavors to find work in our region, or New Zealand, as well as enable our employers to be better prepared to employ a more diverse workforce.

# Attract, retain and develop business and investment in the region

**Kia whakamanea, kia mau tonu, ka whakawhanake i nga pakihi me nga haumi o te rohe**

Business development and expansion in the region, and attracting business and investment to the region, is at the core of economic development and at the forefront of CEDA's objectives for Manawatū to be a leading distribution hub, be recognised as one of the top three agrifood hubs in the world, and a magnet for investment, business and talent. We have a strong competitive edge to achieve these outcomes with our central location, comparatively affordable land and development costs, a diverse labour pool, and a growing culture of innovation and entrepreneurship.

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## ***Support our sectors of strength to grow through targeted business development actions, retention initiatives and activities***

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CEDA's work is focused on the prioritisation of sectors of strength including the visitor and agritech sectors. This includes implementation of sector strategies, strategically targeted conferences, business retention initiatives, programmes aimed at supporting small and medium sized businesses and fostering innovation. This work makes a direct contribution to Manawatū becoming the most progressive region by 2025.

## **Support opportunities for growth**

### **Destination Management Plan**

The Destination Management Plan was developed to establish a shared vision and plan on what the future of the visitor sector for Palmerston North city and Manawatū district will look like, taking into consideration the perspectives of both our residents and visitors.

This year, we will focus on implementing year one and two of the action plan which will include developing a compelling value proposition through the Regional Identity project to position the city and region externally, strengthening industry partnerships and supporting the growth and development of products and experiences.

A specific focus will be given to building the capability of key visitor sector operators to work in the tourism trade space, which in turn will stimulate growth in the visitor economy and provide quality experiences for visitors and residents alike. This includes the continued development and growth of The Country Road programme, trade and industry partnerships, driving the development of cultural and agri tourism, and our core functions as the Regional Tourism Organisation for Palmerston North and Manawatū.

The Destination Management Plan will remain a 'live' document to ensure we can respond to changing trends and opportunities while keeping the vision and purpose front and centre. Working with key stakeholders and partners including councils, mana whenua, national body organisations such as Air New Zealand and Tourism New Zealand, will ensure a coordinated and targeted approach now and into the future.

The cohesive approach to managing the growth of the visitor sector in our region will enable us to leverage and target investment into the region through central government funding channels, such as the Tourism Infrastructure Fund and Provincial Growth Fund, as well as commercial investors.

### **Manawatū Agritech Strategy**

Manawatū's deep agritech innovation ecosystem is being developed as part of our goal to strategically position the region as one of the top three agrifood hubs in the world by 2025. The Agritech Strategy gives life to this goal, with various stakeholders responsible for delivery including FoodHQ, Sprout and The Factory.

Implementation of the Strategy initiatives will continue through Massey University (Horticulture Immersion Programme), the Rural Innovation Lab, FoodHQ, and Talent Central.

CEDA leads the implementation of the Strategy and 3-year plan, and supports a number of initiatives such as the Roaming Networker Programme, which gathers market intelligence on research and development and investments in the region, and the Global Sprout Accelerator.

CEDA will lead the development of a communications and public relations cluster to develop a targeted and systemic media campaign to ensure our city and region becomes synonymous with the word 'agrifood hub'. This will ensure that as a region, we are collectively showcasing our strengths and successes to build pride and awareness in our people, New Zealand and beyond, while building our profile and recognition as one of the world's top agrifood hubs, further lifting our ability to attract Investment, business and talent.

This will inform our work in Inward Investment and Destination Management and will align with the Regional Identity project and narrative.

### **New Zealand AgriFood Week and Pint of Science**

New Zealand AgriFood Week plays a crucial part in the strategic positioning of the region as a global agrifood hub.

The Week is about excellence in agrifood and agritech, inspiring the next generation of farmers, scientists, innovators and consumers. Key partners include our shareholder councils, ASB, AgResearch, FoodHQ, Fonterra, Rural Innovation Lab, Rangitāne, and the World Wildlife Fund.



*Biolumic UV technology*

A three-year foundational strategy has been developed to position the Week at the intersection of agriculture, science and technology, and to strategically develop the Week to become nationally and then globally recognised.

CEDA will implement year two of the three year strategy in 2020/21 and will build on initiatives already undertaken including enhanced branding and marketing, partnerships, greater audience focused content, the attraction of international speakers and strategically selected partner events. Specific initiatives in year two also include securing greater external funding, a deepened events programme and establishing the foundation for a 365 day a year digital hub of themed content.

Pint of Science is an internationally co-ordinated event that brings scientists, academics and local residents together to connect audiences with futuristic thinking and the latest scientific discoveries. The event enables our region to further build our profile as a global agrifood hub, showcasing the 3,900 people employed in science and research in our region and growing awareness among our communities of the exceptional work happening here.

## **Retain businesses in the region through engagement and identification of barriers to growth**

### **Business Retention Strategy**

Cities and regions that are competitive in attracting and retaining investors have well defined business retention strategies. CEDA is an important link between businesses, local government, support institutions, and state regulatory bodies, and it is through these collaborative partnerships that CEDA will develop a Business Retention Strategy.

The Strategy will include monitoring business sentiment and confidence, investor after-care, and support for businesses expanding in the region through helping businesses to overcome barriers to investment and expansion. This will ensure that existing investors and companies continue to play a vital part in our local economy; both in terms of contribution to growth in regional Gross Domestic Product and employment creation.

## **Develop and grow business**

### **Regional Business Partner Programme**

CEDA supports small to medium businesses through delivering the Regional Business Partner Programme on behalf of New Zealand Trade and Enterprise, Callaghan Innovation and Business Mentors New Zealand, in the Manawatū-Whanganui region.

The programme is a vital component of CEDA's economic development work as it builds the capability of businesses through connections to expertise and resources. This includes business planning and sustainability, research and development support, financial management and systems, marketing and sales, exports, succession planning and governance. The programme further offers deeper mentorship for a period up to twelve months if required. Increased business capability leads to increased staff retention, business competitiveness, expansion and growth.

The New Zealand National Small Business Strategy, released by the Small Business Council in July 2019, indicates that access to finance, sourcing skills, investing in training and development and regulatory compliance are major challenges facing small businesses. We will work with regional district councils, economic development agencies and approved service providers to increase awareness of the Programme across the region and in addition, strategically focus the Programme at developing our sectors of strength.

### **Celebrate and showcase business success**

In addition to the New Zealand AgriFood Week and Pint of Science events, CEDA will deliver the 2020 Westpac Manawatū Business Awards. These awards are an important incentive for businesses in the region to strive for and achieve excellence. The awards will be revamped for 2020 to align more closely with CEDA's goals and our regional outcomes, such as developing talent and business sustainability.





## **Facilitate access to specialist innovation, business development and startup expertise**

### **Supporting innovation and startups in the region**

Fueling innovation is key to building a competitive advantage in the region and in creating jobs and investment opportunities.

The Innovate Programme, delivered by The Factory, has been designed to help potential entrepreneurs transform ideas into early stage startup businesses. CEDA provides key support to the programme and its outcomes through funding and mentoring support.

CEDA is also a partner to the global Sprout Accelerator which selects national and international startups and companies to undergo an intensive mentorship process to accelerate innovation with a view to commercialising technology. The Accelerator is rapidly becoming a highly effective mechanism to attract startup interest in the region, and along with the Innovate Programme, are important contributors to strategic positioning of the region as a centre of innovation, and becoming a magnet for investment, business and talent.

### **Supporting research and development**

Businesses that enter the research and development phase are supported by CEDA through the Regional Business Partner Programme facilitating access to research and development grants and expertise through Callaghan Innovation, Massey University and Crown Research Institutes. Research and development is key to building innovation capability in the region and potential job creation. CEDA will ensure that at least 35 businesses will have access to Callaghan Innovation funding support during the year.

Student experience, fellowship or career grants facilitated through Callaghan Innovation, link tertiary students directly to businesses to further support their research and development activities. This year CEDA will ensure at least 30 students have opportunities to support business research and development, along with developing their own academic capability, supporting the development of regional capability.

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## ***Attract business and investment to the region***

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### **Inward Investment Strategy implementation**

Attracting domestic and international investors is a core part of CEDA's goal for Manawātū to become a magnet for investment, business and talent. International best practice in investment promotion requires strategic marketing, proactive targeting of carefully identified investors and intermediaries, investment facilitation to ensure that prospects are converted into realised projects and a targeted approach to investor after-care. CEDA's work will focus on our sectors of strength in agrifood, transport and logistics and the visitor sector, profiling the region for investment, developing a targeted pipeline and removing barriers to investment.

### **Investment profile of the region**

As part of the Strategy implementation, CEDA has built a compelling and clear value proposition that distinguishes the city and region as a central, strategic and viable investment location. This work was informed by the extensive research and insights garnered through the Regional Identity project and our Business Confidence Survey, conducted in late 2019.

CEDA will next work with our shareholders, regional stakeholders and partners, New Zealand Trade and Enterprise, and relevant commercial parties, to develop content and resources that will enable targeted information to be used for specific investment attraction opportunities and ensure a consistent and strategic approach to raising the profile and recognition of our city and region's collective strengths, and successes, as a competitive, compelling investment destination.

**Investment facilitation and pipeline development**

The attraction and retention of investors is dependent on making it easy for investors to establish, operate and expand their investments. Investment facilitation is applicable to all stages of an investment including pre-establishment, investment installation and after-care support. This requires facilitation work across all tiers of government, including work to resolve any investment challenges or barriers.

CEDA provides resource, expertise and funding support to the region's key infrastructure projects as enablers for future investment in the region such as the KiwiRail regional freight hub and also the FoodHQ initiative to develop a fully integrated world-class food and science innovation campus.

Building on the developed pipeline of prospective investors, including biopharmaceutical opportunities, CEDA will establish an investment facilitation group comprising relevant local government departments, with support from New Zealand Trade and Enterprise and Immigration New Zealand, to get identified new investment projects or business relocations to the region fast tracked to completion, facilitating the ease of doing business in the region. The team would also provide an avenue to support business expansions.

**Transport and logistics development opportunity**

Linked to our investment profiling initiatives, Manawātū offers exceptional locational advantages for businesses, giving the region significant potential to become a leading national distribution hub.

The Palmerston North City Council's Transport and Logistics Masterplan will build on the region's comparative advantages to increase distribution capabilities and freight volumes, significantly contributing to economic growth of the region.

CEDA will work to support the Plan, which will build on an analysis of regional freight movements and move into the development of a desired future state and a targeted roadmap, through the execution of a targeted funding strategy and through securing investment from the transport and logistics sector.

**Te Āpiti – Manawātū Gorge tourism opportunity**

Te Āpiti – Manawātū Gorge presents the region with an opportunity to create significant tourism activities to cement Te Āpiti as a North Island visitor icon, bringing significant economic benefit to the region.

Following a successful feasibility study and evaluation of the tourism development opportunity in and around Te Āpiti – Manawātū Gorge, CEDA will work with key stakeholders on the identified next steps. This includes the development of a robust business case which will inform the development of investment opportunities and identification as outlined in the Master Plan augmentation led by Palmerston North City Council.

CEDA will ensure the findings and aspirations of Te Āpiti are incorporated into the Destination Management Plan, in particular driving the development of visitor experiences and product and working with national partners to leverage the opportunities identified.

**Attraction of Conferences and Business Events****Targeted conference attraction strategy**

The attraction of conferences and business events to Palmerston North and Manawātū works to profile our region as a great place to do business, adds significant economic benefit and builds connections with national organisations.

CEDA will move into the execution of a Conference Strategy that is based on best practice in conference attraction using a targeted approach. Initiatives will include a marketing campaign and hosting inward familiarisation visits to develop strategic relationships and showcase Manawātū's conference offering.

CEDA will also facilitate a best practice approach to conference bids through providing stakeholders with a high-quality template that highlights the regions competitiveness and builds a strong cohesive profile of our offerings as a conference destination.

# Profile the region to attract people, business and investment

**Tohu ki te rohe hei kukume i te iwi, pakihi me te haumi**

Profiling the region to highlight our strengths, our people and our places through a shared regional identity, targeted storytelling and partnerships ensures Palmerston North city and Manawatū district is renowned for its exceptional lifestyle, competitive advantages and is a magnet for investment, business and talent. A coordinated approach to better showcasing the strengths of our region and profiling our successes is key to achieving recognition as one of the top three global agrifood hubs by 2025.

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## ***Profile Palmerston North city and Manawatū district locally, nationally and globally***

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Positioning our region as one of the top three agrifood hubs in the world and cementing our position as a leading distribution hub, will ensure we're leveraging our collective strengths while carving out our place in New Zealand and beyond with a unique narrative that is tangible, achievable and above all, unique to our region.

CEDA will lead a coordinated public relations and communications approach with key stakeholders and partners, lifting the lid on our regions strengths and successes, building pride and awareness in our people, New Zealanders and beyond, while building our profile and recognition as one of the world's top agrifood hubs, further lifting our regions ability to attract people, business and investment here.

This work will feed across CEDA's core focus areas of People, Place and Business ensuring a strategic approach for the future.

## **Lead and develop stories of Palmerston North city and Manawatū**

### **Regional Identity Project**

CEDA's work in profiling the city and region as a compelling destination for investment, business and talent requires cohesive and targeted story telling with a distinct and compelling value proposition dialled up or down to meet the needs of the consumer. This work will be carried out through CEDA's projects, channels, regional stakeholders and media partners to ensure we're positively building the profile of our city and region and collectively setting the rhetoric, building a distinct and respected value proposition through the Regional Identity to be used across our target audiences and collectively building momentum and awareness of the city, district and region.

The Regional Identity will form the core value proposition for our city and regions' investment profile, value proposition and targeted pitch work. Through our work to attract, retain and develop talent the Regional Identity will provide the foundation of CEDA's marketing activities and development of resources for education agents, tertiary and secondary partners and key stakeholders in the education sector.

The Regional Identity and resulting value proposition will be critical in ensuring we, as a city and region, are getting profiled and gaining recognition nationally and globally.





*Move to Manawātū media campaign*

## Lead the creation of regional content

### Featuring the region through media

Our work with local, national and international media ensures a strong and consistent regional presence across all traditional and digital channels. This is driven from our social media channels and the regional website ManawatuNZ.co.nz, as well as through CEDA.nz and our media partners. Through these platforms CEDA can effectively manage and profile the region's strengths to attract talent and investment to the region, showcase lifestyle advantages, tell our region's story and build increased awareness of the breadth of what Palmerston North and Manawātū has to offer. CEDA will leverage existing media relationships and proactively build new ones to pitch stories and features to national and local media organisations and publications to attract investment, business and talent.

In our role as the Regional Tourism Organisation for Manawātū, CEDA works with key national organisations including Tourism New Zealand, Air New Zealand, Tourism Industry Aotearoa and more to ensure we're maximising our relationships and opportunities to build the profile and reputation of Manawātū as a desirable place to live, visit, work and do business.

## Grow engagement on digital platforms to increase awareness and promotion of the region

### ManawatuNZ.co.nz and social media

Digital marketing plays a key role in connecting with our main audiences and spreading our Regional Identity message across multiple platforms, from our regional social media channels and the regional website ManawatuNZ.co.nz, through to partner websites and national platforms. Digital technology is our biggest tool in owning our narrative as a region, and in achieving our ambition of being recognised as a top three global agrifood hub.

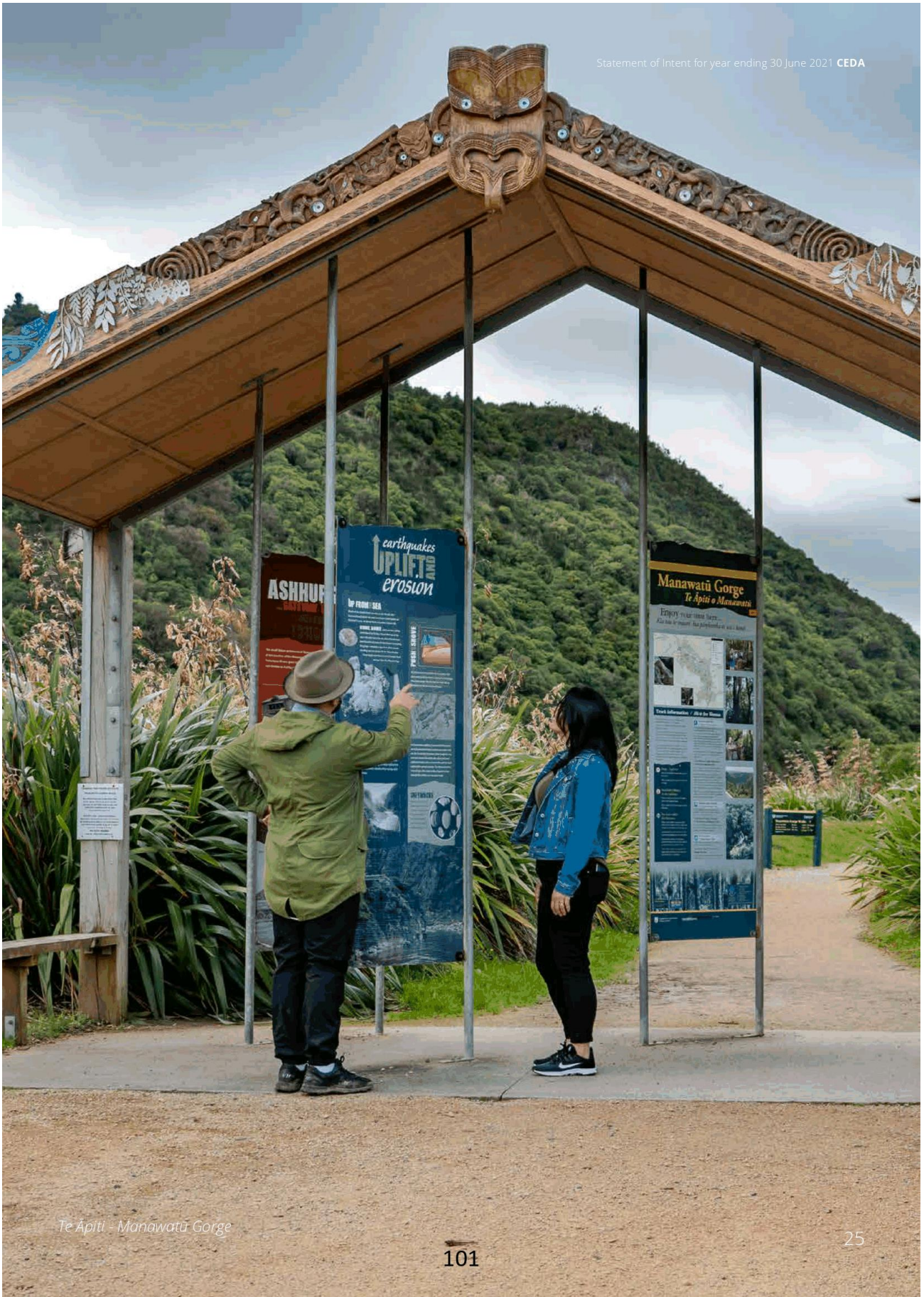
CEDA works to provide fresh and engaging content and imagery to ensure that stakeholders, partners and the community can access and use these tools to profile the region on a local, national and global stage under a consistent rhetoric. The messaging and tone, imagery, campaign work, digital presence and every touch point we have going forward, will support our on-going work to profile the region's distinctive and compelling proposition, including CEDA's work in International Education, the Destination Management Plan and through the Inward Investment Strategy.

Regional Identity guidelines and key messaging will allow partners and the wider community to access this information to enhance their own organisations and businesses and support key regional messaging and will link directly to our work in building our regions profile as a top three global agrifood hub, leading distribution hub, and ensure we are renowned for our exceptional lifestyle, competitive advantages, and as a magnet for investment, business and talent.

### Profiling the regions vibrancy through events

A key component to this work is the profiling of our city and region's vibrant events scene. Through CEDA's established digital channels and media partnerships, we work to leverage the opportunities that major events in the city and district provide, showcasing Manawātū to visitors to encourage longer stays and repeat visitation and profiling our city and region as a brilliant, vibrant place to live. CEDA's partnership with eventfinda.co.nz helps drive our regions online profile in the event space, and our work in assisting event organisers and their connections to get their events listed on this platform helps to ensure that the breadth of events taking place in our region is fully promoted.





Te Āpiti - Manawātū Gorge

# Lead inclusive and sustainable economic development for the region

## Te arahi i te whanaketanga ohanga me te pumau mo te rohe

Our work cannot be done in isolation, and the strengths of our region rely on working together to use our combined strengths, connections and skills to compete nationally and globally. Collaborative relationships and partnerships with key regional and national stakeholders, central and local government, Māori and iwi are key to ensuring our strategic outcomes for the city and district.

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### ***Develop strategic partner relationships, leveraging opportunities***

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CEDA has a major role in aligning the shared outcomes of the key stakeholders in our region, connecting shared opportunities, providing a shared voice, and co-ordinating our region's collective capability. We believe this is key to achieving the vision and goals for the region.

### **Strategic partnerships**

We hold strategic relationships with local partners, other regions and national organisations such as New Zealand Trade and Enterprise, Callaghan Innovation, The Factory, Sprout Accelerator, Manawātū Chamber of Commerce, Talent Central and Immigration New Zealand, in order to discover and leverage mutual opportunities.

This year we will review our current partnership agreements and workplans and ensure new plans where relevant are in place (including Palmerston North City Council, Manawātū District Council and iwi) to ensure that we are operationally working effectively together in identifying opportunities and reducing barriers across all that we do.

### **Iwi partnerships and engagement**

Further to our support of Māori business through the Regional Business Partner Programme and Māori sector development, including working with key organisations to support the activation of Māori entrepreneurial and business planning skills, CEDA continues to work collaboratively with regional iwi through our strategic projects including the Regional Identity development, Destination Management Plan and the Te Āpiti – Manawātū Gorge tourism opportunity.

Further to this progression has been made on the implementation of the iwi and Māori engagement framework for CEDA.

This year the focus will be on; long-term relationship development with Tangata Whenua to support iwi partnership projects to increase employment opportunities and skill development for Māori, the development of a Māori Business and Economic Development fund that is targeted at Māori startup business, and the development of partnership agreements with iwi and Te Au Pahi.

We will also continue to work on developing CEDA's internal capability to support the strategic relationship with Tangata Whenua and ensuring we have meaningful relationships with iwi and Māori organisations.





Sarah Gilberston, Ridge Top Farm

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### ***Data and Insights***

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Through our partnerships and research CEDA are the 'go to' for insights and data on the local economy and national trends across priority sectors including the visitor economy. We have a crucial role in enabling the coordination, connection and delivery of outcomes by striving for the transparency and alignment of the many economic development projects and initiatives that are underway or are planned across our region. All CEDA's areas of work are underpinned with data and insights, to ensure smart investment of resources, funds and expertise, enabling us to achieve high impact results for our region.

### **Economic impact information regularly communicated to stakeholders and business, including iwi and Māori business sector**

CEDA works with national agencies including MarketView, Statistics New Zealand, Destination Think!, Infometrics and Ministry of Business, Innovation and Employment to provide the latest information from the visitor and retail sectors, our sectors of strength and key growth indicators such as GDP, population, housing prices, consents, visitor spend and more. These relationships ensure CEDA and our region has a voice in the discussions for addressing and future proofing the data gaps that we face as a nation, and in key sectors including the visitor sector.

### **Business and stakeholder communications**

It is important that CEDA provides our business and stakeholder communities with access to clear, up to date, data and insights.

We work closely with Palmerston North City Council and Manawātū District Council and key industry leaders to analyse the data and insights and provide context and commentary around how the region's economy is performing, in an easily absorbable manner.

We will communicate and publish this information on a regular basis through economic impact events, on CEDA.nz, 60 Seconds (e-newsletter) and Quarterly Economic Updates, including information from the visitor and retail sectors, our sectors of strength and key growth indicators, and also updates on regional projects and economic development activities to enable our businesses and communities to better understand what's happening in the local economy, the impact it may have on their businesses, and even identify shared project opportunities.

Providing comprehensive regional data and insights is crucial to help businesses, investors and residents make informed decisions and providing an easy to understand overview of the region's economy, from the drivers through to barriers to growth.

### **Māori economy data and insights**

Working closely with Palmerston North City Council and Manawātū District Council's economists and key Māori sector leaders and iwi to provide context, analysis and commentary around how the Māori economy is performing. CEDA will communicate and publish this information on a 6-monthly basis to better engage with our Māori businesses and community and to enable them to better understand what's happening specifically in the local Māori economy.





*Te Manawa Art Gallery*





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Rathmoy

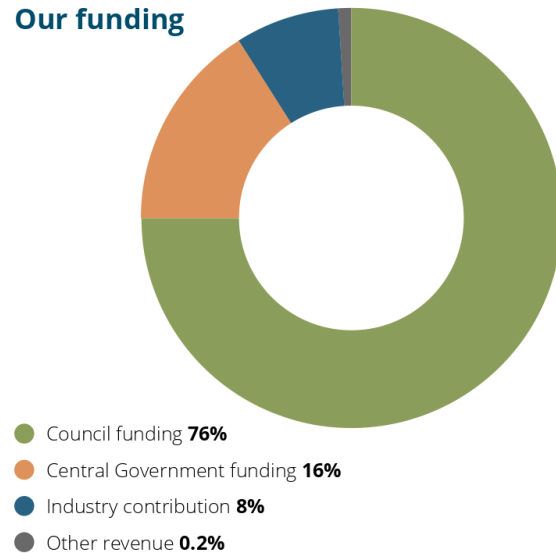
## Where we focus our time and money

CEDA receives funding from Palmerston North City Council and Manawātū District Council, its shareholders, and also funding from institutions and central government partners for initiatives that bring benefit to the wider region and New Zealand.

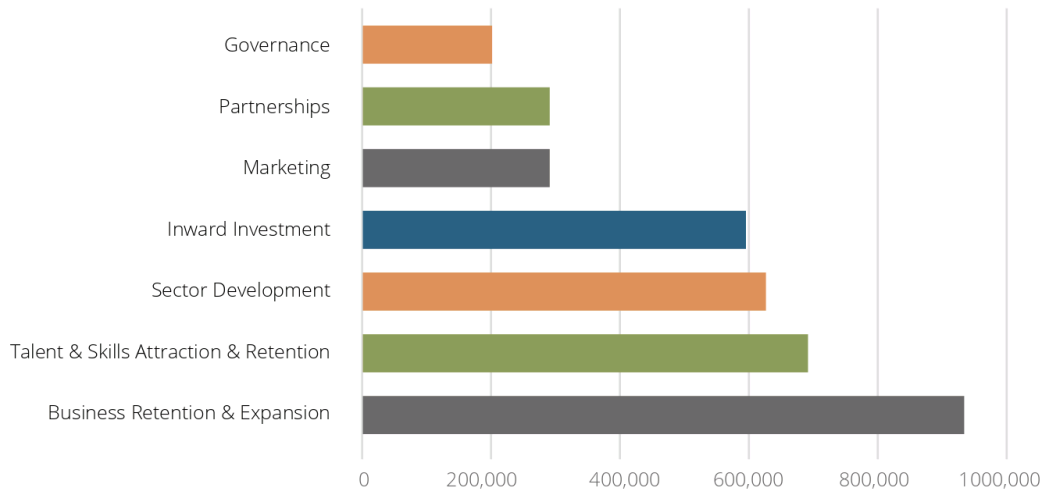
All of this funding gives us the ability to invest in local businesses and engage in specific sector work that is important to the region and beyond.

Further specific funding is also received from commercial organisations for sponsorship of programmes and joint projects that assist to highlight the regions strengths, and attract talent, business and investment to the region.

### Our funding



### How we're going to allocate our funding



Note:

1. Marketing costs where directly related to an activity are included in the budgeted costs for that activity
2. Business Retention and Expansion includes the Regional Business Partner programme costs.
3. Employee and operating expenses where not directly related to an activity have been allocated on a percentage of expenditure basis



# Who we are

CEDA is a team of people who are passionate about our region. We are thought leaders, subject matter experts, and doers, working together with the common purpose of prosperity for all our communities. Our success is underpinned by our people, connections and networks locally and globally.

We are committed to operating efficiently and effectively, and as a future-focused organisation, to supporting initiatives that enhance and protect our natural and built environment.

We recognise the principles of the Treaty of Waitangi and acknowledge the importance of partnering with local iwi and recognition of Tangata Whenua in the region through localised partnering and alignment with Te Pae Tawhiti – Regional Māori Economic Development Strategy. We are committed to developing our internal cultural awareness and te reo capability across the team.

We are also committed to sustainable practices in both our office environment and the environment within which we work and live and value diversity in both our team at CEDA and our commitment to promoting diversity in age, culture, ethnicity and gender in all that we do.

We live our team values of; together we can achieve more, believe in yourself and what you do, and be proud and take ownership!

## Mauria te Pono

Believe in yourself







*Feilding passenger rail*

# Our Performance Measures for 2020-21

CEDA's performance measure framework identifies quantifiable measures of our programmes and activities aligned to our key strategic outcomes. These form the basis of our accountability and will be reported on six monthly. In our reporting, additional commentary will be used to inform on the delivery and effectiveness of the full range of CEDA's activity.

Key Strategic Outcomes	Service Level Statement	Performance Measure	2020/21
Attract, retain and develop talent in the region	Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Understanding of the future of work in the region and how best to prepare the region for change	Develop a Manawātū future of work project, in collaboration with Massey University, UCOL, employers and Infometrics
		Implementation of the talent attraction and retention strategy	Talent attraction campaign delivered in partnership with sector stakeholders Grow career opportunity engagement on Manawatu.nextstep.co.nz Deliver the Te Aho Tāmaka 3-year strategy year one action plan including 6 leader engagements
		Driving the development of skills in the region and supporting linkages to job opportunities	Support Special Projects Skills Hub in developing pathways for employment Sort it Careers Expo 3-Year strategy and action plan developed and implemented for 2021
		Implementation of the action plan as a result of the primary sector skills gaps analysis	Development of talent pathways to employment for the primary sector Increase the employability of migrants in the region through improvement of employer capability
	Deliver information, advice, programmes and initiatives to attract more international students to the region	Increase the value of international students in the region	Implement annual workplan as agreed with the International Education Leadership Group, with a focus on Recruitment, Student Experience and Employability
		Enhance the experience of international students while they are here	Deliver 6 cross institutional engagement activities with tertiary sector partners.
		Increase the employability of international students	Assist students into employment opportunities including delivery of 4 workshops/networking events and employability resources, linking students with employers or industry

## Our Performance Measures for 2020-21

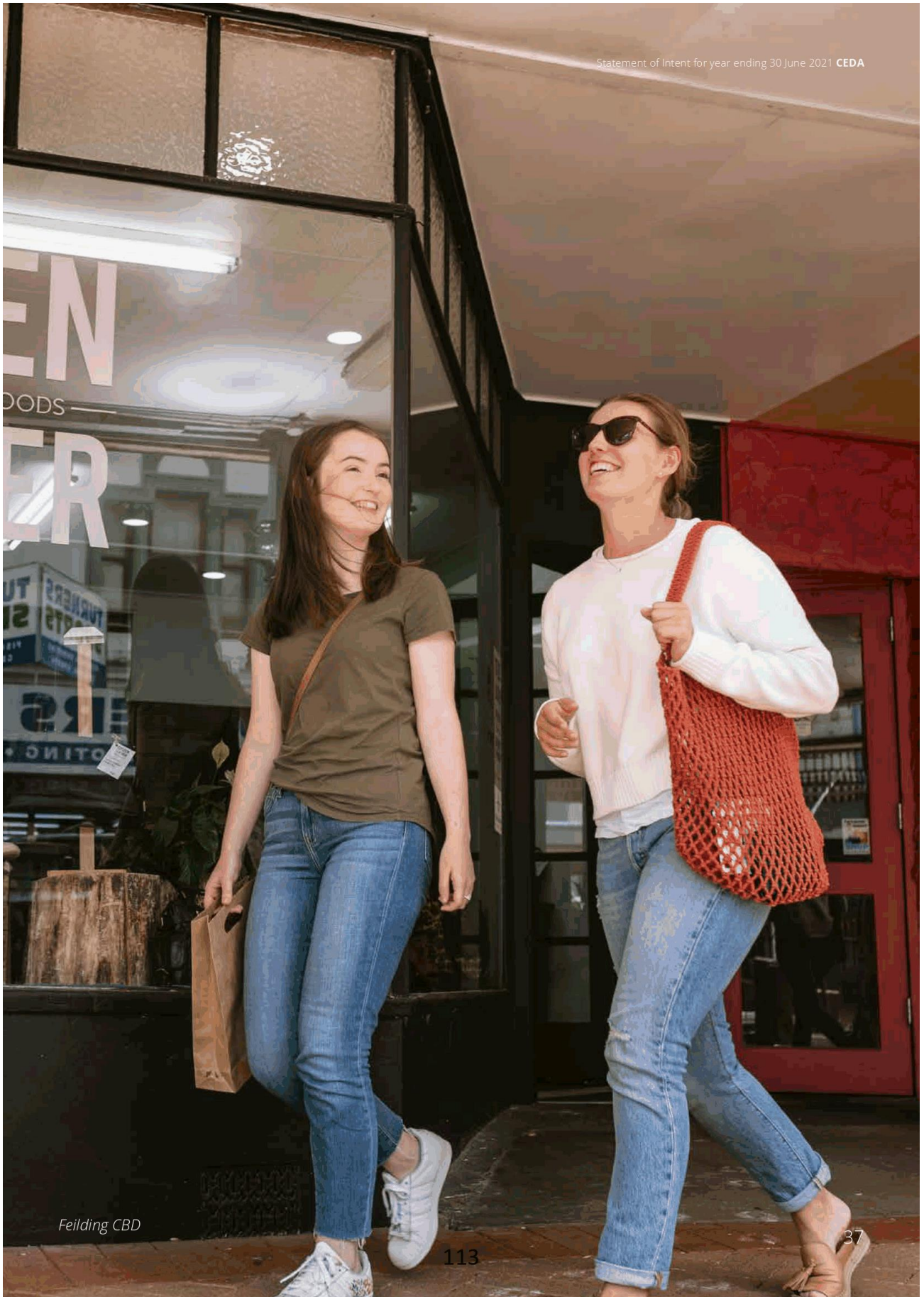
Key Strategic Outcomes	Service Level Statement	Performance Measure	2020/21
Attract, retain and develop business and investment in the region	Support our sectors of strength to grow through targeted business development and retention initiatives and activities	Assess and support opportunities for growth through key business engagement, cluster development and sector strategies and relationships with Māori	Implementation of the Destination Management Plan, including trade capability and product development Implement year three of the Manawātū Agritech Strategy 3-year action plan Implement year two of the New Zealand AgriFood Week Foundational Strategy
		Retain businesses in the region through engagement and identification of barriers to growth	Business Retention Strategy developed and implemented
		Develop and grow businesses by delivering information, advice, and support	550 businesses supported through CEDA's business development and support activities including the Regional Business Partner Programme. Celebrate and showcase business success in the region through a business awards function
		Facilitate access to specialist innovation, business development and startup expertise	Provide support to The Factory including the Innovate Programme, and as a partner to the Global Sprout Accelerator Facilitate access to grants and research and development support through Callaghan Innovation for 35 managed businesses 30 student opportunities to support business research and development through Callaghan Innovation student grants
	Attract business and investment to the region	Implementation of Inward Investment strategy with regional partners, targeting the Agriculture, and Distribution and Logistics sectors	Investment profile including value proposition of the region to attract investors activated incorporating the Regional Identity. Build an investment pipeline with New Zealand Trade and Enterprise, commercial partners and local government. Support the development of the PNCC Transport and Logistics Master Plan, by development of roadmap and plan for strategy execution Te Āpiti – Manawātū Gorge tourism investment profile and business case developed.



## Our Performance Measures for 2020-21

Key Strategic Outcomes	Service Level Statement	Performance Measure	2020/21
		Attraction of Conference and Business Events that bring economic benefit to the region	Targeted conference attraction strategy for the region implemented, including a hosting programme for conference organisers
Profile the region to attract people, business and investment	Profile Manawātū locally, nationally and globally	Lead and develop the stories of Manawātū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi.	Implement the Regional Identity project outcomes across sectors including investment and talent attraction
		Lead the creation of quality, targeted regional content for distribution on owned and third-party platforms, working with media partners to showcase our region's strengths.	20 direct media features published profiling the region
		Grow engagement on regional web and digital platforms for increased promotion of and information on the region	10% increase in 'sessions' on ManawatuNZ.co.nz, and social media engagement across all channels
Lead inclusive and sustainable economic development for the region	Develop strategic partner relationships, leveraging opportunities	Continue to build on relationships with shareholders, central government agencies, key regional stakeholders, local iwi and Māori, and business support groups through the stakeholder engagement plan	Stakeholder satisfaction survey increased percentage on the 2019/20-year Partnership agreements and workplans reviewed and new plans in place including PNCC, MDC, and iwi 2 partnership projects identified in conjunction with iwi
	Data and insights communications on the performance of the region's economy	Economic impact information regularly communicated to stakeholders and business, including iwi and Māori business sector	70 stakeholder engagements/communications delivered Māori economy data and insights developed in partnership with shareholders
	Work plan aligned to delivery of Statement of Service Performance	Development of Business Plan with outcomes on delivery of the Statement of Intent	Business Plan developed and delivered to shareholders by 31 October*

\* Dependent on Statement of Intent being signed off by 30 June 2020



Feilding CBD




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# Alignment with Our Shareholders

It is imperative that CEDA's objectives are aligned with our shareholder council's plans and visions for the city and district. The Palmerston North City and Manawātū District Councils' signed Long Term Plans outline these objectives.

CEDA plays a critical part in delivering outcomes identified in the relative Long-Term Plans as outlined below:

PNCC LTP Outcomes	CEDA Service Level Statement alignment
 <p>Create and enable opportunities for employment and growth</p>	<ul style="list-style-type: none"> <li>• Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market</li> <li>• Deliver information, advice, programmes and initiatives to attract more students to the region</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> <li>• Attract business and investment to the region</li> <li>• Profile Manawātū locally, nationally and globally</li> <li>• Develop strategic partner relationships, leveraging opportunities</li> <li>• Data and insights communicated</li> </ul>
 <p>Provide infrastructure to enable growth and a transport system that links people and opportunities</p>	<ul style="list-style-type: none"> <li>• Attract business and investment to the region</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> </ul>
 <p>Diversify the economy to reduce reliance on traditional industries</p>	<ul style="list-style-type: none"> <li>• Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market</li> <li>• Deliver information, advice, programmes and initiatives to attract more students to the region</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> <li>• Attract business and investment to the region</li> <li>• Profile Manawātū locally, nationally and globally</li> <li>• Develop strategic partner relationships, leveraging opportunities</li> <li>• Data and insights communicated on the performance of the region's economy</li> </ul>



## Alignment with Our Shareholders

PNCC LTP Outcomes	CEDA Service Level Statement alignment
 <p>Support an 'innovation economy' to underpin growth into the future</p>	<ul style="list-style-type: none"> <li>• Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market</li> <li>• Deliver information, advice, programmes and initiatives to attract more students to the region</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> <li>• Attract business and investment to the region</li> <li>• Profile Manawātū locally, nationally and globally</li> <li>• Develop strategic partner relationships, leveraging opportunities</li> <li>• Data and insights communicated on the performance of the region's economy</li> </ul>
 <p>Transform the economy to a low carbon economy</p>	<ul style="list-style-type: none"> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> <li>• Attract business and investment to the region</li> <li>• Develop strategic partner relationships, leveraging opportunities</li> <li>• Data and insights communicated on the performance of the region's economy</li> </ul>
MDC LTP Outcomes	CEDA Service Level Statement alignment
 <p>Manawātū District attracts and retains residents and businesses</p>	<ul style="list-style-type: none"> <li>• Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> <li>• Attract business and investment to the region</li> <li>• Profile Manawātū locally, nationally and globally</li> <li>• Develop strategic partner relationships, leveraging opportunities</li> <li>• Data and insights communicated on the performance of the region's economy</li> </ul>
 <p>Manawātū District develops a broad economic base from its solid foundation in the primary sector</p>	<ul style="list-style-type: none"> <li>• Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market</li> <li>• Deliver information, advice, programmes and initiatives to attract more international students to the region</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> <li>• Attract business and investment to the region</li> <li>• Profile Manawātū locally, nationally and globally</li> <li>• Develop strategic partner relationships, leveraging opportunities</li> <li>• Data and insights communicated on the performance of the region's economy</li> </ul>
 <p>Manawātū District is connected via quality infrastructure, services and technology</p>	<ul style="list-style-type: none"> <li>• Attract business and investment to the region</li> <li>• Support our sectors of strength to grow through targeted business development and retention initiatives and activities</li> </ul>

# Monitoring Indicators

In addition to our performance measures, the shareholders have identified a further set of monitoring indicators. These indicators reflect outcomes at the regional level which are impacted by a range of factors outside of our control, for example: exchange rates, natural disasters, government policy. As the region's economic development agency, we have a role in monitoring and influencing these indicators where we can, however we do not measure the performance of our organisation against them.

The Councils have the responsibility to report on these indicators.

Indicator	2021	2022	2023	Regional target*
Change in total number of jobs	1.9% increase	1.9% increase	1.9% increase	1.9% average annual increase over three years.
Change in average salaries and wages	2.6% increase	2.6% increase	2.6% increase	2.6% pa increase.
Change in total earnings (salaries, wages and self-employment income)	3.7% increase	3.7% increase	3.7% increase	3.7% pa increase, average annual increase of \$104 million.
Change in total GDP and per capita GDP	1.8% GDP 0.6% per capita	1.8% GDP 0.6% per capita	1.8% GDP 0.6% per capita	1.8% average annual increase in total GDP. 0.6% average annual increase in per capita GDP.
Estimated population change - 65 years and over population (for demographic monitoring)	1,350 increase 530 increase	1,350 increase 530 increase	1,350 increase 530 increase	1,350 population increase pa, 1.2% average increase pa. Estimated 530 population increase pa, 3.3% pa.
Net overseas migration	660 gain	660 gain	660 gain	660 average annual net migration gain.
Spend by visitors in Manawātū region (domestic and international)	5.7% increase	5.7% increase	5.7% increase	5.7% pa increase, average annual increase of \$22 million.
Number of visitor nights in Manawātū region	1.6% increase	1.6% increase	1.6% increase	1.6% pa increase.
Change in MSD benefit numbers	1.6% decline	1.6% decline	1.6% decline	1.6% pa decline, average annual decline of 130 people.
Reputation of Manawātū / Palmerston North as a great place to live and do business**	1% increase	1% increase	1% increase	3% increase over 3 years.

\*excludes any annual inflation increase

\*\*as measured by UMR Research compiled 3 yearly, first measured 2016





# Financial Performance

## Central Economic Development Agency Limited Statement of Comprehensive Revenue & Expense

For the 12 Months to June

	Notes	2020-21 Budget	2021-22 Forecast	2022-23 Forecast
<b>Income</b>				
Council Funding	1	2,492,980	2,542,840	2,593,696
Other Services Income	2	630,928	630,928	630,298
Project Income		321,591	240,591	321,591
<b>Total Income</b>		<b>3,445,499</b>	<b>3,414,359</b>	<b>3,546,215</b>
<b>Cost of Sales</b>				
Other Services Expenses		1,084,978	954,946	977,566
Project Expenses		306,591	225,591	306,591
<b>Total Cost of Sales</b>		<b>1,391,569</b>	<b>1,180,537</b>	<b>1,284,157</b>
<b>Gross Surplus (Deficit)</b>		<b>2,053,930</b>	<b>2,233,822</b>	<b>2,262,058</b>
<b>Other Income</b>				
Sundry Income		6,000	5,000	4,000
<b>Total Other Income</b>		<b>6,000</b>	<b>5,000</b>	<b>4,000</b>
<b>Expenses</b>				
Depreciation		9,469	5,551	4,162
Directors' Fees		180,000	183,600	187,272
Employee Expense		1,703,854	1,742,431	1,787,280
Financing Expenses		500	500	500
Other Operating Expenses		348,968	348,444	355,116
<b>Total Expenses</b>		<b>2,242,791</b>	<b>2,280,526</b>	<b>2,334,330</b>
<b>Net Surplus (Deficit) Before Tax</b>		<b>(182,861)</b>	<b>(41,704)</b>	<b>(68,272)</b>
<b>Taxation</b>				
Income Tax Expense		-	-	-
<b>Total Taxation</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Surplus (Deficit) after tax</b>		<b>(182,861)</b>	<b>(41,704)</b>	<b>(68,272)</b>

1. Assumes renewed services agreement with Councils post 30 June 2021. Excludes project funding for NZ AgriFood Week and Sort It Careers Expo included in Project Income.

2. Assumes continuation of government programme funding post 30 June 2021.

**Financial Performance****Central Economic Development Agency Limited  
Statement of Financial Position**

As at 30 June

	<b>30 June 2020 Budget</b>	<b>30 June 2021 Forecast</b>	<b>30 June 2022 Forecast</b>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	722,802	677,802	602,802
Receivables and Accruals	366,571	363,586	376,222
Prepayments	17,211	17,211	17,211
<b>Total Current Assets</b>	<b>1,106,584</b>	<b>1,058,599</b>	<b>996,235</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	22,202	16,651	12,489
<b>Total Non-Current Assets</b>	<b>22,202</b>	<b>16,651</b>	<b>12,489</b>
<b>Total Assets</b>	<b>1,128,786</b>	<b>1,075,250</b>	<b>1,008,724</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Payables and Deferred Revenue	578,446	566,614	568,360
Employee Entitlements	56,745	56,745	56,745
<b>Total Current Liabilities</b>	<b>635,191</b>	<b>623,359</b>	<b>625,105</b>
<b>Total Liabilities</b>	<b>635,191</b>	<b>623,359</b>	<b>625,105</b>
<b>Net Assets</b>	<b>493,595</b>	<b>451,890</b>	<b>383,618</b>
<b>Equity</b>			
Contributed Capital	1,000	1,000	1,000
Retained Earnings	492,595	450,891	382,618
<b>Total Equity</b>	<b>493,595</b>	<b>451,890</b>	<b>383,618</b>

## Financial Performance

### Central Economic Development Agency Limited Statement of Cash Flows

For the 12 Months to June

	2020-21 Budget	2021-22 Forecast	2022-23 Forecast
<b>Cash Flows from Operating Activities</b>			
Receipts of Council funding	2,607,918	2,657,730	2,708,567
Interest received	6,000	5,000	4,000
Income tax refunded/(paid)	52,465	0	0
Receipts from other operating activities	1,089,173	1,271,768	1,356,944
GST	(246,714)	(280,776)	(286,001)
Payments to suppliers and employees	(3,742,462)	(3,704,221)	(3,863,298)
Finance costs	(500)	(500)	(500)
<b>Total Cash Flows from Operating Activities</b>	<b>(204,120)</b>	<b>(50,999)</b>	<b>(80,288)</b>
<b>Cash Balances</b>			
Payment for property, plant and equipment	0	0	0
<b>Total Cash Flows from Investing Activities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Cash Flows</b>	<b>(204,120)</b>	<b>(50,999)</b>	<b>(80,288)</b>
<b>Cash Balances</b>			
Cash and cash equivalents at beginning of period	691,953	487,832	436,833
Cash and cash equivalents at end of period	487,833	436,833	356,545
<b>Net change in cash for period</b>	<b>(204,120)</b>	<b>(50,999)</b>	<b>(80,288)</b>

See Appendix for Accounting Policies





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# Shareholder requirements

## Joint Strategic Planning Committee

The Joint Strategic Planning Committee of Manawātū District Council and Palmerston North City Council is made up of ten local body elected members, five from each Council including both Mayors.

The role of the Joint Strategic Planning Committee is to:

- Review the performance of CEDA, and report to shareholders on that performance on a periodic basis
- Undertake performance monitoring of CEDA, as per section 65 of the Local Government Act
- Approve the appointment, removal, replacement and remuneration of directors
- Review and approve any changes to policies, or the SOL, requiring their approval

The Board aims to ensure that the Joint Strategic Planning Committee and the shareholders are informed of all major developments affecting CEDA's state of affairs, while at the same time recognising that commercial sensitivity may preclude certain information from being made public.

CEDA will adhere to a 'no surprises' approach in its dealings with its shareholders and Joint Strategic Planning Committee.

## Letter of Expectations

By 1 December in each year the shareholders will deliver to CEDA a Letter of Expectations. The Letter of Expectations is intended to provide direction on issues that are important to both Councils, and to assist in the development of CEDA's next SOL. A Letter of Expectations for 2020/21 has been delivered to CEDA.

CEDA is continuing to collaborate with external agencies, including contracting to The Factory and Spearhead. Both are reported as activities in the Performance Outlook. CEDA is aware of the ability to utilise Council support services.

## Statement of Intent

By 1 March in each year CEDA will deliver to the Joint Strategic Planning Committee of the shareholders its draft SOL for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the Joint Strategic Planning Committee received by 30 April, the Board will deliver the completed SOL to the Joint Strategic Planning Committee of the shareholders on or before 15 June each year.

## Half Yearly Report

By the end of February each year, CEDA will provide to the Joint Strategic Planning Committee a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Director's commentary on operations for the relevant six-month period
- Comparison of CEDA's performance regarding the objectives and performance targets set out in the SOL, with an explanation of any material variances
- Un-audited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity and Statement of Cashflows



## Annual Report

By 30 September each year, CEDA will provide to the Joint Strategic Planning Committee and its shareholders an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002 and the Companies Act.

The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report
- Financial Statements incorporating a Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts
- Comparison of CEDA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances
- Auditor's Report on the financial statements and the performance targets
- Any other information that the directors consider appropriate

## Shareholder Meetings

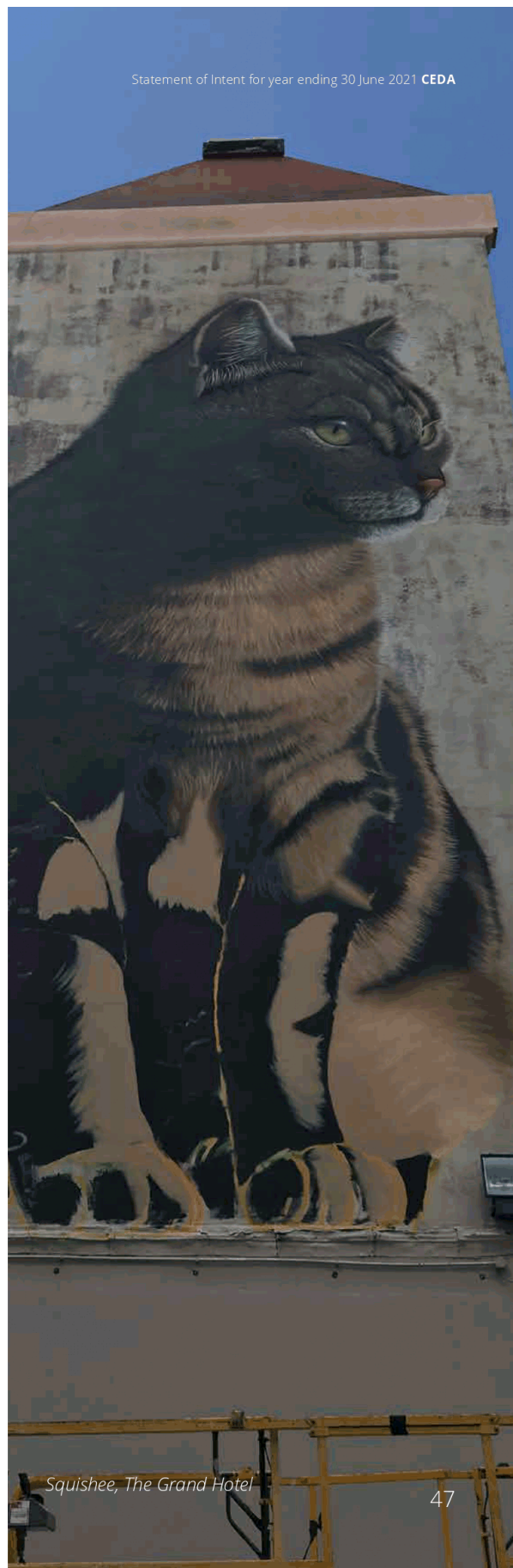
CEDA will hold an Annual General Meeting (AGM) between 30 September and 30 November each year to present the Annual Report to all shareholders unless it is agreed between CEDA and the shareholders that the business of the AGM will be done by resolution in writing.

## Shareholder Approval

Any subscription, purchase or acquisition by CEDA of shares in a company or organisation will require shareholder approval by special resolution as will the other matters outlined in clause 3 of CEDA's Constitution.

## Dividend policy

CEDA is a not for profit Council Controlled Organisation, as such the Board is not intending to pay any dividends in the foreseeable future.





# Appendices

## Accounting Policies

### 1. Reporting Entity

Central Economic Development Agency Ltd (CEDA) was established and commenced operations in New Zealand on 15 October 2015 under the Companies Act 1993 (NZBN 9429042001096). As the shareholders of CEDA are Palmerston North City Council (50%) and Manawātū District Council (50%) CEDA is a council-controlled organisation as defined in section 6 of the Local Government Act 2002. CEDA has designated itself as a public benefit entity (PBE) for financial reporting purposes.

### 2. Statement of Accounting Policies

#### Basis of Preparation

The financial statements are prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period, unless otherwise stated.

#### Statement of Compliance

The financial statements of CEDA have been prepared in accordance with the requirements of the Local Government Act 2002, the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

These financial statements comply with Public Benefit Entity International Public Sector Accounting Standards (PBE IPSAS) Reduced Disclosure Regime (RDR). CEDA is eligible and has elected to report in accordance with Tier 2 PBE standards RDR on the basis the entity has no public accountability and has expenses > \$2m and < \$30m.

#### Presentation Currency

The financial statements are presented in New Zealand dollars (NZ\$) and all values are rounded to the nearest NZ\$, except when otherwise indicated.

#### Historical Cost

These financial statements have been prepared on a historical cost basis.

#### Changes in Accounting Policies

There have been no changes in accounting policies. Policies have been applied on a consistent basis with those of the previous reporting period.

#### Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services, excluding goods and services tax rebates and discounts, to the extent it is probable that the economic benefits will flow to the entity and revenue can be reliably measured. Specific accounting policies for significant revenue items are explained below:

Sales of goods are recognised when the goods are sold to the customer.

## Accounting Policies

Sales of services are recognised in the period by reference to the stage of completion of the services delivered at balance date as a percentage of the total services to be provided.

Lease revenue is recognised on a straight-line basis over the life of the lease.

Interest received is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest method.

Grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

Donated assets. Where a physical asset is gifted to or acquired by CEDA for nil consideration or at a subsidised cost, the asset is recognised at fair value. The difference between the consideration provided and fair value of the asset is recognised as revenue. The fair value of donated assets is determined as follows:

- For new assets, fair value is usually determined by reference to the retail price of the same or similar assets at the time the asset was received.
- For used assets, fair value is usually determined by reference to market information for assets of a similar type, condition, and age.

### Inventories

Inventories held for use in the provision of goods and services on a commercial basis are valued at the lower of cost and net realisable value.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus (deficit) in the period of the write-down.

### Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less any accumulated depreciation and impairment losses. Historical cost includes expenditure directly attributable to the acquisition of assets and includes the cost of replacements that are eligible for capitalisation when these are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

### Depreciation

Account	Method	Rate
Leasehold Improvements	Diminishing Value	10% - 40%
Office Furniture & Equipment	Diminishing Value	0% - 67%
Office Furniture & Equipment	Straight Line	10.5%
Plant & Equipment	Diminishing Value	10% - 20%
Vehicles	Diminishing Value	30%
Websites	Straight Line	40%

## Accounting Policies

From 1 July 2018 all Office Furniture and Equipment purchases (excluding computer/IT equipment) has been depreciated using the straight line method of depreciation to better represent the reduction of the value of these assets over their useful life. This change will apply to all purchases of Office Equipment and Furniture (excluding Computer equipment) in future accounting periods.

As this change is a change in accounting estimates, no changes have been made to previously purchased assets in prior financial years, or the depreciate method on these assets in the current or future years.

### Income Tax

Income tax expense includes components relating to current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, and any adjustments to income tax payable in respect of prior years.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that affects neither accounting profit nor taxable profit.

Current tax and deferred tax are measured using tax rates (and tax laws) that have been enacted or substantively enacted at balance date.

Current and deferred tax is recognised against the profit or loss for the period, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

### Receivables

Receivables are recorded at their face value, less any provision for impairment.

### Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

#### *Loans and receivables*

Impairment is established when there is evidence CEDA will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying



## Accounting Policies

amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectable, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits or bonds are recognised directly against the instrument's carrying amount.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus or deficit.

### Payables

Short-term creditors and other payables are recorded at their face value.

### Equity

Equity is the shareholders' interest in CEDA and is measured as the difference between total assets and total liabilities.

### Good and Services Tax

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as operating cash flow in the statement of cashflows.

Commitments and contingencies are disclosed exclusive of GST.

### Employee Entitlements

Employer contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Short-term employee entitlements - Employee benefits that are due to be settled within 12 months after the end of the year in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, and annual leave earned but not yet taken at balance date, and sick leave. These are classified as a current liability.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is past practice that has created a constructive obligation and a reliable estimate of the obligation can be made.

CEDA does not provide for long service or retirement leave entitlements.

## Accounting Policies

### Provisions

A provision is recognised for future expenditure of uncertain amount or timing when there is a obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expenses and is included in 'finance costs'.

### Leases - Where CEDA is the Lessee

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.



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15 October 2019

Malcolm Bailey  
Chair  
Central Economic Development Agency Ltd  
478 Main Street  
**PALMERSTON NORTH 4410**

Dear Malcolm

#### **LETTER OF EXPECTATION**

The purpose of this Letter of Expectation is to provide CEDA with the Shareholders' focus and priorities for delivery, against its purpose of driving and facilitating the creation and growth of economic wealth in the Manawatu region and beyond.

When working beyond the Manawatu, there must be a causal link of the outcomes or benefits back to the Manawatu region based on the core functions and measures of success outlined below.

It is also expected that CEDA will use this letter to guide the development of the Statement of Intent (SOI) for 2020-2021.

#### **Strategic Relationships**

Taking a leadership position and building strategic relationships in the Manawatu region and beyond, is fundamental for CEDA to achieve its purpose. CEDA must be relationship-driven at all levels and we appreciate your commitment to this. From our perspective (both as shareholders and partners), this means CEDA developing a deep understanding of the roles of its strategic partner organisations, what their priorities and strengths are, and how CEDA can add value to the relationship (and vice versa) to achieve better economic outcomes for the region.

CEDA formalising these strategic relationships, is important to us as shareholders, to ensure we have cohesion in the region around economic development activities. We would like this to be driven further by CEDA through mutually agreed partnership agreements or similar, to ensure everyone is on the same page and provide the basis for a consistent and collective approach with measureable outcomes.

We would like this strategic relationship agreement process to be concluded by 1 September 2020.

The shareholders have identified the following strategic partners for CEDA: Palmerston North City Council, Manawatu District Council, Iwi, Manawatu Chamber of Commerce, the International Education Sector including tertiary institutes and schools, Talent Central, The Factory, and key central government agencies.

We look forward to working with CEDA to agree on the list of strategic partners.

There may be opportunities for CEDA to leverage existing strategic relationship agreements entered into by the shareholders, e.g. Councils and NZ Defence Force.

### **Key Agreed Functions and Outcomes**

We understand that to be effective, CEDA must be able to focus on key outcomes within a well-defined mandate. We also recognise that this is a challenge given historical expectations and activities undertaken by CEDA's antecedent organisations, along with differing stakeholder expectations.

This means CEDA focusing on the delivery of its core functions and outcomes in:

- Inward investment, both national and international
- Retention and expansion of business in the Manawatu region, and
- Developing a talent pipeline

The shareholders also expect International Education to be a strategic priority encompassing a commitment to recruitment, marketing, the student experience and the maintenance of existing and new partnerships. How this will be measured and regularly reported to the shareholders is important to signify the importance we place on this area.

Action plans to deliver on these core functions should identify KPIs based on clear intervention logic.

As we have discussed, it is expected that CEDA will work very closely with key stakeholders of the region's strengths of research/agri-food/business/land/horticulture, distribution and logistics, defence, health, visitor, education (domestic and international), digital and technology, and a growing Maori economy.

CEDA is expected to scan for new opportunities, whether or not it is a key strength, where this can benefit the region.

CEDA's success will be measured by the shareholders using the following indicators of the health of the regional economy:

- Job growth
- Increase in median household income
- Number of investment leads and deals secured
- Strength of the relationship with strategic partners

The shareholders acknowledge that the first two measures are not directly under CEDA's control. Significant changes in international and national economic factors will be taken into account when the Shareholders measure CEDA's performance.

Understanding the strategic drivers of the Councils and aligning CEDA's core functions to those drivers is critical to the partnership between the Councils and CEDA. The Councils have a key role in setting the economic environment for business to flourish and CEDA acts on the Councils behalf in facilitating opportunities for improved economic outcomes. CEDA is the Councils' Agency for the delivery of economic development across the region.

Therefore, it is expected that CEDA will engage with the Councils in the development of their strategies and plans (such as Inward Investment Strategy, Labour Market Plan, Visitor Strategy and Māori Engagement Plan). These strategies and plans are expected to demonstrate active engagement with other strategic partners in their development.

The Councils are obliged to ensure that our services are delivered effectively and efficiently. As a Council-Controlled Organisation (CCO), this expectation extends to CEDA. The Shareholders require CEDA to provide an activity-based budget so the Council can effectively communicate levels of service and value for money to their ratepayers. In addition, there are many opportunities where shared resourcing, expertise and services should be explored and we would like to discuss these opportunities from both a short-term and long-term perspective.

To ensure the Shareholders and CEDA are on the same page, the focus, scope of activity, and priorities will be set through the Statement of Intent (SOI), and delivery managed through the contractual relationship.

The Shareholders would like to continue the monthly Team meeting between the Mayors, Council CE's and contract managers with the CEDA Chair and CE.

The Shareholders would like a quarterly slot on your Board agenda to further build relationships and understanding.

The Shareholders will invite CEDA to report quarterly to the Joint Strategic Planning Committee.



We look forward to working with CEDA to develop an economic development model that successfully delivers. We thank the Board, CEDA CE, and CEDA staff for their continued commitment to economic growth in the Manawatu region.

Yours sincerely



Grant Smith, Mayor  
**PALMERSTON NORTH CITY COUNCIL**



Helen Worboys, Mayor  
**MANAWATU DISTRICT COUNCIL**

## Partner Organisations

Current partner organisations that CEDA works with:

### Local

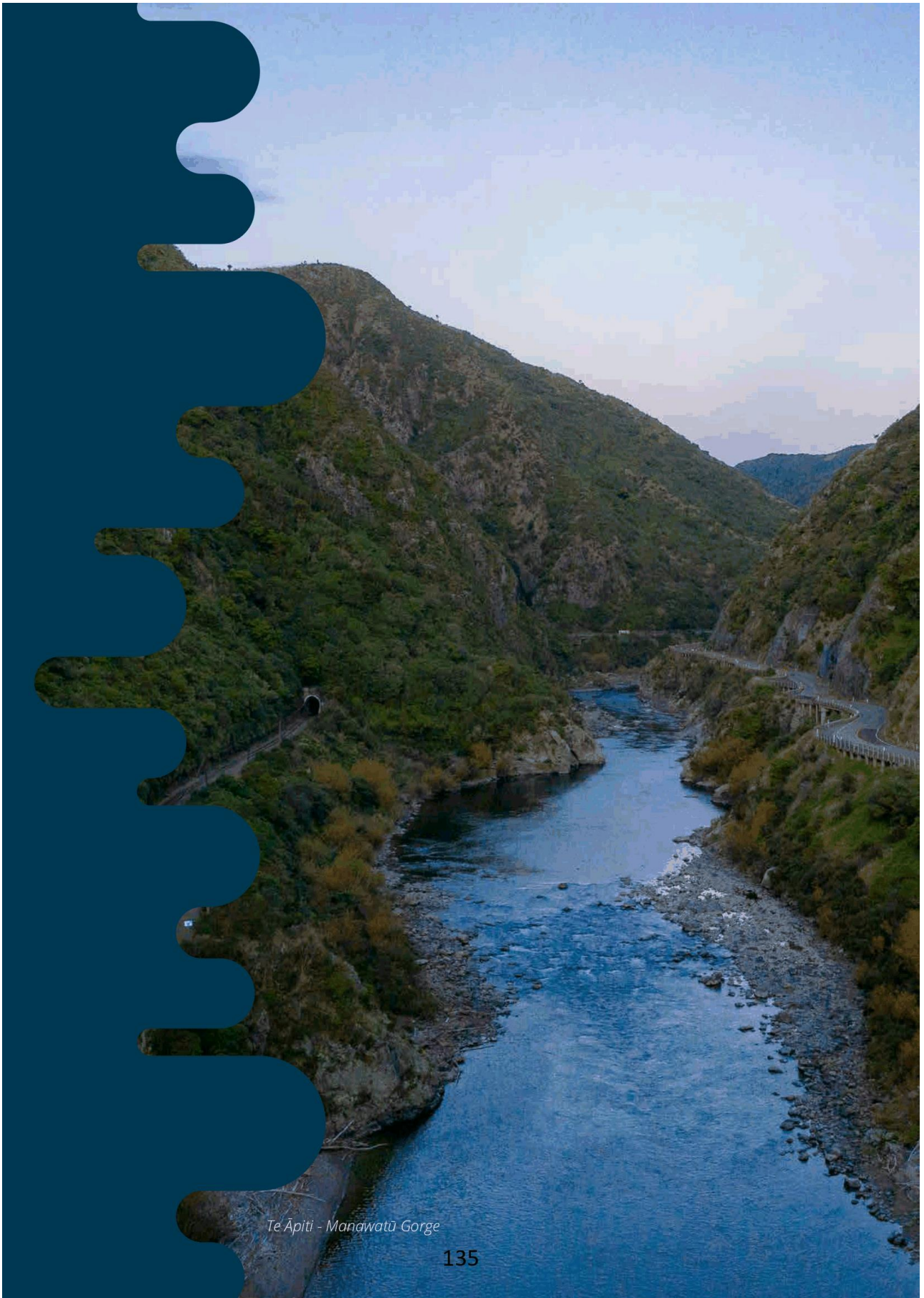
Feilding and District Promotions  
FoodHQ  
IPU New Zealand  
Lamberts  
Manawatū Chamber of Commerce  
Manawatū District Council  
Manawatū Standard  
Manfeild  
Massey University  
Media Works  
National Driver Training Centre  
Palmerston North Airport  
Palmerston North City Council  
Palmerston North i-SITE  
Regional Schools  
Spearhead Manawatū  
Sport Manawatū  
Talent Central  
Te Au Pakihi  
Te Manawa  
The Factory  
UCOL  
Venues and Events Palmerston North

### Regional

Accelerate25  
Business Central and Export NZ  
Horizons Regional Council  
Horowhenua and Company  
Horowhenua District Council  
Ruapehu District Council  
Rangitikei District Council  
Taranaki District Council  
Te Mana Atatu  
Te Pae Tawhiti  
Whanganui and Partners  
Whanganui Chamber of Commerce  
Whanganui District Council

### National

Air New Zealand  
ASB  
Business Mentors New Zealand  
Callaghan Innovation  
Conventions and Incentives  
Economic Development New Zealand  
Education New Zealand  
Immigration New Zealand  
i-SITE New Zealand  
Ministry of Business, Innovation & Employment  
Ministry of Social Development  
New Zealand Events Association  
New Zealand Trade and Enterprise  
New Zealand Media and Entertainment  
New Zealand Motor Caravan Association  
Regional Business Partners Network  
Regional Tourism Organisations New Zealand  
Stuff  
Tourism New Zealand  
Westpac



*Te Āpiti - Manawatu Gorge*

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