



PALMERSTON NORTH CITY COUNCIL

AGENDA

MANAWATU DISTRICT/PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE

1PM, THURSDAY 10 MARCH 2022
MANAWATU DISTRICT COUNCIL



Joint Strategic Planning Committee Agenda

Thursday 10 March 2022,
1:00pm

Note: during COVID-19 Red Level, meetings are held virtually and recordings made available on www.mdc.govt.nz.

www.mdc.govt.nz

MEMBERSHIP

Chairperson

Mayor Helen Worboys

Deputy Chairperson

Mayor Grant Smith

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 Susan Baty, Zulfiqar Butt, 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.



Shayne Harris

CHIEF EXECUTIVE

ORDER OF BUSINESS

		PAGE
1.	MEETING OPENING	
2.	APOLOGIES	
3.	CONFIRMATION OF MINUTES	5
	<i>Draft resolution</i>	
	<i>That the minutes of the Joint Strategic Planning Committee meeting held 09 December 2021 be adopted as a true and correct record.</i>	
4.	DECLARATIONS OF INTEREST	
	Notification from elected members of:	
4.1	Any interests that may create a conflict with their role as a committee 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.	NOTIFICATION OF LATE ITEMS	
	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.	PRESENTATIONS	
	There were no presentations scheduled for this meeting.	
7.	OFFICER REPORTS	
7.1	SUMMARY REPORT - DECEMBER 2021 MANAWATU REGION QUARTERLY ECONOMIC MONITOR, ANNUAL INCOMES REPORT AND QUARTERLY RETAIL	10
	Report of the Chief Planning Officer dated 01 March 2022	
7.2	CEDA HALF-YEARLY REPORT TO 31 DECEMBER 2021	46
	Report of the General Manager – Community dated 22 February 2022	
7.3	CEDA DRAFT STATEMENT OF INTENT (SOI) 2022-2023	93
	Report of the General Manager – Community dated 22 February 2022	
7.4	ROLE AND FUTURE OF THE JOINT STRATEGIC PLANNING COMMITTEE	142
	Report of the Chief Planning Officer dated 01 March 2022	
8.	CONSIDERATION OF LATE ITEMS	
9.	NOTIFICATION OF ITEMS FOR NEXT MEETING	

11. PUBLIC EXCLUDED BUSINESS

COMMITTEE TO RESOLVE:

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

- a) Confirmation of Minutes

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) Confirmation of Minutes re Appointment of Chair and Independent Directors - CEDA	Section 7(2)(a) 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

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	THURSDAY 09 DECEMBER 2021	1:01PM

Minutes of a meeting of the Manawatū District / Palmerston North City Joint Strategic Planning Committee held on Thursday 09 December 2021, commencing at 1:01pm, via zoom.

PRESENT:	Mayor Helen Worboys	(Chairperson)
	Cr Steve Bielski	(Manawatū District Council)
	Cr Michael Ford	(Manawatū District Council)
	Cr Grant Hadfield	(Manawatū District Council)
	Cr Phil Marsh	(Manawatū District Council)
	Mayor Grant Smith	(Palmerston North City Council)
	Cr Susan Baty	(Palmerston North City Council)
	Cr Zulfiqar Butt	(Palmerston North City Council)
	Cr Leonie Hapeta	(Palmerston North City Council)
	Cr Aleisha Rutherford	(Palmerston North City Council)
IN ATTENDANCE:	Malcolm Bailey	(CEDA)
	David Wright	(CEDA)
	Bobbie O’Fea	(CEDA)
	Robbie Pickford	(CEDA)
	Jacqui Middleton	(CEDA)
	Margie Mare	(CEDA)
	Cr Alison Short	(Manawatū District Council)
	Cr Brent Barrett	(Palmerston North City Council)
	Cr Patrick Handcock	(Palmerston North City Council)
	Cr Karen Naylor	(Palmerston North City Council)
	Shayne Harris	(Chief Executive, MDC)
	Lyn Daly	(General Manager – Community, MDC)
	Frances Smorti	(General Manager – People and Culture, MDC)
	Amanda Calman	(Chief Financial Officer, MDC)
	Cathy Robinson	(General Manager – Corporate, MDC)
	Allie Dunn	(Governance Manager, MDC)
	Michael Hawker	(Project Delivery Manager, MDC)
	Stacey Bell	(Senior Economist, MDC)
	David Murphy	(Chief Planning Officer, PNCC)
	Peter Crawford	(Economic Policy Advisor, PNCC)

JSP 21/139 MEETING OPENING

Her Worship the Mayor Helen Worboys declared the meeting open.

JSP 21/140 APOLOGIES

Apologies for non-attendance were noted for Councillor Renee Dingwall (Palmerston North City Council).

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	THURSDAY 09 DECEMBER 2021	1:01PM

JSP 21/141 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Joint Strategic Planning Committee meeting held 09 September 2021 be adopted as a true and correct record.

Moved by: Councillor Michael Ford

Seconded by: Councillor Leonie Hapeta

CARRIED

JSP 21/142 DECLARATIONS OF INTEREST

There were no declarations of interest.

JSP 21/143 NOTIFICATION OF LATE ITEMS

There were no late items of business notified for consideration.

JSP 21/144 PUBLIC FORUM

There were no requests to speak in public forum at this meeting.

JSP 21/145 PRESENTATIONS

There were no presentations organised for this meeting.

JSP 21/146 QUARTERLY ECONOMIC MONITOR

Report of the Palmerston North City Chief Planning Officer, dated 30 November 2021 providing summary reports on the September 2021 Manawatū Region Quarterly Economic Monitor, Annual Population Report, Annual Business and Employment Report and the Quarterly Retail Report. A replacement copy of attachment 1 was circulated.

Stacey Bell, Senior Economist (MDC) and Peter Crawford, Economic Policy Advisor (PNCC), gave a presentation that outlined economic performance for the quarter noting in summary that:

- Development and construction investment would provide substantial support to the regional economy;
- Primary sector outlook was very positive and would continue to support economic resilience over 2022;
- The Manawatū region was subject to the inflationary environment and labour constraints just like everyone else;
- The regional economy had proven resilient and was expected to perform relatively well in the context of increasing costs and rising interest rates.

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	THURSDAY 09 DECEMBER 2021	1:01PM

RESOLVED

That the Summary report on the September 2021 Manawātū Region Quarterly Economic Monitor, Annual Population report, Annual Business and Employment report and Quarterly Retail report, be received.

Moved by: Mayor Grant Smith

Seconded by: Councillor Leonie Hapeta

CARRIED

JSP 21/147 CEDA STATEMENT OF EXPECTATIONS 2022-2023

Report of the General Manager – Community dated 24 November 2021 providing the draft 2022-2023 Statement of Expectations for the Central Economic Development Agency Limited (CEDA) for consideration and approval. The meeting discussed the wording contained in the draft Statement of Expectations, and asked that the domestic visitation focus point in the Key Agreed Functions and Outcomes be amended to remove the words “(due to impacts from COVID-19)”.

The committee recorded its acknowledgement and thanks to Chairperson Malcolm Bailey for his commitment to the role of Chairperson of the CEDA Board and his service to the Palmerston North and Manawātū communities, and to Acting Chief Executive David Wright for taking on the role of Acting Chief Executive and his work with the CEDA team.

RESOLVED

- 1 That the Joint Strategic Planning Committee approves the proposed 2022-2023 Statement of Expectations for the Central Economic Development Agency Limited.**
- 2 That the Mayor and Chief Executive of the Manawātū District Council and the Mayor and Chief Executive of the Palmerston North City Council be delegated authority to approve minor amendments to the Statement of Expectations prior to the document being signed.**

Moved by: Councillor Phil Marsh

Seconded by: Councillor Michael Ford

CARRIED

JSP 21/148 DISCUSSION - THE ROLE AND FUTURE POTENTIAL OF THE JOINT STRATEGIC PLANNING COMMITTEE.

The committee members discussed exploring opportunities to maximise the potential of the scope of the Joint Strategic Planning Committee. Ideas floated included:

- Opportunities for shared services and collaboration on projects;
- Widen scope of CEDA to include other Councils;
- Consider how Accelerate 25 fits in with the role of the Joint Strategic Planning Committee;

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	THURSDAY 09 DECEMBER 2021	1:01PM

- Consider centering the role of the committee around wellbeings and the future of local government;
- Consider undertaking a performance review of the committee's work for the past three years.

It was agreed that the Chief Executives of each Council would take the matter back to their respective Councils for discussion, and bring the item to the next meeting of the Joint Strategic Planning Committee for wider discussion.

JSP 21/149 CONSIDERATION OF LATE ITEMS

There were no late items notified for consideration.

JSP 21/150 NOTIFICATION OF ITEMS FOR NEXT MEETING

- Role of and future potential of Joint Strategic Planning Committee.

JSP 21/151 PUBLIC EXCLUDED BUSINESS

RESOLVED

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

- Confirmation of Minutes
- Appointment of Chair and Independent Directors - CEDA

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) Confirmation of Minutes	Section 7(2)(a) 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.
b) Appointment of Chair and	As Above.	As Above.

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	THURSDAY 09 DECEMBER 2021	1:01PM

**Independent
Directors - CEDA**

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.

Moved by: Mayor Helen Worboys

Seconded by: Councillor Michael Ford

CARRIED

The meeting went into public excluded session at 2:05pm. For items JSP 21/152 to JSP 21/155 refer to public excluded proceedings. The meeting returned to open session at 2:20pm.

JSP 21/156 MEETING CLOSURE

The meeting was declared closed at 2:21pm.

MEMORANDUM

TO: Manawatu District/Palmerston North City Joint Strategic Planning Committee

MEETING DATE: 10 March 2022

TITLE: Summary report on the December 2021 Manawatū Region Quarterly Economic Monitor, Annual Incomes report and Quarterly Retail report

PRESENTED BY: Peter Crawford, Economic Policy Advisor, Stacey Bell, Economist

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION(S) TO COUNCIL

1. That the Summary report on the December 2021 Manawatū Region Quarterly Economic Monitor, Annual Incomes report, and Quarterly Retail report, as reported to the 10 March 2022 Joint Strategic Planning Committee, are received.
-

1. ISSUE

- 1.1. This memorandum presents a summary of:
 - a. key themes in the latest Manawatū Region Quarterly Economic Monitor for the December 2021 quarter,
 - b. Annual Incomes report,
 - c. Quarterly Retail report.
- 1.2. Covid-19 restriction levels applying in the Manawatū region during the December quarter were:
 - a. Level-2, 1 October – 2 December
 - b. COVID-1 Protection Framework, Orange traffic light, 3 – 31 December
- 1.3. The latest Manawatū Quarterly Economic Monitor report indicates an 8.2% increase in GDP in the Manawatū region in the December quarter, while GDP for New Zealand is estimated to have increased by 2.8%. Infometrics estimate for GDP for the September quarter was revised up from a decline of 2.6% in the quarter to an increase of 2.3%.
- 1.4. The short-term economic outlook for the region remains very positive, with strong prices for the agricultural sector and a significant increase in building

consents. There are, however, impacts on the commercial accommodation and food services sectors (cafes, bars, restaurants and takeaways) due to ongoing COVID-19 restrictions on events since mid-August last year. These restrictions have had a greater impact on Palmerston North's economy. It is unclear when these restrictions will be removed, due to uncertainty over how quickly COVID-19 cases will peak.

2. MANAWATŪ REGION QUARTERLY ECONOMIC MONITOR – DECEMBER 2021

- 2.1 Estimated annual gross domestic product (GDP) in the Manawātū region increased by 8.1% in the year ended December 2021, compared with an increase of 6.4% in the year to September. New Zealand GDP is estimated to have increased by 5.5% in the year to December 2021.
 - a. Palmerston North GDP increased by 7.8%.
 - b. Manawātū District GDP increased by 9.2%.
- 2.2 Infometrics estimates for employment suggest 56,195 people living in the Manawātū region were employed in the year ended December 2021, an increase of 2.1% from the previous year (1,164 more people employed). The number of people in employment in New Zealand was 1.7% higher than the previous year.
 - a. There were 35,703 Palmerston North residents in employment in the year to December 2021, increasing by 1.8% from 2020 (642 more people),
 - b. There were 20,492 Manawātū district residents in employment in the year to December 2021, increasing by 2.6% from 2020 (523 more people).
- 2.3 Electronic card retail spending in the Manawātū region in the December quarter was \$465 million, an increase of 7.9% from the December 2020 quarter, while national spending declined by 0.4%.
 - a. Annual electronic card retail spending in the region for the year ended December 2021 was \$1,596 million, an increase of 9.7% from 2020. This compares with an increase of 5.0% for New Zealand.
- 2.4 The total value of building consents issued in the region in the December 2021 quarter was \$203 million, compared with \$117 million in the December 2020 quarter, an increase of 74%. National consent values increased by 25%.
 - a. Building consents to the value of \$642 million were issued in the region in the year to December 2021, an increase of 32% from the previous year. National consent values increased by 25%. The value of building consents issued in Palmerston North was \$421 million, an increase of 16% from the previous year, while the value in Manawātū district was \$221 million, increasing by 75%.

- b. Consents for 185 new residential dwellings were issued in the region in the December 2021 quarter, compared with 144 in the December 2020 quarter (an increase of 28%). National consents increased by 14%.
 - c. Consents for 817 new residential dwellings were issued in the region in the year ended December 2021, compared with 698 in the previous year, an increase of 17%. National consents increased by 24%.
 - d. Non-residential consents to the value of \$255 million were issued in the region during the year to December 2021, an increase of 16% from the previous year. National consents increased by 17% over the same period.
- 2.5 Car registrations in the region increased by 25% in the year ended December 2021 (national registrations increased by 20%) while the number of commercial vehicles registered increased by 18% (compared to a national increase of 25%).
- 2.6 It is estimated the annual average unemployment rate in the Manawātū region in the year ended December 2021 was 3.6%, which was below the unemployment rate of 4.2% for New Zealand.
- 2.7 The number of people in the region registered for the MSD Job Seekers benefit declined by 15.8% in December 2021 from December 2020, while the number in New Zealand declined by 11.5%. The MSD benefit numbers reported in the Infometrics report are based on the average of the last four quarters.
- 2.8 Traffic flows in the Manawātū region in the year to December 2021 increased by 11.2% from 2020, while there was an increase of 3.5% for New Zealand.
- 2.9 Electronic card tourism spending in the Manawātū region in the December quarter was \$89 million, an increase of 7% from the December 2020 quarter. Total tourism spending in New Zealand declined by 12%.
- a. Total electronic card visitor spending in the region was \$309 million in the year ended December 2021 (\$275 million in Palmerston North and \$34 million in Manawātū district), increasing by 17% from the previous year (New Zealand increased by 4.0%).
 - b. Domestic visitor spending in the region was \$293 million in the year ended December 2021, increasing by 12% from the previous year (12% increase for New Zealand). There was an 6% decline in visitor spending from Auckland, Wellington region spending increased by 13%, while there was a 13% increase from the Manawātū-Whanganui region.
 - c. International visitor spending in the region was \$16 million in the year ended December 2021, increasing by 23% from the previous year (44% decline for New Zealand).

- 2.10 An average of 113,198 people were enrolled with primary healthcare providers in the Manawātū region in the year ended December 2021, an increase of 1.1% from the previous year, or 1,240 people. Growth was higher than for New Zealand, where the annual increase was 0.9%.
- a. Palmerston North health enrolments increased by 664 people, an increase of 0.8%,
 - b. Manawātū District health enrolments increased by 577 people, an increase of 1.9%.
- 2.11 The Manawātū Economic Monitor report for the December 2021 quarter is attached as Appendix 1.

3. ANNUAL INCOMES REPORT

- 3.1 Annual earnings (salaries, wages and self-employment income) in the Manawātū region in the year ended March 2020 were \$3,965 million, an increase of 6.3% from 2019 (\$237 million increase). National incomes increased by 5.6% over the same period. Income from salaries and wages in the region rose by 6.3% in the year to March 2020 while income from self-employment increased by 2.4%.
- 3.2 Data for the individual local authorities in the region shows that in the year ended March 2020:
- a. Annual earnings were \$706 million in Manawātū District, an increase of \$41 million (6.1% increase) from the previous year,
 - b. Annual earnings were \$3,260 million in Palmerston North, an increase of \$196 million (6.4% increase) from the previous year.
- 3.3 The Manawātū region Annual Incomes Report 2020 is attached as Appendix 2.

4. MANAWATŪ REGION QUARTERLY RETAIL REPORT – DECEMBER 2021 QUARTER

- 4.1 The latest quarterly retail report for the Manawātū region shows electronic card retail spending in the Manawātū region recovered strongly between the September and December quarters despite the region remaining under COVID-19 Level-2 restrictions in October and November and orange traffic light setting in December.
- 4.2 Spending by residents at Manawātū region retailers increased by 8.2% in the December quarter, while spending by residents in other regions declined by 4.6%. Local cardholders spent 84.0% of their electronic card spending at local merchants compared with 82.2% in the December 2020 quarter. Visitor spending in the region increased by 6.9%.
- 4.3 Visitor spending from the rest of the Horizons region increased by 8.5% in the quarter, while visitor spending from the rest of New Zealand increased by 0.8%.

International card spending increased by 7.4% from the December 2020 quarter.

- 4.4 Retail precinct data shows an increase in spending in the Palmerston North city centre in December quarter. Spending in the inner CBD increased by 6.1%, the outer CBD increased by 6.0%, Terrace End increased by 5.4%. while spending in the rest of the city increased by 10.2%. The rest of the city has an 82% share of fuel and automotive spending, which contributed to its higher growth rate.
- 4.5 Retail spending in Feilding increased by 8.5% in the December quarter, while spending across the remainder of the Manawātū District increased by 23.1%, supported by a 44% increase in spending on fuel.
- 4.6 A copy of the Manawātū region December Quarter Retail Report is attached as Attachment 3.

ATTACHMENTS

- 1. Quarterly Economic Monitor December 2021
- 2. Annual Incomes (Employment Report) 2021
- 3. Quarterly Retail Report December 2021

Overview of Manawātū

The Manawatu regional economy has bounced back strongly after the September 2021 quarter Level 4 lockdown. Infometrics provisionally estimates that the region's GDP grew 8.1% in the December 2021 year, well above 5.5% growth nationally. Other indicators of a busy regional economy include 11% growth in traffic flows in the December 2021 year, 25% growth in car registrations, and 18% growth in commercial vehicle registrations – a barometer of agricultural and construction sector confidence.

The region's unemployment rate fell to 3.1% for the December 2021 year, compared with 3.8% nationally. Jobseeker Support recipient numbers also continue to fall from their peak earlier this year, down 3.9% in the December 2021 year in contrast to a 1.9% rise nationally. The strong economy is drawing more people into work. Employment of Manawatu Region residents rose 2.1% in the December year. Employment has grown across a broad range of sectors with construction, health care and social assistance, professional, scientific and technical services leading the way. The retail and accommodation and food services sectors have also been creating jobs, further underlining the importance of domestic consumers and tourists to the local economy. Consumer spending rose 9.7% growth in the December 2021 year according to Marketview data. Spending by tourists was up 17% to \$309m, surpassing the \$284m spent in 2019 when international tourists were still part of the picture.

House sales in Manawatu Region fell 3.4% in the December 2021 year compared with a 3.5% rise nationally. Coupled with strong demand, the fall in the region's house sales contributed to a 26%pa rise in house values in the December 2021 quarter. Residential consents have responded to rising prices, growing 17% in the December year. Non-residential consents remain elevated, growing 16% in the December 2021 year on the back of a surge in consents for factories and industrial buildings.

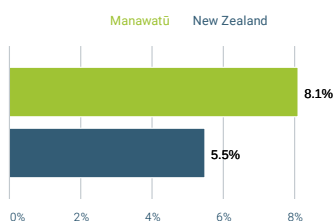
Indicator	Manawātū	New Zealand
Annual Average % change		
Gross domestic product (provisional)	8.1 % ▲	5.5 % ▲
Traffic flow	11.2 % ▲	3.5 % ▲
Consumer spending	9.7 % ▲	5.0 % ▲
Employment (place of residence)	2.1 % ▲	1.7 % ▲
Jobseeker Support recipients	-3.9 % ▼	1.9 % ▲
Tourism expenditure	16.6 % ▲	3.9 % ▲
Health enrolments	1.1 % ▲	0.9 % ▲
Residential consents	17.0 % ▲	24.0 % ▲
Non-residential consents	16.4 % ▲	16.2 % ▲
House values *	26.3 % ▲	27.3 % ▲
House sales	-3.4 % ▼	3.5 % ▲
Car registrations	25.3 % ▲	20.2 % ▲
Commercial vehicle registrations	18.1 % ▲	25.4 % ▲
Level		
Unemployment rate	3.1 %	3.8 %

* Annual percentage change (latest quarter compared to a year earlier)

Gross domestic product

Gross domestic product growth (provisional)

Annual average % change December 2020 - December 2021



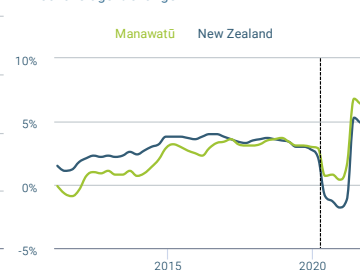
Gross domestic product (\$m)

Annual level, Manawātū



Gross domestic product growth

Annual average % change



Highlights for Manawātū

- GDP in Manawātū was provisionally up 8.1% for the year to December 2021 compared to a year earlier. Growth was higher than in New Zealand (5.5%).
- Provisional GDP was \$7,314 million in Manawātū for the year to December 2021 (2021 prices).
- Annual GDP growth in Manawātū peaked at 8.1% in the year to December 2021.

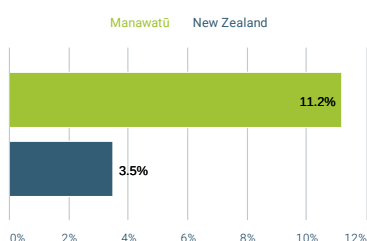
National overview

The New Zealand economy saw a determined but short-lived rebound in economic activity in the December 2021 quarter, as restrictions were relaxed across the country over the course of the quarter. Provisional estimates from Infometrics show a 2.8% rise in economic activity, leaving annual activity over the 2021 calendar year sitting 5.5% above the 2020 total, and 3.6% above pre-pandemic levels. There was substantial regional variation, with a longer period of Alert Level and Traffic Light restrictions keeping upper North Island activity lower than last summer. Other areas saw a rush back to building, manufacturing, and primary sector activities in December, alongside strong summer holiday spending boosts in many areas. Expectations remain for the Omicron outbreak to disrupt this rebound and economic activity over the early stages of 2022.

Traffic flow

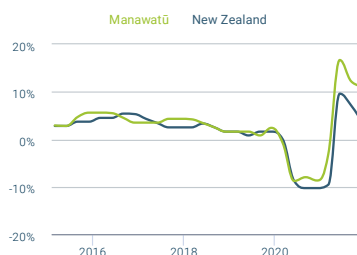
Annual change in traffic flows

Annual average % change December 2020 - December 2021



Traffic volume growth

Annual average % change



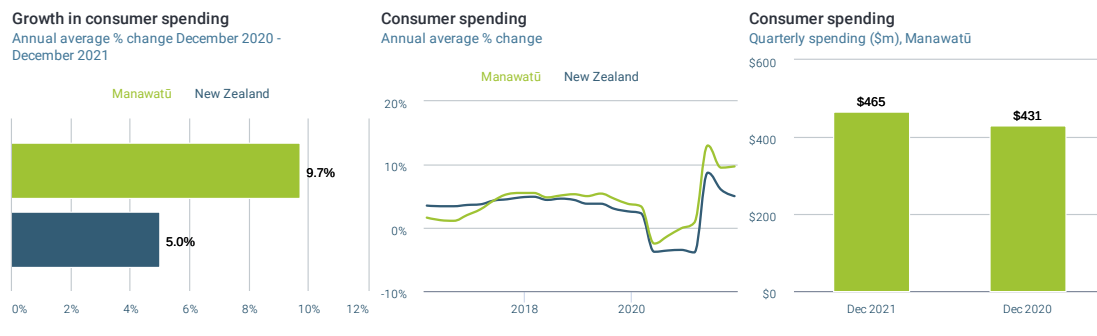
Highlights for Manawātū

- Traffic flows in Manawātū increased by 11.2% over the year to December 2021. This compares with an increase of 3.5% in New Zealand.

National overview

Traffic activity remained subdued in the December 2021 quarter, driven by considerably lower movement in the upper North Island. Auckland's third of the national population weren't able to move outside the Super City boundaries for most of the quarter, with a 31%pa drop in traffic from a year earlier. Northland's traffic volumes were sitting nearly 40% below last summer's levels, due to the lack of Auckland traffic, and Red setting over the key summer period. Rising fuel prices over the December quarter will also have contributed to traffic activity, with a 30%pa increase in prices at the pump. A more expensive trip, combined with uncertainty over possible Covid restrictions over summer, appears to have kept New Zealanders home more throughout the December quarter.

Consumer spending



Highlights for Manawātū

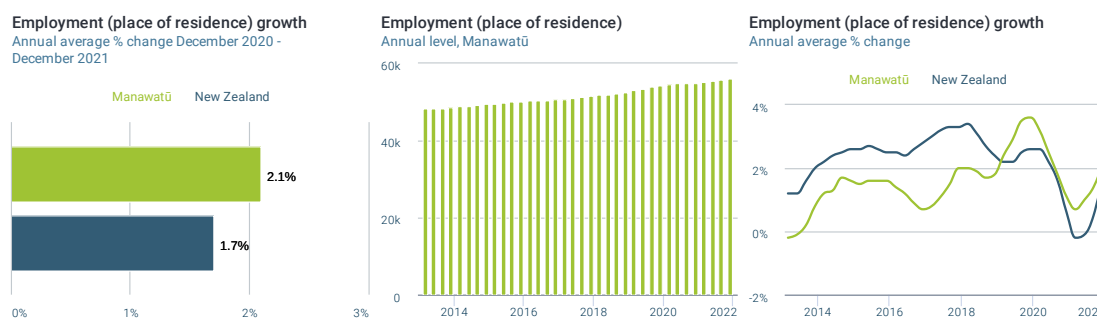
- Electronic card consumer spending in Manawātū as measured by Marketview, increased by 9.7% over the year to December 2021 compared to the previous year. This compares with an increase of 5.0% in New Zealand.

National overview

National spending activity was still slightly down on a year earlier, as the sustained lockdown restrictions in the upper North Island for part of the quarter limited activity. Marketview card spending data shows a 0.4%pa drop in national spending over the December quarter, representing a further \$68m drop in spending. However, excluding Auckland, spending rose 4.4% from a year earlier as the rebound in activity occurred and savings from the Delta lockdown were spent. Higher inflation means that underlying spending growth wasn't as impressive, with the consumers price index rising 5.9%pa in the December quarter as supply chain disruptions and a stretched economy hit household wallets.

Note that we have now switched our reporting basis to align with Marketview's Council Tool spending definitions, resulting in a revision in the consumer spending timeseries.

Employment (place of residence)



Highlights for Manawātū

- Employment for residents living in Manawātū was up 2.1% for the year to December 2021 compared to a year earlier. Growth was higher than in New Zealand (1.7%).
- An average of 56,195 people living in Manawātū were employed in the year to December 2021.
- Annual employment growth for Manawātū residents peaked at 3.6% in the year to December 2019.

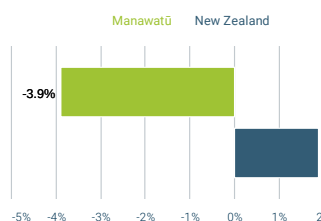
National overview

Labour market pressures remain intense, with more people still getting into jobs. December quarter filled jobs are estimated to have risen 3.7%pa, with construction and professional service employment leading the way. However, jobs growth slowed or fell in tourism-related industries, and the primary sector remains smaller than usual due to the difficulty finding staff. Wage pressures are rising, with an average 7.2% increase in earnings per filled job in 2021. High inflation, higher levels of staff turnover, and continued economic demand are set to see workers demand higher wages in 2022, particularly with a further rise in the minimum wage to match inflation.

Jobseeker Support recipients

Annual change in Jobseeker Support recipients

Annual average % change December 2020 - December 2021



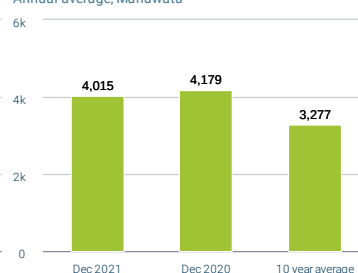
Jobseeker Support recipients

Annual average, Manawātū



Jobseeker Support recipients

Annual average, Manawātū



Highlights for Manawātū

- Jobseeker Support recipients in Manawātū in the year to December 2021 decreased by 3.9% compared with previous year. Growth was lower relative to New Zealand (1.9%).
- An average of 4,015 people were receiving a Jobseeker Support benefit in Manawātū in the 12 months ended December 2021. This compares with an average of 3,277 since the start of the series in 2012.

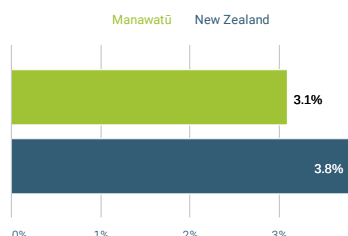
National overview

Jobseeker Support recipient levels resumed their downward path in the December 2021 quarter, to sit nearly 12% below December 2020 levels. Around a fifth (18%) of the fall in Jobseekers is due to policy changes reclassifying some benefit recipients. On an annual average basis, Jobseeker figures are now just 1.9% higher than in the 2020 year. Jobseeker numbers remain around 40,000 (28%) higher than pre-pandemic levels, indicating that despite the tight labour market there remain some discouraged potential workers available. Additionally, there remain some with more complex support needs which need to be addressed to get them into sustainable employment.

Unemployment rate

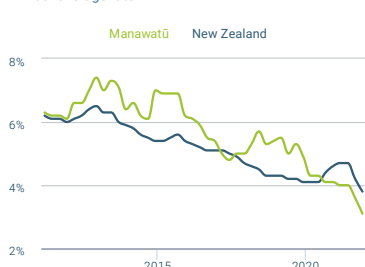
Unemployment rate

Annual average % change December 2020 - December 2021



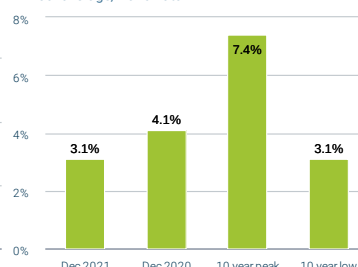
Unemployment rate

Annual average rate



Unemployment rate

Annual average, Manawātū



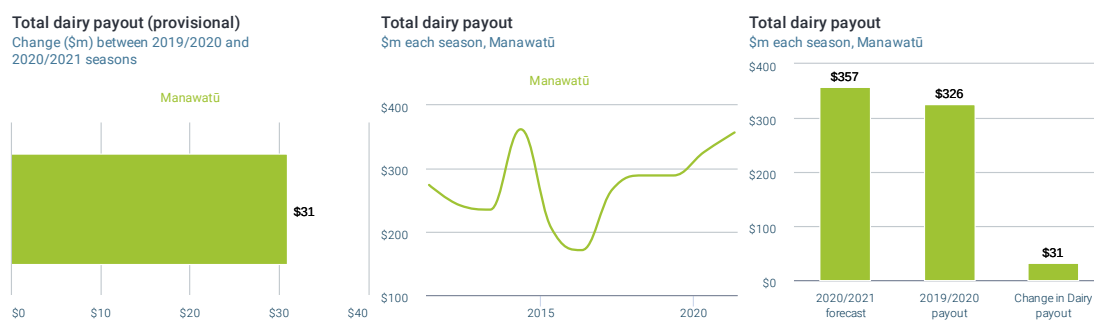
Highlights for Manawātū

- The annual average unemployment rate in Manawātū was 3.1% in December 2021, down from 4.1% 12 months earlier.
- The unemployment rate in Manawātū was lower than in New Zealand (3.8%) in December 2021.
- Over the last ten years the unemployment rate in Manawātū reached a peak of 7.4% in December 2020.

National overview

The labour market tightened even further in December 2021, with the unemployment rate hitting a new record low of 3.2%, just below our (and the market's) pick of 3.3%. The underutilisation rate was steady at 9.2%, as part-time employment growth (5.6%pa) outpaced full-time employment (3.2%pa). The labour market is at its tightest since the Household Labour Force Survey began in the mid-1980s, with employment struggling to grow in the face of worker shortages. The pressure across the labour market suggests that wage growth will have to pick up during 2022, as firms compete more for talent.

Dairy payout



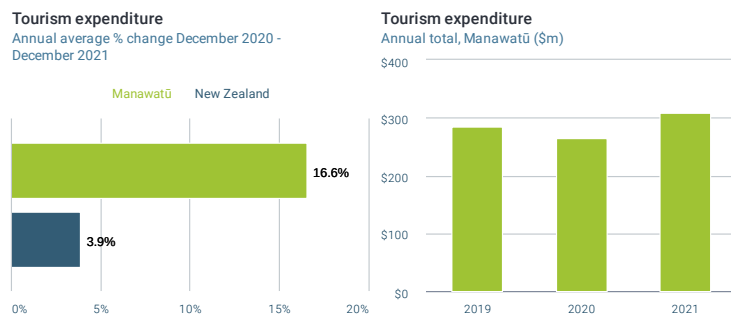
Highlights for Manawātū

- Manawātū total dairy payout for the 2019/2020 season is estimated to have been approximately \$326 million.
- Manawātū's dairy payout for the 2020/2021 season is expected to be approximately \$357 million, \$31 million higher than last season, assuming that production levels from last season are maintained.
- The total dairy payout for New Zealand is estimated to have been approximately \$13,537 million in the 2019/2020 season, and is expected to be \$1,147 million higher in the 2020/2021 season.

National overview

Milk prices continue to rise as demand remains strong, but milk supplies shrink. Fonterra has further increased the farmgate milk price for the 2021/22 season to between \$8.90 and \$9.50, with a midpoint of \$9.20/kgms. The estimated pay-out has risen to \$17.6b, around \$2.2b higher than the peak seen in the 2013/14 season. New Zealand milk volumes have been falling for five straight months now and are down 3.2%pa for the season to date. However, substantial cost rises will skim some cream off the top. Global feed prices were up 40%pa in 2021, and domestic fertilizer costs were up 58%pa rise in the December quarter. Our estimates suggest that the milk price could rise further still.

Tourism expenditure



Highlights for Manawātū

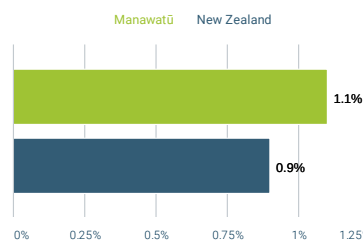
- Total tourism expenditure in Manawātū increased by 16.6% in the year to December 2021. This compares with an increase of 3.9% in New Zealand.
- Total tourism expenditure was approximately \$309 million in Manawātū during the year to December 2021, which was up from \$265 million a year ago.

National overview

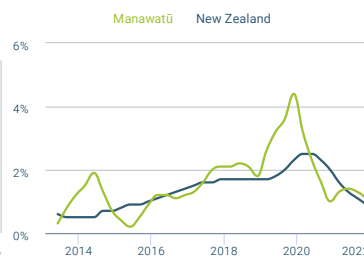
Visitor spending growth over the 12 months to December 2021 slowed back further, up 3.9% from a year earlier. Tourism card spending growth has slowed from above 5%pa in June, as last summer's strong run is replaced with lower tourism spending since August 2021. Domestic travel spending was down 14%pa nationally over the December 2021 quarter, reinforcing the softer level of travel undertaken by Kiwis this summer.

Health enrolments

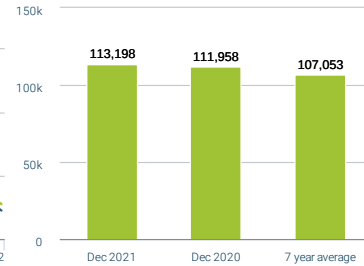
Annual change in health enrolments
Annual average % change December 2020 - December 2021



Health enrolments
Annual average % change



Health enrolments
Annual average, Manawātū



Highlights for Manawātū

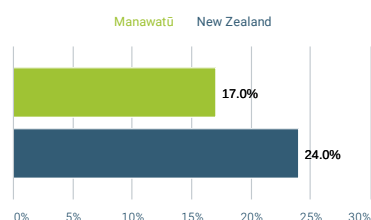
- The number of people enrolled with a primary health organisation in Manawātū in the year to December 2021 increased by 1.1% compared with previous year. Growth was higher relative to New Zealand (0.9%).
- An average of 113,198 people were enrolled with primary healthcare providers in Manawātū in the 12 months ended December 2021. This compares with an average of 106,160 since the start of the series in 2014.

National overview

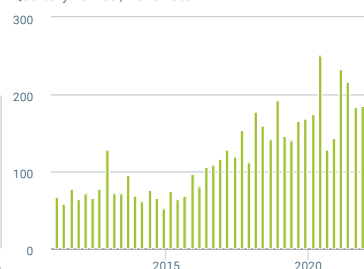
Population growth remained low in the December quarter, as the population ages and the workforce remains limited. Health enrolments, which provide insight into local populations, rose 0.7%pa in the December quarter, the slowest rate in eight years. This low growth took annual average growth to below 1.0% for the first time since late 2015. Provisional net migration data shows a net loss of around 4,000 over the year to December 2021 – the first drain of talent in a decade. Some regional economies are showing slower or negative growth, as the labour market and regional migration becomes the driver of local population changes.

Residential consents

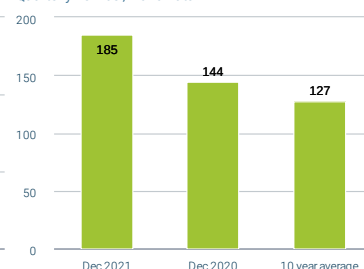
Growth in number of new dwelling consents
Annual average % change December 2020 - December 2021



Residential consents
Quarterly number, Manawātū



Number of new dwelling consents
Quarterly number, Manawātū



Highlights for Manawātū

- A total of 185 new residential building consents were issued in Manawātū in the December 2021 quarter, compared with 144 in the same quarter last year.
- On an annual basis the number of consents in Manawātū increased by 17% compared with the same 12-month period a year ago. This compares with an increase of 24.0% in New Zealand over the same period.

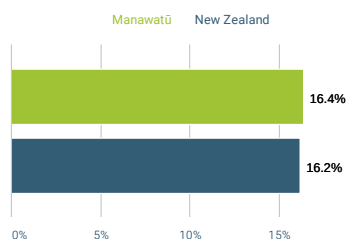
National overview

Residential consents have climbed even higher to 48,899 consents approved over the year to December 2021, sitting up 24% higher than throughout 2020. Townhouses remain the driving factor of growth, with 16,327 in 2021, up 41% compared to 2020. However, we are starting to see momentum wane, with quarterly growth in December sitting at 14%pa, compared to 30%pa in September. New Zealand has had an undersupply of housing for many years, and as a result house prices have been pushed incredibly high as supply has been unable to match strong demand. The record number of consents over the past year will help making some headway into alleviating some of the supply issues.

Non-residential consents

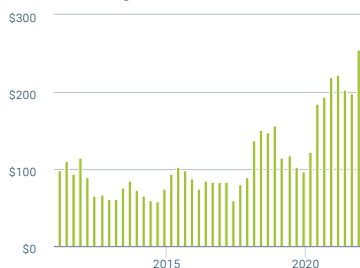
Growth in value of consents

Annual average % change December 2020 - December 2021



Non-residential consents, Manawātū

\$m, annual running total, Manawātū



Non-residential consents

Annual value (\$m), Manawātū



Highlights for Manawātū

- Non-residential building consents to the value of \$255.0 million were issued in Manawātū during the year to December 2021.
- The value of consents increased by 16.4% over the year to December 2021. By comparison the value of consents increased by 16.2% in New Zealand over the same period.
- Over the last 10 years, consents in Manawātū reached a peak of \$255.0 million in the year to December 2021.

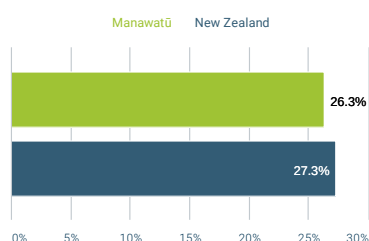
National overview

The value of non-residential consents was \$8.2b in the year to December 2021, sitting 16% higher than in the 2020 year. Public consents drove growth over 2021, with the value of public consents sitting up 42%. Hospitals were responsible for a large share of this growth, with over a billion dollars of hospital consents approved in 2021. Factory and education consents were also strong, sitting up 63% and 22% respectively. Although non-residential consents were very strong over 2021, there was massive difference across building types, with those most impacted by COVID restrictions, such as accommodation, offices, and retail being notably weaker than others.

House values

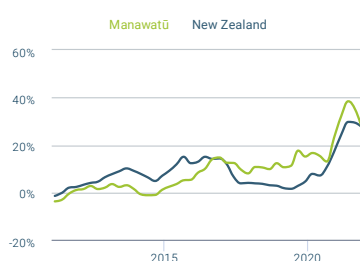
Annual change in house value

Annual % change in house value December 2020 - December 2021



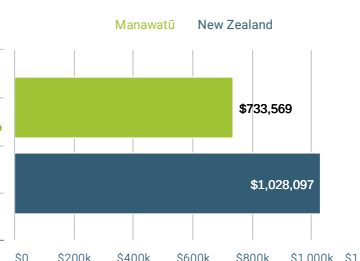
House value growth

Annual % change



Average current house value

Average house value in December 2021 quarter



Highlights for Manawātū

- The average current house value in Manawātū was up 26.3% in December 2021 compared with a year earlier. Growth underperformed relative to New Zealand, where values increased by 27.3%.
- The average current house value was \$733,569 in Manawātū in December 2021. This compares with \$1,028,097 in New Zealand.

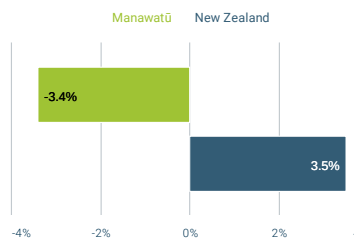
National overview

House values in New Zealand were sitting up 23%pa in December, with values across the country reaching incredible highs over the year. Value growth across the country has been absurd over the past year, driven by incredibly low interest rates encouraging buyers into the market, and demand outstripping supply pushing prices up even further. It appeared as though there was no end in sight for house value growth, however the most recent months show the market has begun to turn a corner. Annual value growth has started to flatten off from earlier highs, driven by new lending restrictions making it harder for buyers to access credit.

House sales

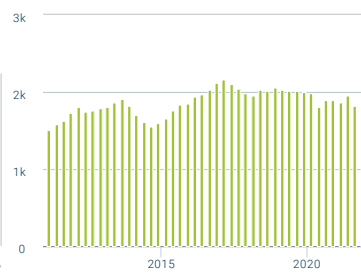
Annual change in house sales

Annual average % change December 2020 - December 2021



House sales

Annual number, Manawātū



House sales

Annual number, Manawātū



Highlights for Manawātū

- House sales in Manawātū in the year to December 2021 decreased by 3.4% compared with the previous year. Growth underperformed relative to New Zealand, where sales increased by 3.5%.
- A total of 1,824 houses were sold in Manawātū in the 12 months ended December 2021. This compares with the ten year average of 1,894.

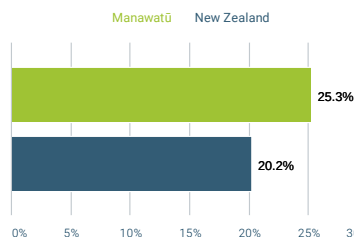
National overview

House sales grew 3.5% over the year to December 2021. House sales have seen a dramatic slowdown in the second half of the year, after strong growth in the first half of 2021. The initial decline in sales was driven by a lack of available supply, with not enough houses being available on the market for buyers. However, particularly in recent months, new lending restrictions have made it harder for buyers to access credit and sales are continuing to drop despite listing numbers picking back up.

Car registrations

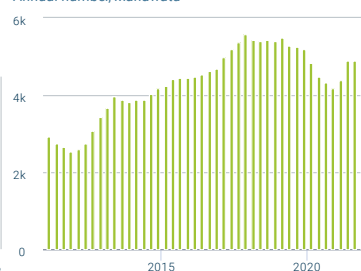
Car registrations

Annual average % change December 2020 - December 2021



Car registrations

Annual number, Manawātū



Car registrations

Annual number, Manawātū



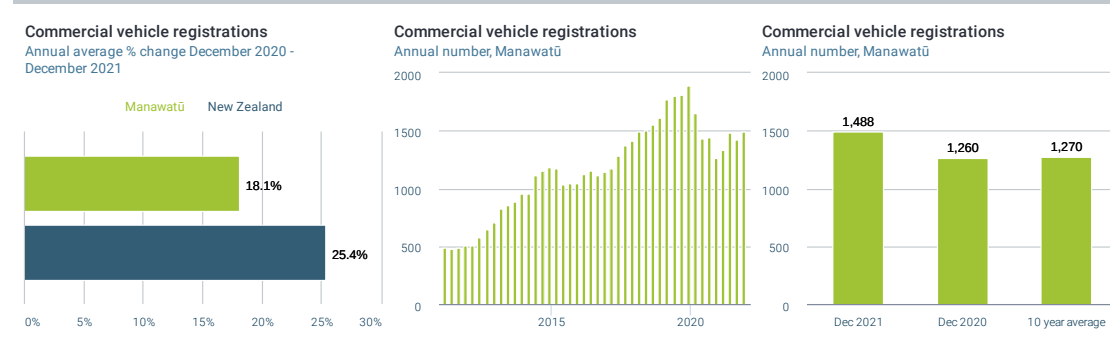
Highlights for Manawātū

- The number of cars registered in Manawātū increased by 25.3% in the year to December 2021 compared with the previous 12 months. Growth was higher than in New Zealand (20.2%).
- A total of 5,233 cars were registered in Manawātū in the year to December 2021. This compares with the ten year average of 4,617.

National overview

New car registrations ended 2021 at a new annual record, with solid lift in the December month to see year-end growth sitting at 20%pa. Full-battery EV registrations rose 142% in 2021, accounting for 4.0% of total registrations – double their share in 2020. The new car market continues to go gangbusters, although used cars are still struggling, with less supply and sometimes eye-wateringly high prices. The 2022 year could see momentum in the car market shift back a gear, due to a range of factors. Interest rates are heading higher, and consumer confidence has weakened considerably, which is expected to limit household spending.

Commercial vehicle registrations



Highlights for Manawātū

- The number of commercial vehicles registered in Manawātū increased by 18.1% in the year to December 2021 compared with the previous 12 months. Growth was lower than in New Zealand (25.4%).
- A total of 1,488 commercial vehicles were registered in Manawātū in the year to December 2021. This is higher than the ten year annual average of 1,270.

National overview

Total new commercial registrations were up 34%pa in the December quarter, leaving commercial registrations in the 2021 year sitting 25% higher than 2020. There were nearly 51,000 new commercial vehicle registrations in 2021, the most we have on record since 1991. The bounce-back has been reflective of the boom in construction, high commodity prices, but also making up for the lack of activity in 2020. Early 2022 is expected to see this pickup in activity continue, particularly ahead of Clean Car Standard fees for higher-emitting vehicles (like some utes) entering in April 2022.

Technical notes

Building Consents

Building consents data is sourced from Statistics New Zealand. The number of residential consents issued for new dwellings is the measure for residential consents. For non-residential consents, the measure is the value of both new buildings and alterations.

Consumer Spending

The consumer spending data is sourced from Marketview. It measures total electronic card spending using spending through the Paymark network and adding to it an estimate of non-Paymark network spending using the pattern of BNZ card holder spending at non-Paymark retailers. For further breakdown of the data by storetype and other variables contact Marketview.

Employment (place of residence)

Employment data is based off a range of Stats NZ employment datasets, and represents the number of filled jobs, based on the area of residential address for the employee (rather than workplace address). This place of residence location means that the employment series reflects trends in employment of an area's residents, which may be different to trends in employment at businesses in an area, particularly when there are strong commuting flows. The most recent quarter is based off the average of Monthly Employment Indicator (MEI) filled jobs from Statistics New Zealand for the past three months, with previous quarters being backcasted using the percentage change in the quarterly Business Data Collection dataset published by Statistics New Zealand.

Gross Domestic Product

Gross Domestic Product is estimated by Infometrics. A top-down approach breaks national industrial production (sourced from production based GDP measures published by Statistics New Zealand) to TA level by applying TA shares to the national total. Each TA's share of industry output is based on labour market data from LEED. GDP growth in recent quarters is based on a model which uses the various partial economic indicators presented in this report as inputs. Estimates of GDP for these most recent quarters are provisional until Infometrics updates its annual GDP series in the Regional Economic Profile at the beginning of each year. Gross domestic product is measured in 2021 dollar terms.

Health Enrolments

Health enrolments are sourced from the Ministry of Health. They record the number of people in each area who are enrolled with a Primary Health Organisation (PHO). Enrolment is voluntary, but most New Zealanders enrol at a general practice for health reasons and for the benefits of enrolment, such as cheaper doctors' visits and reduced costs of prescription medicines. Changes to how the Ministry of Health recorded this data led to Infometrics revising our approach to health enrolment figures for the March 2019 Quarterly Economic Monitor onwards. Our new approach completely revises our timeseries of health enrolments, so care should be taken when comparing the March 2019 report with previously downloaded reports.

Previously, the data provided was only for those people whose addresses are able to be accurately recorded by the Ministry of Health. We have now switched to breaking down TA-level health enrolments based on trends in stated health enrolments by area, to ensure that the total number of enrolees published in the Monitor align with the national-level figures published by the Ministry of Health. A new system for classifying and recording health enrolment addresses from March 2019 onwards by the Ministry means significantly higher numbers of unallocated enrolees, resulting in the need to review our model.

House Sales

The number of house sales is sourced from REINZ. The indicator measures the number of house sales at the point when the sale becomes unconditional. The unconditional date is the date when all the terms of an agreement have been satisfied and the sale and purchase can proceed to settlement.

House Values

House values (dollar value) are sourced from CoreLogic. The levels quoted in the report are average values for the quarter.

Jobseeker Support Recipients

In July 2013 the New Zealand's welfare system changed to better recognise and support people's work potential. As part of this the Jobseekers Support benefit was introduced. This benefit is for people who can usually look or prepare for work but also includes people who can only work part-time or can't work at the moment, for example, because they have a health condition, injury or disability.

Data presented for the September 2013 quarter onwards is provided by the Ministry of Social Development (MSD). Data prior to September 2013 are Infometrics estimates based on re-grouping pre-July 2013 benefit categories to be consistent with the post-July 2013 benefit categories. The pre-July 2013 benefit categories used to estimate the number of Jobseekers Support recipients are: Unemployment Benefit and Unemployment Benefit Hardship; Unemployment Benefit Training and Unemployment Benefit Hardship Training; Sickness Benefit and Sickness Benefit Hardship; Domestic Purposes Benefit - Sole Parent (if youngest child is 14 or over); Women Alone and Widow's Benefit (without children or with children 14 or over)

Tourism Expenditure

New Tourism Electronic Card Transactions (TECTs) are an interim replacement for the Monthly Regional Tourism Estimates (MRTes). We have removed our previous timeseries of MRTes and published the three annual snapshots provided in the TECTs. The TECTs reflect the expenditure for all electronic card transactions (ECTs) in New Zealand related to tourism. Marketview use a base of spending on the Paymark network (approximately 70 per cent of total ECT spend) to scale up to total ECT spend.

Traffic Flow

Traffic flow growth rates are calculated from the number of vehicles passing approximately 110 sites monitored by New Zealand Transport Agency. Each of the sites has been mapped to a territorial authority.

Unemployment Rate

Regional level unemployment rates are sourced from Statistics New Zealand's Household Labour Force Survey. Trends in the number of Jobseekers are used to break down regional unemployment rates to TA levels. The TA level unemployment rates are benchmarked on census following the release of each census. To reduce volatility the unemployment rate is presented as an average for the last four quarters.

Vehicle Sales

Car and commercial vehicle sales data are sourced from New Zealand Transport Authority. Sales are based on new registrations which include the first time registration of new vehicles and used vehicles imported from overseas.

Weekly Rents

Rents (\$ per week) are sourced from monthly data provided by MBIE and averaged across each quarter or year using weighted geometric means. Rental data pertains to averages from data collected when bonds are lodged and does not control for specifications of the home (eg. size, number of bedrooms, age of home, etc).



Manawātū Region Annual Incomes Report 2020

Earnings (salaries, wages and self-employment income) in the Manawātū region in the year ended March 2020 were \$3,965 million, an increase of 6.3% from 2019 (\$237 million increase). National incomes increased by 5.6% over the same period. Income from salaries and wages in the region rose by 6.3% in the year to March 2020 while income from self-employment increased by 2.4%.

Statistics New Zealand data for incomes from salaries and wages and self-employment is drawn from employer payroll records supplied to IRD and IR3 tax returns for the self-employed. There is an 18-month lag before the data is published so the latest data we have is for 2020.

The main contributors to the \$237 million earnings growth in the year to March 2020 were:

- Construction, \$46 million increase (13.8% increase),
- Health care and social assistance, \$38 million increase (8.1% increase)
- Agriculture, forestry, fishing and mining, \$15 million increase (10.1% increase)
- Confidential sectors¹, \$58 million increase (12.2% increase)

Between 2000 and 2020, total incomes in the region increased by \$2.4 billion, an increase of 159%, while national income growth was 183%. Major contributors to growth in the region were:

- health care and social assistance (\$357 million increase, 249% increase),
- logistics (\$299 million, 211% increase),
- professional, scientific and technical services (\$170 million, 143% increase),
- retail (\$217 million, 141% increase).

While growth in the education sector was just 93% between 2000 and 2020, it still contributed \$204 million to the total increase in income. Long term earnings growth data is not available for the construction and public administration and safety sectors because Manawātū District sector data was confidential.

¹ Confidential sectors are Mining and Public administration and safety

Annual Earnings for the Manawātū Region					
Industry sector	Year ended March 2020	2019 - 2020 change		2000 - 2020 change	
	\$m	\$m	%	\$m	%
Health Care and Social Assistance	500	38	8.1%	357	249.4%
Logistics	440	17	4.1%	299	211.3%
Education and Training	430	10	2.4%	204	90.3%
Construction	376	46	13.8%	confidential	
Retail Sector	371	15	4.3%	217	140.5%
Manufacturing	322	7	2.2%	147	84.4%
Professional, Scientific and Technical Services	289	-2	-0.6%	170	142.8%
Agriculture, Forestry and Fishing;	163	15	10.1%	71	77.4%
Other Services	127	7	5.7%	81	175.5%
Administrative and Support Services	113	6	5.4%	80	241.6%
Financial and Insurance Services	98	4	3.7%	57	137.1%
Rental, Hiring and Real Estate Services	93	10	11.8%	55	142.5%
Arts and Recreation Services	42	3	7.2%	26	171.6%
Information Media and Telecommunications	29	-2	-7.8%	confidential	
Electricity, Gas, Water and Waste Services	25	3	13.6%	11	82.5%
Not elsewhere classified	12	3	33.1%	confidential	
Confidential (1)	535	58	12.2%	confidential	
Total	3,965	237	6.3%	2,435	159.1%

(1) Mining and Public administration and safety

Source: Statistics New Zealand

Data for the individual local authorities in the region shows that in the year ended March 2020:

- Annual earnings were \$706 million in Manawātū District, an increase of \$41 million (6.1% increase) from the previous year,
- Annual earnings were \$3,260 million in Palmerston North, an increase of \$196 million (6.4% increase) from the previous year.

Data for salaries and wages is published on a quarterly basis and is available to September 2020. Indicators from the salaries and wages series for the Manawātū region to September are:

- The number of filled jobs increased by 3.1% between September 2019 and September 2020 (0.1% decline for New Zealand)
- Total salaries and wages increased by 9.8% (5.4% increase for New Zealand)
- Average earnings from salaries and wages in the region (full quarter jobs) were \$61,523 in the year to September, an increase of 6.5% from the previous year (New Zealand increase of 5.6%, average salaries and wages of \$65,860),
- Median earnings from salaries and wages in the region (full quarter jobs) were \$55,057 in the year to September, an increase of 6.9% from the previous year (New Zealand increase of 6.2%, median salaries and wages of \$56,660),
- The average worker turnover rate in the region in the September 2020 quarter was 11.3% compared with 12.4% for New Zealand.

Manawatū Region

Quarterly Retail Report

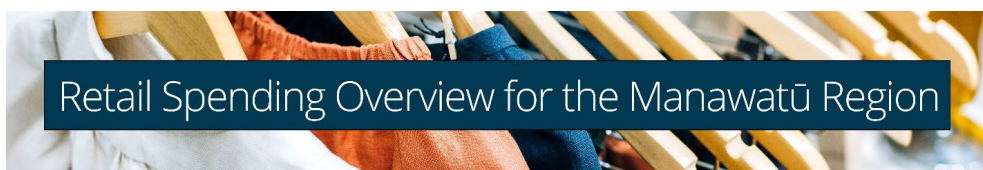
December 2021

PALMY
PARAIOEA
PALMERSTON
NORTH
CITY

MANAWATU
DISTRICT COUNCIL

CEDA
CENTRAL ECONOMIC
DEVELOPMENT AGENCY

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Retail Spending Overview for the Manawātū Region

Overview

The retail sector in the Manawātū region recovered quickly from the COVID-19 Level-3 and 4 restrictions in place for three weeks in the September quarter.

Electronic card retail spending increased by 7.9% in the December quarter compared with the December 2020 quarter. Retail spending in New Zealand declined by 0.4%. Level-3 COVID restrictions in the upper North Island during October and November contributed to the decline in retail spending in New Zealand.

Annual retail spending in the region was nearly \$1.6 billion in the year ended December 2021, increasing by 9.7% from 2020, while there was an increase of 5.0% for New Zealand.

The Manawātū Region Quarterly Retail Report is produced by Palmerston North City Council and CEDA using data sourced from MarketView.

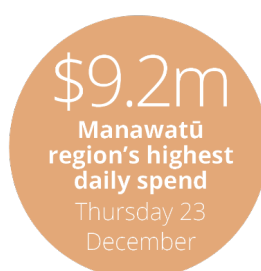
December 2021 quarter

December quarter retail spending in the region was \$465 million, increasing by 7.9% from the December 2020 quarter.

Retail spending in New Zealand was \$18,337 million, declining by 0.4%.

Spending in Manawātū District increased by 11.0% in the quarter while spending in Palmerston North increased by 7.4%.

The highest daily spend in the region was \$9.2 million on Thursday 23 December.



Year ended December 2021

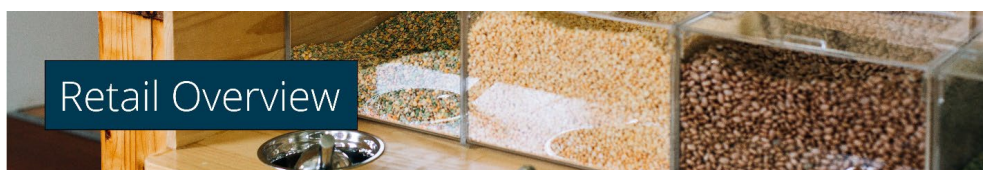
Annual spending in the region in the year to December 2021 was \$1,596 million, increasing by 7.4% from the previous year

Retail spending in New Zealand was \$65,643 million, increasing by 5.0%.

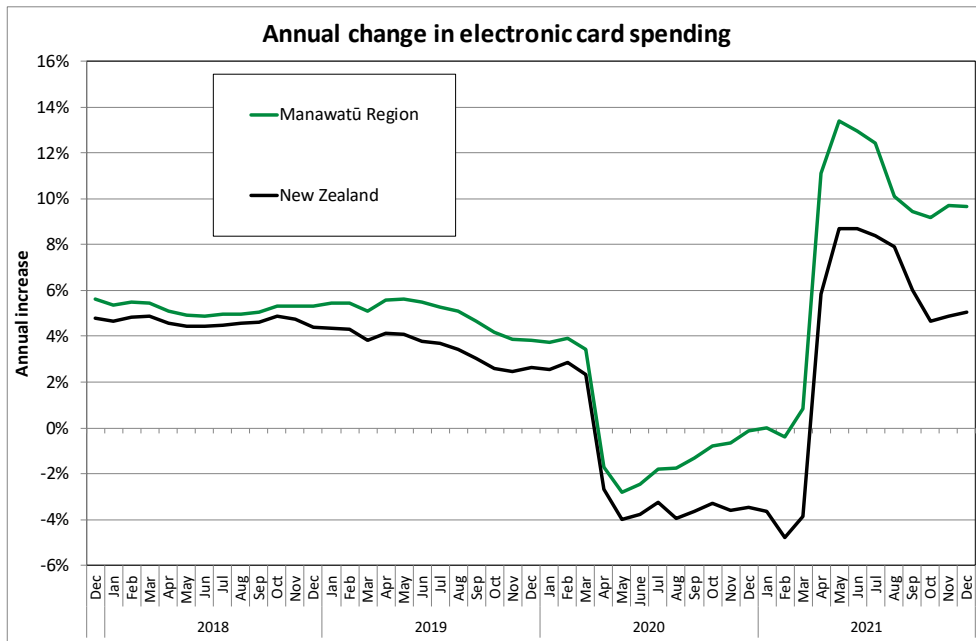
Spending in Manawatū District increased by 12.1% in the year ended December 2021 while the growth rate in Palmerston North was 9.2%.

There was a \$121 million net gain in spending at Manawatū retailers in the year ended December 2021, increasing from \$100 million in the year ended December 2020. (There is a net gain when visitor spending in the region exceeds Manawatū resident spending in other regions).

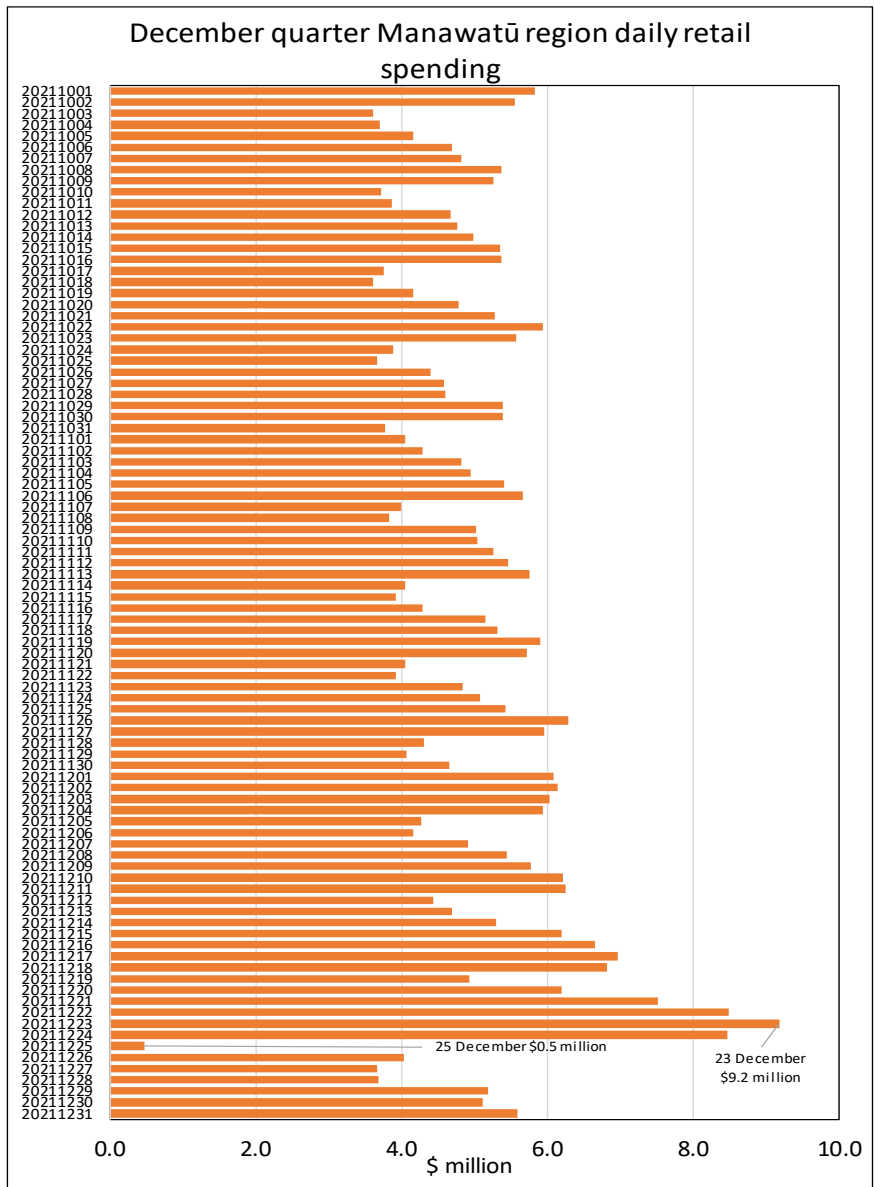
The loyalty rate was 82.7% in the year ended December 2021 compared with 83.4% in the year ended December 2020 (the percentage of spending by Manawatū residents at local retailers).

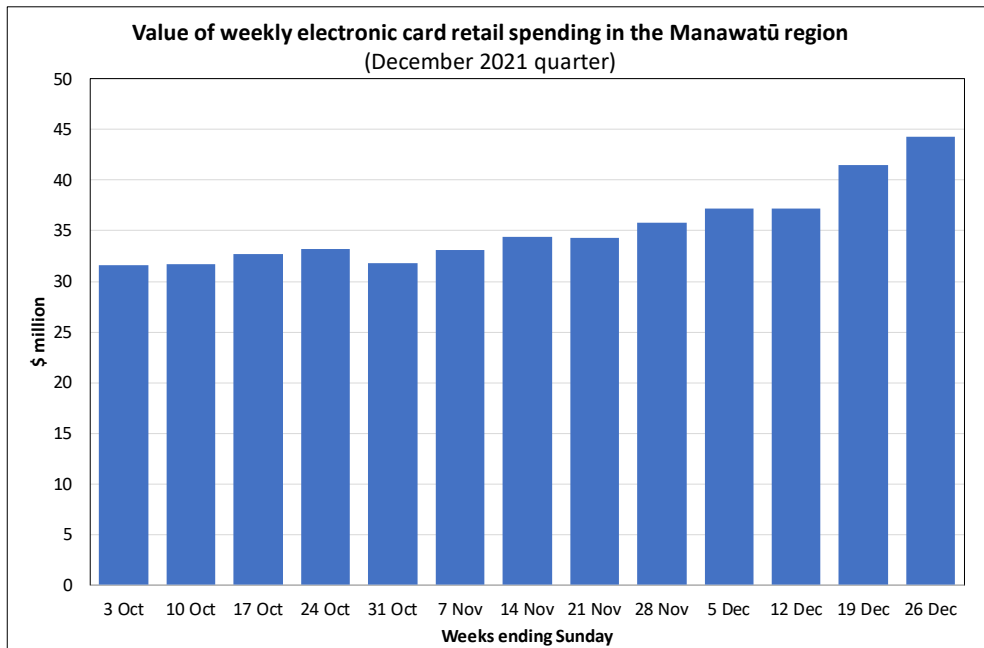


	December 2021 quarter		Year ended December 2021		
Cardholder origin	Value of spending (\$m)	Change (from same quarter last year)	Value of spending (\$m)	Change (from last year)	% share of spending
Locals	355.8	8.2%	1,219.7	7.9%	76.4%
Rest of Horizons region	59.4	8.5%	197.9	13.9%	12.4%
Rest of New Zealand	45.1	0.8%	163.6	18.2%	10.2%
International	4.9	74.1%	15.1	21.6%	0.9%
Total spending at Manawatū region merchants	465.3	7.9%	1,596.3	9.7%	100.0%
Total spending in New Zealand	18,336.9	-0.4%	65,643.3	5.0%	



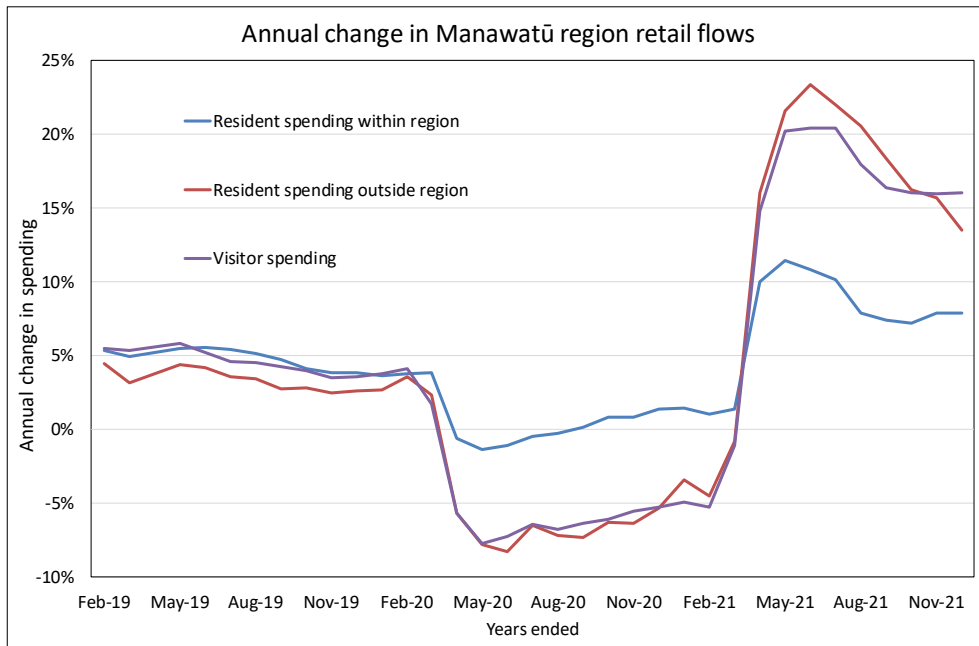
The busiest day for the region is Saturdays, while the busiest week in the December quarter was the week ended Sunday 26 December. The fastest growth category in the quarter was fuel and automotive products. Petrol prices in the quarter increased by 30.5% from the December 2020 quarter. The day with the highest spend was Thursday 23 December, with spending of \$9.2 million – Boxing Day spend was \$4.2 million.





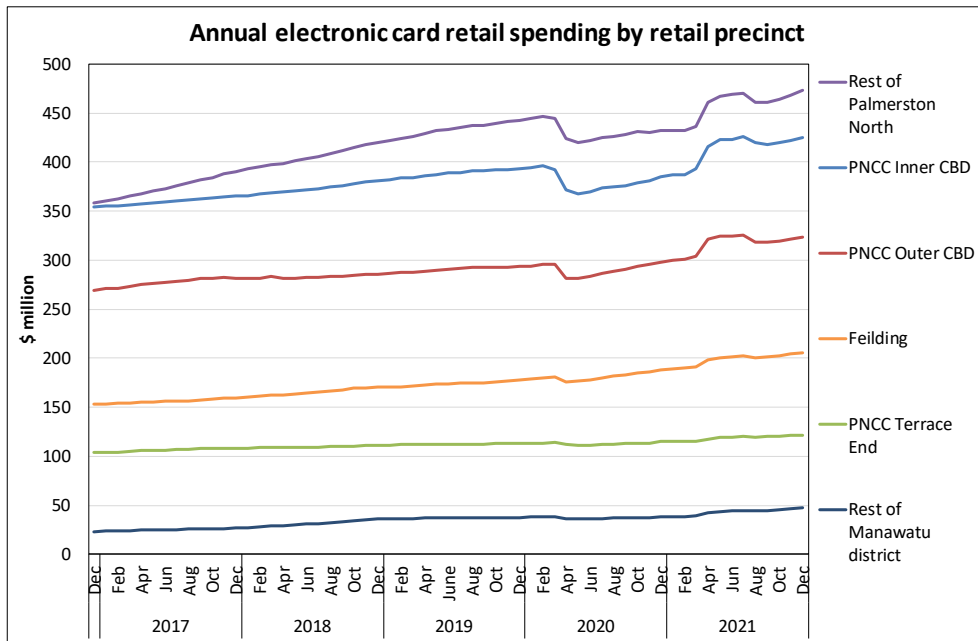


	December 2021 quarter		Year ended December 2021	
Cardholder origin	Value of spending (\$m)	Change (from same quarter last year)	Value of spending (\$m)	Change (from last year)
Resident spending locally	355.8	8.2%	1,219.7	7.9%
Resident spending outside region	67.9	-4.6%	255.3	13.5%
Total resident spending	423.8	6.0%	1,475.0	8.8%
Visitor spending	109.5	6.9%	376.6	16.0%
Net gain in spending for region	41.5	33.4%	121.3	21.7%
Total spending at Manawatū region merchants	465.3	7.9%	1,596.3	9.7%
Manawatū region loyalty rate	84.0%		82.7%	
% share of Manawatū region resident spending at Manawatū retailers				
Visitor share of Manawatū region spending	23.5%		23.6%	





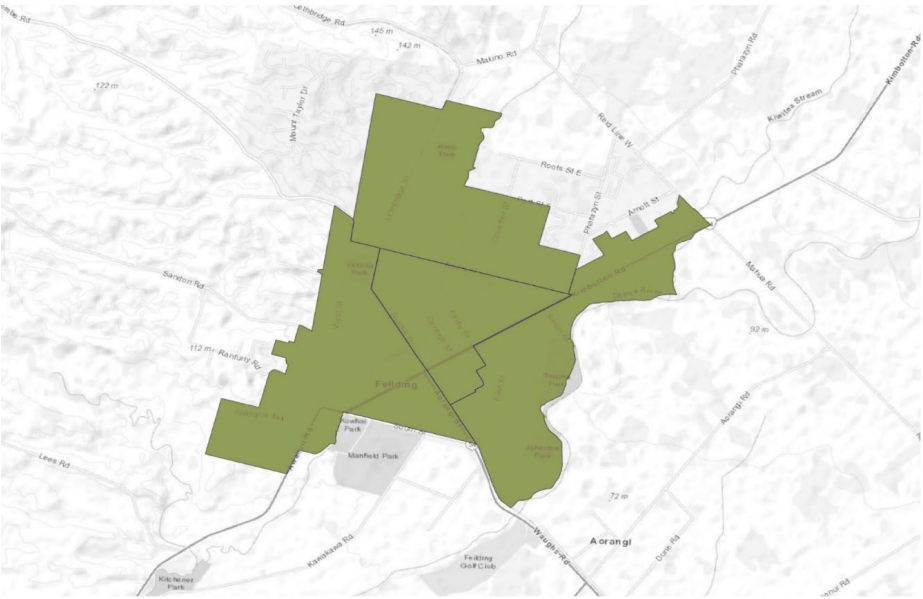
	December 2021 quarter		Year ended December 2021		
Cardholder origin	Value of spending (\$m)	Change (from same quarter last year)	Value of spending (\$m)	Change (from last year)	Precinct % share
Palmerston North Inner CBD	127.6	6.1%	425.0	10.4%	26.6%
Palmerston North Outer CBD	95.5	6.0%	323.2	8.4%	20.2%
PNCC Terrace End	34.2	5.4%	121.8	6.1%	7.6%
Rest of Palmerston North	135.3	10.2%	473.1	9.6%	29.6%
Total Palmerston North	392.5	7.4%	1,343.2	9.2%	
Feilding	59.2	8.5%	205.9	9.6%	12.9%
Rest of Manawatū District	13.6	23.1%	47.2	24.7%	3.0%
Total Manawatū district	72.8	11.0%	253.1	12.1%	
Total Manawatū region	465.3	7.9%	1,596.3	9.7%	100.0%



Palmerston North Retail Precincts



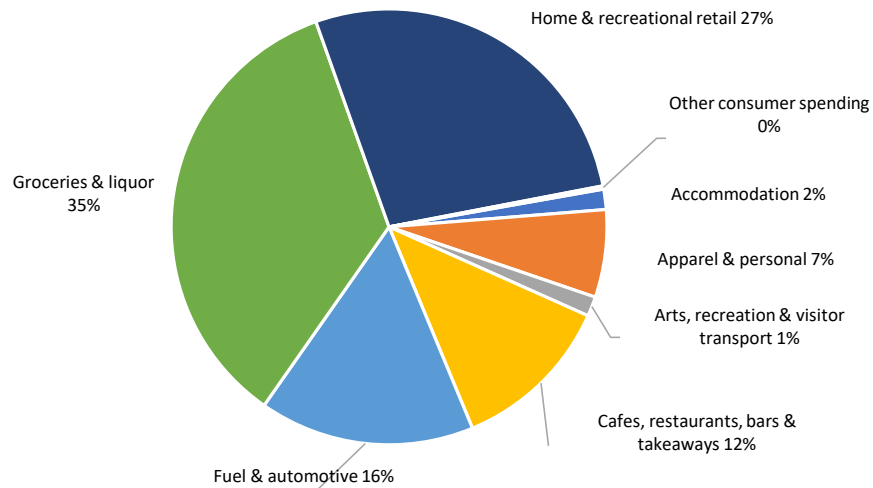
Manawatū District Retail Precincts





Cardholder origin	Manawātū region		New Zealand		Manawātū region share of New Zealand
	Value of spending (\$m)	Change (from last year)	Value of spending (\$m)	Change (from last year)	
Accommodation	24.0	19.4%	1,308.7	-6.7%	1.8%
Apparel & personal	103.7	13.9%	3,798.8	5.3%	2.7%
Arts, recreation & visitor transport	23.4	1.2%	1,368.8	-13.6%	1.7%
Cafes, restaurants, bars & takeaways	192.5	17.0%	8,839.9	7.1%	2.2%
Fuel & automotive	255.0	18.9%	10,128.7	14.0%	2.5%
Groceries & liquor	556.0	4.1%	24,170.9	2.5%	2.3%
Home & recreational retail	437.9	8.8%	15,692.6	5.8%	2.8%
Other consumer spending	3.8	-36.0%	334.9	0.6%	1.1%
Total	1,596.3	9.7%	65,643.3	5.0%	2.4%

Distribution of Manawātū region spending by sector



Retail Sector Classification

Accommodation

Apparel & personal

Clothing retailing
Footwear retailing
Watch & jewellery retailing
Other personal accessory retailing
Hairdressing & beauty services

Arts, recreation & visitor transport

Interurban & rural bus transport
Urban bus transport (including tramway)
Taxi & other road transport
Rail passenger transport

Water passenger transport

Air & space transport

Scenic & sightseeing transport
Passenger car rental & hiring
Other motor vehicle & transport equipment rental & hire
Travel agency & tour arrangement services
Museum operation
Zoological & botanical gardens operation
Nature reserves & conservation parks operation
Performing arts operation
Creative artists, musicians, writers & performers
Performing arts venue operation

Health & fitness centres & gymnasias operation
 Sport & physical recreation clubs & sports professionals
 Sports & physical recreation venues, grounds & facilities
 Sport & physical recreation admin. & track operation
 Horse & dog racing administration & track operation
 Other horse & dog racing activities
 Amusement parks & centres operation
 Amusement & other recreation activities n.e.c
 Casino operation
 Lottery operation
 Other gambling activities

Cafes, restaurants, bars & takeaways

Cafes & restaurants
 Takeaway food services
 Catering services
 Pubs, taverns & bars
 Clubs (hospitality)
 Clubs (Hospitality)

Fuel & automotive

Motor vehicle parts retailing
 Tyre retailing
 Fuel retailing
 Other automotive repair & maintenance

Groceries & liquor

Supermarket & grocery stores
 Fresh meat, fish & poultry retailing

Fruit & vegetable retailing
 Liquor retailing
 Other specialised food retailing

Home & recreational retail

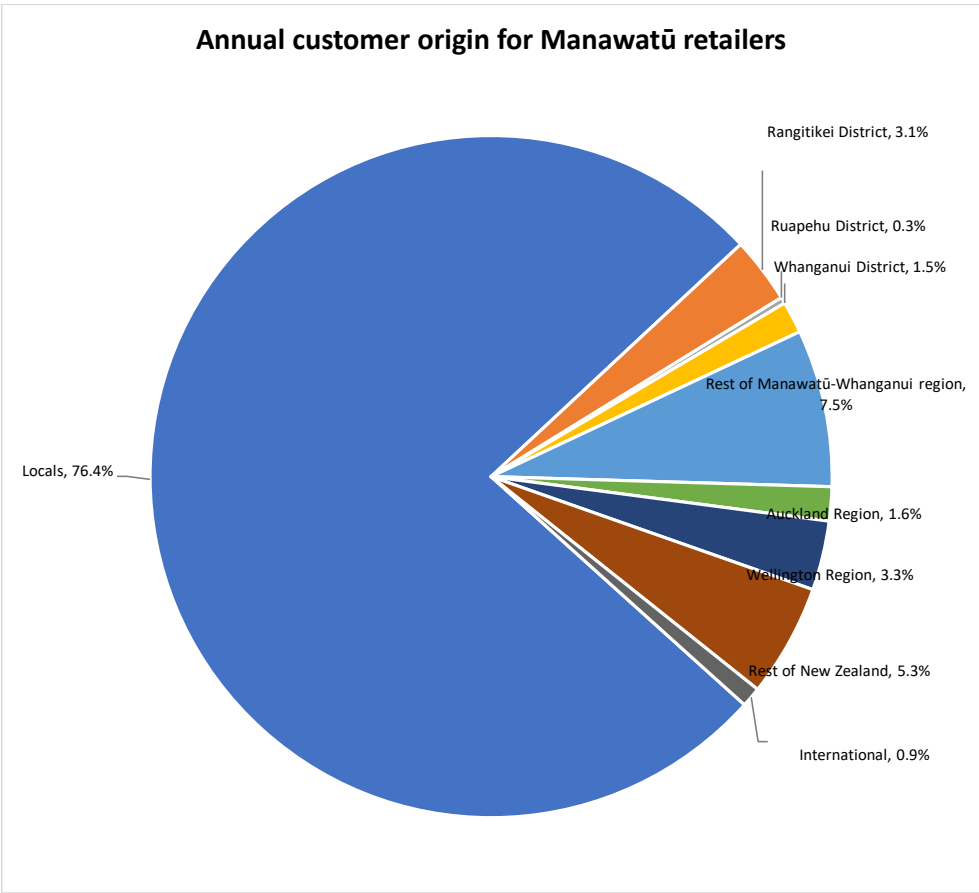
Sport & camping equipment
 Entertainment media retailing
 Toy & game retailing
 Newspaper & book retailing
 Marine equipment retailing
 Department stores
 Pharmaceutical, cosmetic & toiletry goods
 Stationery goods retailing
 Antique & used goods retailing
 Flower retailing
 Other store-based retailing n.e.c.
 Furniture retailing
 Floor coverings retailing
 Houseware retailing
 Manchester & other textile goods retailing
 Electrical, electronic & gas appliance retailing
 Computer & computer peripheral retailing
 Other electrical & electronic goods retailing
 Hardware & building supplies retailing
 Garden supplies retailing

Other consumer spending

Car retailing
 Motor cycle retailing
 Trailer & other motor vehicle retailing
 Retail commission based buying & selling



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Cardholder origin	Value of spending (\$m)	Change (from last year)	Value of spending (\$m)	Change (from last year)	% share of spending
Locals	355.8	8.2%	1,219.7	7.9%	76.4%
Rangitikei District	15.0	11.1%	50.0	13.8%	3.1%
Ruapehu District	1.4	0.2%	4.7	4.7%	0.3%
Whanganui District	7.4	15.7%	24.1	22.5%	1.5%
Rest of Manawatū- Whanganui region	35.6	6.4%	119.1	12.8%	7.5%
Auckland Region	6.2	-18.1%	25.8	13.8%	1.6%
Wellington Region	15.4	7.1%	52.5	18.3%	3.3%
Rest of New Zealand	23.5	3.0%	85.3	19.5%	5.3%
International	4.9	74.1%	15.1	21.6%	0.9%
Total	465.3	7.9%	1,596.3	9.7%	100.0%







Joint Strategic Planning Committee

Meeting of 10 April 2022

Business Unit: Community
Date Created: 22 February 2022

CEDA Half-Yearly Report to 31 December 2021

Purpose Te Aronga o te Pūrongo

To present the Central Economic Development Agency's (CEDA) Half-Yearly Report to 31 December 2021, in accordance with Section 66 of the Local Government Act (2002).

Significance of Decision Te Hira o te Whakataunga

Neither Council's Significance and Engagement policy is triggered by matters discussed in this report.

Recommendations Ngā Tūtohunga

That the Central Economic Development Agency's Half-Yearly Report to 31 December 2021 be received.

Report prepared by:
Lyn Daly
General Manager – Community
Manawatu District Council

David Murphy
Chief Planning Officer
Palmerston North City Council

Approved for submission by:

Lyn Daly
General Manager – Community

David Murphy
Chief Planning Officer

1 Background Ngā Kōrero o Muri

- 1.1 CEDA's Statement of Intent for 2021/22 was considered and formally agreed by the Committee in July 2021.

2 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

- 2.1 The half-yearly report provides an interim update on the performance of CEDA against objectives, measures and targets included within the Statement of Intent (SOI) 2021/22. The interim report also includes an assessment of financial performance. The report for the period ending 31 December 2021 is attached.

3 Te Kīwai (o te kete)

- 3.1 There are no known cultural considerations associated with the matters addressed in this report.

4 Community Engagement Te Whai Wāhitanga mai o te Hapori

- 4.1 There is no consultation required for this report.

5 Operational Implications Te Whai Pānga Atu ki ngā Kaupapa Mahi

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

6 Financial implications Te Whai Pānga Atu ki ngā Kaupapa Ahumoni

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

7 Statutory Requirements Ngā Here ā-Ture

- 7.1 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."

8 Delegations Te Mana Whakatau

- 8.1 In relation to CEDA, 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".

9 Conclusion Whakatepenga

- 9.1 The CEDA Half-Yearly Report to 31 December 2021 is ready for consideration by the Committee.

10 Attachments Ngā Āpitihanga

- CEDA Half-Yearly report to December 2021

Pūrongo Tau Haurua **Half Yearly Report** to 31 December 2021

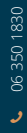
28 February 2022

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Company Directory

Central Economic Development Agency Limited

TSB Tower, Level One,
1-19 Fitzherbert Avenue
Palmerston North 4410



06 350 1830



CEDA.nz

Chief Executive

Jeremy Shearman (Jerry)

Directors

Robyn O'Fee (Bobbie) - Chairperson
Paul Bayly
Margharita Mare (Margo)
David Norman
Robbie Pickford
Francene Wineti

Registered Office

Morrison Creed Advisory
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.

CEDA Half yearly report to December 2021

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50 Front page image: Central Demolition

Pūrongo Ngātahi a te Heamana me te Tumuaki

Joint Report of Chairman and Chief Executive

Kia ora koutou,
New Zealand continues to respond to the ongoing impacts of COVID-19 and the effect on our economies. In the Manawātū region overall business sentiment has remained positive, and our region's economy continues to perform well in a national context with GDP and employment growth, and record-breaking residential consents. While our economy continues to perform well it is not without its challenges, with employment up and unemployment at an all-time low, this creates additional demands on our regions' labour pool.

CEDA's work across the key pillars of economic development, People, Place and Business, in partnership with our stakeholders, iwi and business community, has been as active as ever in continuing to support the region in identifying opportunities for success.

CEDA has been working with the support of our partners, on positioning our region as Central New Zealand's Distribution Hub through the development and implementation of Te Utanganui, a Strategy to future-proof our regional and national transport network, supporting population growth, competition in the logistics market and the increase in freight volumes predicted in future decades.

The ongoing development of the Manawātū Food Strategy will be key in progressing our region to become a leading agri-food, science and innovation hub working with key industry players to contribute to a healthy and sustainable food system for New Zealand and beyond.

Further to this the Manawātū Business Attraction, Retention and Expansion Strategy has been developed following engagement with industry and business leaders. The Strategy outlines key areas of focus and opportunities in the region, which we look forward to implementing through increased engagement across the business community.

In the last six months we have developed sector profiles and action plans for the Infrastructure and Construction, and Food and Fibre sectors, taking a partnership approach with industry to identify areas of focus in the development, attraction and retention of talent and skills. This has led to the establishment of the Te Rōpū Tuapapa Infrastructure and Construction Collective Action Group to implement key actions identified as a result of the sector profiles.

Another significant project for the region was rolling out the new regional identity, an asset that strategically positions the region, increasing recognition and pride and enabling us to tell our story of the region to raise our profile in a uniquely Manawātū way.

Additional government funding secured through the Ministry of Business, Innovation and Employment as part of the Support, Recover, and Reset tourism funding, has meant opportunities for an increased level of activity in profiling the region through media, and a refreshed regional website to reflect the new regional identity and support our marketing initiatives.

We look forward to the second half of the year to plan and deliver economic development outcomes to progress our region, whilst remaining agile to react as necessary to support the business region's economy in this ever-changing world.

Thank you to our shareholders, CEDA board and team, iwi, and our partners who continue to support us to achieve our vision and contribute to the region's success - it cannot be achieved alone.

Titiro whakamuri, kōkiri whakamua.
Look back and reflect so you can move forward.

Ngā mihi nui ki a koutou katoa,

Bobbie OFee
Heamana
Chairperson

Jerry Shearman
Tumuaki
Chief Executive

Ā Mātou Tutukinga **What We Have Achieved**

CEDA Half yearly report to December 2021



Globe Theatre

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Whakamaneatia, puritia,
whakawhanaketia ngā
iho pūmanawa i te rohe

Attract, retain, and develop talent in the region

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 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.

What we have achieved

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

CEDA Half yearly report to December 2021

Talent and Skills Business Survey

resulted in 69 responses from the regions business community. Co-created by CEDA, Immigration New Zealand, Feilding and District Promotions, Manawatu Business Chamber and Welcoming Communities to better understand businesses opportunities in relation to talent and skills and identify ways to address any challenges.

Talent and Skills Sector Profiles and Action Plans developed

for the Infrastructure and Construction, and Food and Fibre Sectors in the region, drawing upon input from local businesses and data from Infometrics, looking at recent performance and forecasts in addition to wider trends and drivers that are likely to impact the sector in the future.

Te Rōpū Tuapapa Infrastructure and Construction Collective Action Group

has been launched to implement actions from the infrastructure and construction sector profile and action plan. This is a, for industry-by-industry initiative, that CEDA has led to develop tangible and strategic solutions to the ongoing labour challenges of this critical sector.

Two new Te Aho Tāmaka Leaders

welcomed to the programme; Johanna Wood President of New Zealand Football and the Oceania representative on the FIFA Council, and winner of the Sport New Zealand Leadership Award, and Allison Quigan, former Shortland Street actor and well-known theatre and television actor, writer, and director.

Te Aho Tāmaka Programme Leaders engagements

including Hon. Steve Maharey providing insights and inspiration to a group of young local government leaders at a Future Leaders Retreat, and Dr Farah Palmer, Linda Jenkinson and Vanisa Dhiru gathered virtually to host a kōrero around Diversity and Inclusion in Governance, an interesting and motivating interactive discussion with participants from across the country.

Infrastructure and Construction Talent and Skills Attraction **Marketing Campaign**

to attract talent in the sector, highlighting job opportunities to help combat the current skills shortage and to stand out in the fierce national competition for talent, with six co-funding partners: eHaus, Turfrey's, GJ Gardner, UCOL, Higgins and Resonant. The campaign included AWF recruitment agency coming on board as a 'triage' partner to support those relocating and their partners/family in finding 'work' for everyone.

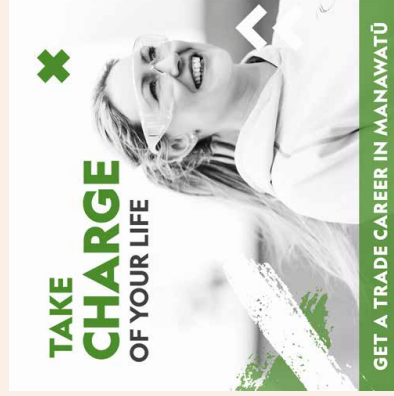
370,450 Impressions, 112,866 Reach, and 2703 Engagements

through Facebook and Instagram for the Infrastructure and Construction talent and skills marketing campaign; including a talent attraction campaign and a relocate to Manawatu competition.

404,735 impressions and 1,098 click throughs to ManawatuNZ.co.nz

through Google Ads for the Infrastructure and Construction talent and skills marketing campaign

CEDA Half yearly report to December 2021



Infrastructure and Construction Talent and Skills Attraction Marketing Campaign

Whakamaneatia, puritia,
whakawhanaketia ngā
pakihi me ngā haumitanga
i te rohe

Attract, retain and develop business and investment in the region

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 Manawātū 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.

What we have achieved

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

CEDA Half yearly report to December 2021

\$1million to Support the Recovery and Re-Set of the visitor economy

secured from the Ministry of Business, Innovation and Employment, through the development of an investment plan focused on destination management, product development, sector capability, and domestic marketing.

Rangitāne o Manawatū Māori Tourism Strategy

completed with a long-term objective to enable whānau business ventures, whānau employment, Rangitāne to tell their stories and Rangitānetanga, with implementation and engagement plans developed through the Tourism Working Group.

Three Events supported through the Regional Events Fund

which CEDA administers on behalf of the Ministry of Business, Innovation and Employment to support visitor attraction to the region, with total funding allocated of \$26,000. Events supported were the Manawatū Triathlon League, NZ Robotics National Championship, and Manawatū Cricket Men's & Women's Super-Smash T20 tournament, which was telecast on Spark Sport and free to air on TV1/Duke (I think!).

NZ House and Garden Tour secured

to come to Manawatū in 2022 for the first time, through a partnership with Stuff Events, and cementing the regions support of Central Districts Field Days 2022. The Manawatū leg of the Tour being the second most popular of the four locations across New Zealand in terms of ticket sales being sold out prior to Christmas.

Agritech Strategy Highlights

as part of the year four strategy outcomes captured through regular Roaming Networker reports produced in partnership with Sprout Agritech to end of December included:

- Levno, leaders in farm data and monitoring, were named as New Zealand's fastest-growing agribusiness in the Deloitte NZ Fast 50 index in October.
- 'Team Melt', a group of Massey University PhD students from Palmerston North's Riddet Institute, won the 2021 QING Innovation Track competition in the Netherlands.
- Map and Zap, sustainable weed control solution through a weed identification and laser technology system, secured a spot in the 2021 Sprout Accelerator and completed an intensive process with the Sprout team to accelerate the path to market.

Business Attraction, Retention & Expansion Strategy developed

for the Manawātū region, expanding on previous work completed in this area, and through targeted engagement with local business, industry, and stakeholders. Building on CEDA's existing business engagement an action and engagement plan has been completed to enhance CEDA's efforts to support business attraction, retention, and expansion across Manawātū.

Partnership with The Factory and Sprout Agritech

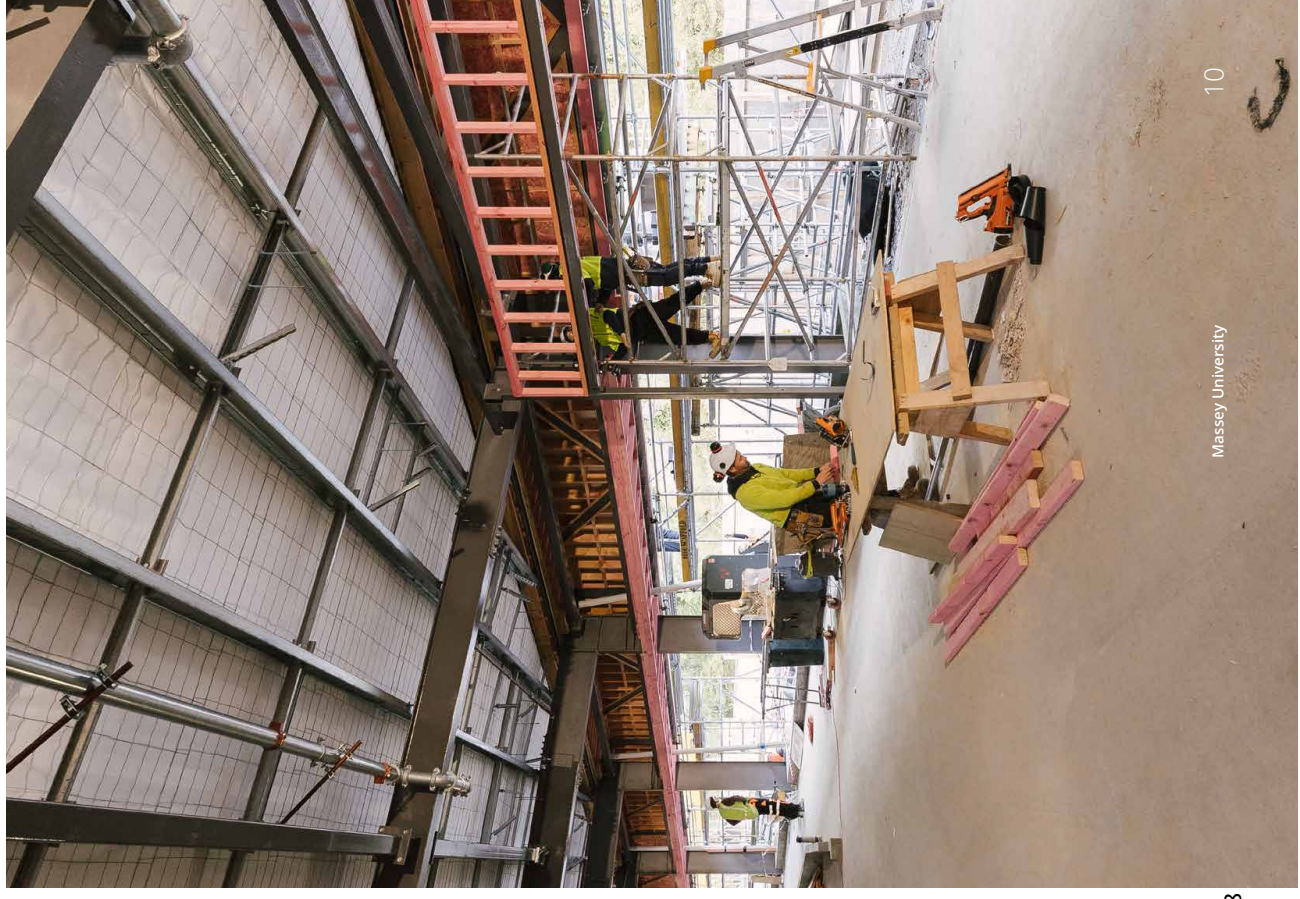
to support and accelerate tech start-ups and entrepreneurs has seen CEDA support, mentor and provide panel judges across the Sprout Accelerator Cohort 8, The Factory's Innovate 2021, and the Manawātū Young Enterprise Scheme. CEDA provided mentoring and judges across the events which saw 173 entrants for the Accelerator and Innovate programmes, with 17 finalists, and 25 businesses created through the region's secondary schools for the Young Enterprise Scheme.

283 small and medium enterprises supported

through CEDA engagements including 305¹ total engagements through the Regional Business Partner programme including 16 Māori businesses, 20 businesses being matched with mentors through the Business Mentor New Zealand programme, and \$149,621 of capability development support issued.

32 businesses supported with Research and Development

through Callaghan Innovation including 26 Student Experience Grants for summer interns, one Master's Fellowship, four Projects Grants, and a Getting Started Grant, with the combined grant value totalling \$1,363,572.



What we have achieved
**Attract business and investment to
the region**

CEDA Half yearly report to December 2021

Four investment opportunities supported in the region
with support of Beam Mobility, Asia Pacific's only Carbon Neutral certified e-Scooter company to launch their service in the city, the Australian Defence Apparel office co-location to the region, and ongoing facilitation on the hydrogen heavy vehicle refuelling and hi-tech audio business relocation opportunities.
Additional funding has also been secured to further support the opportunities in and around Te Āpiti – Manawatū Gorge, potentially connecting out to Arapuke.

Te Utanganui Central
New Zealand Distribution
Hub Strategy finalised
and endorsed through consultation with local politicians, minister offices, government officials, commercial operators, potential investors, and iwi. A Reference Group has been founded to provide strategic leadership and collaboration between iwi, local and central government, and a crown entity, at an organisation level.

Manawatū Food Strategy
development has commenced with Terms of Reference developed and International Food Sector specialist appointed to review international best practice and commence engagement including interviews with industry representatives, iwi, government and ministerial offices and other key stakeholders which are underway.

Profile the region to attract people, business, and investment

Whakatairangatia te rohe hei
whakamanea i te tangata, i te
pakihi me te haumitanga

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 Manawatu 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.

What we have achieved
**Profile Manawatū locally, nationally,
and globally**

CEDA Half yearly report to December 2021

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New regional identity
launched for Manawatū
with a refreshed regional website launched
to lift the profile and visibility of the region.

**Manawatū Summer
campaign launched**
with 550,000+
impressions

with strong engagement from our target
audiences across a three-hour drive time,
including Wellington, Whanganui, Taupō,
Hawke's Bay and Taranaki.

33 Media Features
secured profiling the city
and region

across a broad audience base, including
business, investment, and visitation to the
region.

Six content pieces
curated

by CEDA and published across our platforms
as well as in RV Today and Our New Zealand
magazines.

4% Increase in Social
Media followers

year to date across Palmy & Manawatu
Facebook and ManawatuNZ Instagram
channels to a combined total of 28,489.



NZ Today



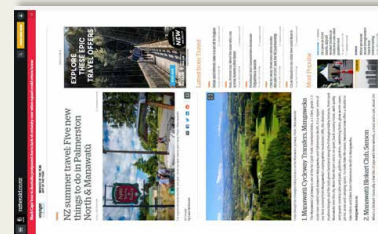
Stuff.co.nz



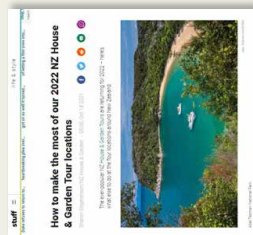
Our New Zealand Magazine



NZ Entrepreneur



NZ Herald



Stuff.co.nz House & Garden



Stuff.co.nz



TIN Agritech Report



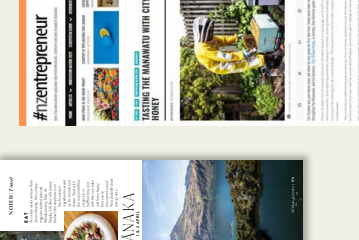
NZ Entrepreneur



NZ Entrepreneur



NZ House & Garden



NZ Entrepreneur

Lead inclusive and sustainable economic development for the region

Aratakina ngā whanaketanga
ohaoha kauawhi, toitū anō
hoki mō 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.



64 Splashpad, Memorial Park

CEDA Half yearly report to December 2021

What we have achieved

Develop strategic partner relationships, leveraging opportunities

Partnership Agreements in place

with Rangitāne o Manawātū, The Factory, Sprout, UCOL, Te Manu Atātū, Network of Skilled Migrants Manawātū, and Chiasma.

Regional Partnerships in place

for the Coastal Arts Trail and Regional Events Fund with Whanganui & Partners and Venture Taranaki.

\$700,000 Te Urungi project funding secured

in partnership with the Rangitāne o Manawātū Māori Tourism Working Group, to resource and develop a digital, interactive story telling platform that maps out the Manawātū Awa and creates a private repository for Rangitāne to safely store and share their stories.

What we have achieved

Data and Insights communications on the performance of the region's economy

48 stakeholder communications published

including Quarterly Economic Overviews, 60 Seconds with CEDA, Training and Development Guides, local media coverage of CEDA's activity and services and Business Surveys.

NZ Manufacturer, Manawatū Standard and NZ Business

published Quarterly Economic Updates on the region.

Māori Economic Report published

on Māori business activity in the Manawatū-Whanganui region, which was co-developed by CEDA, Palmerston North City Council, Massey University, and Te Au Rangahau.

148 Social Media posts on CEDA Facebook and LinkedIn channels.

Radio Interviews

including a MoreFM feature on the economic performance of the region, and fortnightly slots with Manawatū Peoples Radio providing insight to the local community on economic trends, key projects and updates.

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 2021-22 financial year.

COVID-19 Impact

The impact and uncertainty that COVID-19 presents to our community is ongoing. As an organisation whose primary objective is to support business and grow the regional economy, we have had to approach our work with flexibility in order to be responsive to the dynamic environment and changing needs and demands of our community.

In doing that we have adapted our programmes of work in the short to medium term to achieve the outcomes required to successfully lead and support the economic response for Manawatu.

The outcomes presented in this Half Yearly Report include response and recovery projects changed or implemented to assist our businesses, industries, and our people through the impact locally, nationally, and internationally of COVID-19, including additional support from funding received from the Ministry of Business, Innovation and Employment.

CEDA Half yearly report to December 2021

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Kitchener Park, Awahuri Forest

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Our Vision

Manawatū 2025: Ko te rohe tino ahu whakamua o Aotearoa
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.

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.

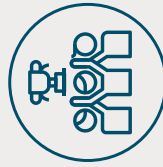
Our three big goals that show we are on our way to achieving this vision are:



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



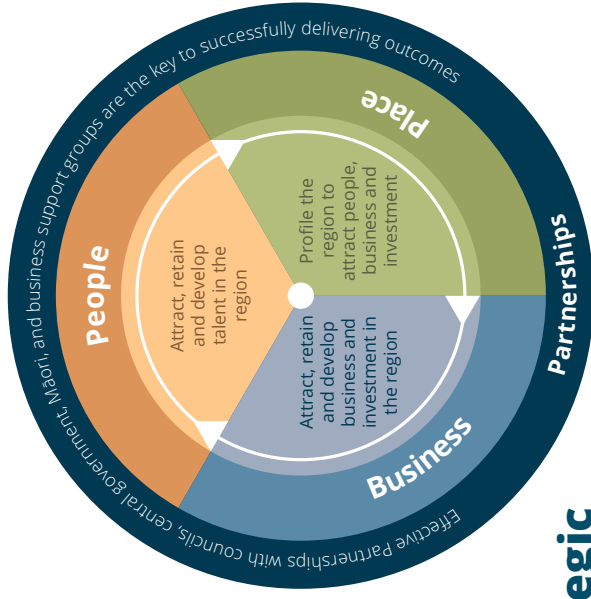
Manawatū is a leading distribution hub, and leverages off its role in central New Zealand



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

CEDA Half yearly report to December 2021

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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 Manawatū district.

These key objectives guide the development of our short and medium-term programmes of work as articulated through our Statement of Intent for 2021/22.

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.

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Ā Mātou Paearu Mahi How we performed

Our Performance to December 2021

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.

Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
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Attract, retain, and develop talent in the region

Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Lead and support the regions attraction and retention of talent, skills, and investment	Lead the delivery of the Manawātū Talent and Skills Attraction and Retention Strategy, year one action plan, including the creation of a pathways to employment and career development programme	<p>Two Talent and Skills Sector Profiles have been completed for the Infrastructure and Construction Sector and the Food and Fibre Sector.</p> <p>Talent and Skills Business Survey took place with 69 responses from the business community. The survey was co-created by CEDA, Immigration New Zealand, Feilding and District Promotions, Manawātū Business Chamber and Welcoming Communities.</p> <p>The Infrastructure and Construction Talent Attraction Marketing Campaign was launched in November. We have partnered with AWF to act as an employment triage partner, for those looking for career opportunities in the sector and also to support their partners/whānau looking for career opportunities in other sectors. Six businesses have come on board as co-funding partners.</p> <p>The Infrastructure & Construction Collective Action Group - Te Rōpū Tuapapa has been set up. Two workshops were held, with 35 businesses participating, identifying barriers and opportunities in relation to talent attraction. This has resulted in a draft Action Plan for the group, incorporating actions from the Talent and Skills Sector Profile.</p>
		Deliver year two of the Te Aho Tāmaka three-Year strategy, including two leaders aligning their support to relevant regional projects, building business or talent capability	<p>Two new leaders have been welcomed into Te Aho Tāmaka Leaders Programme: Johanna Wood, President of New Zealand Football and the Oceania representative on the FIFA Council and winner of the Sport New Zealand Leadership Award, and Alison Quigan, former Shortland Street and well-known theatre and television actor, writer, and director.</p> <p>Te Aho Tāmaka leader Hon. Steve Maharey presented to the Manawātū-Whanganui Local Authority Shared Services; Future Leaders Programme, organised in collaboration with Manawātū District Council. This was shared on CEDA's LinkedIn and Facebook channels.</p> <p>A Q&A was completed by Robin Stalker, former CFO of Adidas, who currently lives in Germany. Robin answered questions about how Manawātū influenced his journey and the attributes that have helped him achieve such a high level of success. This has been published and shared across all CEDA and Te Aho Tāmaka channels.</p> <p>Dr Farah Palmer, Linda Jenkinson and Vanisa Dhiru gathered virtually to host a kōrero around Diversity and Inclusion in Governance, an interactive discussion with participants from across the country.</p>

*these objectives or outcomes may be impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19

Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
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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	Development of priority sectors through sector strategy implementation, cluster development and partnerships with Māori.	Implementation of the Destination Management Plan year two actions, to lift visitor sector business capability, and develop the Māori Tourism Plan	<p>As the Regional Tourism Organisation for the city and region, CEDA successfully secured a further \$1 million in funding to support the recovery and strengthening of the visitor economy. This was secured through submitting a comprehensive bid and investment plan outlining how the funding would be utilised on destination management, product development, sector capability, and domestic marketing.</p> <p>The Rangitāne o Manawātū Māori Tourism Strategy was finalised and adopted, and the action plan for year one and two developed. CEDA has worked with Rangitāne to secure a contractor to lead the implementation of the Strategy, and project plans and stakeholder mapping has been completed.</p> <p>The Coastal Arts Trail project has been completed with an official launch scheduled for early 2022, and features 32 artists, galleries, events, and sites of interest for our region. This project is a multi-regional collaboration with Whanganui and Taranaki to target the Auckland and Wellington market with a new self-drive itinerary.</p> <p>CEDA partnered with Tourism New Zealand to create an engaging video for international travel trade promoting Manawātū as a destination and educating travel buyers on our offerings. The two days of filming has been completed and features a range of Qualmark accredited visitor products from across our region and is used as a training resource for travel sellers based offshore.</p> <p>Three events supported through the Regional Events Fund administered by CEDA on behalf of the Ministry of Business Innovation, and Employment to support visitor attraction to the region, with total funding allocated of \$26,000. Events supported were the Manawātū Triathlon League, NZ Robotics National Championship, and Manawātū Cricket Men's & Women's Super-Smash T20 tournament.</p> <p>NZ House and Garden Tour has been secured to come to Manawātū for the first time, through CEDA's partnership with Stuff Events.</p>
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Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
		Implementation of year four of the Agritech Strategy action plan, to grow the sector, attract investment, increase research and development activity, develop talent and skills, and increase the national and global profile of the region, including delivery of NZ AgriFood week	<p>As part of the Manawātū Agritech Strategy year four outcomes:</p> <ul style="list-style-type: none"> Partnership with Sprout Agritech to produce quarterly roaming networker reports, to capture key events and achievement that happen with the region and leveraging these to raise the profile of our region as a leading agrihub. Partnership with NZ Entrepreneur for the second year running, as part of the national Innovation Nation Showcase, to profile nine of our regions' innovators across agrifood and agritech, including Durafeed and Koru Diagnostics. Partnership with the Technology Investment Network to sponsor the 2021 Agritech Insights Report, highlighting our regions position as the leading agrihub in Aotearoa. Review of New Zealand AgriFood Week positioning and opportunities completed with partners and stakeholders, resulting in a decision made to move to New Zealand AgriFood Talks for 2022.
Retain businesses in the region through engagement and identification of barriers to growth		Implement year one of the Business Retention and Expansion Strategy through structured business engagements, identifying specific business expansion constraints and facilitating resolutions	CEDA has developed a Business Attraction, Retention and Expansion strategy framework for Manawātū in consultation with regional business leaders. The Strategy was developed to build on CEDA's work in this area while better understanding the needs of business looking to establish or expand in the region, and the barriers and opportunities to retaining and growing businesses. Implementation of the Strategy has commenced with a strategic engagement plan developed to further CEDA's engagement with key business leaders and business.
Facilitate access to specialist innovation, and start-up expertise		Partner with The Factory, Sprout Agritech and Callaghan Innovation to deliver start-up and innovation support	Partnerships entered into with Sprout Agritech and The Factory. This has resulted in CEDA being Part of selection panel at Sprout Agritech Accelerator 2021-22 Cohort 8, judging YES Regional Finals, and support in promotion and active involvement with The Factory's Innovate 2021. These events saw 173 entrants for the Accelerator and Innovate programmes, with 17 finalists, and 25 businesses created through the region's secondary schools for the Young Enterprise Scheme. 32 businesses supported with Research and Development through Callaghan Innovation, including 26 Student Experience Grants for summer interns, one Master's Fellowship, two Project Grants and a Getting Started Grant, with a combined value totalling \$1,363,572.
Develop and grow businesses by delivering information, advice, and support		580 businesses supported through CEDA business development programmes and activities including the Regional Business Partner Programme**	<p>283 unique businesses supported year to date which include:</p> <p>305 total engagements including 16 Māori businesses, and 20 Business Mentors New Zealand mentor matches - businesses may have received more than one service. \$149,621 in capability development support issued.</p>

Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
Attract business and investment to the region	Implementation of Inward Investment strategy with regional partners; through the attraction of investment to the region including key regional projects	Identify and support three key investments to the region including Te Āpiti development project	Four investment opportunities supported in the region with support of Beam Mobility, Asia Pacific's only Carbon Neutral certified e-Scooter company to launch their service in the city, the Australian Defence Apparel office co-location to the region, and ongoing facilitation on the hydrogen heavy vehicle refuelling and hi-tech audio business relocation opportunities. Additional funding has also been secured to further support the opportunities in and around Te Āpiti – Manawātū Gorge, potentially connecting out to Arapuke.
		Te Utanganui (Central New Zealand Distribution Hub) strategy implementation through development of business cases for multiple infrastructure projects	Te Utanganui - Central New Zealand Distribution Hub Strategy finalised and endorsed through consultation with local politicians, minister offices, government officials, commercial operators, potential investors, and iwi. CEDA presented at the KiwiRail Notice of Requirement process in support of the rail development and facilitated the engagement of a property expert to support Palmerston North City Council planning functions and develop an engagement plan for investors, developers, and potential users in the hub. CEDA has also worked with Palmerston North City Council to develop plans for the four agreed work streams which includes commencing Steering and Reference groups across key stakeholders.
		Development of a Food Strategy for the region identifying investment opportunities	Manawātū Food Strategy development has commenced with Terms of Reference developed and international food sector specialist appointed to review international best practice and commence engagement including interviews with industry representatives, iwi, government and ministerial offices and other key stakeholders which are underway.

Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
<p>Profile Manawātū locally, nationally, and globally</p> <p>The strategy development</p>	Lead and develop the stories of Manawātū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi	Leverage the regional identity to attract people business and investment to the region, with 8 content pieces published	Regional Identity completed, endorsed, and rolled out across key platforms and channels and collateral, including: <ul style="list-style-type: none"> • Refreshed look and feel for the regional website ManawatuNZ.co.nz • State Highway One signage in Sanson • Visitor Guide • Refreshed The Country Road brand and brochure <p>Additionally, the new regional Liveability Prospectus was launched, which is a comprehensive overview of the lifestyle options and benefits in our city and region.</p> <p>Launch of a Summer Campaign targeting the lower North Island, including large outdoor poster advertising along central Wellington streets, double-page features in Our New Zealand, and RV Lifestyle magazines, and a big digital campaign. In the first four weeks of launch the campaign had secured over 10,000 web visits, and a digital reach of 120,276 and 2,213,226 impressions.</p> <p>Six content pieces have been curated by CEDA and published, including in Our New Zealand Magazine, and RV Today. These content pieces are also published on CEDA.nz and ManawatuNZ.co.nz</p>
		40 direct media features published profiling the region across people, place, and business with a reach of more than 2.5 million***	33 media features profiling the city and region have been achieved through CEDA's work, with a combined reach of 13,847,888 readers, listeners and subscribers. This includes 11 features on our innovative ecosystem which we co-developed in partnership with NZ Entrepreneur as part of the national Innovation Nation Showcase. Other media coverage included features in Stuff Travel, Our New Zealand, NZ House and Garden, RV Today, NZ Manufacturer, Kia Ora Magazine, NZ Herald, and NZ Business.
	Grow engagement on regional web and digital platforms for increased promotion of and information on the region	11% increase in 'sessions' on ManawatuNZ.co.nz, and social media engagement****	<p>Sessions for ManawatuNZ.co.nz are down 13.7% in the year to date, which is in part due to two factors:</p> <ul style="list-style-type: none"> • The second COVID-19 lockdown into Level 4 and 3 across New Zealand in the first and second quarter • The refreshment of the website in the second quarter, which relaunched on 24 November 2021 <p>With the refreshed website now launched, December 2021 sessions were up 25.4% from December 2020 which is a positive indication for the next two quarters ahead.</p> <p>Palmy & Manawātū Facebook followers are up 2.06% year to date (20,616 to 20,659); noting CEDA's merging of Facebook pages, MyManawātū and Palmy & Manawātū, which has accounted for some of this level of growth.</p> <p>ManawatuNZ Instagram followers are up 2.12% year to date (7,667 to 7,830).</p>

CEDA Half yearly report to December 2021

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Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
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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	Partnership agreements and workplans reviewed and agreements in place with key central government agencies Iwi partnership projects implementation underway	Partnership agreements with Rangitāne o Manawātū, The Factory, Sprout Agritech, UCOL, Te Mana Atātū, Coastal Arts Trail (Whanganui & Partners, Venture Taranaki), Regional Events Fund (Whanganui & Partners, Venture Taranaki), Manawātū Young Professionals Network, Network of Skilled Migrants Manawātū, and Chiasma. Contractor engaged via partnership with Te Mana Atātū for Māori business support to end of year. Iwi participation in the Destination Management Plan implementation, Regional Identity development, and Te Utanganui (CNZ Distribution Hub). Contractor engaged to facilitate the delivery of the Rangitāne o Manawātū Māori Tourism Strategy, funded via the Support, Recovery, Reset Funding through the Ministry of Business, Innovation and Employment. \$700,000 project funding secured through Te Urungi, in partnership with the Rangitāne o Manawātū Māori Tourism Working Group. This funding will resource and develop a digital, interactive story telling platform that maps out the Manawātū Awa and creates a private repository for Rangitāne o Manawātū to safely store and share their stories.
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	Set baseline for audience engagement across key communications including economic updates, Māori economy data and regional news.	Total of 48 engagements year to date <ul style="list-style-type: none"> • 2 Quarterly Economic Overviews (average open rate:32.5%, Target open rate: 40%) • 30 60 Seconds with CEDA (average open rate:28.9%, Target open rate:40%) • 6 Training and Development Guides (average open rate:26.79%, Target open rate:30%) • 8 Local media coverage of CEDA's activity and services, with a combined reach of 179,000 • 2 Business Surveys Radio interviews were secured on MoreFM where the latest economic performance was discussed for the region. Also media coverage through the Quarterly Economic Updates in NZ Manufacturer, Manawātū Standard and NZ Business. Māori Economic Report published on Māori business activity in the Manawātū-Whanganui region, which was co-developed by CEDA, Palmerston North City Council, Massey University, and Te Au Rangahau. The Manawātū Region Quarterly Retail Report was also produced in partnership with Palmerston North City Council using data sourced from MarketView giving an overview of retail spending in the region. CEDA also managed the design and publishing of this document.

Service Level Statement	Performance Measure	2021/22*	Outcomes to December 21
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*****	<p>CEDA.nz - December 2021 sessions were up 4.2% from December 2020, with YOY sessions down 27.7%. (The demand for business support in the recent lockdowns was not as significant as the previous year, contributing to the drop in growth)</p> <p>CEDA Facebook followers 997 as of 31 December 2021 (target for the FY is 1,100 followers). 88 posts published from 1 July to 31 December 2021.</p> <p>CEDA LinkedIn followers up 7.82% (870 to 938) from 1 July to 31 December 2021 (target for the FY is 950 followers). 60 posts published from 1 July to 31 December 2021.</p>

*these objectives or outcomes may be impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19

** assuming continued funding of the Regional Business Partner programme by the Ministry of Business, Innovation and Employment

*** reach measured by media and/or publication audience/readership

**** increase in sessions for 2021/22 to be based on a baseline of 250,000 due to additional activity in the 2020/21 financial year due to Strategic Tourism Assets Protection Programme funding received in response to COVID-19

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

Ngā Tohu Aroturuki **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	2022	2023	2024	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 median 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 Half yearly report to December 2021

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

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.



CEA Photo by David Moore for the September 2003 issue of the CEA newsletter. Memorial Park

Tutukinga Ahumoni Financial Performance

Central Economic
Development Agency Limited

Group Statement of Comprehensive Revenue & Expense

For the 6 months ended 31 December 2021

Account	Notes	Jul-Dec 2021 (Unaudited)	30 Jun 2022 (SOI)	30 Jun 2021 (Unaudited)
Revenue				
Council Funding	4	1,177,557	2,347,379	2,513,472
Other Services Revenue		556,447	697,928	1,170,765
Project Revenue		9,554	230,000	304,120
Total Revenue		1,743,558	3,275,307	3,988,356
Cost of Sales				
Other Services Expenses		801,603	1,080,280	1,466,097
Project Expenses		14,396	231,500	422,242
Total Cost of Sales		815,999	1,311,780	1,888,339
Gross Surplus (Deficit)		927,559	1,963,527	2,100,018
Other Revenue				
Interest Revenue		3,883	1,437	6,000
Sundry Revenue		653	0	0
Total Other Revenue		4,535	1,437	6,000
Expenses				
Depreciation		1,926	4,930	7,510
Directors' Fees		81,159	90,000	177,467
Employee Expense	5	719,883	879,556	1,565,613
Financing Expenses		0	117	117
Loss on Sale of Property Plant and Equipment		0	15,250	15,250
Other Operating Expenses	6	202,205	251,194	520,693
Total Expenses		1,005,173	2,032,274	2,286,651
Surplus (Deficit) Before Taxation		(73,078)	(62,747)	(183,478)

CEDA Half yearly report to December 2021

Group Statement of Comprehensive Revenue & Expense

For the 6 months ended 31 December 2021

Account	Notes	Jul-Dec 2021 (Unaudited)	Jul-Dec 2020 (Unaudited)	30 Jun 2022 (SOI)	30 Jun 2021 (Unaudited)
Taxation					
Income Tax Expense	7	0	0	0	0
Total Taxation		0	0	0	0
Surplus (Deficit) after tax		(73,078)	(37,246)	(62,747)	(183,478)
Other comprehensive revenue and expense					
Items that could be reclassified to surplus (deficit)		0	0	0	0
Total Other comprehensive revenue and expense		0	0	0	0
Total comprehensive revenue and expense					
Total comprehensive revenue and expense		(73,078)	(37,246)	(62,747)	(183,478)
Total comprehensive revenue and expense attributable to:					
Palmerston North City Council		(36,539)	(18,623)	(31,374)	(91,739)
Manawatu District Council		(36,539)	(18,623)	(31,374)	(91,739)
Total comprehensive revenue and expenses		(73,078)	(37,246)	(62,747)	(183,478)

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 2020 are due to adjustments as part of the year end process.

Group Statement of Financial Position

For the 6 months ended 31 December 2021

Account	Notes	Jul-Dec 2021 (Unaudited)	Jul-Dec 2020 (Unaudited)	30 Jun 2022 (SOI)	30 Jun 2021 (Unaudited)
Assets					
Current Assets					
Cash and Cash Equivalents	8	1,987,411	1,368,182	492,527	1,515,833
Receivables and Accruals	9	112,099	169,032	300,474	29,690
Prepayments		14,213	5,480	8,250	7,268
Total Current Assets		2,113,723	1,542,694	801,251	1,552,792
Non-Current Assets					
Property, Plant and Equipment	10	28,582	34,088	27,033	31,508
Total Non-Current Assets		28,582	34,088	27,033	31,508
Total Assets		2,142,305	1,576,782	828,284	1,584,299
Liabilities					
Current Liabilities					
Payables and Deferred Revenue	11	1,570,873	755,096	244,123	963,057
Employee Entitlements		86,967	117,910	97,172	63,699
Total Current Liabilities		1,657,840	873,006	341,295	1,026,756
Total Liabilities		1,657,840	873,006	341,295	1,026,756
Net Assets		484,465	703,776	486,989	557,543
Equity					
Contributed Capital	12	1,000	1,000	1,000	1,000
Retained Earnings		483,465	702,776	485,989	556,543
Total Equity		484,465	703,776	486,989	557,543

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 2020 are due to adjustments as part of the year end process.

Group Statement of Changes in Equity

For the 6 months ended 31 December 2021

Account	Jul-Dec 2021 (Unaudited)	Jul-Dec 2020 (Unaudited)	30 June 2022 (SOI)	30 Jun 2021 (Unaudited)
Equity				
Opening Balance	557,543	741,021	549,736	741,021
Increases				
Total comprehensive revenue and expense for the period	(73,078)	(37,246)	(62,747)	(183,478)
Total Increases	(73,078)	(37,246)	(62,747)	(183,478)
Total Equity	484,465	703,776	486,989	557,543
Total comprehensive revenue and expense attributable to:				
Palmerston North City Council	(36,539)	(18,623)	(31,374)	(91,739)
Manawatu District Council	(36,539)	(18,623)	(31,374)	(91,739)
Total comprehensive revenue and expense	(73,078)	(37,246)	(62,747)	(183,478)

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 2020 are due to adjustments as part of the year end process.

Group Statement of Cash Flows

For the 6 months ended 31 December 2021

Account	Jul-Dec 2021 (Unaudited)	Jul-Dec 2020 (Unaudited)	30 June 2022 (SOI)	30 Jun 2021 (Unaudited)
Cash Flows from Operating Activities				
Receipts of council funding	1,227,557	1,324,724	2,711,414	2,729,368
Interest received	2,777	1,033	6,000	2,270
Receipts from other operating activities	1,215,916	1,288,820	1,022,639	1,965,453
Income tax refunded/(paid)	0	0	0	2,035
GST	(16,495)	7,754	(197,153)	15,845
Payments to suppliers and employees	(1,959,828)	(2,126,888)	(3,964,803)	(4,071,879)
Finance costs	0	(117)	(200)	(117)
Total Cash Flows from Operating Activities	469,926	495,325	(422,103)	642,976
Cash Flows from Investing Activities				
Proceeds from sales of property, plant and equipment	1,652	722	0	722
Payment for property, plant and equipment	0	(6,027)	0	(6,027)
Total Cash Flows from Investing Activities	1,652	(5,306)	0	(5,306)
Net Cash Flows	471,578	490,019	(422,103)	637,670
Cash Balances				
Cash and cash equivalents at beginning of period	1,515,833	878,163	914,630	878,163
Cash and cash equivalents at end of period	1,987,411	1,368,182	492,527	1,515,833
Net change in cash for period	471,578	490,019	(422,103)	637,670

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 2020 are due to adjustments as part of the year end process.

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 2021.

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. New group standards have been applied but have resulted in no impact to the financial statements.

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.

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%
Office Furniture & Equipment	Diminishing Value	0% - 50%
Office Furniture & Equipment	Straight Line	8.5% - 10.5%
Vehicles	Diminishing Value	30%
Websites	Straight Line	40%

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 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.

CEDA Half yearly report to December 2021

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.

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 expense 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:

Useful lives and residual values 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 Manawatu Trust. The consolidation of the Events Manawatu Trust into CEDA's financial statements has resulted in no change to the reported financial statements as the Trust is dormant and did not trade during the year.

4. Council Funding

	Jul-Dec 2021	Jul-Dec 2020
Palmerston North City Council	(872,219)	(958,689)
Manawatu District Council	(305,338)	(316,035)
Total Council Funding	(1,177,557)	(1,274,724)

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.

CEDA Half yearly report to December 2021

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Jul-Dec 2021 Jul-Dec 2020

Council Funding included in Project Revenue

Palmerston North City Council	8,280	43,334
Manawatu District Council	1,274	6,666
Total Council Funding included in Project Revenue	9,554	50,000

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 2021 \$1,403,290 (2020:nil) has been recognised as a liability as the conditions attached to the receipt of this funding have not yet been met.

5. Employee Expenses

Salaries and wages	734,852	798,003
Employer contribution to Kiwisaver	15,974	20,388
Movement in employee entitlements	(30,943)	61,165
Total Employee Expenses	719,883	879,556

6. Other Operating Expenses

Fees to Audit New Zealand for the audit of the financial statements	13,779	13,377
Consultants and legal fees	0	3,600
Other operating expenses	188,426	234,216
Total Other Operating Expenses	202,205	251,194

	Jul-Dec 2021	Jul-Dec 2020
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7. Income Tax Expense

Net Profit (Loss) Before Tax	(73,078)	(37,246)
Tax at 28%	(20,462)	(10,429)
Plus (less) tax effect of:		
Non-deductible expenditure	0	0
Non-taxable income	0	0
Tax loss not recognised	20,462	10,429
Deferred tax adjustment	0	0
Tax expense	0	0

Components of tax expense

Current year	0	0
Deferred tax	0	0
Total Deductions from Tax Payable	0	0

8. Cash and Cash equivalents

CEDA Current Account	86,411	167,182
CEDA Money Market Account	1,900,000	1,200,000
CEDA Trust Account	1,000	1,000
Total Cash and Cash equivalents	1,987,411	1,368,182

9. Receivables and Accruals

Accounts Receivable	110,103	114,782
Less: Provision for impairment	0	0
Provisional tax paid	1,957	2,437
Accrued Interest	39	8
Funding Accruals	0	51,804
Total Receivables and Accruals	112,099	169,032

	Jul-Dec 2021	Jul-Dec 2020
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Total Receivables and Accruals Comprise

Receivables from exchange transactions	1,075	56,987
Receivables from non-exchange transactions	111,024	112,045
Total Receivables and Accruals Comprise	112,099	169,032

10. Property, Plant & Equipment

	Opening Value	Accum Dep	Carrying Amount	Additions	Disposals	Depn	Closing Value	Accum Depn	Carrying Amount
Leasehold Improvements	13,049	(7,574)	5,475	0	0	(274)	13,049	(7,848)	5,201
Office Furniture & Equipment	71,054	(48,691)	22,363	0	0	(1,252)	71,054	(49,943)	21,111
Vehicles	20,382	(16,712)	3,670	0	(1,000)	(401)	19,382	(17,113)	2,270
Websites	17,725	(17,725)	0	0	0	0	17,725	(17,725)	0
Total	122,210	(90,702)	31,508	0	(1,000)	(1,926)	121,210	(92,628)	28,582

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.

	Jul-Dec 2021	Jul-Dec 2020
11. Payables and Deferred Income		
Accruals General	57,186	25,035
Accounts Payable	79,241	162,402
Funding in Advance	245,541	78
Funding in Advance - NZ AgriWeek	39,632	0
Funding in Advance - Sector Development	1,118,117	541,574
GST	26,238	23,967
GST	4,918	2,039
Total Payables and Deferred Income	1,570,873	755,096
Total Payables and Deferred Income Comprise		
Payables under exchange transactions	118,832	189,105
Payables under non-exchange transactions	1,452,041	565,991
Total Payables and Deferred Income Comprise	1,570,873	755,096
12. Equity		
Share Capital		
Opening Balance	1,000	1,000
Total Share Capital	1,000	1,000
Retained Earnings		
Opening Balance	556,543	740,021
Current Year Earnings	(73,078)	(37,246)
Total Retained Earnings	483,465	702,776
Total Equity	484,465	703,776

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.

	Jul-Dec 2021	Jul-Dec 2020
13. Key personnel compensation		
Directors	2021	2020
Remuneration	81,159	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.

14. 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 Manawatu District Council, are responsible for the appointment of the Board of Directors.

Related party disclosures have not been made for transactions with related parties that are:

- within a normal supplier or client/recipient relationship; and
- on terms and conditions no more or less favourable than those that it is reasonable to expect CEDA and the group would have adopted in dealing with the party at arm's length in the same circumstances

	Jul-Dec 2021	Jul-Dec 2020
15. Financial Instruments		
Financial Assets		
Loans and Receivables		
Accounts Receivable	110,103	114,782
Accrued Interest	39	8
Cash and cash equivalents	1,987,411	1,368,182
Funding Accruals	0	51,804
Total Loans and Receivables	2,097,553	1,534,777
Total Financial Assets	2,097,553	1,534,777
Financial Liabilities		
Financial Liabilities at amortised cost		
Payables	(166,700)	(211,408)
Total Financial Liabilities at amortised cost	(166,700)	(211,408)
Total Financial Liabilities	(166,700)	(211,408)

16. 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	125,797	127,401
Later than one year and not later than five years	178,008	297,482
Later than five years	0	0
Total non-cancellable operating leases	303,805	424,883

The office space located at Level 1, TSB Towers, 1-19 Fitzherbert Avenue, Palmerston North has a lease term of four years to 30 June 2024, with two rights of renewal of three years each. This disclosure has included lease payments up to the end of the term, being 30 June 2024, as it is uncertain whether CEDA will exercise the option to renew the lease.

Jul-Dec 2021 Jul-Dec 2020

17. Events after balance date

There are no significant events after balance date.

18. COVID-19 impact

COVID-19 has had an impact to CEDA in relation to its non financial performance and impact on its financial performance mostly by way of Events and programmes unable to be held or in their usual format due to Alert Level and COVID-19 Protection Framework requirements. CEDA also received additional funding support through the Ministry of Business, Innovation and Employment to support the visitor sector and provide additional resources. There has been no impact to core funding and council grants, or to the ability for CEDA to continue its operations.

Ō Mātou Hoa Mahi Tahī **Our Partner Organisations**

Current partner organisations that CEDA works with:

Local

Central Skills Hub
 Central Region Talent and Skills Advisory Group
 Chiasma
 Feilding and District Promotion
 FoodHQ
 IPU New Zealand
 Lamberts
 Manawatu Business Chamber
 Manawatu District Council
 Manawatu Standard
 Manawatu Young Professionals Network
 Manfeild
 Massey University
 MediaWorks
 National Driver Training Centre
 Palmerston North City Council
 Palmerston North Airport
 Regional Schools
 Regional Special Projects Skills Hub
 Spearhead Manawatu
 Sport Manawatu
 Sprout Agritech
 Talent Central
 Te Au Pakihi

Regional

Accelerate 25
 Business Central and Export NZ
 Horizons Regional Council
 Horowhenua and Company
 Horowhenua District Council
 Regional Skills Leadership Group – Manawatu-Whanganui
 Ruapehu District Council
 Rangitikei District Council
 Taranaki District Council
 Te Mana Atatu
 Whanganui and Partners
 Whanganui Chamber of Commerce
 Whanganui District Council

National

Air New Zealand
 Business Events Industry Aotearoa
 Business Mentors New Zealand
 Callaghan Innovation
 Economic Development New Zealand
 Immigration New Zealand
 Ministry of Business, Innovation & Employment
 Ministry of Education
 Ministry of Social Development
 New Zealand Chef's Association
 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



Joint Strategic Planning Committee

Meeting of 10 March 2022

Business Unit: Community
Date Created: 22 February 2022

CEDA Draft Statement of Intent (SOI) 2022-2023

Purpose Te Aronga o te Pūrongo

To present the CEDA Draft Statement of Intent 2022/23 in accordance with the Local Government Act (2002) Schedule 8 Part 1.

Significance of Decision Te Hira o te Whakataunga

Neither Council's Significance and Engagement Policy is triggered by matters discussed in this report.

Recommendations Ngā Tūtohunga

That the Central Economic Development Agency's (CEDA) Draft Statement of Intent 2022/23 be received.

Report prepared by:
Lyn Daly
General Manager – Community
Manawatu District Council

David Murphy
Chief Planning Officer
Palmerston North City Council

Approved for submission by:
Lyn Daly
General Manager – Community

David Murphy
Chief Planning Officer

1 Background Ngā Kōrero o Muri

- 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 Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

- 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 the attached Statement of Expectations from its Shareholders.

3 Te Kīwai (o te kete)

- 3.1 There are no known cultural considerations associated with the matters addressed in this report.

4 Community Engagement Te Whai Wāhitanga mai o te Hapori

- 4.1 There are no consultation requirements as a result of this report. CEDA have been consulted in the development of the Statement of Expectations.

5 Operational Implications Te Whai Pānga Atu ki ngā Kaupapa Mahi

- 5.1 CEDA uses the Statement of Expectations as a key input into the development of its Statement of Intent. The draft statement of intent must be delivered on or before 1 March 2022.

6 Financial implications Te Whai Pānga Atu ki ngā Kaupapa Ahumoni

- 6.1 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.

7 Statutory Requirements Ngā Here ā-Ture

7.1 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".

7.2 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."

8 Delegations Te Mana Whakatau

8.1 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."

9 Conclusion Whakatepenga

9.1 The CEDA Draft Statement of Intent 2022-23 is ready for consideration by the Committee.

10 Attachments Ngā Āpitihanga

- CEDA Statement of Expectations 2022-2023
- CEDA Draft Statement of Intent 2022-2023

DRAFT
Te Tauākī Takune
Statement
of Intent
for the year ending 30 June 2023

1 March 2022

Company Directory

Central Economic Development Agency Limited

Level 1, TSB Towers
1-19 Fitzherbert Avenue
Palmerston North 4410
06 350 1830
CEDA.nz

Chief Executive

Jeremy Shearman (Jerry)

Directors

Robyn O'Fee (Bobbie) - Chairperson
Paul Bayly
Margharita Mare (Margo)
David Norman
Robbie Pickford
Francene Wineti

Registered Office

Morrison Creed Advisory
236 Broadway Avenue, Palmerston North 4410

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.

CEDA Statement of Intent 1 March 2022

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Front Page Image: **Farm, Manawatu**

Kupu Takamua

Foreword

Nga mihi nui ki a koutou katoa,
We are pleased to present our Statement of Intent for 2022/23.

Our regional economy has remained strong in the face of the challenges of the past couple of years, thanks to our diverse range of sectors, central location and a significant pipeline of capital projects and investment. While this has shielded us well, we will continue to focus on areas of opportunity for the region as we face record-high CPI inflation increases, ongoing labour challenges and a tight housing market.

It is comforting to understand our exporters will benefit from high commodity prices and strong global demand, and with our strength in food production and our large public sector, it is likely that household incomes in the region will be less affected than many other parts of the country. We will likely still see a decline in expenditure as a result of a reduction in disposable income due to rising prices and interest rates.

While it is difficult to predict what is ahead of us, we can take reassurance from our robust economy, strong GDP and the high volume of catalyst infrastructure projects underway that will help, shape the future of Manawatu.

As we reflect on the last two years, we have reviewed our work in these areas to understand key learnings to help steer us into the future and ensure we are in a stronger and more informed position to respond to future economic disruption.

CEDA has progressed well over the past six months. Highlights include establishing the region's position as the Central New Zealand Distribution Hub. This initiative will have great significance reaping long term

economic, social and environmental benefits for the region and country, including reducing emissions through more efficient freight movement of goods in Aotearoa.

Development of the Manawatu Food Strategy continues with a focus on positioning the region as a leading agri-food, science and innovation hub. This and the work underway to future proof the regions talent pool are large contributors to our vision of Manawatu being New Zealand's most progressive region by 2025.

Special mention must go to our partners who enable CEDA's mahi. It is with the ongoing collaboration and support with Rangitāne o Manawatu, The Factory, Sprout Agritech, FoodHQ, UCOL, Manawatu Business Chamber, Talent Central, Te Manu Atātū, and Feilding and District Promotions, that supports momentum for our region in developing and attracting innovation and investment, facilitating growth in business, and attracting people and visitors to our slice of Aotearoa.

It is important to mention that over the past number of years CEDA has invested more heavily in our strategic partnerships and programmes of work. This has enabled an increase in delivery on our key outcomes, whilst reducing the levels of equity that we had on hand. However, after a number of years working to a deficit budget, we are no longer in a position to continue to do so.

As a result of the reduction in spending we have prioritised the key areas of focus that will make the biggest impact to the region and move away from those things that do not. CEDA's 2022-23 Statement of Intent is reflective of this.

It is also worth noting that the Ministry of Business Innovation and Employment (MBIE) funding received to support the visitor sector through the impacts of COVID-19 is due to cease in December which will have a significant impact on the current levels of activity. Additionally, with the MBIE Regional Business Partner Programme currently under a tender process, funding for this programme has not been included in this Statement of Intent, including financial forecasts, as a matter of accounting prudence.

Looking to the future, we are dedicated to continuing the focus on our strategic priorities, working with our sectors of strength, iwi and partners, to facilitate opportunities and outcomes for the region. Ongoing talent challenges impacted by inflation, border closures and housing mean we cannot sit idle – we must work together so our region can thrive.

Thank you to our shareholders, the CEDA board and team, iwi, partners and stakeholders and the wider community who continue to support us to achieve our vision. The success of the region cannot be achieved alone.

Ko ngā pae tawhiti whāia kia tata, ko ngā pae tata, whakamaia kia tina!

The potential for tomorrow depends on what we do today!



Bobbie O'Fee
Heamana **Chairperson**

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 Statement of Expectations comments into consideration and includes performance measures and targets as the basis of organisational accountability.

COVID-19 Impact

We as a country are continuing to work in a constantly changing environment as we work through the impacts of COVID-19. As an organisation whose primary objective is to support business and grow the regional economy, CEDA has had to approach our work with flexibility and have been required to be responsive to the dynamic environment and changing needs of our community and the businesses in that community. With the coming year likely to see a continued spread of the pandemic, we need to prepare to adapt our programmes of work as required to successfully lead and support the economic response for Manawatu.

The objectives and outcomes presented in this Statement of Intent include response and recovery projects, funded through the Ministry of Business, Innovation and Employment (to December 2022) to assist our community through the ongoing impacts locally, nationally, and internationally of COVID-19.

Our Vision

Manawatū 2025; Ko te rohe tino ahu whakamua o Aotearoa

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.

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.

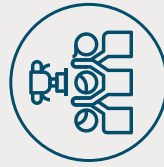
Our three big goals that show we are on our way to achieving this vision are:



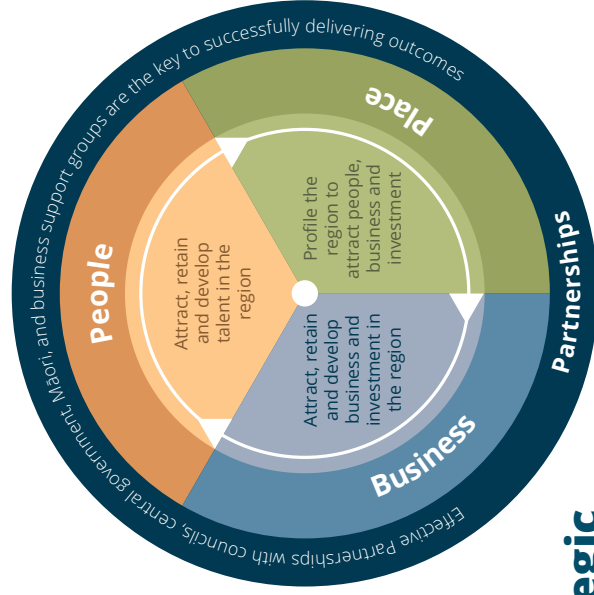
Manawatū is recognised as one of the top three agrifood hubs in the world



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



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 Manawatū district.

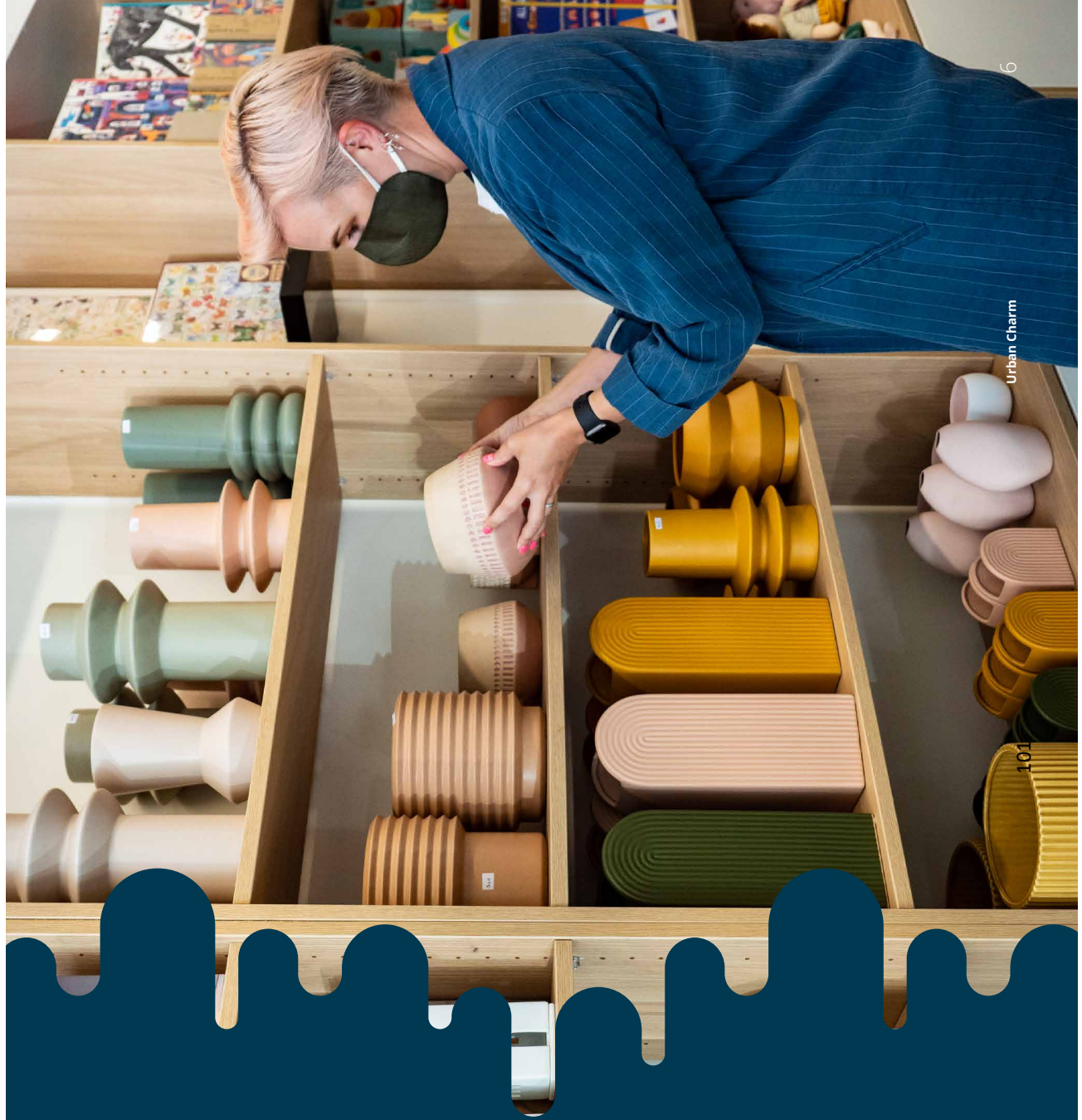
These key objectives guide the development of our short and medium-term programmes of work as articulated through this Statement of Intent for 2022/23.

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.

Ā Mātou Mahi **What We Do**

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Urban Charm

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VISION

Manawatū: Ko te rohe tino ahu whakamua o Aotearoa hei te 2025

Manawatū: New Zealand's most progressive region 2025

GOALS

- 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
- CEDA is New Zealand's most effective, well regarded economic development agency

STRATEGIC PILLARS

SOI OUTCOMES

STRATEGIES/ PROGRAMMES

PROJECTS/ ACTIVITIES

People	Business	Place	Partnerships
Attract, retain, and develop talent in the region	Attract, retain, and develop business and investment in the region	Profile the region to attract people, business, and investment	Effective relationships with councils, central government, Māori, and business support groups
Talent & Skills attraction and retention strategy, Te Aho Tāmaka strategy	Te Utanganui Central New Zealand Distribution Hub Strategy, Manawatū Food Strategy, Inward Investment Strategy, Destination Management Plan, Rangitāne o Manawatū Māori Tourism Strategy, Business Expansion & Retention Strategy, business start-up and innovation support	Regional Identity, PR Machine, featuring the region through media	Service Level Agreement, Partnership and Funding Agreements
Talent & Skills strategy implementation; digital talent and skills hub establishment, sector profiling and campaign, sector specific industry groups, Te Aho Tāmaka activities	Te Utanganui Strategy implementation, Food Strategy Action Plan, develop visitor sector capability, support the Rangitāne o Manawatū Tourism Action Plan, support business expansion and retention in the region, support inward investment opportunities	Regional marketing, direct media features, ManawatuNZ.co.nz and social media engagement	Outcomes aligned with partnership agreements, stakeholder survey, research, data and insights, economic updates (incl. Māori business), stakeholder and business, community e-newsletters, reporting and legislative requirements

Whakamaneatia, puritia, whakawhanaketia ngā iho pūmanawa i te rohe **Attract, retain, and develop talent in the region**

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 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

Lead and support the regions attraction and retention of talent, skills, and investment

Attract and Retain Talent for Manawatū's Future Success

CEDA's key focus is on the implementation of the Manawatū Talent and Skills Attraction and Retention Strategy and engagement with the business community to support the attraction and retention of talent in the sectors of strengths for our region. We will continue to work with the Central Region Talent and Skills Advisory Group and newly established Infrastructure & Construction Collective Action Group - Te Rōpū Tuapapa to drive the actions and activities of the Strategy and sector profiles developed last year to support this industry sector.

Further to the development of the Sector Plan for the Food and Fibre sector a Collective Action Group will also be formed to drive the recommendations and actions for this sector, including the co-design and delivery of a co-funded Talent Attraction Marketing campaign, building on the regions brand and value proposition.

The next focus will be the Distribution and Logistics sector, engaging with the business community and leveraging off Te Uruangaui, the Central New Zealand Distribution Hub Strategy.

A Digital Hub for Employers

We will continue the development and roll out of tools to support businesses and their talent and skills development, housed on a digital hub for employers. The tools are aimed at building organisations capabilities to drive the attraction, integration, development, and retention of talent and skills in the region and within their businesses.

Building our Future Workforce

While it is vital that we focus on the attraction and retention of our workforce, focus is also required on building the future talent pool. While unemployment in the region reached an all-time low in the last quarter of 2021, there is still a large percentage made up of youth that are not in education, employment, or training (NEETs). CEDA will engage with key partners working in this space, to build a collaborative approach support these youth into opportunities and improve outcomes through collective focussed action.

As a connector and facilitator, CEDA will continue its work with secondary schools and employers to support transitions and pathways into employment. This will include activities that provide opportunities for secondary school students and staff to engage with employers, with a focus on vocational pathways, such as the New Zealand Careers Expo, Manawatu.

As a leader, connector, and facilitator, CEDA will continue its work with secondary schools and employers to support transitions and pathways into employment. This will include activities that provide opportunities for secondary school students and staff to engage with employers, with a focus on vocational pathways, such as the New Zealand Careers Expo, Manawatu.

Develop the Skills of Existing Workers and Residents

CEDA will deliver a tailored regional ambassador programme, designed for service industry workers who are likely to engage with visitors to our region. The purpose of the programme is to help create ambassadors to connect with people and authentically engage with visitors, to ensure a brilliant experience whilst visiting our region and encourage longer stays or return visits. Employers will benefit not only from enhanced customer service, but through the provision of upskilling their staff and teams in a new and innovative way.

Te Aho Tāmaka Leaders Programme

With the high calibre group of leaders that are now part of Te Aho Tāmaka leaders programme, CEDA will continue to work with these leaders to create opportunities for them to engage with the Manawātū community.



Whakamaneatia, puritia,
whakawhanaketia
ngā pakihi me ngā
haumitanga i te rohe

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

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 Manawatu 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.

Attract business and investment to the region

Inward Investment Strategy Implementation, with regional partners

Attracting national and international investors is core to achieving the 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 food, 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

Through the investment profiles of the five priority investment zones across the city and region, CEDA will lead the positioning of Manawātū as a strategic investment location, targeting public and private investment opportunities and leveraging our relationships with central government to further advocate for our region's significant strengths and opportunities.

The priority zones include the Central New Zealand Distribution Hub (which includes the North East Industrial Zone), Kawakawa Road precinct in Feilding, Palmerston North CBD, Longburn Industrial Park, and the Food Precinct. While specific focus will be placed on these zones, CEDA will remain agile in responding to further opportunities that benefit our regions strengths and vision.

CEDA will work alongside our shareholders, regional partners, New Zealand Trade and Enterprise, and relevant commercial parties, to 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.

Te Utanganui Central New Zealand Distribution Hub

Linked to our investment profiling initiatives, Manawatu offers exceptional locational advantages for businesses, giving the region significant potential to cement itself as the third node of distribution in New Zealand's national freight network.

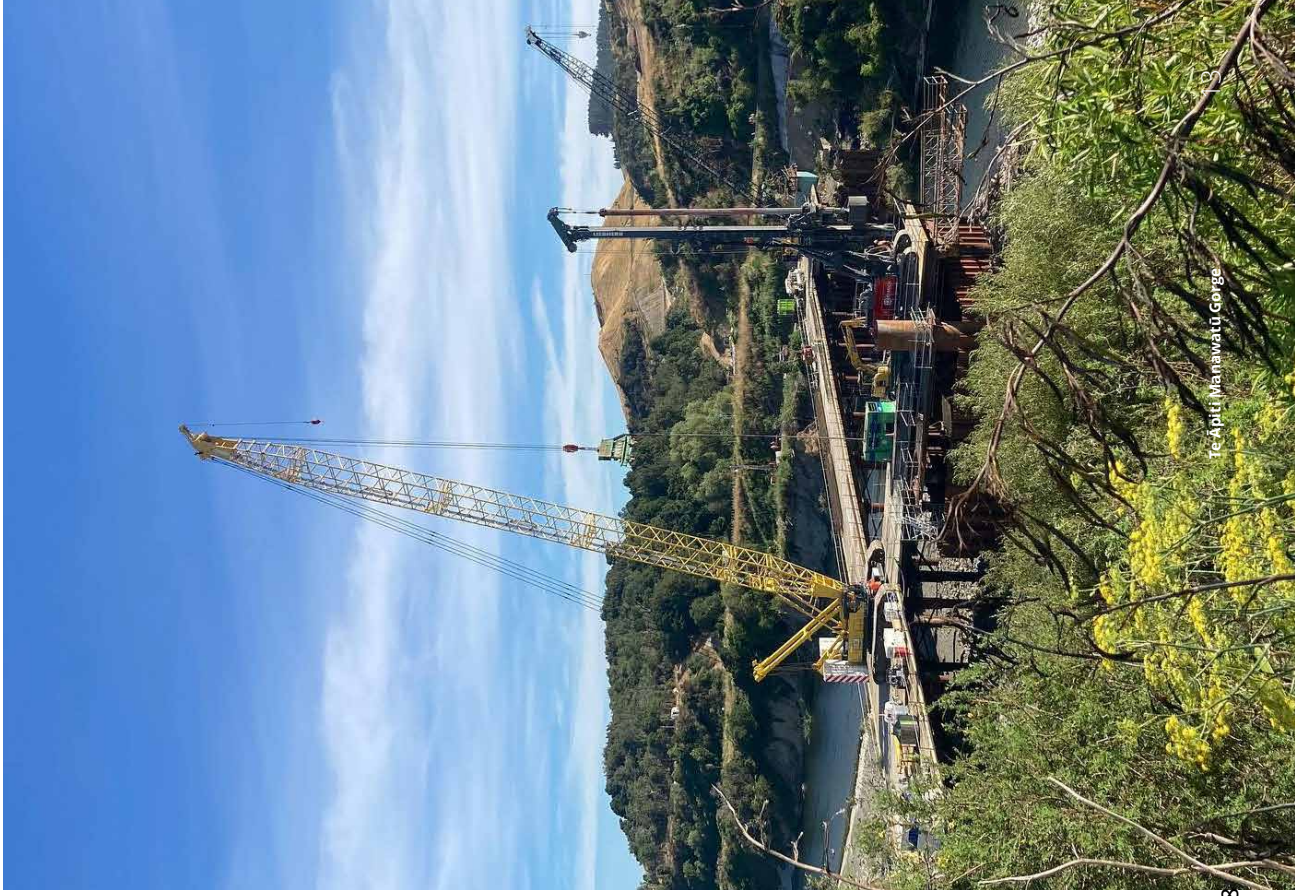
Te Utanganui Central New Zealand Distribution Hub Strategy builds on the region's comparative advantages to increase distribution capabilities and freight volumes, significantly contributing to economic growth of the region. The Strategy's implementation will be a priority focus with the execution of a targeted funding strategy, identification and targeting of investment from the transport and logistics sector, and central government advocacy all being priority activities.

Manawātū Food Strategy

Manawātū's deep agritech innovation ecosystem is being developed as part of our goal to strategically position the region as one of the top three agri-food hubs in the world by 2025. CEDA developed the 3-year Agritech Strategy to give life to this goal, with various stakeholders responsible for delivery including FoodHQ, Sprout Agritech and The Factory.

With the Agritech strategy concluded in 2021, and with increased demand to look for opportunities in a wider context, a new Manawātū Food Strategy is being developed. The Strategy will articulate the strengths of Manawātū's food and agriculture sector. It will make a compelling case to define the region's opportunities in the national and global supply chain enabling Manawātū to attract, private and public sector, investment, and partnership. The outcome will be a pipeline of inward investment that increases economic development, creates jobs, and retains the necessary skills and talent, and highlights the regions strengths in food science and innovation.

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Te Ahi Manawatu Gorge

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

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Developing our priority sectors through sector strategy implementation, cluster development and partnerships with Māori.

Destination Management Plan

The Destination Management Plan was developed in 2019 to establish a shared vision and plan on what the future of the visitor sector for Palmerston North city and Manawātū district will look like, taking into consideration the perspectives of the visitor, mana whenua and iwi, our residents, the business community, and central and local government.

Three years on, CEDA will focus on refreshing the Destination Management Plan to ensure a long term, strategic approach for the region. This will bring in key partners and stakeholders and will identify the priorities and catalyst projects required to future proof the region and support the visitor economy to thrive.

CEDA will continue to be focused on building the capability of key visitor sector operators who 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 trade and industry partnerships, lifting digital capability across the wider sector, and our core functions as the Regional Tourism Organisation for Palmerston North and Manawātū.

Rangitāne o Manawātū Māori Tourism Strategy

CEDA will continue to support and facilitate Rangitāne o Manawātū to implement the co-developed Māori Tourism Strategy, through project management and collaboration, identification of further opportunities and through the Te Urungi – Innovating Aotearoa project to develop a digital, interactive story telling platform focused on the Manawātū Awa enabling sharing of their stories

Retaining businesses in the region through engagement and identification of barriers to growth

Business Attraction, Retention & Expansion Strategy

Business attraction, retention and expansion are well established economic development tools, and are key areas of focus for any Economic Development Agency. CEDA has been supporting business attraction, retention, and expansion activities for several years, primarily through targeted business support, tailored programmes, and through supporting key projects and inward investment opportunities.

Building on this work last year CEDA developed a Business Attraction, Retention

and Expansion Strategy with input from key stakeholders and the business community. Implementation of actions from the strategy will continue this year focusing on engagement with business across industries, and including Māori business, to gain insights into business sentiment, look for regional opportunities through connections and trends, support business expansion and investment opportunities in the region. This includes other business support activities including connections to relevant support services, referrals, including to the Regional Business Partner Programme, and other key regional agencies.

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Arrosta Coffee Roasting Co

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Facilitate access to specialist innovation and start up expertise

Supporting innovation and start-ups in the region

Fueling innovation is key to fostering our competitive advantage as a region, and in creating jobs and investment opportunities. CEDA focuses on delivering on these outcomes through key partnerships with The Factory and Sprout Agritech.

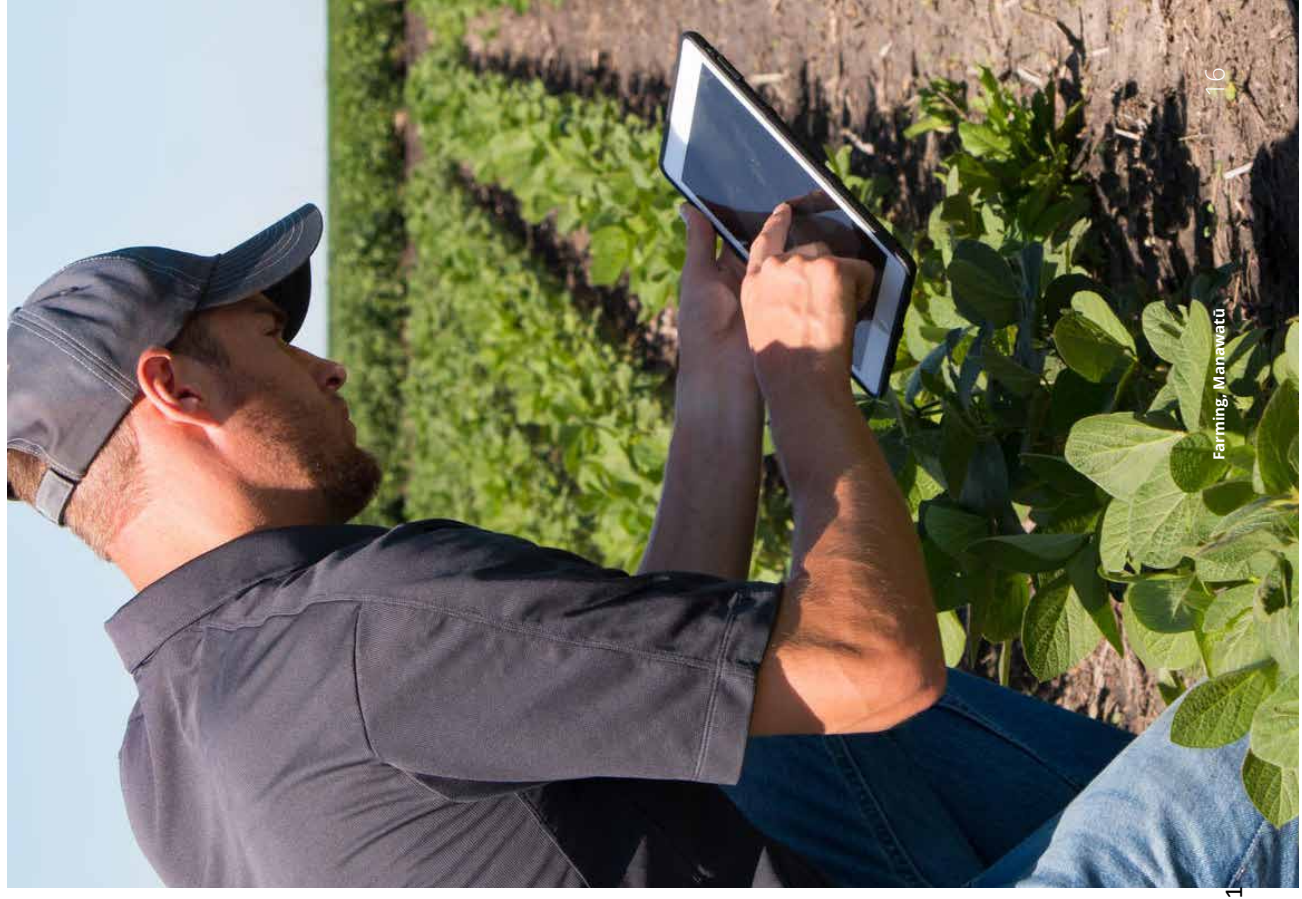
The Factory's Innovate Programme has been designed to help potential entrepreneurs transform ideas into early-stage start-up businesses. CEDA contributes to the partnership by way of funding and mentoring support to help facilitate and grow the next generation of innovators and entrepreneurs.

The Sprout Agritech global accelerator selects national and international start-ups

and businesses 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 start-up interest in the region, and as a key partner of Sprout, CEDA provides funding and support, and works with Sprout on the selection process to ensure successful outcomes for the programme and highlight the capability we have within the region.

Sprout and the Innovate Programme are important contributors to the strategic positioning of the region as a global agrihub and centre of innovation, making us a magnet for investment, business, and talent.

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Farming, Manawatu

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Whakatairangatia te
rohe hei whakamanea i
te tangata, i te pakihi me
te haumitanga

Profile the region to attract people, business and investment

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.

Profile Manawatū locally, nationally, and globally

Lead and develop stories of Manawatū, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi

Regional Identity Project

Leveraging the Regional Identity, CEDA will work with our shareholders and partners to raise the profile of the Manawatū region as a compelling destination for investment, business and talent through targeted storytelling and media partnerships.

This work will be woven across CEDA's projects and strategic plans including inward investment, destination management, visitor sector marketing, talent and skills attraction and retention and business attraction and retention. Using CEDA's key channels, and working with regional stakeholders and partners, we will positively build the profile of our city and region and collectively build on our distinct and respected value proposition through the Regional Identity to build momentum and awareness of the city, district, and region¹.

CEDA will focus on building the brand equity of the Manawatū identity by carefully developing and executing the messaging and tone, imagery, campaign work, digital

¹ Through the 2020/21 investment made by MBIE, CEDA has been able to significantly increase the amount of media coverage and profile, digital engagement, and content pieces. This funding ceases on 31 December 2022, and as a result outcomes in these areas are expected to reduce, somewhat this year and more so in the coming financial year.

presence and every touch point we have going forward, to ensure that the Regional Identity is a legacy for Manawatū and creates maximum impact as a distinctive and compelling proposition.

Featuring the region through media

Our work with local, national, and international media ensures a strong and consistent regional presence and rhetoric across all traditional and digital channels. CEDA will continue to 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, visitation, and talent¹.

In our role as the Regional Tourism Organisation for Palmerston North and Manawatū, CEDA works with key national organisations including Tourism New Zealand, Air New Zealand, Tourism Industry Aotearoa and more to ensure we are maximising our relationships and opportunities to build the profile and reputation of the city and region.

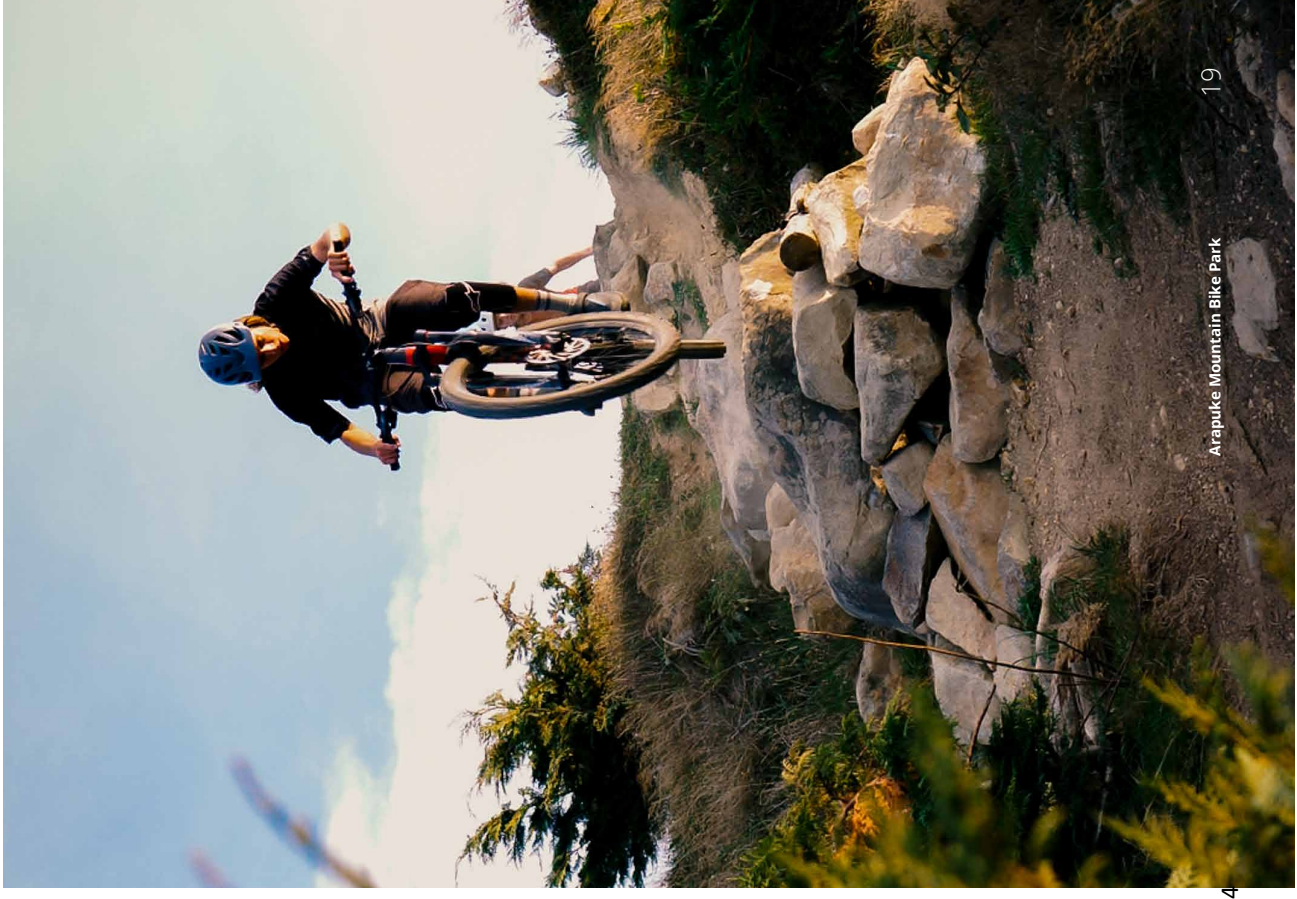
Grow engagement on regional web and digital platforms for increased promotion of and information on the region

ManawatuNZ.co.nz and social media

Digital marketing plays a key role in connecting with our main audiences and profiling the region's strengths to attract talent and investment to the region, showcase our lifestyle advantages, tell our region's story, and build increased awareness of the breadth of what Palmerston North and Manawātū has to offer.

Digital platforms are one of our biggest, most efficient, tools in owning our narrative as a region, from our regional social media channels and the regional website ManawatuNZ.co.nz, through to partner websites and national platforms.

The ManawatuNZ.co.nz regional website will continue to showcase new, fresh content, and will be the home of regional campaigns and initiatives in our work across People, Place and Business. The development of a Trade and Media Hub will further support our partners, stakeholders, business community, and media with fresh, engaging imagery and content of the city and region. This works to ensure we can collectively profile the region on a local, national, and global stage.



Aratakina ngā
whanaketanga ohaoha
kauawhi, toitū anō hoki
mō te rohe

Lead inclusive and sustainable economic development for the region

A strength of our region is the ability to work together using 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.

Develop strategic partner relationships, leveraging opportunities

Building on relationships with shareholders, central government agencies, key regional stakeholders, local iwi and Māori, and business support groups

Strategic relationships with partners, iwi, central government, economic development agencies and key regional stakeholders, such as Rangitāne o Manawātū, Ngāti Kauhata, The Factory, Sprout Agritech, Manawātū Business Chamber, Feilding and District Promotions, UCOL, Talent Central, Tourism New Zealand, Regional Tourism Organisations New Zealand, and Immigration New Zealand, enable CEDA to connect, discover and leverage mutual opportunities. We review our partnership agreements and workplans, including identifying new opportunities for partnerships, to ensure plans are in place to support working collectively and identifying opportunities across all that we do.

Iwi partnerships and engagement

CEDA works collaboratively with regional iwi through our strategic projects including the Te Utanganui Central New Zealand Distribution Hub, Manawātū Food Strategy, Manawātū Destination Management

Plan, and Rangitāne o Manawātū Māori Tourism Strategy, to increase business and employment opportunities for Māori, and ongoing profile and use of the Regional Identity and Te Urungi – Innovate Aotearoa to provide a platform to tell the stories of Rangitāne o Manawātū. We continue to develop partnership agreements with Māori business networks such as Te Au Pakihi, Te Manu Atātū, and the Poutama Trust to enable access to support programs that build capability for Māori business and enable them to be well positioned to tender for contracts for regional infrastructure development projects. We also continue to work on developing CEDA's internal capability in understanding te reo and tikanga, to support strategic relationship with Tangata Whenua and ensure we have meaningful relationships with iwi and Māori organisations.

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

CEDA works with national agencies including Verisk, Data Ventures, Infometrics, Statistics New Zealand, Tourism New Zealand, and the 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, employment, and more. These relationships ensure CEDA is able to share this data and to add context to enable our business communities to easily absorb and understand the information relevant to them.

communication channels such as 60 Seconds (e-newsletter) and Quarterly Economic Updates, and engaging media to help profile our economic pulse. This will cover data, insights and trends on the visitor and retail sectors, our sectors of strength and key growth indicators, and updates on regional projects and economic development activities, ensuring our stakeholders, businesses and communities have access to and an understanding of what is happening in the local economy, the impact it may have on their businesses, and even identify shared project opportunities.

Business and stakeholder communications

Providing comprehensive regional data and insights is crucial to help businesses, investors and residents make informed decisions. Partnering with Palmerston North City Council and Manawatu District Council, and key industry leaders, CEDA works to analyse the data and insights of our economy and provide context and commentary around how the region's economy is performing in a local and national context, in an easily absorbable manner. This includes publishing this information on a regular basis through targeted

Māori economy data and insights

Working closely with Palmerston North City and Manawatu District Council's economists and key Māori sector leaders and iwi to provide analysis and commentary around how the Māori economy is performing here in the region and in a national context. CEDA will communicate and publish this information on a six-monthly basis to better engage with our Māori businesses and community and to provide greater insight and visibility into what is happening specifically in the local Māori economy as a way of identifying, trends and opportunities.

Mā te huruhuru ka rere te manu

Adorn this bird with feathers
to enable it to fly

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Where we focus our time and money

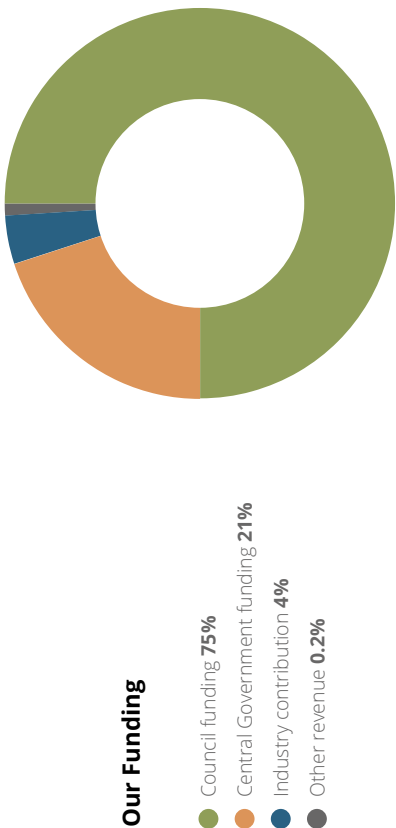
CEDA receives funding from Palmerston North City Council and Manawatu District Council, its shareholders, and also funding from institutions and central government partners for initiatives that bring benefit to the wider region and New Zealand.

This funding gives us the ability to deliver and partner in programmes of work across the region, business and community including targeted sector specific sector work that will bring benefit to the wider region in the long term.

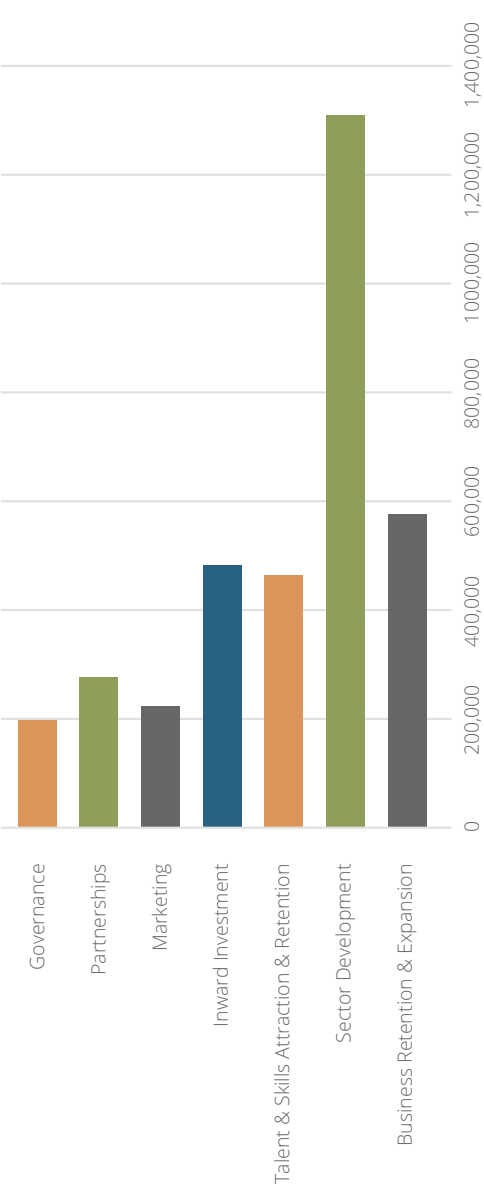
Further funding may also be received from commercial organisations and industry for sponsorship or support of programmes and joint projects that assist to highlight the regions strengths or promote visitor, talent and business attraction to the region.

Additional central government funding has been received for specific sector support after the impacts of COVID-19, to be spent in this financial year.

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. Sector Development expenses include expenses in relation to additional central government funding for COVID-19 impact support
3. Business Retention and Expansion **excludes** the Regional Business Partner programme
4. Employee and operating expenses where not directly related to an activity have been allocated on a percentage of expenditure basis

Ko mātou ēnei **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 our region and its people. Our success is underpinned by our people, connections, partnerships, and networks locally, nationally, and internationally.

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.

Our values:

Believe in what you do and how you do it	Be proud and take ownership	Together we can achieve more
Mauria te pono Believe in yourself	Whāia te iti kahurangi, ki te tuohu koe, me he maunga teitei Seek the treasure that you value most dearly, if you bow your head, let it be to a lofty mountain	Nāku te rourou nāu te rourou ka ora ai te iwi With my food basket and yours the people will thrive

Te Tiriti o Waitangi

We recognise the principles of Te Tiriti o Waitangi and acknowledge the importance of partnering with local iwi and recognition of Tangata Whenua in the region through localised partnering.

Our focus will continue to be on Participation through our growing relationships with regional iwi and mana whenua. Through Partnerships, we aim to work together with our regional iwi for agreed outcomes that benefit the region, and we will ensure Protection is a priority focus by incorporating te reo and tikanga across our projects and programmes, and continued development of the team's cultural awareness and, knowledge and understanding, of the principals of te Tiriti.

CEDA Statement of Intent 1 March 2022

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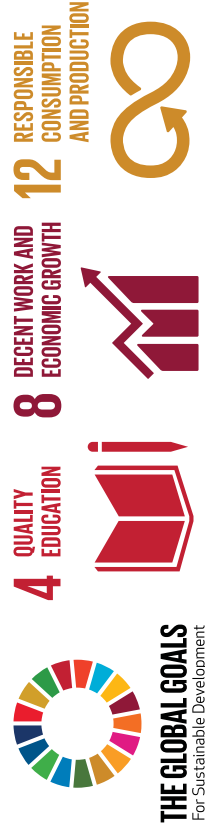
Sustainable Development Goals

We are committed to sustainable practices in both CEDA's office environment and the environment within which we work and live. We 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.

The Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all".

The Goals were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

CEDA's top three Sustainable Development Goals we use to inform our programmes of work are:



The Environment and Carbon Emissions

CEDA works with businesses through its regular business engagements to encourage considerations around carbon emission reduction and sustainability options for their operations. When looking at opportunities for investment in the region we consider the environmental impacts of any businesses looking to relocate here.

CEDA also advocates for sustainability through our business and community engagements such as e-newsletters and social media and ensuring we as an organisation are doing what we can through procurement and waste reduction initiatives.

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Ā Mātou Paearu Tutukinga Our Performance Measures

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.

Service Level Statement	Performance Measure	2022/23*	2023/24*	2024/25*
Develop the talent pipeline to grow a skilled workforce, and better utilise the existing labour market	Lead and support the regions attraction and retention of talent, skills, and investment	Lead the delivery of the Manawatu Talent and Skills Attraction and Retention Strategy year two action plan, through the establishment of a digital talent and skills hub, that includes work integrated learning and graduate opportunities	Lead the delivery of the year three action plan through the development of a programme to integrate people into the region and/or workplace	Lead the review of the Manawatu Talent and Skills Attraction and Retention Strategy
Attract business and investment to the region	Implementation of Inward Investment strategy with regional partners, through the attraction of investment to the region including key regional projects	Lead the delivery of a programme of work that will attract and retain talent in the region working with businesses	Lead the development of a suite of talent and attraction narratives and stories sharing employers and employee's attraction and retention successes	Lead the development of digital content for the regional Sectors of Strength working with employers
Support our sectors of strength to grow through targeted business development and retention initiatives and activities	Development of priority sectors through sector strategy implementation, cluster development and partnerships with Māori.	Te Utanganui (Central New Zealand Distribution Hub) Strategy implementation, in the development of funding opportunities and brand narrative	Te Utanganui Strategy implementation with accelerated advocacy	Te Utanganui Strategy reviewed, and next step actions developed
	Development of priority sectors through sector strategy implementation, cluster development and partnerships with Māori.	Development of phase 2 of the Manawatu Food Strategy and implementation of year one actions	Implement the Manawatu Food Strategy year two actions	Implement the Manawatu Food Strategy year three actions
	Retain businesses in the region through engagement and identification of barriers to growth	Refreshed Destination Management Plan developed including establishment of a steering group, to reflect changing environment and regional aspirations	Destination Management Plan implementation of year one actions with iwi partners and stakeholders	Deliver year two of the Destination Management Plan and review of the Māori Tourism Action Plan.
	Retain businesses in the region through engagement and identification of barriers to growth	Implementation of the Business Attraction, Retention and Expansion strategy framework through structured business engagements and facilitating the resolution of constraints	Implement year two of Business Attraction, Retention and Expansion strategy actions	Implement year three of Business Attraction, Retention and Expansion strategy actions
		Support or engage with 210 businesses including Māori businesses through CEDA activities**	Support or engage with 250 businesses including Māori businesses through CEDA activities **	Support or engage with 250 businesses including Māori businesses through CEDA activities **
	Facilitate access to specialist innovation, and start-up expertise	Partner with The Factory and Sprout Agritech to deliver start-up and innovation support	Partner with The Factory and Sprout Agritech to deliver start-up and innovation support	Partner with The Factory and Sprout Agritech to deliver start-up and innovation support

Service Level Statement	Performance Measure	2022/23*	2023/24*	2024/25*
Profile Manawatu locally, nationally, and globally	Lead and develop the stories of Manawatu, creating a narrative and a unified positioning, incorporating the cultural heritage of iwi	Leverage the Regional Identity to grow the profile and narrative of the city and region, with 10 content pieces published targeting key audiences 50 direct media features published profiling the region, with a reach of more than 2.7 million*** New Trade and Media Hub launched on ManawatuNZ.co.nz	Grow the profile and narrative of the city and region, with 5 content pieces published targeting key audiences 30 direct media features published profiling the region, with a reach of more than 1.5 million***	Grow the profile and narrative of the city and region, with 6 content pieces published targeting key audiences 35 direct media features published profiling the region, with a reach of more than 2 million***
	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****	10% increase in 'sessions' on ManawatuNZ.co.nz, and social media engagement****	10% increase in 'sessions' on ManawatuNZ.co.nz, and social media engagement****
Develop strategic partner relationships, leveraging opportunities	Continue to build on relationships with shareholders, central government agencies, key regional stakeholders, local iwi and Maori, and business support groups	Partnership agreements and workplans reviewed Iwi partnership projects implementation, including the Rangitane o Manawatu Tourism Working Group and identification of additional project(s)	Partnership agreements and workplans reviewed Iwi partnership project implementation underway	Partnership agreements and workplans reviewed Identify and support projects with iwi partners
Data and insights communications on the performance of the region's economy	Economic impact information regularly communicated to stakeholders and business, including iwi and Maori business sector	5% growth in audience engagement across key communications including economic updates, Maori economy data and regional news	7% growth in audience engagement across key communications including economic updates, and Maori economy data	9% growth in audience engagement across key communications including economic updates, and Maori economy data

* these objectives or outcomes may be impacted by CEDA's requirements to be adaptable and responsive to the needs of the regional economy due to the impact of COVID-19

** assuming discontinuation of funding of the Regional Business Partner programme by the Ministry of Business, Innovation and Employment from July 2022

*** reach measured by media and/or publication audience/readership

**** increase in sessions for 2021/22 based on a baseline of 250,000 due to additional activity in the 2020/21 financial year due to funding received in response to COVID-19

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 Manawatu 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 Long Term Plan Strategic Goals	CEDA Service Level Statement alignment
An Innovative and Growing City <i>He tāone auaha, he tāone tiputipu</i>	<ul style="list-style-type: none"> Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Profile Manawātū locally, nationally, and globally Develop strategic partner relationships, leveraging opportunities Data and insights communicated on the performance of the region's economy
A Creative and Exciting City <i>He tāone whakaihihi tapatapahi ana</i>	<ul style="list-style-type: none"> Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Profile Manawātū locally, nationally, and globally Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Data and insights communicated on the performance of the region's economy
A Connected and Safe Community <i>He hapori tūhonohono, he hapori haumaruru</i>	<ul style="list-style-type: none"> Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Data and insights communicated on the performance of the region's economy
An Eco city <i>Te tāone tautaiiao</i>	<ul style="list-style-type: none"> Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Data and insights communicated on the performance of the region's economy

MDC Long Term Plan Priorities	CEDA Service Level Statement alignment
A prosperous, resilient economy <i>He kāinga ka tōnui tōna ōhanga</i>	<ul style="list-style-type: none"> Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Profile Manawātū locally, nationally, and globally Develop strategic partner relationships, leveraging opportunities Data and insights communicated on the performance of the region's economy
Infrastructure fit for future <i>He kāinga ka tūwhena tonu ōna</i> <i>pūnahahanga, haere ake nei te wā</i>	<ul style="list-style-type: none"> Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities
A future planned together <i>He kāinga ka whakamaherea tahitia tōna</i> <i>anamata e te hapori tonu</i>	<ul style="list-style-type: none"> Develop a talent pipeline to grow a skilled workforce, and better utilise the existing labour market Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities Profile Manawātū locally, nationally, and globally Develop strategic partner relationships, leveraging opportunities
An environment to be proud of <i>He kāinga ka rauhitia tōna taiao</i>	<ul style="list-style-type: none"> Attract business and investment to the region Support our sectors of strength to grow through targeted business development support, and retention initiatives and activities

Ngā Tohu Aroturuki 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	2023	2024	2025	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 median 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) 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 Manawatu District Council.

CEDA's Purpose

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

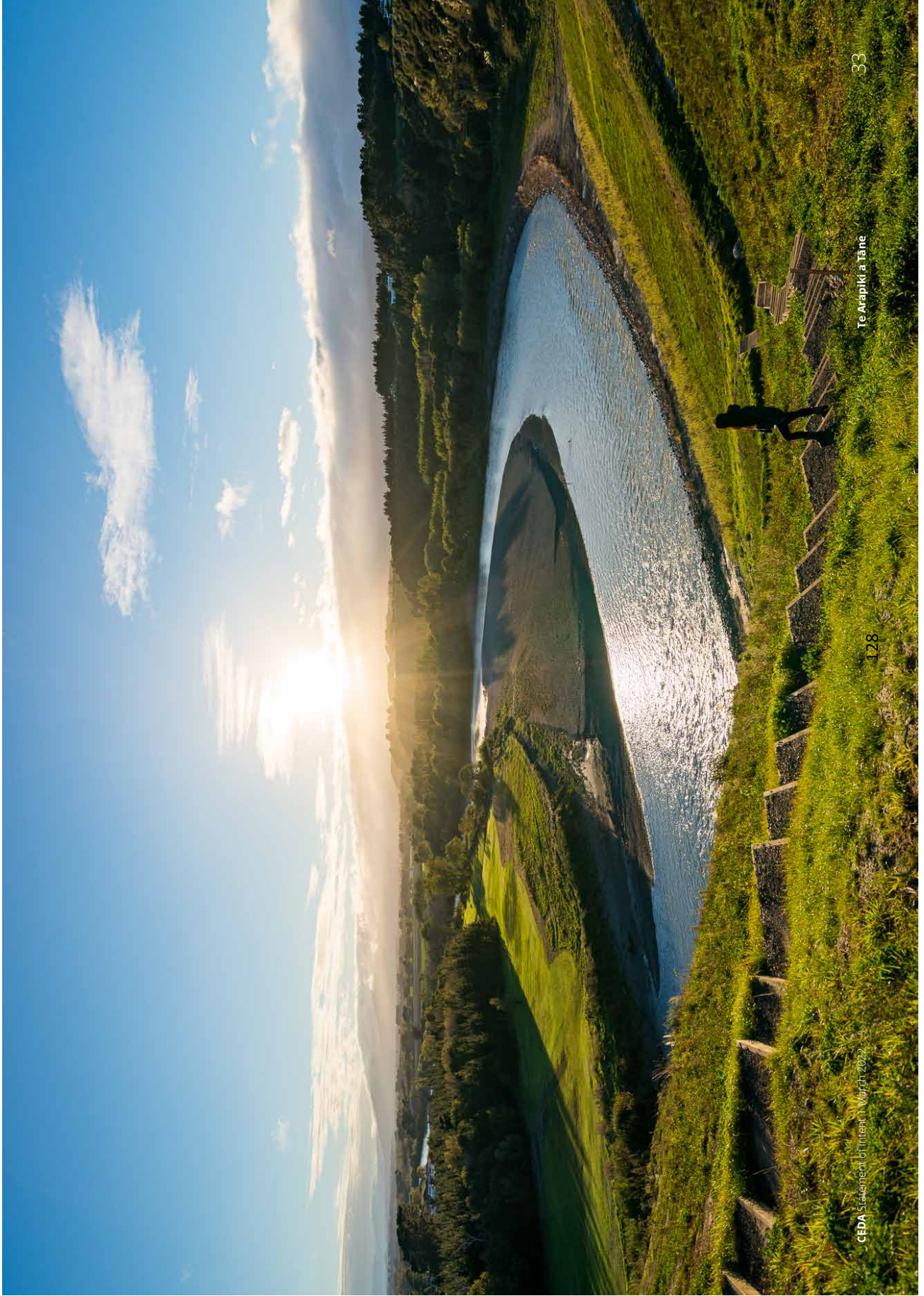
The Board guides and monitors the business and affairs of CEDA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Company's Constitution and this Statement of Intent.

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 Manawatu 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.





Tutukinga Ahumoni Financial Performance

Central Economic
Development Agency Limited

Group Statement of Comprehensive Revenue & Expenses

For the 12 Months to June

	Notes	2022-23 Budget	2023-24 Forecast	2024-25 Forecast
Income				
Council Funding	1	2,698,107	2,833,012	2,974,663
Other Services Income	2	731,000	135,000	15,000
Project Income		85,000	60,000	60,000
Total Income		3,514,107	3,028,012	3,049,663
Cost of Sales				
Other Services Expenses	2	1,465,000	940,000	831,250
Project Expenses		87,000	60,000	60,000
Total Cost of Sales		1,552,000	1,000,000	891,250
Gross Surplus (Deficit)		1,962,107	2,028,012	2,158,413
Other Income				
Sundry Income		5,000	4,000	3,000
Total Other Income		5,000	4,000	3,000

**Group Statement of
Comprehensive Revenue
& Expenses**

For the 12 Months to June

	Notes	2022-23 Budget	2023-24 Forecast	2024-25 Forecast
Expenses				
Depreciation		3,500	3,000	3,000
Directors' Fees		180,000	180,000	180,000
Employee Expense		1,366,643	1,444,975	1,547,224
Financing Expenses		200	200	200
Other Operating Expenses		420,271	409,663	427,415
Total Expenses		1,970,614	2,037,838	2,157,839
Net Surplus (Deficit) Before Tax				
		(3,507)	(5,826)	3,574
Taxation				
Income Tax Expense		0	0	0
Total Taxation		0	0	0
Net Surplus (Deficit) after tax				
		(3,507)	(5,826)	3,574

1. Assumes 5.9% annual CPI/total government increase

2. Assumes non continuation of MBIE Regional Business Partner Programme, includes additional MBIE COVID support funding

Group Statement of
Financial Position

As at 30 June

	30 June 2023 Budget	30 June 2024 Forecast	30 June 2025 Forecast
Assets			
Current Assets			
Cash and Cash Equivalents	624,450	661,547	687,373
Receivables and Accruals	150,593	70,476	58,976
Prepayments	4,875	4,550	4,778
Total Current Assets	779,918	736,573	751,127
Non-Current Assets			
Property, Plant and Equipment	23,156	20,156	17,156
Total Non-Current Assets	23,156	20,156	17,156
Total Assets	803,074	756,729	768,283
Liabilities			
Current Liabilities			
Payables and Deferred Revenue	199,899	154,428	155,945
Employee Entitlements	86,371	91,322	97,785
Total Current Liabilities	286,270	245,750	253,730
Total Liabilities	286,270	245,750	253,730
Net Assets	516,804	510,979	514,553
Equity			
Contributed Capital	1,000	1,000	1,000
Retained Earnings	515,804	509,979	513,553
Total Equity	516,804	510,979	514,553

Group Statement of Cash
Flows

For the 12 Months to June

	30 June 2023 Budget	30 June 2024 Forecast	30 June 2025 Forecast
Cash Flows from Operating Activities			
Receipts of council funding	3,102,823	3,257,964	3,420,862
Interest received	5,000	4,000	3,000
Receipts from other operating activities	1,102,761	440,719	241,874
Income tax refunded/(paid)	0	0	0
GST	(194,978)	(217,543)	(231,241)
Payments to suppliers and employees	(4,702,132)	(3,447,843)	(3,408,469)
Finance costs	(200)	(200)	(200)
Total Cash Flows from Operating Activities	(686,726)	37,097	25,826
Net Cash Flows	(686,726)	37,097	25,826
Cash Balances			
Cash and cash equivalents at beginning of period	1,311,176	624,450	661,547
Cash and cash equivalents at end of period	624,450	661,547	687,373
Net change in cash for period	(686,726)	37,097	25,826

See Appendix for Accounting Policies

Ngā Here a te Hunga Whaipānga

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 SOI, 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.

Statement of Expectations

By 1 December in each year the shareholders will deliver to CEDA a Statement of Expectations. The Statement 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 SOI. A Statement of Expectations for 2022/23 has been delivered to CEDA.

Statement of Intent

By 1 March in each year CEDA will deliver to the Joint Strategic Planning Committee of the shareholders its draft SOI 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 SOI 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 SOI, 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.

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. The financial statements of CEDA are for the 6 months ended 31 December 2021.

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. New group standards have been applied but have resulted in no impact to the financial statements.

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.

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%
Office Furniture & Equipment	Diminishing Value	0% - 50%
Office Furniture & Equipment	Straight Line	8.5% - 10.5%
Vehicles	Diminishing Value	30%
Websites	Straight Line	40%
Websites	Straight Line	40%

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 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.

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 expense 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:

- Useful lives and residual values 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 Manawātū Trust. The consolidation of the Events Manawātū Trust into CEDA's financial statements has resulted in no change to the reported financial statements as the Trust is dormant and did not trade during the year.

December 2021

Bobbie O'Fee
 Chair
 Central Economic Development Agency Ltd
 Level 1/1-19 Fitzherbert Avenue
PALMERSTON NORTH 4410

Dear Bobbie

CEDA Statement of Expectations 2022-2023

The purpose of this Statement of Expectations 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 2022-2023.

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 measurable outcomes.

Ongoing review of the existing strategic partnership agreements already in place is expected.

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

The Shareholders and CEDA will continue to work together to update the existing 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 recognize 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, along with survival and recovery of businesses due to COVID-19.
- Developing a talent pipeline.
- Domestic Visitation.

Top priorities for MDC are:

- Promotion and development of key tourism and visitor destinations, including the country road tourism route.
- Increase inward investment for Manawatu district.
- Promote Manfield as a venue for business conferences and events and where appropriate integrate this with the promotion of business conferences and events undertaken by PNCC.
- Regional identity implementation.
- CEDA to respond with identified ways for CEDA to contribute to the labour supply for farms.

Top priorities for PNCC are:

- Implementation of the Central NZ Distribution Hub Strategy.
- Support advocacy on the Palmerston North Integrated Transport Investment project.
- Increased investment in Palmerston North city.

A specific joint priority of MDC and PNCC is:

- Develop a Food and Fibre Strategy that addresses the total value chain from primary production, farmers and growers to agri-business clusters, e.g. rural banks, real estate, insurance, vets, sale yards, stock farms, grain & seed merchants, agri-retail and rural tourism with a Manawatu District focus, through to agri-tech & science, including supporting Food Hq with its aspirations.

In balancing the priorities of each council within its resources, CEDA is expected to adhere to its purpose in the constitution of "driving and facilitating the creation and growth of economic wealth in the Manawatu region and beyond" and take into

account the priorities identified in regional strategic planning documents, including the Regional Spatial Plan.

While International Education is now a function that primarily sits with Palmerston North City Council, the shareholders expect CEDA to continue to consider the aspirations of the International Education sector with respect to the delivery of its other core functions.

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

It is expected that CEDA will work very closely with key stakeholders of the regions strengths of research/agri-food/agri-business/land/horticulture, distribution and logistics, defence, health, visitor, education (domestic and international), digital and technology, and a growing Māori 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 and implementation 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 any relationship agreement that is put in place.

The shareholders expect that where CEDA is marketing the Manawatu region and this requires differentiating between the Manawatu, Havelock and Palmerston North, that this will continue to be delivered by CEDA in close collaboration with both shareholders.

The Shareholders would like to continue the monthly team meeting between the Mayors, Council CE's and relationship managers with the CEDA Chair and CE, although the purpose and participation at these meetings should be reviewed in collaboration with the shareholders.

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

Ō Mātou Hoa Mahi Tahī **Our Partner Organisations**

Current partner organisations that CEDA works with:

Local

Central Skills Hub
 Central Region Talent and Skills Advisory Group
 Feilding and District Promotion
 FoodHQ
 IPU New Zealand
 Lamberts
 Manawatu Business Chamber
 Manawatu District Council
 Manawatu Standard
 Manawatu Young Professionals Network
 Manfeild
 Massey University
 MediaWorks
 National Driver Training Centre
 Palmerston North City Council
 Palmerston North Airport
 Regional Schools
 Spearhead Manawatu
 Sprout Agritech
 Sport Manawatu
 Talent Central

Te Au Pākiki
 Te Manawa
 The Factory
 UCOL
 Venues and Events Palmerston North

Regional

Accelerate 25
 Business Central and Export NZ
 Horizons Regional Council
 Horowhenua District Council
 Rangitikei District Council
 Regional Skills Leadership Group – Manawatu-Whanganui
 Ruapehu District Council
 Tairāia District Council
 Te Manu Atātū
 The Horowhenua Company
 Whanganui and Partners
 Whanganui Chamber of Commerce
 Whanganui District Council

National

AgResearch
 Air New Zealand
 ASB Bank
 Business Mentors New Zealand
 Callaghan Innovation
 Economic Development New Zealand
 Fonterra Cooperative Group
 Immigration New Zealand
 Ministry of Business, Innovation & Employment
 Ministry of Social Development
 New Zealand Chef's 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

MEMORANDUM

TO: Manawatu District/Palmerston North City Joint Strategic Planning Committee

MEETING DATE: 10 March 2022

TITLE: Role and Future of the Joint Strategic Planning Committee

PRESENTED BY: David Murphy, Chief Planning Officer and Lyn Day, General Manager - Community

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION(S) TO COUNCIL

1. That the memorandum entitled "The Role and Future of the Joint Strategic Planning Committee" as presented to the Joint Strategic Planning Committee on 10 March 2022 be received.
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1. ISSUE

The minutes of the 9 December Joint Strategic Planning Committee record that:

The committee members discussed exploring opportunities to maximise the potential of the scope of the Joint Strategic Planning Committee. Ideas floated included:

- Opportunities for shared services and collaboration on projects;
- Widen scope of CEDA to include other Councils;
- Consider how Accelerate 25 fits in with the role of the Joint Strategic Planning Committee;
- Consider centring the role of the committee around wellbeings and the future of local government;
- Consider undertaking a performance review of the committee's work for the past three years.

It was agreed that the Chief Executives of each Council would take the matter back to their respective Councils for discussion and bring the item to the next meeting of the Joint Strategic Planning Committee for wider discussion.

2. BACKGROUND

Due to the timing of the 9 December and 10 March Joint Strategic Planning Committee meetings coinciding with the Christmas and new year break, the prioritisation of elected member workshop time for pressing matters and broader

organisational pressures such as the covid red-setting, the Chief Executives have not discussed these matters in detail with their respective Councils via a workshop.

The most appropriate time for both councils to reflect on the role and future of the Joint Strategic Planning Committee would be after the 2022 local government elections when the committee structure and terms of reference for all committees are reviewed by both councils. It would also be beneficial for both councils to reflect on and engage in the Government's proposed review of local government before discussing further the role and future of the Joint Strategic Planning Committee. PNCC held a workshop on the review of local government on 25 February 2022.

Some introductory commentary on each of the areas identified at the 9 December Joint Strategic Planning Committee are provided below. Should both councils wish to discuss these matters further before the 2022 local government election, it is recommended a workshop be scheduled as part of a future Joint Strategic Planning Committee after both councils have had the opportunity to workshop the matters individually first.

Opportunities for shared services and collaboration on projects

PNCC and MDC are both undertaking a review of levels of services and the cost-effectiveness of some services as part of its preparation for the 2024 Long Term Plan process. This work may identify opportunities for further shared services and collaboration.

Widen scope of CEDA to include other Councils

This conversation is best placed to occur as we gain further information and direction on the proposed review of local government, which is still in its early stages. PNCC passed a resolution to this effect in late 2022 after receiving a report on the review of the CEDA shareholding arrangements.

Consider how Accelerate 25 fits in with the role of the Joint Strategic Planning Committee

Accelerate 25 is a regional economic development activity administered by Horizons Regional Council. The focus of CEDA and the Joint Strategic Planning Committee is Palmerston North and the Manawatu. There may be some value in the Joint Strategic Planning Committee hearing from Accelerate 25 to ensure greater clarity between the roles of Accelerate 25 and CEDA. Alternatively, CEDA and the shareholders can engage directly with Accelerate 25, as required. Good collaboration is occurring between CEDA and Accelerate 25 on inward investment opportunities, with CEDA taking the lead on Palmerston North and Manawatu opportunities with support from Accelerate 25.

Consider centring the role of the committee around wellbeings and the future of local government

Centring the role of the Joint Strategic Planning Committee around the four well-beings would be a significant expansion to the terms of reference for the Joint

Strategic Planning Committee which could create unnecessary tension with the roles and terms of reference of the individual committees of both councils.

MDC and PNCC are both undertaking a piece of work on the review of local government. This matter could be considered as part of the review of the terms of reference of the Joint Strategic Planning Committee after the 2022 local government election.

Consider undertaking a performance review of the committee's work for the past three years.

As per the existing terms of reference, the focus of the Joint Strategic Planning Committee has been the activities of CEDA, for which there has been regular performance monitoring and reporting.

3. NEXT STEPS

The Chief Executives of each Council take the matter back to their respective Councils for discussion and prioritisation alongside their existing work programme between now and the 2022 election and then determine if a joint workshop is required.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Choose an item. Not applicable.	
The recommendations contribute to the achievement of action/actions in Choose an item. Not applicable.	
Contribution to strategic direction and to social, economic,	Not applicable.

