PALMERSTON NORTH CITY COUNCIL

AGENDA

MANAWATU DISTRICT/PALMERSTON NORTH CITY JOINT STRATEGIC PLANNING COMMITTEE

1PM, THURSDAY 10 SEPTEMBER 2020

MANAWATU DISTRICT COUNCIL, 135 MANCHESTER STREET, FEILDING

MEMBERSHIP

Members Manawatu District Council
The Mayor Helen Worboys
Councillor Steve Bielski
Councillor Michael Ford
Councillor Grant Hadfield
Councillor Phil Marsh

Members Palmerston North City Council
Mayor Grant Smith
Councillor Tangi Utikere
Councillor Susan Baty
Councillor Leonie Hapeta
Councillor Aleisha Rutherford

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

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

Heather Shotter

Chief Executive, Palmerston North City Council

Palmerston North City Council

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Private Bag 11034, 32 The Square, Palmerston North

PALMERSTON NORTH CITY COUNCIL

MANAWATU DISTRICT COUNCIL

PALMERSTON NORTH CITY COUNCIL

Joint Strategic Planning Committee

Agenda

Thursday 10 September 2020, 1:00pm

Manawatū District Council Chambers, 135 Manchester Street, Feilding and via Zoom

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 Tangi Utikere, Susan Baty, Leonie Hapeta and Aleisha Rutherford

Responsibilities

a. To address strategic planning issues that impact on both Manawatū District and Palmerston North City, in particular issues relating to but not restricted to infrastructure, land use planning and economic development.

b. To consider community planning and community outcomes implications. For the purpose of the Joint Committee's Terms of Reference, "Strategic Planning Issues" mean those that are referred to the Joint Committee by either MDC and/or PNCC, taking an inter-regional perspective.

c. To consider and promote the creation and growth of economic wealth for Manawatū and beyond, with particular reference to the activities of the Central Economic Development Agency Limited.

Delegated Authority

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

a. To appoint and discharge subcommittees and working parties as it considers appropriate, and to delegate any of its functions or duties to subcommittees so appointed; and

b. To make decisions on meeting procedures where such decisions are either required or permitted by Standing Orders or relevant legislation.

c. In relation to the Central Economic Development Agency Limited (CEDA), the Joint Strategic Planning Committee has the following functions, powers, and duties under the Local Government Act 2002 and/or the Companies Act 1993:

    i. To adopt a policy that sets out the process for the identification, appointment and remuneration of directors;
    ii. To appoint and remove a person or persons to be directors of CEDA;
    iii. To approve the remuneration to be paid to directors of CEDA;
    iv. To undertake performance monitoring of CEDA, as per section 65 of the Local Government Act 2002;
    v. To agree with the Statement of Intent of CEDA or, if the Joint Committee does not agree, to take all practical steps to require a Statement of Intent to be modified, as per section 65 of the Local Government Act 2002.
    vi. To receive the half yearly report of CEDA, as shareholder;
    vii. To receive the Annual Report of CEDA, as shareholder.

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

R.G.Templer

Dr Richard Templer
Chief Executive

ORDER OF BUSINESS

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1. MEETING OPENING

2. APOLOGIES

3. CONFIRMATION OF MINUTES **5**

Draft resolution

That the minutes of the Joint Strategic Planning Committee meeting held 11 June 2020 be adopted as a true and correct record.

4. DECLARATIONS OF INTEREST

Notification from elected members of:

4.1 Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

4.2 Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968

5. 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. PUBLIC FORUM

6.1 JAMES BEARD

James Beard will be in attendance to speak about boundary issues.

7. PRESENTATIONS

There were no presentations scheduled for this meeting.

8. OFFICER REPORTS

8.1 ANNUAL MONITORING INDICATORS (CEDA), SUMMARY REPORT ON THE JUNE 2020 MANAWATŪ QUARTERLY ECONOMIC MONITOR, MAJOR DEVELOPMENTS, AND QUARTERLY RETAIL REPORT FOR JULY 2020 **10**

Report of the General Manager – Strategy and Planning dated 27 August 2020

9. CONSIDERATION OF LATE ITEMS

10. NOTIFICATION OF ITEMS FOR NEXT MEETING

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11. PUBLIC EXCLUDED BUSINESS

COMMITTEE TO RESOLVE:

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

a) CEDA Appointment of Directors

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

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

12. MEETING CLOSURE

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	**THURSDAY 11 JUNE 2020**	**1:00PM**

Minutes of a meeting of the Manawatū District / Palmerston North City Joint Strategic Planning Committee held on Thursday 11 June 2020, commencing at 1:00pm in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

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 Leonie Hapeta	(Palmerston North City Council)
	Cr Aleisha Rutherford	(Palmerston North City Council)
	Cr Tangi Utikere	(Palmerston North City Council)
IN ATTENDANCE:	Cr Hilary Humphrey	(Manawatū District Council)
	Cr Alison Short	(Manawatū District Council)
	Cr Brent Barrett	(Palmerston North City Council)
	Cr Rachel Bowen	(Palmerston North City Council) (via Zoom)
	Cr Zulfiqar Butt	(Palmerston North City Council)
	Cr Lorna Johnson	(Palmerston North City Council)
	Cr Billy Meehan	(Palmerston North City Council)
	Cr Bruno Petrenas	(Palmerston North City Council)
	Richard Templer	(Chief Executive, MDC)
	Hamish Waugh	(General Manager - Infrastructure, MDC)
	Brent Limmer	(General Manager – Community and Strategy, MDC)
	Michael Hawker	(Project Delivery Manager, MDC)
	Allie Dunn	(Governance Team Leader, MDC)
	Steph Skinner	(Governance Officer, MDC)
	Heather Shotter	(Chief Executive, PNCC)
	Sheryl Bryant	(General Manager Strategy and Planning, PNCC)
	Tom Williams	(Chief Infrastructure Officer, PNCC)
	David Murphy	(City Planning Manager, PNCC)
	Robert Van Bentum	(Transport and Infrastructure Manager, PNCC)
	Hannah White	(Democracy and Governance Manager, PNCC)
	Sacha Haskell	(General Manager Marketing and Communications, PNCC)
	Malcolm Bailey	(Chairperson, CEDA)
	Linda Stewart	(Chief Executive, CEDA)
	Jacqui Middleton	(Finance and Operations Manager, CEDA)

JSP 20/018 MEETING OPENING

Her Worship the Mayor declared the meeting open.

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	**THURSDAY 11 JUNE 2020**	**1:00PM**

JSP 20/019 APOLOGIES

There were no apologies from members of the committee. Apologies for non-attendance by Councillors Heather Gee-Taylor, Shane Casey and Pat Handcock were noted.

JSP 20/020 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Joint Strategic Planning Committee meeting held 12 March 2020 be adopted as a true and correct record, with inclusion of details of the concern expressed regarding the international education sector in the light of Covid-19.

Moved by: **Councillor Michael Ford**

Seconded by: **Councillor Aleisha Rutherford**

CARRIED

As a matter arising from the previous minutes, Councillor Rutherford sought a report back on the matter raised during the previous meeting's public forum, regarding arrangements being made for adult residents of Pohangina to use the Palmerston North Libraries at no charge. Manawatū District Council Chief Executive Richard Templer gave a verbal report on the arrangements that were in place for children and young adults to use the libraries advising that the Manawatū District Council made a payment of $10,000 per annum to Palmerston North City Council to provide this service, noting that out of district users were able to use Manawatū District Council libraries at no charge.

It was asked that a formal written report be provided to the Joint Strategic Planning Committee's next meeting.

RESOLVED

That a written report be provided to the Joint Strategic Planning Committee numbers around a financial arrangement being made for adult residents of Pohangina to use the Palmerston North City Libraries.

Moved by: **Councillor Aleisha Rutherford**

Seconded by: **Councillor Leonie Hapeta**

CARRIED

JSP 20/021 DECLARATIONS OF INTEREST

There were no declarations of interest.

JSP 20/022 NOTIFICATION OF LATE ITEMS

There were no late items of business notified for consideration.

JSP 20/023 PUBLIC FORUM - GREG BARRATT – HIWINUI COMMUNITY COMMITTEE

Greg Barratt, Chairperson of the Hiwinui Community Committee, spoke to the committee regarding the intersection of Watershed Road and Ashhurst-Bunnythorpe Road. He noted that the committee would like clarification of the timing for when the improvement works for the intersection would be completed.

He outlined the residents' concerns with the safety of that intersection, especially for children being driven to the local school, and asked that priority be given to safety improvements for this intersection.

Manawatū District Council's General Manager – Infrastructure, Hamish Waugh, noted this was a discussion that was being worked through between the Manawatū District Council and Palmerston North City Council roading teams. They were working through the design works to be done once budget and programme had been agreed, and that the works would be completed during the 2020-21 year.

JSP 20/024 PRESENTATIONS

There were no presentations scheduled for this meeting.

JSP 20/025 CENTRAL ECONOMIC DEVELOPMENT AGENCY STATEMENT OF INTENT 2020-21

Report of the General Manager – Community and Strategy and General Manager Strategy and Planning dated 11 May 2020 presenting the Central Economic Development Agency's Final Statement of Intent 2020/21 for agreement. Representatives from CEDA Malcolm Bailey, Chairperson, Linda Stewart, Chief Executive and Jacqui Middleton, Finance and Operations Manager, spoke to the Statement of Intent that they presented for agreement by the joint committee. They noted that Covid-19 had caused an interruption to their progress however they believed they were in good shape compared to other regions of New Zealand in terms of the economy. They noted that comments and feedback received from presentation of their draft Statement of Intent to the 12 March 2020 meeting of the joint committee had been taken on board and reflected in the second draft. They noted they had made changes in the document to the international education sector as requested and included a further two years in the performance outlook. In closing they noted they had not made substantial changes to the Statement of Intent in light of Covid-19 however would be adaptable and responsive to the needs of the regional economy.

RESOLVED

That the Central Economic Development Agency's Final Statement of Intent 2020/21 be agreed.

Moved by: **Councillor Michael Ford**

Seconded by: **Councillor Leonie Hapeta**

CARRIED

JSP 20/026 CONSIDERATION OF LATE ITEMS

There were no late items notified for consideration.

JSP 20/027 NOTIFICATION OF ITEMS FOR NEXT MEETING

- Report on access to Palmerston North libraries by Pohangina residents
- Update on Regional Freight Ring Road
- Update on Nature Calls Project

JSP 20/028 PUBLIC EXCLUDED BUSINESS

RESOLVED

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

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

Moved by: **Councillor Michael Ford**

Seconded by: **Councillor Aleisha Rutherford**

CARRIED

The meeting went into public excluded session at 1:58pm. For items JSP 20/029 to JSP 20/032 refer to public excluded proceedings. The meeting returned to open session at 2:01pm.

JSP 20/033 CONFIRMATION OF PUBLIC EXCLUDED RESOLUTION IN OPEN SESSION

The following public excluded resolution from the meeting held 12 March 2020 was confirmed in open session:

JSP 20/015 - APPOINTMENT OF DIRECTORS – CENTRAL ECONOMIC DEVELOPMENT AGENCY LTD

RESOLVED

That the Joint Strategic Planning Committee receives the report of the Electoral College and approves the following:

1. **Appoint Robbie Pickford, as a Director of Central Economic Development Agency Limited for a term commencing on 18 March 2020 and ending on 17 March 2023.**

2. **Appoint Francene Wineti, as a Director of Central Economic Development Agency Limited for a term commencing on 18 March 2020 and ending on 17 March 2023.**

3. **Appoint Bobbie O'Fee, as a Director of Central Economic Development Agency Limited for a term commencing on 1 April 2020 and ending on 31 March 2023.**

JSP 20/034 MEETING CLOSURE

The meeting was declared closed at 2:02pm.

MEMORANDUM

TO:	**Manawatu District/Palmerston North City Joint Strategic Planning Committee**
MEETING DATE:	**10 September 2020**
TITLE:	**Annual Monitoring Indicators (CEDA), Summary report on the June 2020 Manawatū Quarterly Economic Monitor, Major Developments, and Quarterly Retail Report for July 2020**
PRESENTED BY:	**Peter Crawford, Economic Policy Advisor, Palmerston North City Council, Stacey Bell, Economist, Manawatū District**
APPROVED BY:	**Sheryl Bryant, General Manager - Strategy & Planning**

RECOMMENDATION(S) TO COUNCIL

1. **That the Annual Monitoring Indicators (CEDA), Summary report on the June 2020 Manawatū Quarterly Economic Monitor, Major Developments, and Quarterly Retail Report for July are received.**

1.1. This memorandum presents a summary of:

a. Annual Monitoring Indicators for CEDA for the year ended June 2020;

b. Key data from the latest Manawatū Quarterly Economic Monitor for the June 2020 quarter;

c. A summary of major construction projects in the region; and

d. The latest CEDA retail report for the three months ended July 2020.

1.2. The latest Manawatū Quarterly Economic Monitor report indicates a 1.1% decline in GDP in the region in the year ended June 2020 due to the impact of Covid-19 level-3 and 4 activity restrictions from 25 March to 13 May. Infometrics estimates GDP in the region declined by 8.5% in the June quarter, while New Zealand GDP declined by 12.8%. The estimates are provisional and will be revised once labour force data is published next year.

1.3. The resilience of the region is reflected in the strong increase in retail spending in the region once New Zealand moved to level-2 restriction on 13 May. The growth rate for spending in the region is continuing well above the growth rate for

New Zealand. The pace of recovery in the region is seen in the difference between the June quarter report, which shows a 19.7% decline in retail spending in the region, and the report for the three months ended July, which shows a 2.4% increase in spending.

1.4. There was a 25.8% increase in the number of people in the region registered for the job seeker benefit in the June quarter, while benefit numbers for New Zealand increased by 39.8%. Monthly data for July did not show an improvement in job seeker numbers in the region despite a more than doubling in the value of building consents issued in Palmerston North in the first seven months of this year. This might be due to an increase in the number of people moving to the region for work in the construction sector. There was a similar increase in job seeker benefits in Palmerston North in the first half of 2018, when there was also a large increase in the value of building consents.

2. ANNUAL MONITORING INDICATORS (CEDA)

2.1 The table attached presents the set of monitoring indicators agreed by shareholders for regional annual targets for CEDA. At the time of completing this report, very few indicators were available for the year to June 2020. Data is not available for two of the indicators due to changes made by Statistics New Zealand to the timing for the publication of net overseas migration data and its decision in 2019 to end the Commercial Accommodation survey.

2.2 It was noted when the indicators were published, that they reflect economic outcomes at the regional level which are impacted by a range of factors outside the control of CEDA. This is particularly relevant to the indicators for 2020 due to the impact of Covid-19 controls on business activity.

3. MANAWATŪ QUARTERLY ECONOMIC MONITOR – JUNE 2020

3.1. Estimated annual gross domestic product (GDP) in the Manawatū region declined by 1.1% in the year ended June 2020, compared with an increase of 1.3% in the year to March. New Zealand GDP is estimated to have declined by 2.1% in the year to June 2020

a. Palmerston North GDP declined by 1.2%,

b. Manawatū District GDP declined by 0.5%.

3.2 Annual salaries and wages paid in the region in the year ended June 2019 were $3,229 million, increasing by 6.6% from the previous year, while earnings for New Zealand increased by 6.0%.

a. Palmerston North annual salaries and wages were $2,764 million in the year ended June 2019, increasing by 6.6% from 2018,

b. Manawatū district salaries and wages were $464 million, increasing by 7.1%.

3.3 Total filled jobs in the region were 57,820 in the June 2019 quarter, increasing by 3.2% from the previous year, while filled jobs for New Zealand increased by 2.4%.

a. Palmerston North filled jobs were 48,990 in the June 2019 quarter, increasing by 3.3% from 2018 (an annual increase of 1,560 jobs),

b Manawatū district filled jobs were 8,830, increasing by 2.4%.

3.4 Annual median salaries and wages paid in the region in the year ended June 2019 were $52,282, increasing by 4.8% from the previous year, while median salaries and wages for New Zealand were $54,280, increasing by 4.2% from the previous year.

a. Palmerston North median salaries and wages were $52,760, increasing by 5.0% from 2018,

b. Manawatū district median salaries and wages were $49,630, increasing by 4.1%.

3.5 The average quarterly worker turnover rate in the region in the year ended June 2019 was 13.7%, declining from 15.8% in the year to June 2018 year, while the average worker turnover rate for New Zealand was 15.8%, declining from 17.1% in the previous year.

a The average worker turnover rate in Palmerston North was 13.5%, declining from 15.8% in 2018,

b. The average worker turnover rate in Manawatū district was 14.8%, declining from 15.6% in the previous year.

3.6 Electronic card retail spending in the Manawatū region in the June quarter was $279 million, a decline of 19.7% from the June 2019 quarter, while national spending declined by 20.8%.

a. Annual electronic card retail spending in the region for the year ended June 2020 was $1,354 million, a decline of 3.2% from 2019. This compares with a decline of 3.9% for New Zealand. Retail prices declined by 1.4% in the year to June 2020, with the largest decline recorded in fuel prices (13.3% decline). Accommodation prices declined by 9.7% between March and June 2020.

3.7 The total value of building consents issued in the region in the June 2020 quarter was $174 million, compared with $84 million in the June 2019 quarter, an increase of 109%. National consent values declined by 9.0%.

a. Building consents to the value of $472 million were issued in the region in the year to June 2020, an increase of 22% from the previous year. National consent values were unchanged. The value of building consents issued in Palmerston North was $367 million, an increase of 51% from the previous year, while the value in Manawatū district was $105 million, declining by 8.5%.

b. Consents for 251 new residential dwellings were issued in the region in the June 2019 quarter, compared with 140 in the June 2019 quarter (an increase of 79%). National consents were unchanged.

c. Consents for 758 new residential dwellings were issued in the region in the year ended June 2020, compared with 622 in the previous year (an increase of 22%). National consents increased by 7.8%.

d. Non-residential consents to the value of $184 million were issued in the region during the year to June 2020, an increase of 57% from the previous year. National consents declined by 8.9% over the same period.

3.8 Car registrations in the region declined by 15.4% in the year ended June 2020 (national registrations declined by 19.3%) while the number of commercial vehicles registered declined by 20.3% (compared to a national decline of 24.6%).

3.9 It is estimated the annual average unemployment rate in the Manawatū region in the year ended June 2020 was 4.2%, which was slightly above the unemployment rate of 4.1% for New Zealand.

3.10 The number of people in the region registered for the MSD Job Seekers benefit increased by 25.3% in June 2020 from June 2019, while the number in New Zealand increased by 39.8%. The MSD benefit numbers reported in the Infometrics report are based on the average of the last four quarters.

3.11 Traffic flows in the Manawatū region in the year to June 2020 declined by 8.8% from 2019, while there was a decline of 9.4% for New Zealand.

3.12 Tourism spending in the Manawatū region in the June quarter was $70 million, a decline of 43% from the June 2019 quarter. Total tourism spending in New Zealand declined by 56%.

a. Total visitor spending in the region was $444 million in the year ended June 2020 ($396 million in Palmerston North and $48 million in Manawatū district), declining by 11.4% from the previous year (New Zealand declined by 12.3%).

b. Domestic visitor spending in the region was $476 million in the year ended June 2020, declining by 10.2% from the previous year (11.1% decline for New Zealand). There was an 18% decline in visitor spending from Auckland, Wellington region spending declined by 12%, while there was a 5.6% decline from the Manawatū-Whanganui region.

c. International visitor spending in the region was $69 million in the year ended June 2020, declining by 17.6% from the previous year (14.0% decline for New Zealand). Countries contributing the most to the decline in spending in the region were the rest of Oceania (excluding Australia), the UK and China.

3.13 Population estimates, based on primary health organisation registrations, suggest the region's population increased by 2,541 people between June 2019 and June 2020, an increase of 2.3% (2.5% increase for New Zealand)

3.14 The Manawatū Economic Monitor report for the June 2020 quarter is attached.

4. MAJOR DEVELOPMENTS

4.1. Major development and construction projects announced for Palmerston North and the Manawatū region amount to at least $3.0 - $4 billion of construction activity over the period to 2030. Some projects are still waiting for final approval, one of the largest being the construction of the MidCentral DHB acute services block. There are several projects under development where final values have not been put on the final value of the project, such as the construction of the new KiwiRail freight hub. Projects which are close to completion have been deleted from the list.

4.2. A list of projects is attached.

5. QUARTERLY RETAIL REPORT FOR JULY 2020

5.1. The latest CEDA quarterly retail report shows spending in the Manawatū region increased by 2.4% in the three months ended July 2020. New Zealand retail spending increased by 0.4% over the same period.

5.2. Spending by residents at Manawatū region retailers increased by 5.2% in the three months ended July 2020 and was the largest contributor to the growth in total spending in the region. Spending by residents in other regions declined by 3.4% in the three months ended July.

5.3. There was 3.8% decline in domestic visitor spending in the region in the latest period, despite growth in spending from the rest of the Horizons region. Visitor spending from the rest of the Horizons region increased by 4.6% in the three months ended July 2020, while visitor spending from the rest of New Zealand declined by 11.9%. Contributing to this weakness in growth from other regions was a 22.8% decline in spending from Auckland residents, 14.2% decline from the Waikato, 4.6% decline in spending from the Hawkes Bay, and a 5% decline in spending from the Wellington region.

5.4. Retail precinct data shows a 19.6% decline in spending on Broadway, which is likely to be mostly due to the 16.1% decline in bars, cafes and restaurants spending in the region and the impact of Level-2 restrictions until 1 June on the Regent Theatre and Event Cinemas. The cancellation of Massey graduation ceremonies in May also contributed to the decline. Weekly spending data for the hospitality and accommodation sector in Palmerston North shows an increase in spending did not occur until the week ended 21 June, while total retail spending in the city increased from 24 May.

5.5. There was an increase of 4.1% in the rest of Palmerston North CBD, but the strongest growth in the city was in the outer CBD, where spending increased by 5.5% in the three months to July. The rate of growth in spending remains higher in Manawatū District, with an increase of 8.3% across the district compared with 2.9% in the city.

5.6. Manawatū region residents spent $40.6 million online in the three months ended July 2020, accounting for 10.8% of total electronic card spending by residents in the region. This remains below the 11.6% online share for all New Zealand residents. Manawatū region resident online spending increased by 16.0% in the three months ended July, while national growth was 3.8%. It appears most of the increase in Manawatū region online spending went to New Zealand-based online retailers. Between July 2016 and July 2020, the share of Manawatū region online spending going to domestic retailers increased from 49.4% of total online spending to 77.4%.

5.7. The report shows a change in daily expenditure patterns in the region. Saturdays usually have the highest average daily spend but in the last quarter spending was higher on Fridays. It is likely the decline in visitor spending will have contributed to this change.

5.8. A copy of the Manawatū Region Electronic Card Quarterly Report is attached.

ATTACHMENTS

1. Monitoring Indicators for CEDA
2. Manawatū region Quarterly Economic Monitor - June 2020 quarter
3. Major Developments
4. Manawatū region Quarterly Retail Report - July 2020

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	Actual 2019	Actual 2020	Regional target*
Change in total number of jobs	1.9% increase (+1,192 jobs. 64,395 total employees and self-employed as at March 2019)	*Employee counts published 29 October 2020*	1.9% average annual increase over three years.
Change in average salaries and wages	4.6% increase ($58,631 to year end June 2019)	*Published August 2021*	2.6% pa increase.
Change in total earnings (salaries, wages and self-employment income)	4.9% increase, $163 million increase ($3,480 million to year end March 2018)	*Year end March 2019 published 30 November 2020*	3.7% pa increase, average annual increase of $104 million.
Change in total GDP and per capita GDP	2.7% increase in annual GDP (to year end June 2019) 1.7% per capita (to year end June 2019)	1.1% decline in annual GDP (to year end June 2020)	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)	1,600 estimated increase to June 2019, 1.4% annual increase 629 increase in NZ Superannuation recipients to year end June 2019, 3.6% increase	*Published 22 October 2020* 459 increase in NZ Superannuation recipients to year end June 2020, 2.6% increase	1,350 population increase pa, 1.2% average increase pa. Estimated 530 population increase pa, 3.3% pa.
Net overseas migration	643 net gain to year end December 2018 1,362 migrant arrivals to year end June 2019	*Year end June 2020 published February 2022* 1,236 migrant arrivals to year end June 2020	660 average annual net migration gain.
Spend by visitors in Manawatū region (domestic and international)	4.9% increase (to $486 million) year end June 2019)	11.4% decline (to $444 million) year end June 2020)	5.7% pa increase, average annual increase of $22 million.
Number of visitor nights in Manawatū region	not available 8.2% increase, commercial accommodation guest nights year to June 2019	*Not available* *Not available*	1.6% pa increase.
Change in MSD benefit numbers	2.7% increase (208 increase to June 2019)	13.4% increase (1,059 increase to June 2020)	1.6% pa decline, average annual decline of 130 people.
Reputation of Manawatū / Palmerston North as a great place to live and do business**	83% of people 'Proud to tell people they live in the Manawatū' up 7% from 2016	*Available in 2021*	3% increase over 3 years.

*excludes any annual inflation increase
**as measured by UMR Research compiled 3 yearly, first measured 2016

Overview of Manawatu

The Manawatu regional economy contracted by 1.1%pa in the June 2020 year as measures to contain the COVID-19 pandemic saw the provisional Infometrics GDP estimates for Manawatu District and Palmerston North City fall 9.0%pa and 8.4%pa respectively in the June 2020 quarter.

Palmerston North City saw a 21%pa decline in electronic card spending on retail purchases in the June 2020 quarter, with Manawatu District seeing a 10%pa fall. Together these falls contributed to a 3.2% decline in consumer spending in the June 2020 year across the Manawatu region as a whole.

The region, particularly Manawatu District, is benefitting from continued strength in New Zealand's food exports with meat and dairy export volumes both up on last year. The ANZ Commodity Price Index shows that dairy prices remain high. Infometrics estimates the Manawatu region's 2019/20 dairy pay-out to be $332m, which is $43m higher than 2018/19. Meat export prices have eased a little but also remain at elevated levels.

A consequence of the contracting regional economy is a 9.5% rise in the number of Jobseeker Support recipients in the June 2020 year. Recipient numbers have been on an upward trajectory since 2018. The recent jump takes the region's annual average number above 3,600, which is the highest since our series begin in 2010. However, the region's growth of 9.5% isn't nearly as rapid as the national growth of 19%.

House sales were down in the June 2020 year as expected, with lockdown during the June 2020 quarter constraining the number of days that properties could be traded. But building consents are a source of optimism for the building sector if they translate into building work. Residential consents in the region grew 22% in the June 2020 year on the back of an exceptional 251 consents issued in the June 2020 quarter. So too for non-residential consents, which rose 57% to an unprecedented $185m for the June 2020 year.

Indicator	Manawatu	New Zealand
Annual average % change		
Gross domestic product	-1.1%	-2.1%
Traffic flow	-8.8%	-9.4%
Health Enrolments	2.3%	2.5%
Consumer spending	-3.2%	-2.8%
Residential consents	21.9%	8.1%
Non-residential consents	57.2%	-8.8%
House prices*	16.9%	7.5%
House sales	-10.8%	-6.0%
Tourism expenditure	-11.4%	-12.3%
Car registrations	-15.4%	-19.3%
Commercial vehicle registrations	-20.3%	-24.6%
Jobseeker Support recipients	9.5%	19.0%
Level		
Unemployment rate	4.2%	4.1%

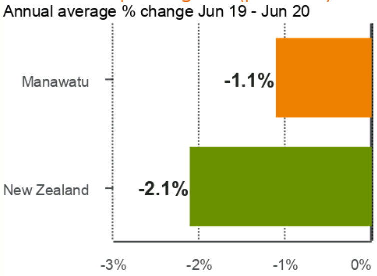
** Annual percentage change (latest quarter compared to a year earlier)*

Overview of national economy

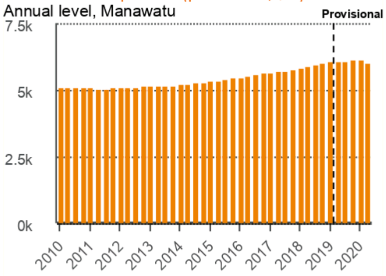
The New Zealand economy took a severe hit during the June 2020 quarter, as the COVID-19 pandemic saw the country locked down at home for around four weeks at Alert Level 4, before a rapid move down the Alert Levels to Level 1 in early June. The economy has endured a dramatic shift in focus, from life support at Level 4 to an adrenaline rush at Level 1. Yet the immediate economic ramifications are clear to see – economic activity has fallen, nearly 50,000 Kiwis lost their jobs, businesses struggled to cope with lower earnings, and incomes were reduced. The June quarter likely represents the largest single hit to the economy, but the economic scarring and restructuring will continue to occur over the coming years. New Zealand is not out of the woods yet.

Gross domestic product (provisional)

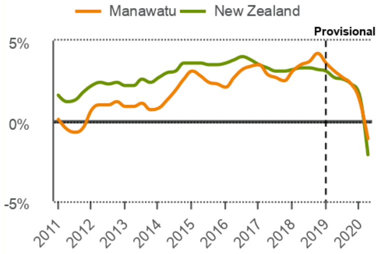
Gross domestic product growth (provisional)
Annual average % change Jun 19 - Jun 20



Gross domestic product (provisional, $m)
Annual level, Manawatu



Gross domestic product growth (provisional)
Annual average % change



Highlights for Manawatu

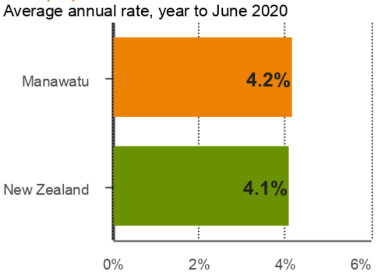
- GDP (provisional) in Manawatu was down 1.1% for the year to June 2020 compared to a year earlier. Growth was higher than in New Zealand (-2.1%).
- GDP (provisional) was $6,024 million in Manawatu for the year to June 2020 (2019 prices).
- Annual GDP growth in Manawatu peaked at 4.2% in the year to December 2018.

National overview

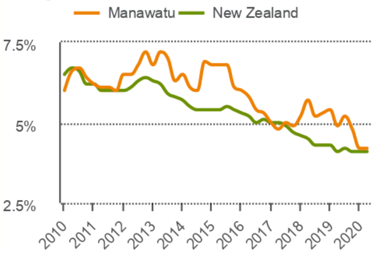
Infometrics estimates that economic activity across New Zealand fell 12.6%pa in the June quarter, with year-end economic growth sitting at -2.1%pa. A substantial proportion of the economy was closed or operating at a significantly reduced level, with transport, accommodation, hospitality, retail, tourism, and construction activity taking the greatest hit. This steep fall also accounts for the rapid evolution of the economy back down the Alert Levels, with pent-up demand in the economy, and a rebuilding of economic momentum, helping to temper the four-and-a-half-week collapse in economic activity. Primary sector operations continued on broadly unchanged, helping to keep a base level of economic momentum.

Unemployment rate

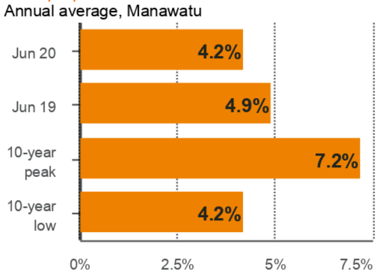
Unemployment rate
Average annual rate, year to June 2020



Unemployment rate
Average annual rate



Unemployment rate
Annual average, Manawatu



Highlights for Manawatu

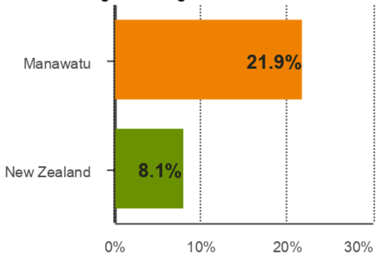
- The annual average unemployment rate in Manawatu was 4.2% in June 2020, down from 4.9% a year earlier.
- The unemployment rate in Manawatu was higher than in New Zealand, where the unemployment rate averaged 4.1% over the year to June 2020.
- Over the last ten years the unemployment rate reached a peak of 7.2% in December 2012;

National overview

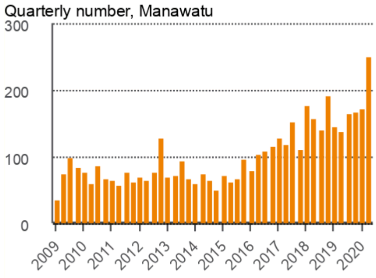
The June 2020 Household Labour Force Survey showed an incredulous drop in the unemployment rate to 4.0%, although this outcome is driven by definitions rather than a surprisingly rosier labour market. With many unable to be “actively” looking for work due to the Alert Level restrictions, those who lost jobs were counted in the 3.1% rise in the “Not in Labour Force” category as they didn’t fit the definition of unemployed. The underutilisation rate, a broader measure of spare capacity in the labour market, also rose from 10.4% to 12.0%. The weekly unemployment rate increased to 6.2% at the end of the quarter.

Residential consents

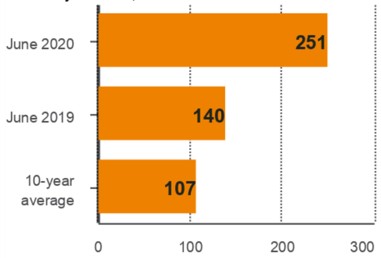
Growth in no. of new dwelling consents
Annual average % change Jun 19 - Jun 20



Residential consents
Quarterly number, Manawatu



Number of new dwelling consents
Quarterly number, Manawatu



Highlights for Manawatu

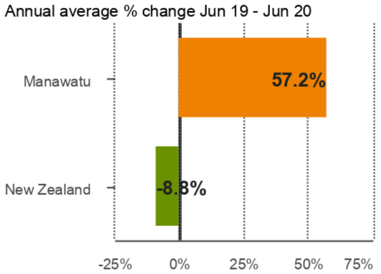
- A total of 251 new residential building consents were issued in Manawatu in the June 2020 quarter, compared with 140 in the same quarter last year.
- On an annual basis the number of consents in Manawatu increased by 21.9% compared with the same 12-month period a year ago. The number of consents in New Zealand increased by 8.1% over the same period.

National overview

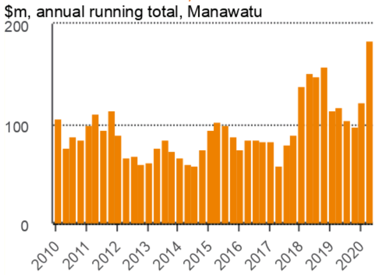
Consents for new dwellings grew by 8.1% over the year to June 2020. Despite soft consent issuance through April due to the Level 4 lockdown, a strong rebound in May and June meant that consents for the June 2020 quarter were unchanged from June 2019. This strong level of consenting will keep builders busy for the rest of the year, but consents are likely to ease as we approach Christmas, leading to soft workloads in 2021.

Non-residential consents

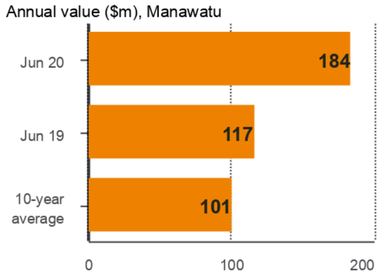
Growth in value of consents
Annual average % change Jun 19 - Jun 20



Non-residential consents, Manawatu
$m, annual running total, Manawatu



Value of non-residential consents
Annual value ($m), Manawatu



Highlights for Manawatu

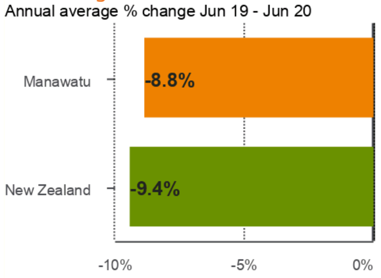
- Non-residential building consents to the value of $184 million were issued in Manawatu during the year to June 2020.
- The value of consents increased by 57.2% over the year to June 2020. By comparison the value of consents in New Zealand decreased by -8.8% over the same period.
- Over the last 10 years, consents in Manawatu reached a peak of $184 million in the year to June 2020.

National overview

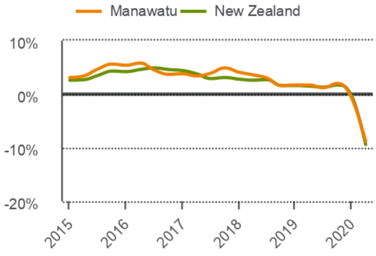
Non-residential building consents eased by 8.8% over the year to June 2020, following a peak in June 2019. Consents dipped through April and May to due to the Level 4 lockdown but recovered strongly in the month of June. The June resurgence likely represents a catchup for projects which were delayed due to lockdown. With weak growth prospects across the economy, consents are likely to ease in coming quarters.

Traffic flow

Annual change in traffic flows
Annual average % change Jun 19 - Jun 20



Traffic volume growth
Annual average % change



Highlights for Manawatu

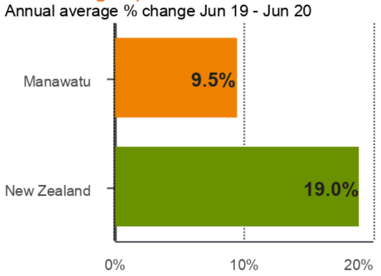
- Traffic flows in Manawatu decreased by -8.8% over the year to June 2020. This compares with an decrease of -9.4% in New Zealand.

National overview

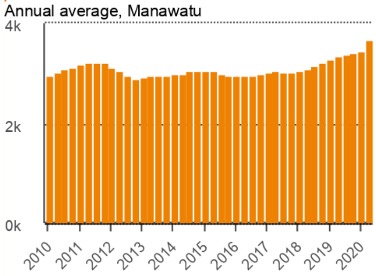
Traffic flows across New Zealand hit the brakes in the June quarter, with usually bustling roads left deserted at the start of the quarter as the lockdown was enforced. Freight continued to move across the country, but at reduced levels, with only essential goods ordered and delivered. Transport activity recovered as New Zealand moved down the Alert Levels, with Kiwi road trips bolstering domestic tourism activity, and a dash to online retailing seeing package delivery delays. Traffic levels during Level 4 dropped to 15% of usual in the depths of Level 4, before increasing to just over 80% towards the end of the quarter.

Jobseekers

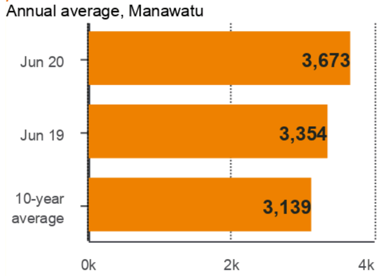
Annual change in Jobseekers
Annual average % change Jun 19 - Jun 20



Jobseekers
Annual average, Manawatu



Jobseekers
Annual average, Manawatu



Highlights for Manawatu

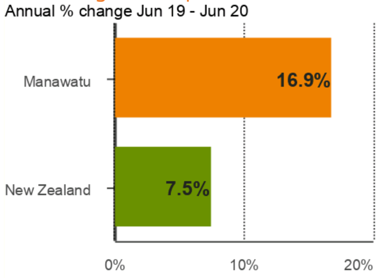
- Working age Jobseeker Support recipients in Manawatu in the year to June 2020 increased by 9.5% compared with the previous year. Growth was lower relative to New Zealand, where the number of Jobseeker Support recipients increased by 19.0%.
- An average of 3,673 people were receiving a Jobseeker Support benefit in Manawatu in the 12 months ended June 2020. This compares with an average of 3,139 since the start of the series in 2010.

National overview

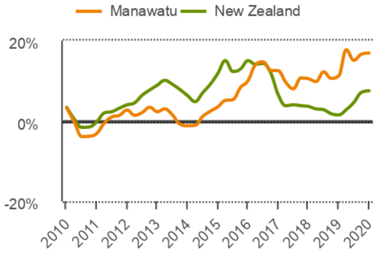
In total, nearly 50,000 New Zealanders were added to government unemployment support over the June 2020 quarter, taking the total number of people supported to over 200,000. On average over the last year, Jobseeker Support recipients are up 19%pa. This rise doesn't include the COVID-19 Income Relief Payment which was supporting nearly 11,000 more people at the end of June 2020. This rise in government support of Jobseeker Support recipients occurred even as the government spent over $12.3b to support 1.7m workers (61% of the labour force) through the Wage Subsidy and extension.

House prices

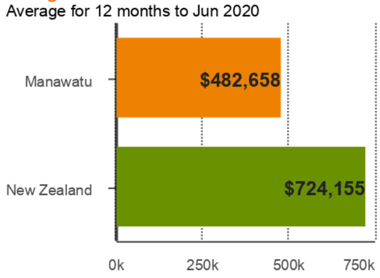
Annual change in house prices
Annual % change Jun 19 - Jun 20



House price growth
Annual % change



Average current house value
Average for 12 months to Jun 2020



Highlights for Manawatu

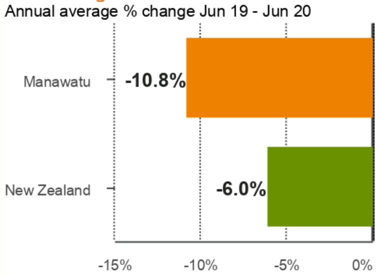
- The average current house value in Manawatu was up 16.9% in June 2020 compared with a year earlier. Growth outperformed relative to New Zealand, where prices increased by 7.5%.
- The average current house value was $482,658 in Manawatu over the June 2020 year. This compares with $724,155 in New Zealand.

National overview

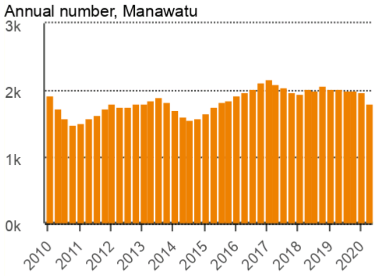
House values have grown strongly in the year to June 2020, up by 7.5% compared to the year to June 2019. Interest rate cuts throughout 2019 spurred on late-cycle growth in the property market, particularly in Auckland. Values have bounced back relatively strongly post-lockdown, but the impending removal of the wage subsidy and mortgage holiday schemes will likely bring softness to the housing market.

House sales

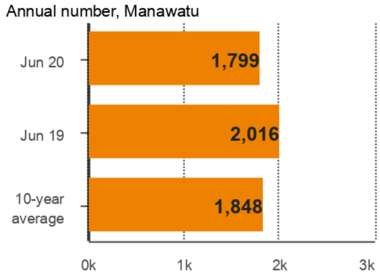
Annual change in house sales
Annual average % change Jun 19 - Jun 20



House sales
Annual number, Manawatu



House sales
Annual number, Manawatu



Highlights for Manawatu

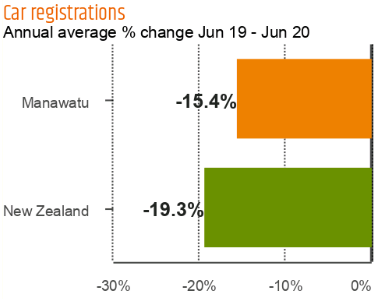
- House sales in Manawatu in the year to June 2020 decreased by 10.8% compared with the previous year. Growth underperformed relative to New Zealand, where sales decreased by 6.0%.
- A total of 1,799 houses were sold in Manawatu in the 12 months ended June 2020. This compares with the ten year average of 1,848.

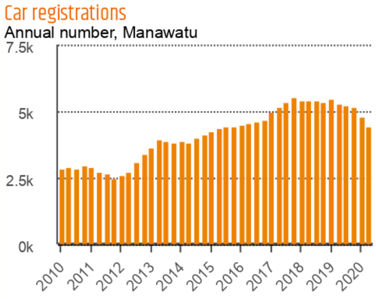
National overview

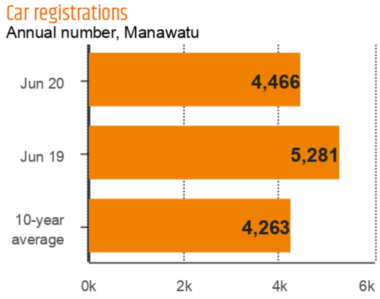
House sale volumes fell sharply in the June quarter, as the Level 4 lockdown period impeded sales taking place. The weak June quarter lead to a 6.0% decline in sales over the year to June 2020.

Surprisingly strong house prices at present may encourage more listings to come to market in the coming months but with an overall deterioration in economic conditions, households are more likely to stay put, keeping sales volumes low.

Car registrations







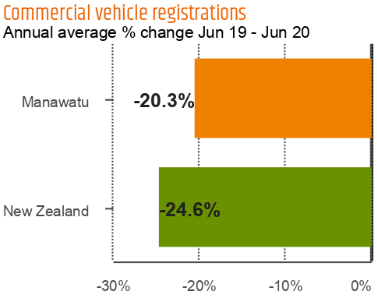
Highlights for Manawatu

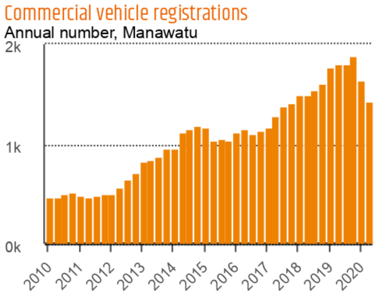
- The number of cars registered in Manawatu decreased by -15.4% in the year to June 2020 compared with the previous 12 months. Growth was higher than in New Zealand, where car sales decreased by -19.3%.
- A total of 4,466 cars were registered in Manawatu in the year to June 2020. This compares with the ten year average of 4,263.

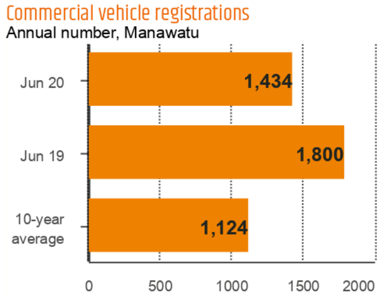
National overview

The decline in car registrations has accelerated, falling 43%pa in the June 2020 quarter, which contributed to a 19% fall in the June 2019 year. Car registrations have been on a downward path since the middle of last year, but constraints on trading during lockdown were a major contributor to the June quarter's result, with registration numbers toppling across the board in both new and used, large and small cars. There are signs that money saved by households during lockdown is being spent on new cars, but this spending may only be temporary. As job losses begin to accumulate, consumers' and businesses' willingness to make major purchases could well dry up. The additional impact of New Zealand's closed borders on demand for rental cars from the tourism industry and the outlook for the car market is far from rosy.

Commercial vehicle registrations







Highlights for Manawatu

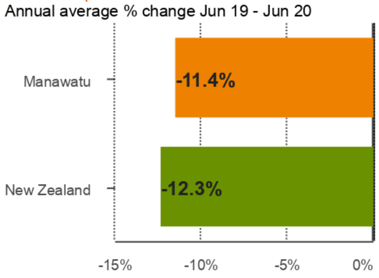
- The number of commercial vehicles registered in Manawatu decreased by -20.3% in the year to June 2020 compared with the previous 12 months. Growth was higher than in New Zealand, where commercial vehicle sales decreased by -24.6%.
- A total of 1,434 commercial vehicles were registered in Manawatu in the year to June 2020. This is higher than the ten year annual average of 1,124.

National overview

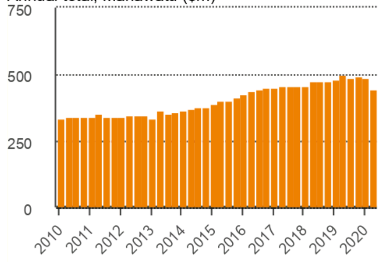
Commercial vehicle registrations fell 48%pa in the June 2020 quarter, which contributed to a 25% fall in the June 2020 year. Commercial vehicle registrations have been weakening since the middle of last year but, at just over 9,000 registrations, the June 2020 quarter result was comparable to levels last seen in the aftermath of the GFC. The June 2020 quarter saw falls in light, medium and very-heavy commercials. However, there are early signs of a recovery in light commercials on the back of a primary sector that is seeing continued demand for New Zealand's food exports, a better than expected pipeline of construction work in the near-term, and households' willingness to spend money saved during lockdown.

Tourism Spending

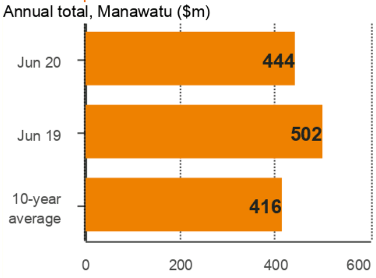
Tourism expenditure
Annual average % change Jun 19 - Jun 20



Tourism expenditure
Annual total, Manawatu ($m)



Tourism expenditure
Annual total, Manawatu ($m)



Highlights for Manawatu

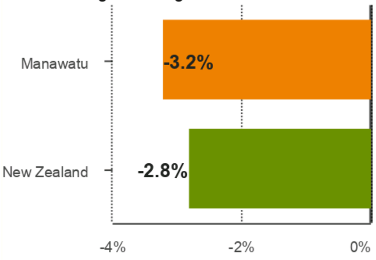
- Total tourism expenditure in Manawatu decreased by 11.4% in the year to June 2020. This compares with a decrease of 12.3% in New Zealand.
- Total tourism expenditure was approximately $444m in Manawatu during the year to June 2020, which was down from $502m a year ago.

National overview

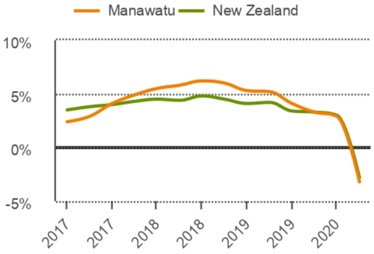
Tourism spending fell 12.3%pa over the year to June 2020, as the border closure and domestic restrictions hit visitor activity. Total tourism spending over the last 12 months totalled $26b, with spending of $3.6b lost compared to the June 2019 year. The West Coast recorded the hardest hit, with tourism spending down just over 20%pa, followed by Southland (-16%), Otago (-15%) and Wellington (-14%). Domestic travel has helped bolster tourism activity in recent months but won't be enough to outweigh the loss of international tourism activity.

Consumer Spending

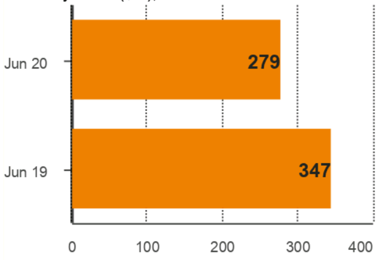
Growth in consumer spending
Annual average % change Jun 19 - Jun 20



Consumer spending ($m)
Annual average % change, Manawatu



Consumer spending
Quarterly value ($m), Manawatu



Highlights for Manawatu

- Electronic card consumer spending in Manawatu, as measured by Marketview, decreased by -3.2% over the year to June 2020 compared to the previous year. This compares with an decrease of -2.8% in New Zealand.

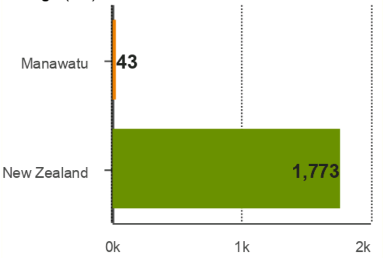
National overview

Consumer spending fell off a cliff in the June 2020 quarter, with spending down 20% compared to June 2019, as households held onto their wallets during the lockdown period. Spending over the year to June 2020 was down 2.8% compared to the June 2019 year.

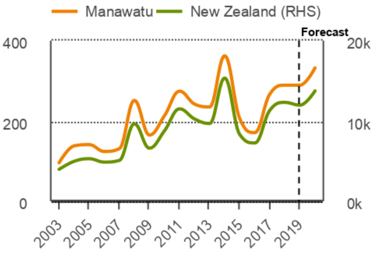
Consumer spending has been surprisingly resilient since the Level 4 lockdown, but we expect it to soften in the coming quarter as post-lockdown surge ends and the end of the wage subsidy extension brings about a second wave of redundancies.

Total dairy payout

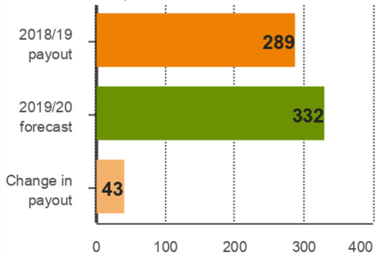
Total dairy payout
Change ($m) between 2018/19 and 2019/20 seasons



Total dairy payout
$m each season, Manawatu



Total dairy payout
$m each season, Manawatu



Highlights for Manawatu

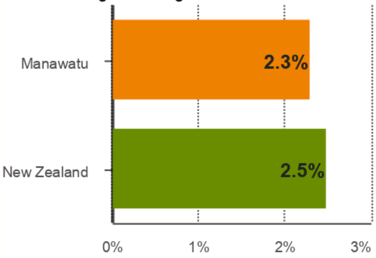
- Manawatu's total dairy payout for the 2018/19 season is estimated to have been approximately $289m.
- Manawatu's dairy payout for the 2019/20 season is expected to be approximately $332m, $42.8m higher than last season, assuming that production levels from last season are maintained.
- The total dairy payout for New Zealand is estimated to have been approximately $11,964m in the 2018/19 season, and is expected to be $1,773m higher in the 2019/20 season.

National overview

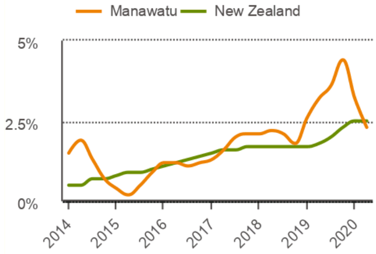
Near-term expectations for the dairy sector are holding up, with global demand still present for New Zealand's (now again) largest export. As expected, the dairy pay-out has settled towards the lower end of previous expectations, with Fonterra's pay-out for the season just finished sitting at $7.15/kgms. The drought has hurt farmers in the North Island, with higher feed costs and other issues biting. Considerable uncertainty remains around the dairy outlook, with Fonterra's opening pay-out for the current season ranging between $5.90-$6.90/kgms – with a mid-point of $6.40/kgms – reflecting expected issues. Dairy exports were up 13%pa in the June 2020 quarter, highlighting the current resilience in primary sector activity.

Health Enrolments

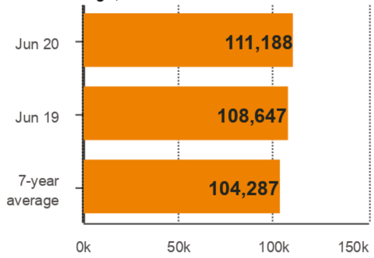
Annual change in Health enrolments
Annual average % change Jun 19 - Jun 20



Health enrolments
Annual average % change, Manawatu



Health enrolments
Annual average, Manawatu



Highlights for Manawatu

- The number of people enrolled with a primary health organisation in Manawatu in the year to June 2020 increased by 2.3% compared with the previous year. Growth was lower relative to New Zealand, where the number of enrolments increased by 2.5%.
- An average of 111,188 people were enroled with primary healthcare providers in Manawatu in the 12 months ended June 2020. This compares with an average of 104,287 since the start of the series in 2013.

National overview

The number of people enrolled at a health provider remained strong in the June 2020 year, with a 2.5%pa rise – in line with the March 2020 year. Net migration has increased in recent months, driven by an influx of returning New Zealanders, with national population growth of 2.1%pa in June 2020. The health and contact tracing focus of the COVID-19 pandemic is likely seeing an increase in the number and accuracy of health enrolment details, meaning that the strength of health enrolments might not be driven purely by an increasing population.

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.

Dairy

Dairy data has been sourced from the "New Zealand Dairy Statistics", a publication co-owned by DairyNZ and LIC, as well as calculations made by Infometrics. The data accords to dairy seasons, which run from June to May. Total dairy payouts in each territorial authority have been calculated by Infometrics by utilising milk solids production in conjunction with Fonterra's farmgate milk price (excluding dividends) from the dairy season in question. For the current season, Infometrics calculates a payout forecast using our own expectation of the farmgate milk price and the assumption that milk solids production continues running at the same level from the previous season.

Earnings

The earnings data comes from the quarterly Linked Employer Employee Data (LEED) published by Statistics New Zealand. LEED publishes the mean earnings of full quarter jobs for each quarter. Full quarter jobs may include full time and part time jobs. Earnings include overtime and lump sum payments. We sum the mean earnings for the four quarters making up the year to arrive at an estimate of average annual earnings. Infometrics projects average annual earnings to the current quarter using growth rates in industry earnings measured in the Labour Cost Index.

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) is broken down to TA level by applying TA shares to the national total. Each TA's share of industry output is based on earnings 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 2019 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 value (dollar value) are sourced from QVNZ. The levels quoted in the report are average current values over the past 12 months . An average current value is the average (mean) value of all developed residential properties in the area based on the latest house value index from QVNZ. It is not an average or median sales price, as both of those figures only measure what happens to have sold in the period. These average current values are affected by the underlying value of houses (including those not on the market) and are quality adjusted based on the growth in each house's price between sales.

Jobseekers Support

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.

Tourism Expenditure

Tourism expenditure data is sourced from the Ministry of Business, Innovation and Employment's (MBIE) Monthly Regional Tourism Estimates. These are estimated values for tourism spending that approximate values found in the International Visitor Survey (IVS) and Tourism Satellite Account (TSA), using modelling of a sample of electronic card spending throughout New Zealand from domestic and international accounts.

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

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.

Major construction and development projects in Palmerston North and the Manawatū region

Summary

Major development and construction projects announced for Palmerston North and the Manawatū region amount to at least \$3.0 - \$4 billion of construction activity over the period to 2030. Some projects are still waiting for final approval, one of the largest being the construction of the MidCentral DHB acute services block. There are several projects under development where final values have not been put on project, such as the construction of the new KiwiRail freight hub, but estimates have been included in the summaries below.

New capital projects and renewals in the Palmerston North City Council and Manawatū District Council 2018-28 10-year plans total \$877 million. The Palmerston North plan proposes that \$125 million (18%) of the capital budget of \$687 million will be funded externally. The Manawatū District plan proposed capital expenditure is \$190 million, primarily on roading and water supply, wastewater and stormwater projects.

Key projects identified in the region are:

1. \$397 million at Linton and Ohakea Defence Regeneration Plan 2016 – 2030 (\$176 million over 2016 – 2021).

2. MidCentral DHB investment plan (2016 – 2026) – timing of investment for the \$370 million acute services block is still to be confirmed and has been delayed from the original plan. The original budget for the acute services block was \$197 million. The investment is subject to Ministry of Health and Treasury approval, but construction is probably 10 years away. Smaller projects which have been given funding are:

    a. \$30 million mental health services facility

    b. \$26 million expansion of the surgical services unit.

3. \$256 million for the construction of 33 wind turbines for Mercury Energy at Turitea, with preliminary construction work underway and turbines due to be operating by the end of 2020. A further 27 turbines are planned at Turitea and 53 in the Puketoi Range in Tararua District, with a value of \$750 million, but Mercury hasn't committed to when construction will occur.

4. \$230 million Massey University Capital Plan (2020 – 2030). Construction projects in progress. Projects approved in the first seven months of 2020 are

    a. \$18 million Massey University post-mortem and production animal hospital

    b. \$5 million new dairy research and teaching facilities.

5. \$150 million Powerco (Manawatū and Tararua) - \$60 million over 5-7 years on growth and security projects, \$90 million renewal programme over five years.

6. Redevelopment of the Hokowhitu Campus – 130 housing lots over three stages, with an estimated value of $90 - $135 million – consents approved for the construction of housing.

7. $110 million Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade. Construction scheduled for 2024/25 to 2026/27.

8. $66 million for construction of new Countdown distribution centre. Consent approved in May 2020

9. $47.5 million urban growth projects to cater for increased residential and non-residential growth in the City. Projects planned throughout the 10-year plan.

10. $41 million wastewater, stormwater and water supply renewal and growth projects in Manawatū District 2018-28 10-year plan.

11. $40 million BUPA retirement village, Napier Road – construction started in 2019.

12. $29.1 million City Centre Streetscape upgrade. Projects planned throughout the 10-year plan.

13. $24.5 million Arena Master Plan. Construction scheduled for 2018/19 to 2022/23.

14. $20 million - construction of new Manukura School on Massey University campus.

15. $20 million - two new primary schools in Palmerston North over the next ten years to cater for population growth – Potoua area unit has been identified as the priority area for the first new school.

16. Major regional roading investment:

    a. Palmerston North rural ring road - the initial stage will improve two sections of State Highway 3, between Kairanga and Bunnythorpe, and Napier Rd, from Keith St to Whakarongo. Total project estimated to be over $200 million.

    b. Manawatū Gorge Road replacement –$650 million – construction expected to begin in 2January 2021.

    c. Four-laning SH1 Otaki to north of Levin highway –$817 million, construction expected to occur over 2024 - 2029.

    d. Manawatū District Council 10-year plan - $95 million.

17. P-8A Poseidon Maritime Patrol Aircraft – construction of hangers, runway improvements and other infrastructure – to be completed by 2023 – estimated to be $300 million.

18. Rail investment:

    a. KiwiRail regional freight hub – with an estimated value of $300 million.

b. Improvements to the Wellington, Wairarapa and Palmerston North rail network and beyond, including upgraded tracks for the Wairarapa and Capital Connection lines, safety connections and refurbishment of Capital Connection carriages - $217 million

19. $8 million – new building at Manawatū Prison – building consent application approved in February 2020.

20. Countdown Awapuni supermarket – construction expected to begin in 2020, but building consent not lodged.

21. Multiple consents already received and expected for earthquake strengthening and refurbishment of buildings for schools, churches and commercial buildings in the region.

Background Information for Key Projects

Defence Regeneration Plan 2016 – 2030

Linton indicative five-year programme

Drinking Water Network (<$3 million)
Multi-purpose Unit Facilities (<$10 million)
(Ammo) Hanger and Offices (<$5 million)
Ammunitions Storage Facility (<$5 million)
Logistics Warehouse (<$15 million)
Camp Workshop (<$20 million)
Camp Centre Multi-purpose Building (<$25 million)
Vehicle Shelters (<$1 million)

Ohakea indicative five-year programme

Hangar Fire Suppression Deluge Tank (<$3M)
Hazardous Waste Storage Facility (<$1M)
Refuelling Section Facility (<$1M)
Temporary Multi-Purpose Office Accommodation (<$3M)
Covered Tanker Park (<$3M)
Taxiway Replacement (<$20M)
Air Terminal Freight Loading Area (<$1M)
Aircraft Safe Arming Area (<$3M)
Additional Taxiway Apron Entry/Exit Point (<$3M)
Warehouse (<$10M)
General Equipment Workshop (<$5M)
Flight Rations Store (<$3M)
Base Chapel Relocation (<$1M)
Base Multi-purpose Administration Building (<$20M)
Physiotherapy and Medical Facilities (<$15M)

Palmerston North City Council 10-year Plan (current dollar values)

$m	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
City Centre Streetscape Upgrade	2.9	4.1	3.3	3.9	2.6	2.6	2.9	4.3	2.0	0.5	29.1
Urban Growth	3.3	8.6	7.2	4.0	5.8	3.0	6.7	4.2	2.6	2.2	47.5
Arena Masterplan	6.0	5.6	4.7	6.5	1.7	0.0	0.0	0.0	0.0	0.0	24.5
Major roading network upgrades	1.5	5.6	6.2	3.0	2.2	0.8	1.2	0.0	0.0	0.0	20.5
Social Housing	3.9	1.1	0.5	2.4	2.7	0.7	0.7	0.7	0.3	0.0	13.0
Seismic Strengthening	0.0	1.4	3.7	1.8	2.0	0.0	2.6	0.6	1.7	0.0	13.8
628-Totara Road Wastewater Treatment Plant	0.0	0.0	0.0	0.0	0.0	20.0	40.0	30.0	20.0	0.0	110.0
1460-Te Manawa Upgrade - Option A	0.0	0.0	0.0	0.0	0.6	1.7	1.7	11.6	17.4	24.9	58.0
1518-Central Library Upgrade	0.8	3.5	3.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.5
He Ara Kotahi Bridge and Pathway	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.2
Remaining capital new	13.5	19.5	21.9	17.9	12.1	13.0	6.0	6.4	5.8	5.0	121.1
Renewals	23.7	20.7	22.3	22.9	23.2	22.0	23.0	26.6	22.3	25.0	231.7
TOTAL	**$65.8**	**$70.1**	**$73.1**	**$62.4**	**$52.8**	**$63.8**	**$84.9**	**$84.3**	**$72.2**	**$57.6**	**$686.9**
of which funded externally	13.3	9.0	7.9	11.8	6.9	8.8	6.2	15.3	19.2	26.6	125.0
% funded externally	20%	13%	11%	19%	13%	14%	7%	18%	27%	46%	18%

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MANAWATU REGION QUARTERLY REPORT

For Period Ending July 2020

Central Economic Development Agency

Prepared for
Central Economic Development Agency

Date
August 2020

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JULY 2020 QUARTER

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SMALL PRINT

Privacy

No personal or household data is shown or can be derived, thereby maintaining the privacy of end customers.

Disclaimer

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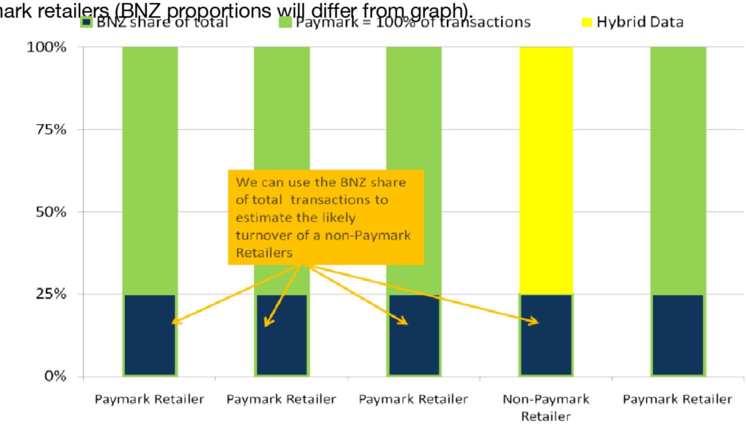
DATA SOURCE

The data included in this report represents the total value of electronic card retail transactions. For a frame of reference, Statistics NZ report just under 70% of total retail is paid with an electronic card (ECT publication and Retail Trade Survey). The rest is comprised of cash, hire-purchase and any other less-frequent method of payment. The data (referred to as Hybrid Data on the graph below) combines our two primary data sets in order to capture the complete quantity of retail spending.

The first of these is the Bank of New Zealand cardholder base. This set is based on the eftpos, debit and credit card transactions made by BNZ cardholders. BNZ has around a 20% share of the cards market, so on average BNZ Marketview accounts for one in five retail transactions. (As at July 1 2015, there were over 650,000 active BNZ cardholders).

The second is the Paymark merchant database. New Zealand has two eftpos networks. The largest of these is run by Paymark, a joint venture owned by ASB, BNZ, (formerly) the National Bank and Westpac. Approximately 75% of New Zealand retailers use the Paymark network. This data set provides a complete view of all eftpos, debit and credit card transactions made at merchants on the Paymark network, both from New Zealanders and international visitors. (As at July 1 2015, there were over 40,000 active merchants on the Paymark network).

For retailers which are not on Paymark network, there is no transactional data available from on the Paymark database. To fill this data gap we weight the BNZ cardholder spending at non-Paymark merchants. The weightings would be based on BNZ's share of the Paymark transactions. The underlying assumption would be that the BNZ cardholders would make up a similar share of spending at Paymark and non-Paymark merchants. The graph below illustrates how our Hybrid Data is used to account for spend at non-Paymark retailers (BNZ proportions will differ from graph).



RETAIL OVERVIEW

FOR PERIOD ENDING JULY 2020 QUARTER

QUARTERLY ACTIVITY

Changes over same time last year

SPENDING	TRANSACTIONS
$357,191,514	7,590,221
▲ 2.4%	▼ -8.9%

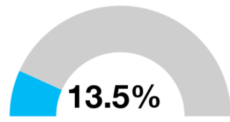
Spending in your area grew by 2.4% over the same time last year. Transactions in your area fell by -8.9%. NZ spending grew by -0.4%, and transactions by -9.3%

CARDHOLDER ORIGIN

	CARDHOLDER CONTRIBUTION	VALUE SPENT IN YOUR REGION	CHANGE (VS. SAME QUARTER LAST YEAR)
LOCALS	74.9%	$267.34 mn	5.2% ▲
REST OF HORIZONS	13.2%	$47.22 mn	4.6% ▲
REST OF NZ CARDHOLDERS	11.4%	$40.70 mn	-11.9% ▼
INTERNATIONAL CARDHOLDERS	0.5%	$1.92 mn	-39.5% ▼

MARKET SHARE

Your Share vs Key Competitors



vs. last year

▼ -0.1%

Market share is your share of spending in the market (yourself and key competitors).

Your key competitors are based on areas you have chosen, in this case Rest of Horizons Region, Taranaki, Hawkes Bay, Hamilton, and Waikato territorial authorities

FASTEST GROWING STORETYPES

Based on Spending

IN YOUR REGION

Hardware/Homeware — vs. last year ▲ 19.6%

IN COMPETITOR LOCATIONS

Appliances — vs. last year ▲ 25.4%

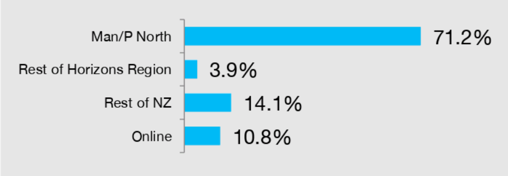
Hardware/Homeware in your area had the largest growth amongst storetypes, up 19.6%.

Appliances had the largest growth in Key Competitor locations, up 25.4%.

LOYALTY AND OUTFLOW

Destination of Locals' Spending

Manawatu / Palmerston North residents conducted 71.2% of their retail spending in Man/P North and 3.9% in the Rest of Horizons Region. They spent 10.8% online.



WHERE ARE THE RETAIL HOTSPOTS?

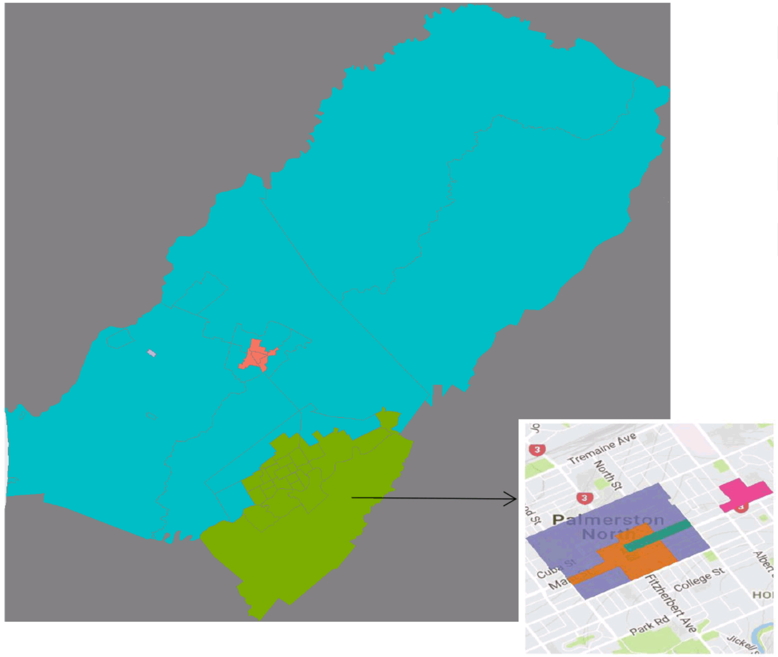
How does this affect planning? Is it happening where we want it to happen?

TOP PERFORMING LOCATIONS

Based on percentage change in spending from same period last year

FOR ALL CARDHOLDERS **FEILDING**

INTERNATIONAL CARDHOLDERS **FEILDING**



** Map insert in Appendix

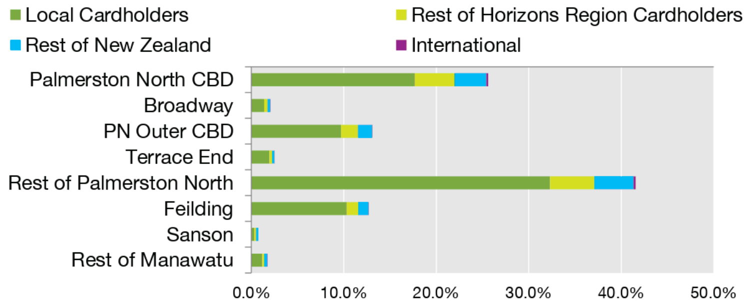
CHANGE IN SPENDING

Change in spending over same period last year

RANK	LOCATION	VALUE OF SPENDING	CHANGE IN SPENDING
1	Feilding	$45,314,699	9.7%
2	PN Outer CBD	$46,821,488	4.3%
3	Palmerston North CBD	$91,450,705	3.8%
4	Sanson	$2,788,850	3.3%
5	Rest of Palmerston North	$148,457,546	1.2%
6	Rest of Manawatu	$6,153,681	-1.4%
7	Terrace End	$8,891,900	-6.9%
8	Broadway	$7,312,644	-19.6%
	TOTAL	**$357,191,514**	**2.4%**

DISTRIBUTION OF SPENDING

Split by cardholder location



WHO IS SPENDING AT OUR RETAILERS?

Is this changing? How appealing are we to visitors/ tourists?

SPENDING BY CARDHOLDER LOCATION

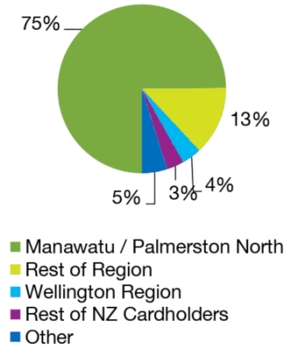
Change in spending over same period last year

CARDHOLDER AREA	VALUE SPENT	CHANGE ON SAME QUARTER LAST YEAR
MANAWATU / PALMERSTON NORTH	$267.34 mn	▲ 5.2%
REST OF REGION	$47.22 mn	▲ 4.6%
WELLINGTON REGION	$13.36 mn	▼ -5.0%
REST OF NZ CARDHOLDERS	$11.87 mn	▼ -16.3%
AUCKLAND REGION	$6.80 mn	▼ -22.8%
HAWKE'S BAY REGION	$4.59 mn	▲ 4.6%
WAIKATO REGION	$4.08 mn	▼ -14.2%
INTERNATIONAL	$1.92 mn	▼ -39.5%

International cardholder spending within New Zealand is up -58.4% over the same period last year, and transactions are up -67.2%. Regions are chosen based on top spenders in Manawatu/Palmerston North for the quarter.

DISTRIBUTION OF CARDHOLDERS

Including international cardholders



FASTEST GROWING CONSUMER GROUP

Based on spending change from the same period last year

▲ MANAWATU/PN

WHAT DOES OUR RETAIL CASHFLOW LOOK LIKE?

How much are we leaking to other areas?

OVERVIEW OF INFLOW AND OUTFLOW TO/FROM MANAWATU / PALMERSTON

LOCAL INFLOW
The total amount spent in your region
\+ $267.34 mn

VISITOR INFLOW
The total amount of spending by cardholders living outside your region
\- $89.85 mn

NET INFLOW TO YOUR AREA
Total inflow minus total outflow
= $357.19 mn

NET GAIN FOR YOUR AREA
Net gain in spending for your region
= -$18.48 mn

THE BREAKDOWN

Non-locals include international cardholders

LOCALS SPENDING LOCALLY

$267.34 mn

LOCALS SPENDING ELSEWHERE

$108.33 mn

This figure includes $67.69mn spent in other areas, and $40.64mn spent online"

ORIGIN OF INFLOW BY CARDHOLDER LOCATION

Breakdown of spending in your council

What's coming into your region

What's spent outside your region

CARDHOLDER LOCATION	YOUR REGION	ELSEWHERE IN NZ
Manawatu / Palmerston North	$267.34 mn	$67.69 mn
Rest of Region	$47.22 mn	$340.61 mn
Wellington Region	$13.36 mn	$1,665.10 mn
Rest of NZ Cardholders	$11.87 mn	$5,661.53 mn
Auckland Region	$6.80 mn	$5,327.39 mn
Hawke's Bay Region	$4.59 mn	$544.58 mn
Waikato Region	$4.08 mn	$1,346.36 mn
International	$1.92 mn	$172.15 mn
TOTAL	$357.19 mn	$15,125.40 mn

HOW ARE OUR RETAILERS PERFORMING?

Are we keeping pace? Are our retailers maximising the available opportunities?

RETAIL CATEGORY CHANGE IN SPENDING AND PERFORMANCE

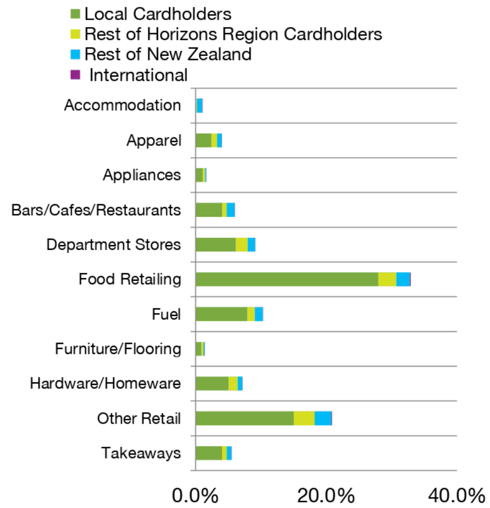
Spending change over same period last year

RETAIL CATEGORY	$$ SPEND		YOUR RESULT	YOU VS. COMPETITOR GROUP	
				RANK	CHANGE ON LAST
ACCOMMODATION	$3.91 mn	▼	-35.8%	4	0
APPAREL	$14.34 mn	▲	0.1%	5	-1
APPLIANCES	$5.80 mn	▲	7.5%	5	-4
BARS/CAFES/RESTAURANTS	$21.57 mn	▼	-16.1%	5	-2
DEPARTMENT STORES	$32.49 mn	▲	13.3%	2	3
FOOD RETAILING	$117.54 mn	▲	9.0%	5	-2
FUEL	$36.78 mn	▼	-11.9%	2	3
FURNITURE/FLOORING	$4.87 mn	▲	15.7%	3	0
HARDWARE/HOMEWARE	$25.68 mn	▲	19.6%	2	1
OTHER RETAIL	$74.60 mn	▲	2.2%	2	1
TAKEAWAYS	$19.59 mn	▼	-3.1%	5	-1

The competitor group is made up of retailers in Rest of Horizons Region, Taranaki, Hawkes Bay, Hamilton, and Waikato, and based on similar and/or neighbouring regions.

ORIGIN OF CARDHOLDERS

Including international cardholders



FASTEST GROWING CATEGORIES

Domestic/ International split

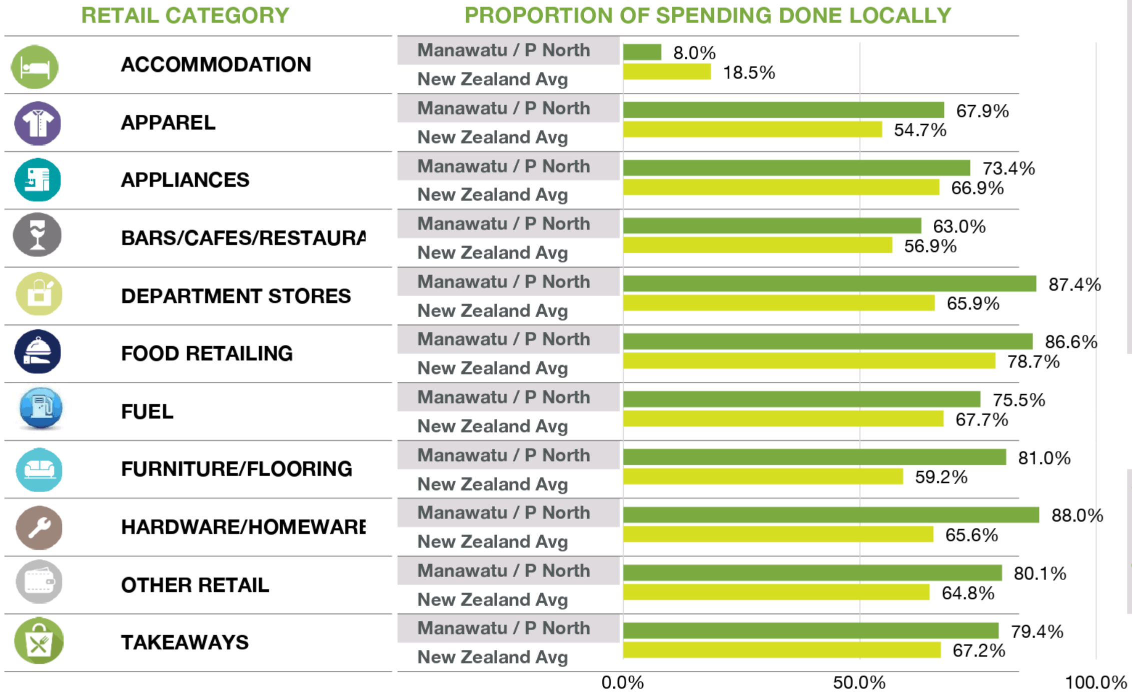
For ALL Cardholders	For INTERNATIONAL Cardholders
HARDWARE/HOMEWARE	HARDWARE/HOMEWARE

DOES OUR LOCAL RETAIL MEET THE NEEDS OF CUSTOMERS?

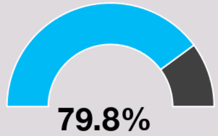
Have we got gaps? Where should be target development?

PROPORTION OF LOCAL CARDHOLDER'S SPENDING THAT GOES TO LOCAL MERCHANTS

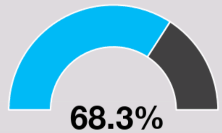
High percentages presume that local cardholders are happy with local options



OVERALL LOYALTY



Local cardholders spent 79.8% at local merchants this quarter (exc Online).



New Zealanders spent 68.3% with their local merchants this quarter.

MOST LOYAL CATEGORY

SPENDING
HARDWARE/HOMEWARE

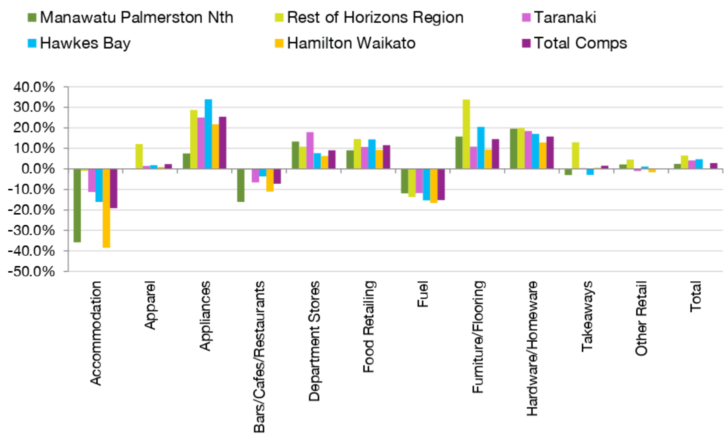
TRANSACTIONS
HARDWARE/HOMEWARE

HOW DO WE COMPARE TO COMPETITORS?

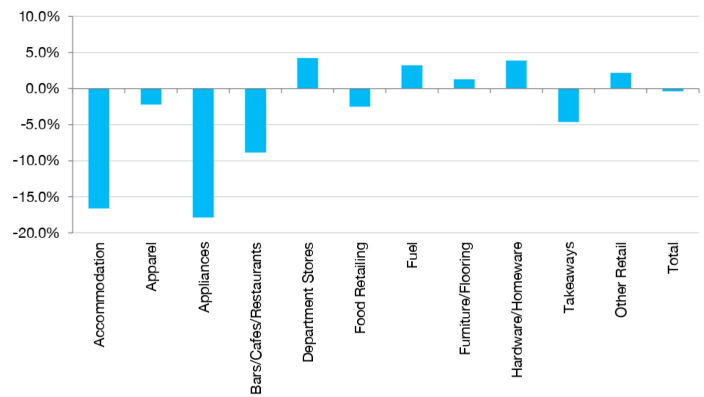
Is your local offering sufficient? How to you compare against competitors?

CHANGE IN SPENDING BY RETAIL CATEGORY

Over Same Period last year



MANAWATU / PALMERSTON NORTH CHANGE COMPARED TO PEER GROUP AVERAGE



BEST COMPARED TO AVERAGE PEER

Based on change in spending this year over same time last year

DEPARTMENT STORES

WORST COMPARED TO AVERAGE PEER

Based on change in spending this year over same time last year

APPLIANCES

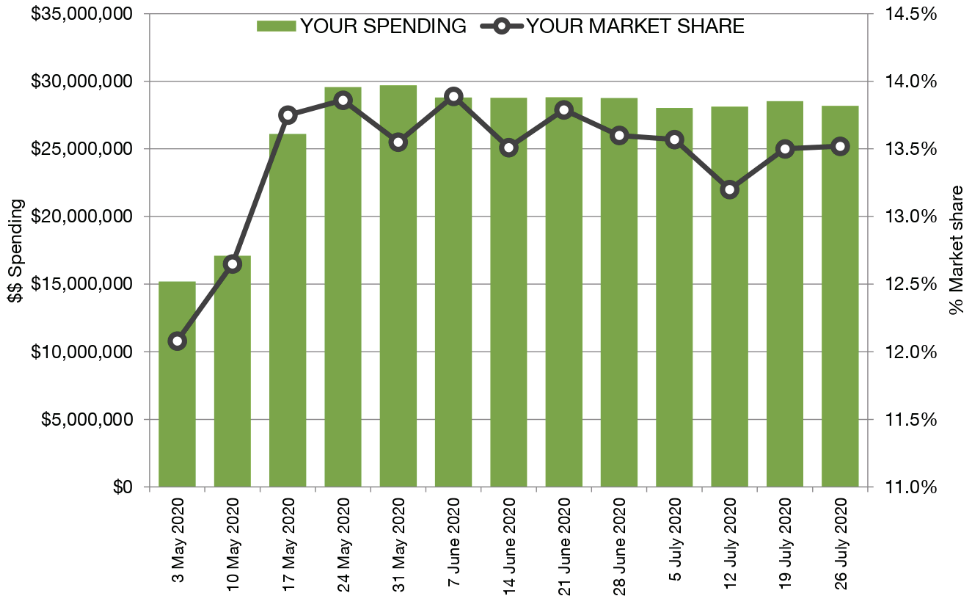
The competitor group is made up of retailers in Rest of Horizons Region, Taranaki, Hawkes Bay, Hamilton, and Waikato, and based on similar and/or neighbouring regions.

HOW HAS RETAIL ACTIVITY VARIED BY WEEK?

How does this affect planning? Has any event stimulated activity?

SPENDING DONE IN MANAWATU / PALMERSTON NORTH AND SHARE OF THE MARKET

By Week Ending:



BEST PERFORMERS

YOUR HIGHEST TOTAL WEEKLY SPEND

Week ending

31 May 2020

YOUR HIGHEST WEEKLY MARKET SHARE

Week ending

7 June 2020

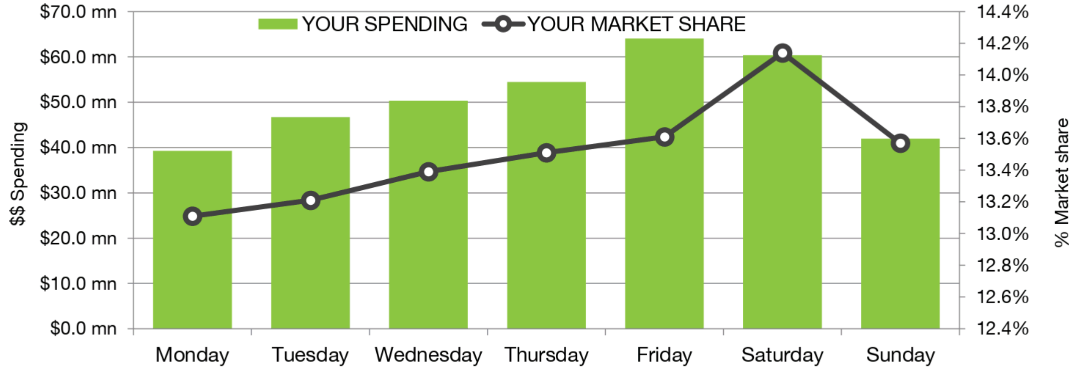
Total market is based on spending at yourself and competitors. The competitor group is made up of retailers in Rest of Horizons Region, Taranaki, Hawkes Bay, Hamilton, and Waikato, and based on similar and/or neighbouring regions.

WHEN ARE OUR RETAILERS BUSIEST?

Are we managing council resources effectively to match these busy periods?

SPENDING DONE IN MANAWATU / PALMERSTON NORTH AND SHARE OF THE MARKET

By Week



DiSTRIBUTION OF SPENDING AT MERCHANTS IN YOUR REGION - BY TIME OF DAY

The darker the box, the higher the proportion of spending

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY	Avg. for Period
Midnight - 4am	0.2%	0.2%	0.3%	0.3%	0.2%	0.6%	1.1%	0.4%
4am - 8am	2.9%	3.0%	3.2%	3.2%	2.7%	1.3%	1.1%	2.5%
8am - Midday	27.8%	27.2%	26.1%	26.6%	25.5%	29.7%	28.1%	27.2%
Midday - 4pm	41.7%	39.4%	38.5%	39.2%	39.8%	42.6%	45.5%	40.8%
4pm - 8pm	24.8%	26.7%	27.9%	26.9%	26.9%	21.3%	21.8%	25.3%
8pm - Midnight	2.7%	3.4%	3.9%	3.9%	4.9%	4.6%	2.5%	3.8%
Avg. for Day	11.3%	13.4%	14.2%	15.3%	17.8%	16.2%	11.7%	100.0%

YOUR BEST PERFORMERS

DAY OF THE WEEK WITH MOST SPENDING

Friday

DAY OF THE WEEK WITH HIGHEST MARKET SHARE

Saturday

TIME PERIOD WITH HIGHEST PROPORTION OF SPENDING

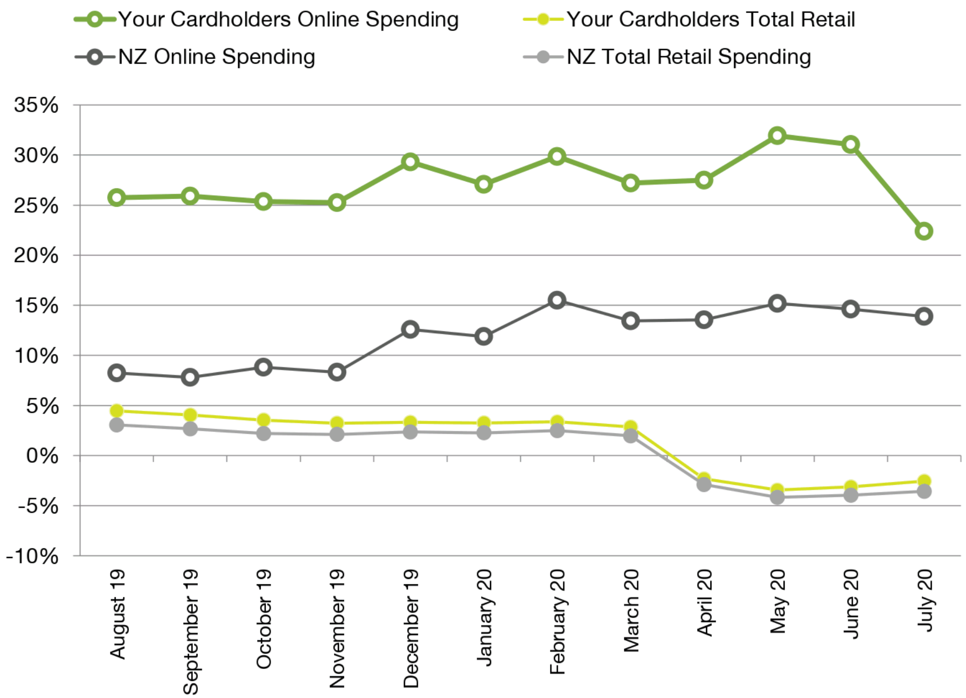
Midday - 4pm

HOW MUCH ARE LOCALS SPENDING ONLINE?

Is your local offering sufficient? What does this mean for property prices?

CHANGE IN ONLINE SPENDING VS TOTAL NZ TRENDS

Rolling 12 months change in spending



GROWTH IN ONLINE SPENDING (this quarter)

Your Locals	NZ Average
▲ 16.0%	▲ 3.8%

SHARE OF TOTAL RETAIL SPENDING

Your Locals	NZ Average
10.8%	11.6%

% SPENT ON OVERSEAS WEBSITES (this quarter)

Your Locals	NZ Average
22.6%	26.4%

FASTEST GROWING ONLINE CATEGORY (for local cardholders)

Fuel

Fuel may be the highest category as consumers pay fuel cards through credit card

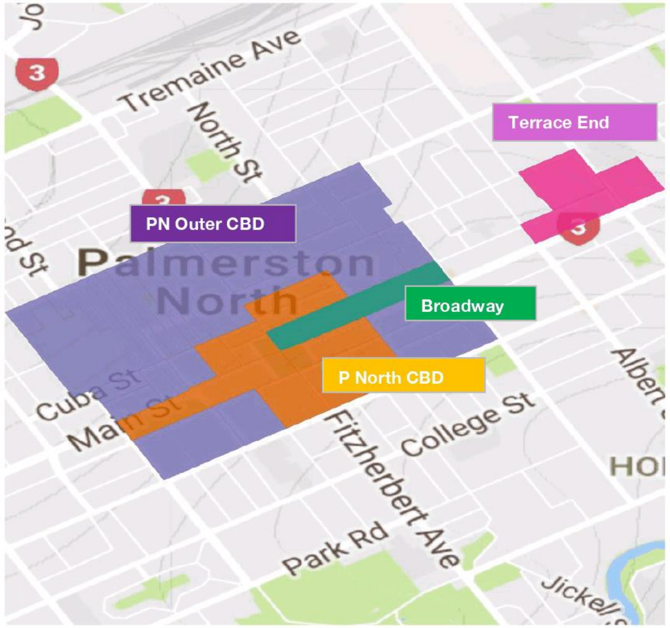
APPENDIX

STORETYPE DEFINITIONS- BASED ON ANZSIC CATEGORIES

Accommodation:	Accommodation
Apparel:	Clothing Retail, Foodwear Retail
Appliances:	Domestic Apliances
Bars/Cafes/Restaurants:	Cafes and Restaurants, Pubs Taverns and Bars
Department Stores:	Department Stores
Food Retailing:	Bread and Cake Retailing, Fresh Meat, Fish and Poultry Retailing, Fruit and Vegetable Retailing, Specialised Food Retailing, Supermarket and Grocery Stores
Fuel:	Automotive Fuel Retailing
Furniture/Flooring:	Floor Covering Retailing, Furniture Retailing
Hardware/Homeware:	Domestic Hardware and Houseware Retailing, Building Supplies
Other Retail:	Antique and Used Goods, Automotive Electrical Services, Automotive Repair and Service, Clubs (Hospitality), Fabric and Other Soft Good Retailing, Flower Retailing, Funeral Directors, Crematoria, and Cemeteries, Garden Equipment Retailing, Gardening Services, Hairdressing and Beauty Salons, Household Equipment Repair, Laundries and Drycleaners, Liquor Retailing, Marine Equipment, Newspaper, Books and Stationery, Personal and Household Goods, Personal Services, Pharmaceutical, Cosmetic and Toiletry Retailing, Photographic Equipment, Photographic Film Processing, Photographic Studios, Recorded Music Retailing, Retailing nec, Smash Repairs, Sport and Camping Equipment, Toy and Game Retailing, Travel Agency, Tyre Retailing, Video Hire Outlets, Watch and Jewellery Retailing
Takeaways:	Takeaways

APPENDIX

Map Insert for Palmerston North breakdown. The map is indicitive and the boundaries may vary, due to street/meshblock split. Broadway is inline with council definitions.



MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	**THURSDAY 11 JUNE 2020**	**1:00PM**

Minutes of a meeting of the Manawatū District / Palmerston North City Joint Strategic Planning Committee held on Thursday 11 June 2020, commencing at 1:00pm in the Manawatū District Council Chambers, 135 Manchester Street, Feilding.

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 Leonie Hapeta	(Palmerston North City Council)
	Cr Aleisha Rutherford	(Palmerston North City Council)
	Cr Tangi Utikere	(Palmerston North City Council)
IN ATTENDANCE:	Cr Hilary Humphrey	(Manawatū District Council)
	Cr Alison Short	(Manawatū District Council)
	Cr Brent Barrett	(Palmerston North City Council)
	Cr Rachel Bowen	(Palmerston North City Council) (via Zoom)
	Cr Zulfiqar Butt	(Palmerston North City Council)
	Cr Lorna Johnson	(Palmerston North City Council)
	Cr Billy Meehan	(Palmerston North City Council)
	Cr Bruno Petrenas	(Palmerston North City Council)
	Richard Templer	(Chief Executive, MDC)
	Hamish Waugh	(General Manager - Infrastructure, MDC)
	Brent Limmer	(General Manager – Community and Strategy, MDC)
	Michael Hawker	(Project Delivery Manager, MDC)
	Allie Dunn	(Governance Team Leader, MDC)
	Steph Skinner	(Governance Officer, MDC)
	Heather Shotter	(Chief Executive, PNCC)
	Sheryl Bryant	(General Manager Strategy and Planning, PNCC)
	Tom Williams	(Chief Infrastructure Officer, PNCC)
	David Murphy	(City Planning Manager, PNCC)
	Robert Van Bentum	(Transport and Infrastructure Manager, PNCC)
	Hannah White	(Democracy and Governance Manager, PNCC)
	Sacha Haskell	(General Manager Marketing and Communications, PNCC)
	Malcolm Bailey	(Chairperson, CEDA)
	Linda Stewart	(Chief Executive, CEDA)
	Jacqui Middleton	(Finance and Operations Manager, CEDA)

JSP 20/018 MEETING OPENING

Her Worship the Mayor declared the meeting open.

MINUTES	MEETING	TIME
JOINT STRATEGIC PLANNING COMMITTEE	**THURSDAY 11 JUNE 2020**	**1:00PM**

JSP 20/019 APOLOGIES

There were no apologies from members of the committee. Apologies for non-attendance by Councillors Heather Gee-Taylor, Shane Casey and Pat Handcock were noted.

JSP 20/020 CONFIRMATION OF MINUTES

RESOLVED

That the minutes of the Joint Strategic Planning Committee meeting held 12 March 2020 be adopted as a true and correct record, with inclusion of details of the concern expressed regarding the international education sector in the light of Covid-19.

Moved by: **Councillor Michael Ford**

Seconded by: **Councillor Aleisha Rutherford**

CARRIED

As a matter arising from the previous minutes, Councillor Rutherford sought a report back on the matter raised during the previous meeting's public forum, regarding arrangements being made for adult residents of Pohangina to use the Palmerston North Libraries at no charge. Manawatū District Council Chief Executive Richard Templer gave a verbal report on the arrangements that were in place for children and young adults to use the libraries advising that the Manawatū District Council made a payment of $10,000 per annum to Palmerston North City Council to provide this service, noting that out of district users were able to use Manawatū District Council libraries at no charge.

It was asked that a formal written report be provided to the Joint Strategic Planning Committee's next meeting.

RESOLVED

That a written report be provided to the Joint Strategic Planning Committee numbers around a financial arrangement being made for adult residents of Pohangina to use the Palmerston North City Libraries.

Moved by: **Councillor Aleisha Rutherford**

Seconded by: **Councillor Leonie Hapeta**

CARRIED

JSP 20/021 DECLARATIONS OF INTEREST

There were no declarations of interest.

JSP 20/022 NOTIFICATION OF LATE ITEMS

There were no late items of business notified for consideration.

JSP 20/023 PUBLIC FORUM - GREG BARRATT – HIWINUI COMMUNITY COMMITTEE

Greg Barratt, Chairperson of the Hiwinui Community Committee, spoke to the committee regarding the intersection of Watershed Road and Ashhurst-Bunnythorpe Road. He noted that the committee would like clarification of the timing for when the improvement works for the intersection would be completed.

He outlined the residents' concerns with the safety of that intersection, especially for children being driven to the local school, and asked that priority be given to safety improvements for this intersection.

Manawatū District Council's General Manager – Infrastructure, Hamish Waugh, noted this was a discussion that was being worked through between the Manawatū District Council and Palmerston North City Council roading teams. They were working through the design works to be done once budget and programme had been agreed.

JSP 20/024 PRESENTATIONS

There were no presentations scheduled for this meeting.

JSP 20/025 CENTRAL ECONOMIC DEVELOPMENT AGENCY STATEMENT OF INTENT 2020-21

Report of the General Manager – Community and Strategy and General Manager Strategy and Planning dated 11 May 2020 presenting the Central Economic Development Agency's Final Statement of Intent 2020/21 for agreement. Representatives from CEDA Malcolm Bailey, Chairperson, Linda Stewart, Chief Executive and Jacqui Middleton, Finance and Operations Manager, spoke to the Statement of Intent that they presented for agreement by the joint committee. They noted that Covid-19 had caused an interruption to their progress however they believed they were in good shape compared to other regions of New Zealand in terms of the economy. They noted that comments and feedback received from presentation of their draft Statement of Intent to the 12 March 2020 meeting of the joint committee had been taken on board and reflected in the second draft. They noted they had made changes in the document to the international education sector as requested and included a further two years in the performance outlook. In closing they noted they had not made substantial changes to the Statement of Intent in light of Covid-19 however would be adaptable and responsive to the needs of the regional economy.

RESOLVED

That the Central Economic Development Agency's Final Statement of Intent 2020/21 be agreed.

Moved by: **Councillor Michael Ford**

Seconded by: **Councillor Leonie Hapeta**

CARRIED

JSP 20/026 CONSIDERATION OF LATE ITEMS

There were no late items notified for consideration.

JSP 20/027 NOTIFICATION OF ITEMS FOR NEXT MEETING

- Report on access to Palmerston North libraries by Pohangina residents
- Update on Regional Freight Ring Road
- Update on Nature Calls Project

JSP 20/028 PUBLIC EXCLUDED BUSINESS

RESOLVED

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

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

Moved by: **Councillor Michael Ford**

Seconded by: **Councillor Aleisha Rutherford**

CARRIED

The meeting went into public excluded session at 1:58pm. For items JSP 20/029 to JSP 20/032 refer to public excluded proceedings. The meeting returned to open session at 2:01pm.

JSP 20/033 CONFIRMATION OF PUBLIC EXCLUDED RESOLUTION IN OPEN SESSION

The following public excluded resolution from the meeting held 12 March 2020 was confirmed in open session:

JSP 20/015 - APPOINTMENT OF DIRECTORS – CENTRAL ECONOMIC DEVELOPMENT AGENCY LTD

RESOLVED

That the Joint Strategic Planning Committee receives the report of the Electoral College and approves the following:

1. **Appoint Robbie Pickford, as a Director of Central Economic Development Agency Limited for a term commencing on 18 March 2020 and ending on 17 March 2023.**

2. **Appoint Francene Wineti, as a Director of Central Economic Development Agency Limited for a term commencing on 18 March 2020 and ending on 17 March 2023.**

3. **Appoint Bobbie O'Fee, as a Director of Central Economic Development Agency Limited for a term commencing on 1 April 2020 and ending on 31 March 2023.**

JSP 20/034 MEETING CLOSURE

The meeting was declared closed at 2:02pm.