Evaluating Venture Southland

in Relation to the Experience of
New Zealand & International Regional and
Local Development Agencies

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GLOSSARY OF TERMS

CCO: Council Controlled Organisation

DA: Development Agency

EDA: Economic Development Agency

LEDA: Local Economic Development Agency

OECD: Organisation for Economic Co-operation and Development

RDA: Regional Development Agency

VS: Venture Southland

STRUCTURE OF THE REPORT

EXECUTIVE SUMMARY

i. INTRODUCTION

• Outline of the study's objectives

Since its establishment in July 2001 as a council supported Regional Development Agency (RDA), Venture Southland (VS) has grown to become what is currently, and arguably, New Zealand's most well-established and successful RDA. It is appropriate, some 16 years after VS's establishment, to assess its operational structure and foci relative to the experience of comparable agencies, both nationally and internationally. Within this context, this study seeks to overview key aspects of VS, both as a specific focus, but probably more importantly, relative to comparable institutions nationally and internationally.

As there is a large variety of projects and agency structures across the world, any attempt to follow other agencies in terms of focus, size, staffing or activities would clearly be unproductive, as different projects, structures and agency styles, and the possible operation of multiple agencies in the same area, relate to specific regional and community characteristics and needs. Nevertheless, it is hoped that this research will offer ideas that may encourage some fresh thinking, and assurance that no one size, style or structure is correct, but rather that diverse practice around the world can inform local decision-making and allow for a degree of comparison and inspiration.

• Definition of Regional Development Agencies (RDAs)

An RDA is defined as: 'a regionally based publically financed institution outside the mainstream of central and local government administration designed to promote indigenous economic development through an integrated use of predominantly soft policy instruments' (Halkier, n.d.: 3). According to further definition, RDAs involve, 'local people developing local solutions to local issues. They build partnerships to develop strategies and deliver sustainable infrastructure and services to their regions' (https://rda.gov.au).

ii. OVERVIEW OF DEVELOPMENT AGENCIES (DAs) AROUND THE WORLD

• Overview of DAs around the world. In this section we assess DA's in Australia, UK, Ireland, USA and Canada extracts include:

In terms of the key activities of Australian agencies, Beer and Maude (2002) established that the main foci were;

- 81% of agencies – promoting economic development
- 68% regional quality of life
- 65% employment growth
- 61% local partnership development
- 57% lobbying government
- 54% developing local businesses
- 53% economic regeneration
- 53% building regional capacity for development
- 52% promoting environmentally sustainable development
- 50% local entrepreneurial development
- 48% economic diversification
- 44% retaining or increasing the local population

A survey of 971 development agencies in the UK, Ireland, USA and Australia (Beer et al 2004) revealed that the most common business development activities included;

- Regional marketing
- Assisting businesses with training and recruitment
- Coordinating public sector agencies
- SME support
- Supplying information to government departments
- Assisting with accessing government funds
- Tourism promotion

- Events

- Urban development.

According to the Canadian Policy Research Networks' (CPRN, 2008) overview of regional and local interventions internationally;

- There are 4 broad categories of intervention; traditional approaches using economic instruments; innovation and technology development; community economic development, social economy; and community development and capacity building.

- A key feature of institutions is their engagement with new governance models based on partnerships between different government agencies, the private sector, community and volunteer sectors and others. Within this context, agencies are now enablers and convenors, sharing power with communities, partially as a result of the widespread devolution of power which has taken place.

- Core new foci include a focus on innovation, communities and their resilience.

A rich international literature clearly indicates the critical, diverse and evolving roles which DAs play in assisting the social and economic development of areas under their jurisdiction. Despite the reality that DAs need to be designed to respond to locally unique situations, some points of similarity can be discerned;

- Operating through appropriate governance arrangements and partnerships which bridge the public and private sectors is common practice.

- Adopting a holistic approach to development, which spans themes ranging from promotion of regional competitiveness and unique assets and attractions, to economic development, tourism promotion, and community development and improving the overall quality of life.

- Guiding foci and objectives include the promotion of innovation, sustainability, quality of life, human development, supporting large and small firms, entrepreneurship, training, developing infrastructure and land.

- Interventions employ a range of economic instruments and support measures, and target a wide range of economic sectors, including the tourism sector.

- Economic and community development often go hand in hand, with many agencies having a defined focus on dealing with struggling areas.

iii. OECD CASE STUDIES OF REGIONAL DEVELOPMENT

• A) This section examines case studies of RDAs in the OECD: the variety of projects and organisation sizes and styles is considerable, despite this, some projects may provide inspiration and are highlighted in bold in the main report for Venture Southland's consideration.

Recent OECD studies of RDAs globally note the following key points;

- RDAs, can operate in areas of activity which local authorities are often not well positioned to undertake.

- Key foci varied and included having; an internationalization focus, a creative and entrepreneurial focus, adopting a range of intervention styles, leveraging investment, branding, developing physical and neighbourhood projects.

The 16 DAs reviewed in an OECD study reported the following strengths, in order of importance (OECD, 2010);

- Strong partnerships - mentioned by 13 groups

- Talented and experienced staff and a focus on quality x9

- Community or stakeholder credibility and engagement x7

- A focus on outcomes and clients x7

- Apolitical/low profile or arm's length positioning x6

- Having a clear and focused mandate x5

- Leadership x5

- Having a holistic or integrated approach x5

Effective development agencies can:

- Develop opportunities faster and at a larger scale than would normally be possible in cities or local authorities.

- Aggregate otherwise disparate efforts and overcome co-ordination and information blockages.

- Act in a more business-like manner and build a customer relationship, rather than working within traditional municipal structures.

- Be flexible and focus on the neighbourhood, city or wider regional scale, depending on where the challenges lie.

- Secure the confidence of external investors and businesses, which is important in maintaining a market position for a regional economy.

- Fully utilise existing development tools and also design new tools to suit needs and assist in the interplay between public and private interests and assets, and ensure that various parties know how to fully utilise these tools.

- Leverage assets and investments and communicate development progress. They can also share risks and costs actively with partners.

- Refresh the image and identity of an area, ensuring a concerted and co-ordinated action.

- Apply leadership to problem solving, supplying the skills and approaches required, unencumbered by other mandates.

• B) This section of the main report considers OECD findings of Local Economic Development specifically in lagging areas, and points that may be relevant to Venture Southland when considering development in struggling areas have been highlighted in bold in the body of the report.

The importance of considering development in struggling areas was the focus of two recent OECD research reports (2009, 2012) which concur that by developing 'lagging regions' there can be aggregated economic growth generated which nations can benefit from. Such ideas may be of relevance to Venture Southland in relation to perceived lagging or struggling areas in Southland, and the clear need to promote development across the whole of the region.

The 2012 report suggests that, "less developed regions do and can make a vital contribution to national growth" (OECD, 2012: 15). During the 1995-2007 period, it is remarkable that such regions, often with average GDPs per capita which were below the national average, "accounted for 43% of aggregated OECD growth" (OECD, 2012: 19). The OECD research also reveals that "across the OECD area, predominantly rural regions have, on average, enjoyed faster growth than intermediate or predominantly urban areas" (OECD, 2012: 20).

The more recent OECD report (OECD, 2012) highlights the importance of small town and rural economies, observing that, while economic activity tends to concentrate in large metro cities, there is often a lack of understanding of the growth potential which can exist in regions outside the main cities.

The syntheses of the useful development techniques for lagging regions included:

• Recognising that aggregated growth can occur if lagging regions are economically developed, as well as increasing the wellbeing for those who are unable or unwilling to move from the lagging area.

• Moving policy from a subsidy focus to the mobilization of a region's own resources and assets.

• Addressing the poor mobilisation of stakeholders, lack of a common or strategic vision, lack of capacity, lack of governance and lack of a voice. Related to this is responding to 'building blockers' in some towns.

• Valorising unused resources. Promoting endogenous growth by identifying untapped potential sources.

• Bringing actors and assets together, by promoting lagging area assets, promotion of investment opportunities during tourism events. Attracting private capital.

• Matching human capital to market opportunities and offering vocational education and support.

• Potential focus on utilising the low skilled population.

• A focus on low tech innovation.

• Infrastructure is more viable if there are multiple users.

• Improve linkages between towns, firms, universities and across borders.

• Urban regeneration.

• Linking rural and urban economic development policies to ensure productive distribution in both, reducing inter-regional competition. Considering whether it is viable for manufacturing to be located in rural areas.

• Analysing the assets and labour trends of lagging areas, then matching the two, using data which is ideally at the level of the smallest rural centre.

iv. NEW ZEALAND DEVELOPMENT AGENCIES

• A) This section provides an overview of development agencies in NZ

The operation and status of development agencies in New Zealand provides an interesting basis for comparison with the range of international examples detailed above. Most development agencies in New

Zealand, which engage in economic development, pursue relatively traditional development interventions which have a focus on business support, training and investment. Most agencies and councils have developed economic development strategies, support business and investment, are actively engaged in marketing, the encouragement of links and trade, skills development, innovation and sector support and tourism promotion.

Of the 80 RDAs, Economic Development Agencies and councils engaged in economic development, only 35 have economic development strategies in place. It is equally noteworthy, and quite significant relative to international evidence, that only 7 engage in community (economic) development, and of these only 5 appear to undertake asset mapping and design community development plans.

Within this context it is clear that Venture Southland is one of the leading EDAs in the country, with one of the most diverse and comprehensive development portfolios which is well aligned with international best practice, and is in sharp contrast to the rather limited scope of activities among other New Zealand development agencies.

• B) Comparison of Venture Southland with two other comparable RDA's, with recommendations for Venture Southland's consideration

In this section, Venture Southland is compared with the two most comparable RDAs in New Zealand, namely, Venture Taranaki (New Plymouth) and Priority One (Tauranga). In this section a range of mechanisms and strategies which the two other regions employ, and which VS might consider applying, are listed for VS to consider.

While all three organizations share many similarities and successes, it is apparent that VS has a significantly wider and more comprehensive portfolio of activities, particularly in rural areas, which places VS in a favourable comparative position relative to many of the more successful RDAs globally.

v. FEEDBACK FROM LOCAL STAKEHOLDERS

Telephone interviews were undertaken with a range of key informants, selected due to their awareness of the economy of Southland, representing a range of Southland towns as well as there being a few nationally based informants. Key features which emerged from the interviews are;

- VS is generally well received and respected across Southland.

- Its support and interventions are appreciated by most stakeholders, particularly in terms of leading and initiating projects. Informants saw some potential to address issues, or utilise techniques that are used overseas or by other DA's including considering changing the structure of the organisation to allow independence from it being over-influenced from a specific geographic areas or business sectors. The overwhelming majority were positive about the organization and the role that it plays.

- VS plays a key role in events, marketing, community and economic development and tourism and these activities need to be integrated and retained.

- Having highly skilled staff, providing a bird's eye view of development across the region and supporting blue skies projects were all noted.

- Where the informants have made suggestions and they correlate with international practice these are noted in bold in the body of the document for Venture Southland's consideration.

The following is a summary of the issues the interviews raised:

• Identification of economic opportunities catering to the service needs of the retired population.

• The need to continue investigating options for the utilisation of local energy supply options.

• Retaining a tourism focus.

• Retaining the mix of tourism, events, economic development and community development within the one organisation.

• Advising councils on how to maximise cross-overs and synergies between projects.

• Retaining and supporting highly skilled staff.

• Having a mixed portfolio of 'blue-skies' projects and traditional job development strategies, such as the development of new jobs in the low-skilled sectors, including in lagging areas.

• Undertaking blue skies research at intervals to assess whether there are opportunities for new forms of job uptake.

• Providing a 'bird's eye view' of regional development and promoting links across the region, especially for tourism.

• Balancing regional support for agriculture and tourism.

• Developing links between the promotion of investment and relocation opportunities at events.

• Research into the reasons why people are choosing to relocate, or show reluctance to relocate to Southland.

• Promoting the region's image further and seeking new residents from northern New Zealand and internationally, as well as enhancing the retention of mature students

• Promoting small towns as destinations for creative/artistic businesses, or hubs for IT traders.

• Offering more pastoral care for migrants and their families.

• Promoting a café culture in Southland.

• Playing more of a brokering role, especially in terms of building development and accessing financial partners and funders

• Promoting the assets and jobs available in specific small towns and larger cities in Southland utilising the website.

• Developing a policy of researching 'blue skies' development projects and business support, and then offering the implementation of these activities to businesses and organisations in Southland, and to national or international partners who might be willing to relocate to Southland. Self-implementation should occur only when this is the most effective option or the private sector do not wish to engage.

• Ensuring that VS promotes regional interests, but seeks national partnerships and, where appropriate, promotes views which might be contrary to those held by councils.

• Using informal engagement to encourage greater input and participation by individuals, businesses, business groups and organisations.

• Continue the successful use of newsletters, email updates, and other forms of communication.

• A higher level of usage and promotion of the website.

• Consider use of social media and YouTube style promotions.

• Consider a CCO structure and having Board members appointed solely for their economic development skills, thus avoiding of geographical or business sector bias.

• Consider council representation being addressed by the appointment of one combined non-voting observer role, allowed to attend confidential meetings, and having some non-regional Board members to provide an outsider perspective.

• Consider options for the development of lagging/struggling towns where job creation or social benefit prospects seem to warrant this.

• Consider the skills development needs and mentoring needs of small town businesses.

• Consider having a 'bird's eye view' of tourism and the development of friendly controlled campervan parks with small town hosts.

vi. EVALUATION

• Evaluation of Venture Southland.

As the organization has evolved, a significant range of projects have been implemented and a regional leadership role has been undertaken, which together have created very clear and direct benefits for the region, and have strengthened Southland's national and international profile and, no doubt (though difficult to prove), have encouraged investor confidence, quality of life in the region and supported its key activities.

Based on a review of VS's vision, mission and core documents relative to the overview of international evidence presented at the end of Section 2 in this Report, it is apparent that in terms of operational principles and strategic foci there are very clear parallels with international best practice.

Certain key findings emerge from the evidence analysed in this study;

1. That VS's mission, objectives, foci and strategies are well aligned with international best practice.

2. That in the NZ context, VS is clearly one of the most innovative and successful RDAs/EDAs in New Zealand.

3. Since its inception, VS has developed a very credible reputation in the way it plays a key networking and brokerage role, and through its support for economic and community development and marketing of Southland.

4. While some limitations are noted, it would be a retrogressive step to attempt to 're-invent the wheel' and at this stage to initiate significant modifications to the organization and focus of VS. What has been

put in place has taken many years to evolve and, as evidence shows from other countries, and indeed from Auckland City's amalgamation process, introducing new arrangements can actually slow down the pace of development, and it may then take years to recapture momentum lost during radical structural change. A myriad of different ways have evolved to stimulate economic development, as can be seen from reviewing global studies and experience. Southland's model has evolved successfully, though inevitably it will always benefit from further evolution and adaptation to meet changing needs. It is hoped that consideration of the points raised in this report will assist in this process of positive change.

5. Venture Southland should be supported and nurtured in continuing its excellent work in economic and community development, while engaging both formally and informally with councils, community individuals, business organisations and individual businesses, to ensure that they have the option of fully participating, while avoiding the creation of a geographic or business sector bias, so that a meaningful and sustainable form of regional development in Southland can be achieved.

MAIN REPORT

1. INTRODUCTION AND DEFINITIONS

1.1 Introduction and study objectives

Since its establishment in July 2001 as a council supported Regional Development Agency (RDA), Venture Southland (VS) has grown to become what is currently, and arguably, New Zealand's most well established and successful RDA. It is appropriate, some 16 years after VS's establishment, to assess its operational structure and foci relative to the experience of comparable agencies, both nationally and internationally. Even though development agencies (DAs), both regional and local, and their activities reflect the unique needs and realities of the regions and localities in which they operate, it can be argued that there are broad points of comparison between agencies in terms of their strategic choices and operations. This in turn provides points of comparison and contrast with VS and its strategic operations and choices.

VS's operations and focus reflect an on-going interest in, and recognition of the role that, regional development and associated interventions can play in maintaining and enhancing the social and economic well-being of regions and localities in an era of global change (Pike et al, 2016), a theme which is currently receiving renewed interest in the New Zealand context.

Within this context, this study seeks to overview the following key aspects of VS, both as a specific focus, but probably more importantly, relative to comparable institutions nationally and internationally. Important in this regard is an evaluation of;

- The guiding objectives and strategic vision of Venture Southland

- Its operational systems, management and advocacy role

- Its link with its statutory funders and other key local, regional and national role players

- Its role within the broader Southland community and beyond

- Its role as a promoter of research, development, tourism, business and community support

- Its social and economic impact to date

- Its vision for the future

- Whether there are particular gaps in its development portfolio.

The investigation on which this report is based was not an institutional audit of the internal workings of the organization, but rather an exercise which compares and contrasts the organization and its operational procedures and achievements with comparable bodies both nationally and internationally.

This report is divided into six parts.

1. First, this section provides an outline of the study's objectives and definitions.

2. The second section provides an overview of the activities and focus of a range of development agencies around the world. Owing to the diverse nature of each community and development agency, benchmarking is difficult, as each community needs to find solutions to suit their unique situations, while being flexible enough to change as a location's needs change. Despite this, some common attributes can be identified, and there is value to be gained from overviewing a range of possible interventions.

3. Thirdly, the report summarises the experience and foci of a selection of successful RDA cases-studies drawn from a recent OECD study. This offers specific details on new and different styles of operating that Venture Southland may wish to consider, if appropriate. Where appropriate, additional and parallel research is considered, in order to broaden the discussion. This section also includes (in Part 3) reference to two OECD studies that specifically consider the benefits of development occurring in lagging /struggling areas, and which may be relevant in relation to some of the economically challenged towns in the Southland region. Some useful techniques have been highlighted in bold for Venture Southland's consideration.

4. The fourth part of the report provides a summary of the Economic Development Agencies (EDAs) (both RDAs and Local Economic Development Agencies) operating in New Zealand, and includes a range of organisational types and activities. The number is too large to allow effective comparison of all of them. Therefore, Venture Southland and two other comparable agencies in New Zealand are contrasted, providing an opportunity for comparison and identification of lessons and features which VS might consider if deemed appropriate.

5. The fifth section in based on interviews with stakeholders in the Southland region, designed to gauge their opinion of how development is progressing in their region, the role that Venture Southland has played and is playing in this process, and how this role might possibly be further developed. A number of recommendations are made. Interviews were undertaken anonymously and focused on the general economic development of the region and the role played by VS in this context.

6. The sixth and final section evaluates VS's structure, operation and impact – relative to both external experience and local and regional impact, and reflects on the key issues included in the study's objectives.

 As there is a large variety of projects and agency structures across the world, any attempt to follow other agencies in terms of focus, size, staffing or activities would clearly be unproductive, as different projects, structures, and agency styles, and the possible operation of multiple agencies in the same area, relate to specific regional and community characteristics and needs. Nevertheless, it is hoped that this research will offer ideas that may encourage some fresh thinking, and assurance that no one size, style or structure is correct, but rather that diverse practice around the world can inform local decision-making and allow for a degree of comparison and inspiration.

1.2 Defining and appreciating the scope of practice of Regional Development Agencies (RDAs)

An RDA is defined as: 'a regionally based publically financed institution outside the mainstream of central and local government administration designed to promote indigenous economic development through an integrated use of predominantly soft policy instruments' (Halkier, n.d., p.3).

According to further definition, RDAs involve, 'local people developing local solutions to local issues. They build partnerships to develop strategies and deliver sustainable infrastructure and services to their regions' (https://rda.gov.au). In much of the literature, particularly from the OECD, there is a conflation between the role and activities of RDAs and LEDAs (Local Economic Development Agencies), both of which will be referred to below. While many RDAs were initially established in response to a defined economic crisis, increasingly they are being set up to promote, develop and network their regions (Mountford, 2009).

RDAs have evolved over time from 'top-down' interventionist institutions providing direct support to firms, to agencies which now seek collaborative action with local stakeholders in the shape of partnership formation, infrastructure support and improved services, cluster development, innovation and socially sustainable development (Bradford, n.d.; Haiker, n.d.; Syrett and Silva, 2003). Mountford (2009), however, goes on to argue that it is common for RDAs to continually re-invent themselves and redevelop their tools and activities in response to evolving development needs and priorities.

The key roles of RDAs have been identified as: economic (to build markets), to provide leadership, governance and coordination, and to ensure implementation.

Common tasks of RDAs include:

• Strategic roles – to foster coalitions / promote coordination and leadership/ monitoring / advocacy / planning

• Asset and investment roles – land and property development / lending and investment / grant management

• Innovation, enterprise, skills, and employment roles – to promote technology and innovation / skills development / employment creation and job brokerage / foster entrepreneurships and SMEs

• Promotional roles – facilitate investment / project management.

• Capacity building roles – sector and cluster development / capacity building (Mountford, 2009).

According to Regional Development Australia (https://rda.gov.au/), additional tasks and roles include;

• To consult and engage with communities

• To promote regional programmes

• To provide information to all levels of government

• To support informed regional planning

• To develop regional plans outlining regional priorities.

The focus of this report now shifts to examine the experience of RDAs around the world, drawing upon the experience of some 16 selected international RDAs. An analysis of RDAs and LEDAs in New Zealand then follows.

2. OVERVIEW OF REGIONAL DEVELOPMENT AGENCIES (RDAs) AROUND THE WORLD.

2.1 Development agencies around the world:

A not insignificant amount of research has been undertaken on this topic in various parts of the world. This section provides some detail on the broad focus of activity of agencies in different parts of the world.

Australia

Australia has gone through a significant number of iterations with respect to development agencies and, while local agencies do play a role, regional agencies are also significant. To date, some 55 Regional Development Agency committees have been set up, which are funded by the Federal Government and are currently seeking to plan for and co-ordinate development planning and interventions across the country.

To help further their goals, Aus $ 1.5bn has been allocated for 5 years to assist regions provide priority infrastructure. In Western Australia, the 'Royalties for Regions' programme uses funds derived from levies imposed on the mining industry to support service provision and development activities in regions and localities across the state. Providing urban amenities and improving services in what are termed the 'super-towns' is one of the more well-known examples of such actions.

According to Gold Coast RDA, the RDA's role in Australia is 'to promote and support government policy and to incorporate new policy and directions in its strategic planning process' (https://rda.gov.au p.10). The RDA Charter requires RDAs to contribute to and drive regional business growth plans and strategies, as well as promoting the search for environmental solutions and enhancing social inclusion. The desired outcomes of regional development, according to the Regional Australia Standing Council, are to achieve five key objectives which will promote long-term regional economic growth, namely; development of human capital; promotion of sustainable communities (economic, environmental, social) and achieving population growth; providing access to international, national and regional markets; enhancing regional comparative advantage and business competitiveness; and promoting effective cross-sectoral and intergovernmental partnerships. In this regard the Gold Coast RDA, seeks to contribute through encouraging and supporting regional level research, communication, engagement, facilitation and leadership.

In a major overview of regional and local development agencies across the whole of Australia, Beer and Maude (2002) established that economic development agencies were generally small in size, had limited budgets, and tended to focus on rural areas. In terms of the focus of their activities, economic development and employment creation were their primary objectives, as well as improving local quality of life, and drawing in and supporting business. In terms of the key activities of Australian agencies, Beer and Maude (2002) established that the main foci were;

- 81% of agencies – promoting economic development
- 68% regional quality of life
- 65% employment growth
- 61% local partnership development
- 57% lobbying government
- 54% developing local businesses
- 53% economic regeneration
- 53% building regional capacity for development
- 52% promoting environmentally sustainable development
- 50% local entrepreneurial development
- 48% economic diversification
- 44% retaining or increasing the local population

Assistance to firms included:

- 81% assisted with major events
- 80% with marketing
- 74% assisted firms gain access to state funds
- 73% provided information on government programme
- 70% engaged in tourism promotion

In terms of regional capacity building,

- 73% helped to improve infrastructure70% lobbied of behalf of the region
- 61% undertook economic analyses
- 58% engaged in cooperation and networking
- 53% identified business opportunities
- 51% undertook skills development
- Only 37% promoted education of youth

A parallel study in Australia argues that the quality and capacity of local institutions and the intersection between a range of local bodies (known as 'institutional thickness') is critical in leveraging development, ensuring networking, seeking political buy-in, and enabling regions to voice and pursue their objectives and to shape their own futures. Important factors in the success of these processes include the calibre of local human capital, the presence of large organizations e.g. state bodies and universities, local financial capacity and local strengths, partnerships and networking (Beer and Lester, 2015). Box 1 below indicates some of the

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BOX 1: Selected examples of the foci and strategies of Regional Development Australia Committees

The **RDA Wide Bay-Burnett** strives to achieve:

- Economic development – through developing key sectors, achieving global competitiveness, and implementing major projects.
- Infrastructure – through support for key projects.
- Innovation – to support innovation and entrepreneurship.
- Human capital – to develop the local skills base.
- Strengthen regional profile – through regional collaboration and research to maximise comparative advantages.

The **RDA Brisbane** has 4 regional priorities:

- Skills and human capital development – to address skills shortages reports, and to foster partnerships to address these challenges.
- Infrastructure provision to sustain pop growth and competitiveness.
- Promotion of digital innovation.
- Developing the capacity for a sustainable and inclusive region though building community capacity.

Specific goals for Brisbane city include ensuring that it is a competitive city; liveable city; clean city; a digital city; an enterprising city; and a connected city.

The RDA Hunter:

Has identified the following priority areas: investment, innovation and Infrastructure, while its actions designed to foster regional economic development are:

- To support growth of the region's economy and community.
- To respond positively to economic change.
- To ensure effective land-use management.
- To encourage investment and market opportunities,
- To develop infrastructure and connectivity.
- To introduce a smart specialization strategy.
- To attract new industry.
- To work with all tiers of government.
- Investment in education.
- Promotion of Innovation: through hosting an innovation festival; innovation eco-system; industrial skills programmes; a smart specialization strategy; and an innovation network.
- Infrastructure provision, in terms of addressing needs in terms of: roads, rail, freight corridors, interchanges, broadband and connectivity.
- To respond to major influences, including: climate change; IT advances; competition; and demographic trends.
- Long-term foci include, developing: human capital, ensuring that there are sustainable communities – economically, environmentally and socially; ensuring that there is access to national and regional markets; developing comparative advantages and promoting business competitiveness and partnership formation. (https://rda.gov.au)

development interventions and strategic foci of selected RDAs in Australia.

Europe

Regional development plays a key role in Europe, not least because of both the long-established commitment of individual countries and the EU's Regional Development Fund, which is designed to address regional disadvantage. Some examples should serve to illustrate the foci of RDAs in Europe. According to Haiker (n.d.), European RDAs have increasingly come to concentrate on multi-level governance, with interventions focusing on such aspects as; assistance to firms, promotion of competitiveness, supporting individuals through training, developing networks and knowledge explicit policies, with there being only a limited role for direct financial subsidies. A study of 16 RDAs in Portugal (Syrett and Silva, 2003) established that over time their operational systems had, since the 1990s, shifted from a top-down to a bottom-up approach, which places emphasis on; infrastructure; public services; economic modernization; and new partnerships. Development foci include information collection and supply, investment attraction, incentives for SMEs, infrastructure development, promotion of regional products, and developing regional plans.

A survey of 971 development agencies In the UK, Ireland, USA and Australia (Beer et al 2004) revealed that the most common business development activities included;

• Regional marketing

• Assisting businesses with training and recruitment

• Coordinating public sector agencies

• SME support

• Supplying information to government departments

• Assisting with accessing government funds

• Tourism promotion

• Events

• Urban development.

General RDA foci in these countries include:

• Development of agreed development strategies

• Researching the state of the local and wide economy

• Place promotion

• Land and property initiatives

• Lobbying for government funding for infrastructure and development

• Business subsidies to support job creation

• Technology transfer

• Labour market initiatives

• Small firm support

• Cultural industries

• Flagship projects

• Tourism promotion.

• Community economic development / local purchasing / poverty alleviation / support for marginal groups.

National differences include property and technology foci, supply chain interventions and support for industry clusters and SMEs in England, while in the USA there is a business first ethos (see Box 2), including industrial recruitment, main street development, direct subsidies to firms and market facilitation. Both Australia and the UK have a strong focus on infrastructure provision, with the UK having additional core foci on developing business sites and skills development.

Until recently a series of influential RDAs operated in England (Ward, 2003) which had a specific focus on regional and rural issues. Their priority actions included;

- Agricultural policy

- Farming regeneration

- Rural tourism

- Planning for sensitive developments

- Business and skills development in rural localities
- Address economic and service decline
- Leading in new institutional arrangements

Box 2: Examples of the activities of RDAs in the USA

Michigan Economic Development Corporation, (2015: Pure Michigan: Annual Report)

Core foci include;

• Support for businesses and cooperatives, trades training, housing development, support and funding (tax abatements and grants) for new businesses, job placement (2600 placed in work in the reporting period), community revitalization, health and wellness programme, urban revitalization and developing supplier linkages.

Iowa Economic Development Agency, (2016: Programme)

Core foci include:

• Business development and assistance
• Community development – main street and downtown programme and support community initiatives
• Training
• Urban revitalization
• Entrepreneurial support – support start-up companies in advanced manufacturing, biosciences and financial services
• Export support
• Innovation Council
• Relocation and expansions – financial assistance and tax incentives
• Energy planning.

Capital Region Economic Development Council. (2016: The Capital Region Creates)

Core foci include:

• Leveraging
• Urban regeneration
• Marketing
• Clusters
• Training
• Globalization
• Innovation

 The USA has a long tradition of city-based economic development, where city governments have traditionally played a key role in local economic development, with a strong focus on business attraction and support, lobbying, infrastructure development, major projects and urban regeneration. Less significant are community-based development interventions. Box 2 provides selected examples of US based RDAs and their main activities.

Canada

In contrast with the direct firm support which is common in the USA, in Canada there has been a focus on supporting infrastructure development to promote innovation and diversification, including support for education, technology, incubators and research (Bradford, n.d.). Since 2000, Canadian RDAs have moved away from a focus on growth poles and regional advantages to looking at regional assets, sustainable innovation, the growth of leading firms, diversifying resource-based economies, strengthening traditional manufacturing, supporting cluster development, and developing relevant policy, governance and socially sustainable development. According to the Government of Canada, RDAs provide regionally-tailored programmes which build on identified regional and local assets and strengths, support business growth and innovation, help SMEs to compete, provide structural support to areas affected by economic downturns and crises, and give support to communities. Funds are available to directly support firms, innovation, sectoral programmes, training and infrastructure (FedDev Ontario, 2016). By way of example, the RDA FedNor promotes; innovation, entrepreneurship, community development, urban revitalization, policy research, knowledge mobilization, cluster development, knowledge brokering, and community future programmes including, venture capital, business counselling and community capacity building (Bradford, n.d.).

One of the most insightful international overviews into the experience, practice and outcomes of regional and local development agencies was provided by the Canadian Policy Research Networks (CPRN) in 2008. Their analysis of regional and local interventions, and also practice internationally, established that;

1) There are four broad categories of institutional intervention; traditional approaches using economic instruments; innovation and technology development; community economic development and the social economy; and community development and capacity building.

2) A key feature of institutions is their engagement with new governance models based on partnerships between different government agencies, the private sector, community and volunteer sectors and others. Within this context agencies are now enablers and convenors, sharing power with communities, partially as a result of the widespread devolution of power which has taken place.

3) Core new foci include a focus on innovation, communities and their resilience.

4) A key finding is that traditional approaches of economic development, job creation and enterprise support are no longer adequate in the current development context to meet the challenges of regional, rural and community development.

5) In this context, their key finding is that traditional interventions 'must be combined with holistic community- and place-based approaches and initiatives that involve the local community and citizens and help create and build on local assets and resources, while bringing other resources to bear. In this context, strategic investments – in people, communities, local asset building, and technology – can make a difference', (p. iv). Such interventions need to be based on a broad 'family' of approaches to improve competitiveness which are multi-sectorial, place-based, draw on partnerships, have a community-based focus, and exploit unique local development assets.

6) Of particular importance in actualizing such interventions is the adoption of a range of policy instruments, effective partnerships, strategic planning, strategic government financial support, the use of a diverse range of instruments, and effective governance.

7) The Canadian report notes some particularly innovative interventions, including;

- Business retention and expansion in Ontario.

- Support for niche production in Ontario.

- Financial support for community development corporations in Quebec.

- Building community resilience in Canada.

- Enhanced local level governance through the EU's LEADER+ programme.

- Place-based partnerships and community empowerment in the UK.

- Community investment and 'one-stop shop' services in Scotland.

- Rural support programmes designed to reduce costs and enhance the viability of rural areas in Finland.

- Re-investment of revenues from the use of resources in communities in Norway.

- Community Empowerment Zones and Rural Economic Area Partnerships in the USA.

Turkey

A review of 24 RDAs in Turkey showed that there was a very clear decentralization drive which had empowered them as the role of the state was progressively reduced. In parallel, regions have to compete globally, relying increasingly on innovation and entrepreneurship (Tiftikcgil, 2015). Key programmes pursued by RDAs include support for; firm competitiveness, knowledge-based development, tourism, SMEs, partnerships, improving the quality of life, promoting rural development, environment and energy, R and D and innovation, infrastructure, ICT, and creative industries.

Developing countries

In the developing world, Canzaneli (2016) and Canzanelli and Agostinucci (2011) have identified the critical role and imperative which development agencies play in improving the welfare of local residents and in providing a holistic model of human development. Based on a survey of 63 agencies, they established that the key foci and outcomes are;

- Reducing poverty and marginality

- Empowering local actors

- 'Combin(ing) social and economic developing for improving the population living conditions' (Canzanelli and Agostinucci, 2011, 4)

- Protecting the environment

- Empowering women.

Key features of such agencies including operating on a not-for- profit basis, providing services for planning and project development, business development (financial support through guarantee funds), and human development including social inclusion and territorial marketing. Significantly, Canzanelli (2016, 3) concludes that, 'the main lesson learned is that at the local-level bottom-up actions for making the territories more attractive are possible, provided that such an instrument as an LEDA exists and is devoted to the welfare of the people'.

South Africa

Local and district municipalities in South Africa are required to undertake economic, social and community development in line with the National Constitution, and they must develop Local Economic Development Strategies which are supported by a range of legal and policy instruments. The concept of 'developmental local government' is entrenched in South Africa's municipal policies and activities, and requires all local authorities to maximise the developmental (including social/community) impacts of their activities, including through employment creation and procurement. Most local governments have their own in-house development offices. But there are also several RDAs, and, in the larger cities, independent agencies have been set up to manage business improvement districts, tourism and marketing, investment and major projects. Typical interventions pursued range from CBD regeneration and mega-projects, such as international convention centres and waterfront redevelopment, to job creation schemes, public works, local procurement and support for micro-businesses.

2.2 Conclusion

A rich international literature clearly indicates the critical, diverse and evolving roles which DAs can play in assisting the social and economic development of areas under their jurisdiction. Despite the reality that DAs need to be designed to respond to locally unique situations, some points of similarity can be discerned;

• Operating through appropriate governance arrangements and partnerships which bridge the public and private sectors is common practice.

• Adopting a holistic approach to development, which spans themes ranging from promotion of regional competitiveness and unique assets and attractions, to economic development, tourism promotion, and community development and improving the overall quality of life.

• Guiding foci and objectives include the promotion of sustainability, quality of life, human development, support for large and small firms, entrepreneurship, training, innovation, infrastructure and land are common practice.

• Interventions employ a range of economic instruments and support measures, and target a wide range of economic sectors, including the tourism sector.

• Economic and community development often go hand in hand, with many agencies having a defined focus on struggling areas.

In the following section the focus shifts to examine some recent OECD studies which have relevance for this investigation.

3. OECD CASE STUDIES OF REGIONAL DEVELOPMENT

3.1: Selected regional development agencies in the OECD

Understanding international and comparative trends in the operation and focus of development agencies can be informed by an examination of analyses undertaken by the OECD. In 2010, the OECD published the findings of a useful comparative study of a selection of successful development agencies across the OECD in a book titled, 'Organising Local Economic Development: the role of development agencies and companies' (Clark, Huxley and Mountford, 2010). The book analyses the objectives and work of 16 development agencies operating in 13 economies worldwide. Also of importance is an earlier working summary document produced by Mountford (2009). The book and the summary document together demonstrate the wide range of activities that can be undertaken by various types of development agencies (some are called development companies), with there often being several agencies operating in one area covering a range of differing tasks. The OECD authors analyse the key strengths and constraints of these agencies, presenting the main conclusions relating to certain common principles. While the book does not advocate for one style of development or another, it does indicate that there should be flexibility in addressing the prevailing needs at the right level, whether local, city or regional level. The book is also noteworthy in not stating a preference for either a pro-growth focus or a support for lagging regions focus, an issue which is examined in the second part of this section.

Key points which Venture Southland may wish to consider, are highlighted in bold italics.

The OECD review of 16 case studies, noted a wide range of agency style, budget, staffing and foci which are summarized below;

3.2 Agency reach

Should agencies have a focus on a local neighbourhood, be it city wide or regional? Some of the 16 agencies were very much neighbourhood or locally based, such as the Abyssinian Development project in Harlem, with a budget of US $ 6.32m in 2008/9 and 121 staff. Many agencies were metro- or city-based, ranging from New York City with a budget of US $591.4 million and 400 staff, to Sheffield (UK) with 48 staff and a $ 4.4 million budget. Only four of the 16 case studies, such as Auckland Plus, were regional or sub-regional focused, with Auckland Plus having a $ 2.56 m budget and 14 staff, or Prospect Leicester (UK) with a $1.5m budget and 18 staff. As can be seen, the size of budgets and staffing numbers can vary widely.

One observation is that many geographical areas have more than one development agency, such as the New York City Economic Development Agency which focuses on property development, with separate agencies such as the Harlem Development Agency working on targeted neighbourhoods in their area.

Likewise, Bilboa Metropoli-30 (Spain) considered broad visioning issues, while a separate development agency focused on the development of the Guggenheim district in their region. Invest Toronto (Canada) encouraged city wide investment, while Built Toronto is a separate agency concerned with property development and job creation. An appreciation of their respective roles and their ability to support each other was identified as useful in operationalising success.

KEY POINT: Small and focused 'other' agencies or development players operating in the same area are acceptable and should be supported.

Mountford (2009) makes the point that development agencies often undertake activities that, for various reasons, local authorities are not well positioned to fulfil. For example;

• The desire to build markets and engage in risk and cost-sharing, intermediating with investment agencies etc., which may be outside a local government's mandate or capabilities

• Governance and co-ordination roles i.e. there are fragmented or multiple local government jurisdictions and there needs to be a neutral means to engage with both the private and public sectors

• The leadership role played in long-term planning, and in galvanising the interests of multiple leaders. In this context the DA may serve as an independent forum where distinctive interests can be brought together

• Implementation roles may require unique skills to manage complex projects, which also require specialised finance skills and the ability to design and use new tools quickly. DAs also have the ability to engage with experts and skilled staff quickly on commercially sensitive matters, and to ensure co-operation between the public and private sectors.

These point are all very relevant in New Zealand, and indeed elsewhere, where local authorities are legally, politically or even by traditional performance habits, hindered from freely undertaking these roles.

Mountford (2009) concludes that a Development Agency may be better placed to do what the local authority cannot do as well, for example acting in a business-like manner, with public well-being objectives and also as

a 'quasi- governance vehicle'. DA's provide the ability to assemble resources and engage with multiple tiers of government and can gain permission to operate over complex boundaries. DAs can also offer a politically acceptable form of co-investment between otherwise disparate partners. They can also be based on joint ownership and joint credit, while being held to account, and can be closed down if necessary, unlike tiers of government.

KEY POINT: DAs can operate in areas of activity which local authorities are often not well positioned to undertake.

3.3 Strategy types

The 16 Development Agencies studied by Clark et al (2010) all undertook a range of different strategies, which are reflected in their signature projects. Many agencies did similar activities (such as encouraging partnerships), while some focused on only one or two specific projects, such as the Johannesburg rapid transport system, or New York City's strategic utilisation of city property. In other cases, DAs favoured CBD development or degraded area redevelopment or, as in the Harlem case, people development. Others focused on branding, or promotion of creative talents in their region, or the development of international connections. The attraction of outside investment and joint financial ventures was common, with support ranging from the encouragement of investment to being an active partner in actual implementation. Some focused on broad visioning as a neutral, uniting theme, and provided an alternative mechanism for the implementation of specific projects which were outside of the mandate of specific institutions. Clark et al, (2010) did not indicate a preference for one or another strategy, noting instead that DAs need to be flexible and adapt their programmes to suit their area's needs, which will inevitably change over time.

KEY POINT It is hoped that a quick scan of the range of agency styles and specific signature projects (see below) will inspire Venture Southland and other development agencies to consider the suitability of both new broad or targeted approaches and locally specific and relevant interventions.

An overview of the 16 agency styles and Signature Projects, reveals the following themes;

An internationalisation focus: This was the focus of the 'Blueprint for Fiscal Sustainability and Economic Prosperity' (Build Toronto) and the internationalisation strategy for the city (Madrid Global), with both programmes concerned about getting their cities to develop international links. Planning to heighten awareness of Milan at home and abroad, the latter had a specific project of an 'expo of territories competition' to encourage people to submit ideas and projects that could link a city sector to another part of the world (Milano Metropoli - a regional agency).

A world theme: Liverpool (UK) previously had a 'city of culture' focus, but the new focus is now on developing a connection with Shanghai ('Liverpool Vision').

A creative/entrepreneur theme: A 'creative people' focus was featured in an 'Economic Master Plan' to engage alternative industries in Sheffield (UK) (Creative Sheffield), and in Barcelona through the Glories Entrepreneurship Centre and the promotion of creative talents (Barcelona Activa).

An umbrella for numerous organisations: such as a change in strategic focus from an infrastructural focus to a new direction, with a 'people and values' focus (Bilbao Metropoli-30) An interesting quote from Bilbao Metropoli-30, a visioning umbrella for numerous groups, stated: "cities no longer compete in infrastructure terms... what really makes cities competitive in the 21st century is people and their values" p. 49.

Mixed approach- Covering various styles: an example was Prospect Leicestershire (UK), a regional agency, which merged various previous agencies, and was active in regeneration, inward investment and business enterprise support: specifically, they had a project called '3U4B', linking three universities with businesses.

Leveraging private investment, in particular in the HafenCity case initiatives were based on holistic considerations of such matters as social, environmental and heritage needs, while also considering economic sustainability in the mix. They also facilitated the management of complex projects and utilised council land/ buildings (HafenCity Hamburg GmbH, Germany).

Branding and inward investment promotion and facilitation (by Auckland Plus - a regional agency)

Specific neighbourhood or physical projects foci were shown by some DAs, such as;

'People activation' programmes: e.g. college ready community projects (Abyssinian Development Corporation in Harlem, New York);

Neighbourhood redevelopment in the Guggenheim district and another district in Bilbao, Spain (BILBOA Ria 2000),

A bus rapid transfer system (Johannesburg Agency, South Africa),

CBD strategy and encouraging private partnerships (Cape Town Partnership, South Africa),

Utilising city property (New York Economic Development Corporation).

Examples of particular strengths were and where useful for Venture Southland's consideration the concepts have been noted in bold;

• Creative Sheffield had a **company type structure that was quasi-independent, and an amalgamation of a number of pre-existing development organisations to make it more efficient and simpler to work with individuals.** In addition, this new structure was able to apply a wider range of development tools.

• Milano Metropoli, **an organisation established under private law, but with a clear public mission, was able to co-ordinate activities between public and private planners and also get the community involved.**

• Hafen City Hamburg GmbH had **innovative staff who gave new ideas to city development.** They had a **clear focus on high quality and comprehensive and holistic urban design,** such that, while land for residential development was available through competitive tender, their focus had less to do with the highest price for the land, and more to do with the quality of the conceptual design for the land and the desire to ensure mixed uses. It was stated that it is important to attract strong investors, but it was also recognised that there is a need to be willing to tread "new innovative paths" and to ensure that "economic development is not the centre of our focus, but rather the urban development process in the broadest sense" (Steinborn 2007 p. 201 in Mountford, 2009). Steinborn (2007) also stated that not using developer incentives had been to the detriment of quality.

• Barcelona Activa had the promotion of an 'innovative culture' as an important part of its programme.

• The Abyssinian Development Corporation in Harlem, had a **focus on 'outcomes' and 'the need to see creative measurable progress on the ground',** emphasising the importance of developing good rapport with the community.

• A review of various annual reports from both New Zealand and South African economic development agencies revealed a tendency to focus on whether a project's objectives were achieved according to budget and in a timely manner, and whether there were increases in measurable scores, such as increased visitor nights, and number of (SME's) businesses contacted, rather than focusing on outcomes, such as the number of additional and sustainable jobs appearing in a particular area. Only monitoring of unemployment trends can mask movements by age, location, non-registration or re-categorization, therefore monitoring labour trends are preferred as a useful form of data.

• The Johannesburg Development Agency had a pressured work environment with tight time-frames, and strict project budgets, so **high achieving project management staff became vital** to operational efficiency and success.

• Prospect Leicester did not take on too much so they could deliver to a high standard in a limited number of areas.

• The New York City Economic Development Corporation focused on cutting expenses and the leveraging of its assets to produce revenue.

• Bilbao Metropolis-30 **decided to be strategic and think about the long-term future, rather than the practical and short term, though their members being local councils and sub-groups had more focus on implementing short-term projects.** The RDA also identified that the secret of the success for their group was that they had no real economic power, but that they just do the visioning, and that everything that was proposed had to be decided by members who then go on to deliver their own projects. In fact, the agency had a very limited public image and most residents had not heard of it. This low profile was seen as a positive feature, given the confusing mix of agencies.

• This parallels the New Zealand case of the Otorohanga Youth Development Project (Stevenson in OECD 2017) which was initially successfully operated as a fairly informal organisation comprising some very diverse local actors who came together over one local specific issue. These members were then willing to independently implement their particular aspect of the development.

3.4 The role of partnerships

Partnerships can play a key role in formulating, launching and sustaining development initiatives.

In the section which follows, discussion draws on findings from Clark et al, (2010) and also from the researchers' own experience of research on regional development in New Zealand and South Africa.

Examples include Auckland Plus, which had **cross-border alliances and partnerships which were deemed to be critical to operational success.** Similarly, in the case of the Cape Town Partnership (a CBD renewal

agency) the CEO said the "CTP is only as good as its partners" (CTP 2008).

In New Zealand, the high level of encouragement and support given to private businesses, was particularly apparent in the role played by the Dunedin City Council heritage advisor in the development of the Warehouse precinct, indicating the strong brokering abilities of a staff member in negotiating informal partnerships. Private-public partnerships (PPPs) also emerge when private parties can participate in public infrastructure builds, with NZ examples being the Hobsonville School and Wiri Prison in 2013. Stevenson and Nel's research of small town economics shows that economic development reactivation in small towns in New Zealand is often initiated by private individuals inspiring other private individuals, for example in Shannon and Moeraki; and occasionally through the provision of property by a private individual, as in Tirau, where a private developer facilitated access to retail spaces to new businesses.

3.5 General strengths

The 16 DAs reviewed in the OECD study reported the following strengths, in order of importance (OECD, 2010);

- Strong partnerships - mentioned by 13 groups
- Talented and experienced staff and a focus on quality x9
- Community or stakeholder credibility and engagement x7
- A focus on outcomes and clients x7
- Apolitical/low profile or arm's length positioning x6
- Having a clear and focused mandate x5
- Leadership x5
- Having a holistic or integrated approach x5
- Strong revenue generating capacity x3
- Company type and structure x3
- Long-term mandate x3
- Spatial focus x2
- Innovation x1

Other important aspects relating to successful development interventions included the following, not necessarily in order of importance:

- An intelligence and analysis-based approach
- Global benchmarking and building a global perspective
- Creation from crisis
- Board composition
- Tackling social concerns
- Leveraging culture for regeneration
- Effective communication
- Co-ordination capacity and project management expertise
- Having foreign direct investment
- Operating in a politically stable environment.

3.6 General constraints

Certain constraints were noted in the 2012 OECD research, which were often directly related to the local situation, and the present researchers have observed similar constraints among development agencies both in South Africa and in New Zealand.

The Johannesburg Development Agency in South Africa noted the need to ensure long-term sustainability for completed projects. However, the agency only received one year's operational funding and 5% of any capital spend, which resulted in a narrow capital project focus.

Hafen City Hamburg noted the need for clarity on the demarcation of roles and responsibilities between the

development agency and municipal actors. They were looking at lobbying to extend the role of the development agency to one of maintenance beyond the completion of the physical construction, as municipalities are often not equipped to maintain the quality and services of the finished product.

Stevenson, Nel, Binns have observed some of these constraints in many high quality finished projects in South Africa, including a community game park, arts centres, tourist features and visitor centres, where the construction was completed, but the local authority or community group was unable to maintain and operate the facility. Some such facilities have been sustained by an ongoing contract with a development agent or agency, but are vulnerable to budget cuts or a municipal change of focus. A water theme park in Durban operates commercially within a municipal portfolio.

Cape Town noted that the central city is a very complex area, with economic trends not fully understood, and there is a l**ack of precise and detailed knowledge/data**. The researchers noted this issue in New Zealand, where evidence from BERL, Statistics NZ and **labour data is often found to be too broad to see a trend at the local level.** It is often difficult to see which particular activities are creating most jobs, and which sectors are growing or declining at the local level. In addition, the cost of obtaining more refined data was prohibitive to smaller towns. In South Africa, refined labour sector data was often not available. To obtain more localised data, the researchers often had to rely upon anecdotal feedback from businesses who were local employers, and also from long-established local real-estate agents.

Bilbao Metropoli-30 said their lack of executive power was both a strength and a constraint, and noted that disagreement among members is an issue. The researchers would concur that networking and partnerships can be a strength, as seen in the Otorohanga case while it remained informal. While researching New Zealand small town economics, Stevenson observed that business **networking groups that were smaller, informal and involved only interested businesses, were often more productive** than if they had been larger, and these smaller membership groups successfully encouraged the attraction of new businesses into an area. In contrast, more all-inclusive membership of business networking groups, had on occasions, resulted in disagreements and activities which supported the status quo of businesses rather than the attraction of additional businesses.

Stevenson also noted anecdotal comments of high failure rates among South African co-operatives where all participants are voting members, resulting in reports of disagreements and inequity in the initiative. However, higher rates of success were reported from co-operatives where only interested business owners are members.

Auckland Plus noted that territorial authorities each act independently, and there is **often inter-regional rivalry and a lack of regional focus.** They recommended new structures to enable delivery mechanisms with funding and a mandate to implement. Meanwhile, Milano Metropoli noted the issue of complex multi-stakeholders and roles overlapping and it being hard to form synergies.

New York City Economic Development Corporation, however, has a unique non-profit status and has taken aggressive steps to maximise real estate returns and save funds. However, external events over which they had no control, such as the 2008 recession, had affected their revenue and cost balance.

3.7 Case Study Synthesis

While Clark et al (2010) examined a range of development agencies with varied projects, styles, strengths and constraints, they did not advocate for any particular style, emphasising the need for flexibility to address different challenges at different levels and often by different agencies. The authors concluded that "there is clearly confidence in the development agency model in OECD countries, and there is a wide range of how they are used"(Clark et al, 2010).

The OECD study was useful in identifying some key principles that seemed to underpin development agency success, and some of these are listed below.

Effective development agencies can:

• Develop opportunities faster and at a larger scale than would normally be possible in cities or local authorities.

• **Aggregate otherwise disparate efforts and overcome co-ordination and information blockages.**

• Act in a more **business-like manner and build a customer relationship,** rather than working within traditional municipal structures.

• Be **flexible and focus on the neighbourhood, city or wider regional scale depending on where the challenges lie.**

• S**ecure the confidence of external investors** and businesses, which is important in maintaining a market position for a regional economy.

• Fully utilise existing development tools and also **design new tools to suit needs** and **assist in the interplay between public and private interests and assets,** and ensure that **various parties know how to fully**

utilise these tools

• Leverage assets and investments and **communicate development progress.** They can also s**hare risks and costs actively with partners.**

• **Refresh the image and identity of an area**, ensuring a concerted and co-ordinated action.

• Apply **leadership to problem solving, supplying the skills and approaches required,** unencumbered by other mandates.

Clark et al (2010) conclude that guidance on how to sponsor and oversee DA's is required, however, at the same time **substantial operational freedom seems to be required.** The **most successful DA's show an ability to diversify income streams and support cross-funded activities,** and in so doing they become vehicles that multiple stakeholders are content to invest in. Ideally, DA's should be able to **network effectively and secure a mix of funding and resources.**

3.8 OECD observations on development in lagging regions

In this section two other OECD analysis papers are considered, one which provides a summary of key economic development messages (OECD, 2009), and another which considered 23 case studies of regional development (OECD, 2012). These papers concur that by developing 'lagging regions' there can be aggregated economic growth which nations can benefit from. Where the report writers have identified New Zealand or other international examples in their research these have also been included. The concepts that emerge may be of relevance to Venture Southland in relation to perceived lagging or rather struggling regions in Southland and possibly useful concepts and key points have been emphasised by placing them in bold.

The more recent OECD report (OECD, 2012) highlights the importance of small town and rural economies, observing that while economic activity tends to concentrate in large metro cities, there is often a lack of understanding of the growth potential which can exist in regions outside of the main cities. As the report suggests, "less developed regions do and can make a vital contribution to national growth" (OECD, 2012: 15). During 1995-2007, it is remarkable that such regions, often with GDPs per capita below the national average, "accounted for 43% of aggregated OECD growth" (OECD, 2012: 19).

The OECD study reveals that "across the OECD area, predominantly rural regions have, on average, enjoyed faster growth than intermediate or predominantly urban areas" (OECD, 2012: 20). Rural performance of course varies, and is affected by such variables as global commodity prices, agricultural support policies, technology advances, and increases in rural-based tourism, etc. Support for 'catch up growth' in poorer regions reduces the likelihood of individuals' economic opportunities being seriously damaged by where they happen to be born, or where they live. It is important that policy makers should recognise the implications of inter-regional disparities as "helping lagging regions to catch up not only benefits the national economy, but also contributes to a more inclusive and sustainable growth model. It helps to build a fairer society, in which no territories and people living in them are left behind" (OECD, 2012:16).

However, it is apparent that "chronically under-performing regions can impose substantial costs, firstly by producing lower tax revenues, and secondly by creating extra costs to ensure that adequate public services are available in declining areas, over time this can lead to conflict as richer regions grow tired of paying for such support" (OECD, 2012:21). However, despite this, "promoting growth ...associated with greater diversity of activity ...lowers the risk to external shocks" (OECD, 2012:21) to the whole economy.

While noting that people and firms are mobile, the OECD report noted that a particular challenge is when innovative resources move outside of the area (OECD, 2012). This can also be a significant issue in New Zealand, for example in the case of the rapidly growing Tuapeka Gold printing firm, which outgrew its home base in the small south Otago town of Lawrence and moved into larger premises in the nearby city of Dunedin.

KEY POINT: Utilisation of the assets of lagging regions, including utilisation and development of low-skilled existing populations, is an important aspect in national economic development.

Raising skills levels should be an important priority in regional development interventions. Low-skilled populations can slow down growth, so policies to address the plight of the low skilled may be just as important for growth as policies aimed at expanding higher education. The OECD study also recognised that "Low to medium skilled workers are less mobile than their highly skilled counterparts who are likely to be attracted to the national or global job market - with both supply and demand for lower skilled labour tending to be regional or local" (OECD, 2012:21).

The significance of using local, lower skilled workers in local businesses can be seen in various enterprises in some small towns in New Zealand, for example, Jimmy's pies in Roxburgh, a Moeraki restaurant, Blackball salami and Kawerau gang member contracts. **Particularly effective was personalised, work place based, pastoral support to assist trainee graduates to successfully transfer to their new work place** as occurred in the Otorohanga post apprenticeship support, an Opotiki Maori kiwi fruit contractor support agent and the

Maniapoto Maori Trust dairy workers support.

The OECD commented that "while innovation is shown to be important for regions with high levels of development, it is less significant in explaining growth in regions outside of these high-technology cores, which tend to depend on less R&D intensive forms of innovation which probably explains why innovation does not stand out as a growth factor in these regions" (OECD, 2012:22). This can be observed in rural small town New Zealand, which often attracts low-tech innovation in the form of internet trading of antiques, art and specialisation in niche novelties such as fishing flies in Athol.

KEY POINT: consider low-tech innovation in struggling towns.

The OECD report noted that the benefit of infrastructure development was inconclusive in struggling towns and that to be viable infrastructure in lagging areas needed to address multiple needs and not just one. This can be seen in the case of a number of small towns in New Zealand. An example of **multi-use infrastructure in a lagging region** is the case of the fossil museum in the small town of Duntroon in the Waitaki Valley of southern Canterbury, which partly funds a volunteer support person, creates a tourism attraction and provides a satellite for Otago University fossil researchers.

In the case of Southland, there **may be potential in searching for creative alternative users, and multiple users, for existing infrastructure**, such as disused mine and factory facilities, disused town facilities, schools, school pools and port facilities. New, alternative activities might be developed in such areas, such as hosting the film industry, emergency response training, partnering with researchers in infrastructure management, developing residential space and alternative sports. New uses may be identified for underutilised land and underutilised residential housing.

Some of the most important factors for growth and development will now be considered.

Policy factors:

For example, adopting a new regional paradigm, such as moving away from a focus on subsidies, and instead moving towards building endogenous growth potential. Also significant is implementing policies that improve linkages with firms, universities and across borders. The OECD also identify policies targeting urban regeneration (OECD, 2012:.22). In contrast, it seems in New Zealand this has not been fully pursued, however, the underutilised nature of rural housing may provide a potential opportunity, as well as the possibility of job creation through house and yard renovation to redistribute the overflow from the Auckland property boom. Potential also exists to promote disused retail space to new users, such as internet traders. A recent initiative in Otago, South Island, was the marketing of underutilised properties in Kaitangata. Indeed "city competitiveness is about ensuring a clean and attractive urban environment, and is increasingly recognised as an integral aspect of creating dynamic cities, rather than mere offsetting of their undesirable consequences" (OECD 2009, pg.49).

Infrastructure and connectivity:

Including developing internal transport infrastructure for connecting relatively closed and isolated regions to external markets and capitalising on privileged geographic positions. In New Zealand, there is a need to provide 'signage lures' on tourism routes to draw the attention of tourists to towns with particular assets nearby small town assets, Examples are the Visit Waimate Wallaby Country sign on an old barn. The development of attractive stop-off places is another possibility, such as the artistic corrugated iron shop façades in Tirau, and in South Africa the privately developed Harrismith truck stop hub centre.

Institutional factors:

DA's can give a common voice and cement a strong position, and can play an important role for key local actors both in the private and public sector in workforce development and retention and innovation building (OECD). In New Zealand this occurred in Otorohanga through a scheme initiated by the local mayor, a businessman to train and employ local school-leavers. Meanwhile, in Opotiki the mussel farm harbour development is being driven by private and public local actors, and in Clinton private farmers and community members worked to re-open the petrol centre and grocery shop. However, in some cases progress can be blocked by property owners who are unable or unwilling to facilitate the desired action, resulting in locked property as observed in Mataura (Southland) and Kurow (Otago).

Improving human capital:

This is essential in many development scenarios and could include strengthening tertiary education, vocational

education and enhancing technical skills, with the aim of matching human capital to market needs. By way of example, in Otorohanga, a small town in the Waikato Region of New Zealand's North Island, technical training was established and an active matching of local industry needs to trainee-graduate support was put in place. In several towns this took the form of individualised pastoral care of trainee-graduates in the workplace.

Marketing:

The OECD research reveals the importance of bringing actors and local assets together, and the promotion of innovation in a region (OECD, 2009).   Some small towns have been quite effective in promoting themselves. For example, a business owner in Clarens, South Africa publicised new developments through a large number of positive media articles, whilst the small New Zealand North Island town of Bulls has gained much publicity for using puns such as 'New Zealand gets its milk from Bulls' and referring to the police station as 'Const-a-bull'.

Innovation:

The encouragement of entrepreneurial activity to locate in a small town can be significant and lead to the development of innovation clusters and strong open innovation supply chains (OECD, 2009). In New Zealand this has occurred via internet trading, rural pie factories, Geraldine's cheese and fruit juice boutique industries, and Blackball's salami accessing regional/national sales. Rural boutique destination retail has clustered in drive-through towns of Shannon, Woodville and Tirau.

Recent field research into the economics of rural towns in New Zealand has observed the occasional appearance of internet traders in rural towns, attracted to the lifestyle and affordable domestic and business premises. Some may even invest in purpose built premises, for example in Cromwell. Various factors may assist or hinder internet traders moving from an urban to a rural township environment, including access to internet and courier services and the availability of suitable space and rural tolerance towards the acceptance of new residents. Due to the publicity that internet sales attract, it is possible that one internet trader could promote the township as a location to others

Rural and Urban Linkages:

Creating rural and urban linkages and supporting complementarities between both regions was considered a critical aspect, with there being a need for policies in both rural and urban regions to carefully consider their active synergies with each other (OECD, 2009: 55). In New Zealand a lack of viable linkages and strong inter-regional competition can result in businesses being lured from rural towns to provincial cities, seeing little advantage to developing in lagging regions. However, a regional approach may see that, subject to a trained and loyal workforce being facilitated, an affordable rural location may be beneficial to a business and also to the national economy.

Manufacturing:

In Canada, it seems there is a trend for manufacturing to move into rural regions in close proximity to the metropolitan centres. In the 1990's across all predominantly rural regions in the OECD, employment in manufacturing grew by 0.5% per year, while in urban and intermediate regions manufacturing employment actually declined (OECD, 2009, pg.86).

During field research it was discovered that some New Zealand small towns have experienced **business growth in rural manufacturing, engineering and farm servicing. However, such businesses need access to trained labour** or they are they are likely to relocate to provincial cities, despite business costs in small service towns often being significantly lower than those in provincial cities.

3.9 Problems in poorly performing regions

The detailed research from the OECD papers also reveals a range of challenges which regions face, some of which are detailed below.

Institutional bottlenecks

These can occur through the poor mobilisation of stakeholders, a lack of continuity in development policies, institutional instability, lack of a common or strategic vision, lack of capacity and poor governance.

Inability to translate policy into mobilization of a region's resources and assets

Inefficiencies in policy selection, insufficient links among institutions and slow reaction to external shocks can be significant barriers to development. This failure has been seen to occur in New Zealand where the focus in lagging regions is often on social services rather than economic development. Economic development needs to include linking actors to what fringe resources may still remain in the lagging regions. The positive economic utilisation of a socialist tourism theme by the so-called 'Hilton Hotel' in the former small mining town of Blackball on the West Coast of New Zealand's South Island, would perhaps be one example of fringe asset utilisation.

Labour market mismatch and Internal market fragmentation

This could be manifested in the low participation of women in the workforce, and a mismatch of skills between demand and supply. A fragmented market may exist due to poor connectivity, insufficient critical mass to generate agglomeration and spill over, and weak internal connections.

Changing the economic and employment bases of small towns can be difficult, but there is some evidence of this being achieved in New Zealand. In the small coastal South Island town of Moeraki, for example, upper income holiday owners have been attracted by the publicity given to the highly rated local restaurant. Meanwhile in the North Island, Raglan has successfully developed surfing related businesses. Other examples include boutique retail development in Shannon, and antique stores in Tirau and Woodville. Both Raglan and Hampden (NZ South Island) have promoted their sustainable and alternative culture to attract investors, whereas Clyde (NZ South Island) has been innovative in promoting its businesses, heritage buildings, lifestyle and investment potential to visitors. Stevenson and Nel's field research in New Zealand has identified that real estate agents have often played an important role in marketing opportunities in small towns and promoting investment.

Human capital, lack of skills and brain drain

Low-skilled populations or loss of human capital can cause problems in some areas, notably in lagging regions. As OECD research found, "Migration is detrimental to lagging regions as the highly skilled tend to migrate out leaving the low-skilled who are more dependent on local opportunities. Alternative strategies to make lagging regions more competitive can include attracting private capital, improving accessibility and connectivity to other regions and promoting endogenous growth by identifying untapped potential sources of growth" (OECD, 2009: 27).

Additionally, in Clutha and Southland where there has been an influx of dairy workers in the last decade, it is often the case that the **skills of the partners of new migrant workers are under-utilised.**

Agriculture focus:

Rural areas often continue to focus excessively on agriculture, which may have a low level of economic performance and an under-utilisation of available labour, However, the reality is that most rural residents are now engaged in economic activities that differs little from those found in urban areas, with most not earning their incomes either directly or indirectly from agricultural production. Indeed, in many areas agriculture has increased output, on a reducing land base, by substituting capital for labour (OECD, 2009:89). Though it may be questionable how relevant this is in New Zealand with a predominately agricultural based economy.

Shortage of refined labour data.

There is a need for clear and systematic analysis of a region's economy and assets, in the context of global trends, including supply chains. However, available data is often at too large a scale to capture the very localised dimensions of what is happening (OECD, 2009:79). This seems to be the case in New Zealand where BERL and Statistics NZ data is often covering too wide a region to be useful to discover township employment trends, and local signs of growth or contraction. In New Zealand, the major employment occupations in rural areas are often in 'businesses services', though farm labouring does remain an important source of employment. **Detailed consideration of what are the most likely local employment activities in relation to the demographics and skills of the local population** could be very worthwhile.

3.10 Lagging regions synthesis

The more recent OECD report (OECD, 2012) highlights the importance of small town and rural economies observing that while economic activity tends to concentrate in large metro cities, there is often a lack of understanding of the growth potential which can exist in regions outside of the main cities. As the report suggests, "less developed regions do and can make a vital contribution to national growth" (OECD, 2012: 15). During 1995-2007, it is remarkable that such regions, often with average GDPs per capita below the national

average, "accounted for 43% of aggregated OECD growth" (OECD, 2012: 19).

The OECD study reveals that "across the OECD area, predominantly rural regions have, on average, enjoyed faster growth than intermediate or predominantly urban areas" (OECD, 2012: 20).

In summary, the two OECD reports (OECD 2009; OECD, 2012) offer some useful ideas to consider in the development of lagging regions, which are characteristic of parts of Southland. These papers concur that by developing 'lagging regions' there can be aggregated economic growth which nations can benefit from, and suggestions are made regarding possible support for such lagging regions. Such ideas may be of relevance to Venture Southland in relation to perceived lagging regions in Southland.

They could be summarized as:

• Recognising that aggregated growth can occur if lagging regions are economically developed, as well as the benefit of increasing the wellbeing for those who are unable or unwilling to move from the lagging area.

• Moving policy from a subsidy focus to the mobilization of a region's own resources and assets.

• Addressing the poor mobilisation of stakeholders, lack of a common or strategic vision, lack of capacity, lack of governance and lack of a voice. Related to this is responding to 'building blockers' in some towns.

• Valorising unused resources. Promoting endogenous growth by identifying untapped potential sources.

• Bringing actors and assets together, by promoting lagging area assets, promotion of investment opportunities during tourism events. Attracting private capital.

• Matching human capital to market opportunities and offering vocational education and support.

• Potential focus on utilising the low skilled population.

• A focus on low tech innovation.

• Infrastructure is more viable if there are multiple users

• Improve linkages between towns, firms, universities and across borders

• Urban regeneration.

• Linking rural and urban economic development policies to ensure productive distribution in both, and reducing inter-regional competition. Considering whether it is viable for manufacturing to be located in rural areas.

• Analysing the assets and labour trends of lagging areas, then matching the two, using data which is ideally at the level of the smallest rural centre.

This section has demonstrated what often appears to be the underutilised value and potential of lagging regions and the reality that there may well be scope to see them as an asset and not as burden.

4. NEW ZEALAND DEVELOPMENT AGENCIES

4.1 An overview of development agencies in New Zealand

The operation and status of development agencies in New Zealand provides an interesting basis for comparison with the range of international examples detailed above. While many local governments in the country (district and regional), do support and engage directly in economic development, the country lacks the legal mandate and policy support found in the EU, or in a country such as South Africa, to ensure that all levels of government prioritise and support local and regional development.

Table 1 contains information about all traceable development agencies in New Zealand and clarifies whether the various district councils undertake economic activities, either through an agency, or directly, or not at all. The Table indicates that:

In terms of members of EDANZ (Economic Development Agencies NZ):

- There are 10 Regional Development Agencies in the country

- There are 6 independent Economic Development Agencies (EDAs) operating on behalf of district councils

- 24 district councils operate as EDAs

- There are 2 independent EDAs.

EDAs operating in the country who are not members of EDANZ include;

- 4 independent agencies

- 8 cities pursue economic actions independently, or support their EDA which is a member to EDANZ

- 20 of the remaining 38 district councils engage in economic development to varying degrees.

As the data in Table 1 below shows, most development agencies in New Zealand, district and city councils which engage in economic development, and pursue relatively traditional development interventions which have a focus on business support, training and investment. Most agencies and councils have developed economic development strategies, support business and investment, are actively engaged in marketing, the encouragement of links and trade, skills development, innovation and sector support and tourism promotion. The last column in Table 1 indicates that, in addition to the preceding, some noteworthy exceptions to these general foci occur, including specific encouragement of; place development/regeneration, Māori economic development, youth support, support of the elderly, education, infrastructure, business networks, broadband and infrastructure.

Of the 80 EDAs, RDAs and councils detailed in Table 1, only 35 have economic development strategies in place. It is equally noteworthy, and quite significant relative to international evidence, that only 7 engage in community (economic) development, and of these only 5 appear to undertake asset mapping and design community development plans in collaboration with their communities, namely: Venture Southland, Kawerau, Alexandra, Thames and Hastings.

Table 1: NZ Economic development agencies and strategic foci

Agency	Economic Development strategy	Business support	Ease of doing business	Investment attraction	Small business support	Tourism promotion	Marketing	Supporting links and exports	Community Development as Eco	Innovation support	Sector Support	Skills support	Job lists	Other
Regional EDAs														
Venture Southland http://www.ventureSouthland.co.nz/	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		Youth development
Development West Coast http://www.dwc.org.nz/	✓	✓			✓						✓			Facility development fund
Nelson Regional EDA http://nrda.co.nz/		✓	✓		✓	✓	✓	✓		✓				Broadband; Apple industry
Northland Inc http://www.northlandnz.com/business/northland-inc	✓	✓		✓	✓	✓	✓						✓	Maori Eco dev

Agency	Economic Development strategy	Business support	Ease of doing business	Investment attraction	Small business support	Tourism promotion	Marketing	Supporting links and exports	Community Development as Eco	Innovation support	Sector Support	Skills support	Job lists	Other
Auckland Tourism, Events and Economic Development http://www.aucklandnz.com/business		✓		✓	✓			✓		✓	✓	✓		Youth employment
Venture Taranaki http://www.edanz.org.nz/member-edas/taranaki/		✓	✓	✓	✓	✓					✓		✓	Regional Intelligence Study
Bay of Plenty Regional Council http://www.boprc.govt.nz/	✓			✓		✓		✓		✓	✓			Smart Growth Broadband Regional Dev Environmentally sustainable Infrastructure Maori Eco Dev Reg Governance Gp
Central Economic Development Agency http://www.manawatunz.co.nz/central-economic-development-agency/				✓	✓	✓				✓	✓			Business networks Education support
Grow Wellington http://www.wellingtonnz.com/business/grow/		✓		✓	✓	✓					✓			Study ? Work Film industry
Canterbury Development Corporation http://www.cdc.org.nz/	✓	✓	✓	✓				✓		✓	✓			Christchurch Eco Dev Strategy
District Council linked EDAs														
Aoraki Development; Timaru http://www.aorakidevelopment.co.nz/		✓		✓								✓		
Enterprise North Canterbury http://www.northcanterbury.co.nz/		✓		✓		✓						✓		
Grow Rotorua http://www.rotoruanz.com/do-business/home/		✓		✓			✓				✓			
Enterprise Great Lake Taupo http://www.greatlaketaupo.biz/		✓		✓	✓							✓		Youth scheme
Waitaki Development Board | Oamaru Mail https://www.oamarumail.co.nz/waitaki-development-board														No evidence

Agency	Economic Development strategy	Business support	Ease of doing business	Investment attraction	Small business support	Tourism promotion	Marketing	Supporting links and exports	Community Development as Eco	Innovation support	Sector Support	Skills support	Job lists	Other
Clutha Development Trust http://www.cluthadevelopment.nz/		✓	✓	✓		✓	✓					✓		
District Councils operating as EDAs														
MacKenzie District Council														No evidence
Selwyn District Council		✓		✓							✓	✓ (Youth)		Industrial park
Dunedin city council http://www.dunedin.govt.nz/	✓	✓	✓	✓		✓	✓			✓		✓		Youth Support
Central Otago www.codc.govt.nz	✓	✓		✓					✓		✓	✓	✓	Community plans x14
Clutha District Council http://www.cluthadc.govt.nz/Pages/default.aspx	✓													Com Dev / Eco Strat youth scholarships
Queenstown Lakes District Council http://www.qldc.govt.nz/														Eco Dev links to Chambers of Commerce: Wanaka; & Queenstown
Grey District Council http://www.greydc.govt.nz/Pages/default.aspx	✓					✓				✓				CBD renewal
Tasman District Council http://www.tasman.govt.nz/framework/main.php?url=/	✓													
Marlborough District Council http://www.marlborough.govt.nz/		✓	✓	✓	✓	✓								Smart Business Marlborough & Business Trust
Hamilton City Council http://www.hamilton.govt.nz/Pages/default.aspx	✓	✓				✓		✓						Community profiles Data monitoring Funding support
Gisborne district council http://www.gdc.govt.nz/ Activate Tairawhiti	Reg Plan	✓		✓		✓					✓	✓		
South Taranaki District Council	✓	✓			✓	✓	✓							Business Incentives
Stratford District Council http://www.stratford.govt.nz/	✓	✓		✓		✓								Community Development; Community Dev Strategy
Wanganui District Council http://www.whanganui.govt.nz/our-district/economic-development/Pages/default.aspx	✓	✓		✓						✓	✓			Maori Eco Dev Smart City; Community and education dev through Wanganui and Partners
Rangitikei DC https://www.rangitikei.govt.nz/														No evidence

Agency	Economic Development strategy	Business support	Ease of doing business	Investment attraction	Small business support	Tourism promotion	Marketing	Supporting links and exports	Community Development as Eco	Innovation support	Sector Support	Skills support	Job lists	Other
Ruapehu DC http://www.ruapehudc.govt.nz/Pages/default.aspx	✓	✓		✓		✓					✓			
Tararua DC http://www.tararuadc.govt.nz/Home	✓													Tararua Business Network
Horowhenua DC http://www.horowhenua.govt.nz/Home		✓		✓	✓			✓						
Horizons RC (Waikato) http://www.horizons.govt.nz/														No evidence
Manawatu DC (Feilding) http://www.mdc.govt.nz/Home		✓												
Palmerston North City Council	Eco Well-being Strat-egy	✓		✓				✓			✓			No evidence
Hutt City Council http://www.huttcity.govt.nz/	✓	✓			✓									CBD Science
Kapiti Coast DC http://www.kapiticoast.govt.nz/	✓													
Upper Hutt City Council http://upperhuttcity.com/	✓	✓		✓										Incentives Business Networks
Independent EDAs														
Wairapa Chamber of Commerce http://www.wairarapanz.com/		✓			✓			✓						
Priority One http://www.priorityone.co.nz/		✓		✓						✓		✓		Collaboration business
NON EDANZ – Cities														
Tauranga City	Growth Strat-egy – W.BOP	✓		✓	✓				✓	✓	✓			Education; R&D; Maori, networking, elderly
Napier City	✓	✓		✓	✓	✓								
Porirua City	✓	✓		✓										CBD; digital
Wellington City	✓						✓							See Grow Wellington
Nelson City						✓	✓					✓		See Nelson EDA
Christchurch City	✓													See Canter-bury Dev Corp
Invercargill										✓				See Venture Southland
Auckland	✓			✓										Business Improve-ment District; see Auckland EDA

Agency	Economic Development strategy	Business support	Ease of doing business	Investment attraction	Small business support	Tourism promotion	Marketing	Supporting links and exports	Community Development as Eco	Innovation support	Sector Support	Skills support	Job lists	Other
NON EDANZ – Independent Agencies														
Kawerau Enterprise Agency		✓		✓					✓					Youth; retirement; property development
Go Waihi						✓	✓		✓					
Otorohanga District Development Board		✓		✓		✓	✓					✓		Youth
Chatham Islands Enterprise Trust						✓					✓			
NON EDANZ District Councils														
Far North	✓				✓				✓					BID; Broadband
Whangarei	✓			✓			✓							
Kaipara						✓								Data
Thames-Coromandel	✓	✓		✓	✓				✓					
Hauraki	✓	✓		✓	✓						✓			Networking
Waikato	✓	✓		✓	✓		✓							
Matamata-Piako			✓											
Waipa	✓													No evidence
Otorohanga														District Development Board
South Waikato	✓					✓	✓							Procurement strategy
Waitomo						✓								Community development strategy
Taupo														See EDA
Western Bay of Plenty														See EDA
Rotorua														See EDA Rotorua 2030 plan
Whakatane														No evidence
Kawerau	✓										✓			See EDA; Energy, waste, niches, social; land; infrastructures
Opotiki	✓			✓		✓					✓			Harbour dev; broadband
Wairoa	✓					✓								Infrastructure
Hastings														Education; CBD; Industrial land strategy, ageing; Community plans
Central Hawke's Bay		✓												
New Plymouth														See Dc; Employment support
Masterton														No evidence
Carterton														Data; urban growth strategy; CBD
South Wairapa														No evidence
Kaikoura														No evidence

Agency	Economic Development strategy	Business support	Ease of doing business	Investment attraction	Small business support	Tourism promotion	Marketing	Supporting links and exports	Community Development as Eco	Innovation support	Sector Support	Skills support	Job lists	Other
Buller														No evidence
Westland		✓			✓									See EDA
Hurunui														
Waimakariri	LED Strat-egy			✓										Link to Enter-prise North Canterbury; Infrastruc-ture
Ashburton														No evidence
Timaru														No evidence See EDA
Mackenzie														No evidence
Waimate														Forestry
Chatham Islands														No evidence See EDA
Waitaki														No evidence
Southland														No evidence See EDA
Gore														No evidence See EDA

Source: Nel, 2017

In terms of differences from international practice, while there are many exceptions to what follows, some broad generalizations can be made;

• Community-based development (economic and other) is not as widely practised in New Zealand as it is elsewhere

• Diverse and unique governance arrangements, partnership formation and place based development are not widely adopted

• Legal and policy sanction for the work of EDAs is implicit rather than explicit

• Central or regional state funding is not directly employed to support businesses and communities, beyond low levels of support for training and facilitation.

• Urban regeneration is a not a major theme, nor is direct rural and community resilience support.

Within this context it is apparent that Venture Southland is clearly one of the leading EDAs in the country with one of the most diverse and comprehensive development portfolios which is in more in line with international best practise, rather than the rather mediocre scope of activities of many of the development agencies in New Zealand.

4.2 Comparison of Venture Southland with two other comparable RDA's

In this section, comparisons are made between Venture Southland (VS) and two similar sized Development Agencies (DAs) in New Zealand : Priority One (P1) in Tauranga and Venture Taranaki Trust (VTT), and two smaller sub-areas' economic plans which lie within the Taranaki region: the South Taranaki District Council in Hawera (STDC) and Stratford District Council (SDC). It is hoped that this comparison will give some insight into features that are beneficial and worthy of consideration by VS. Any suggestions and key points are made in bold. The comparison focuses on key information that potential investors might focus on and key operational differences between the organizations, with further detail provided in Appendix 1.

4.2.1 DATA COMPARISONS VS, P1 & VTT

First, a comparison was made with the data that the various organisations had available, in particular the data on the websites. Any suggestions and key points are made in bold:

(i) LABOUR OR EMPLOYMENT COMPOSITION DATA:

Venture Southland's website showed under economic development, via the regional statistics link, via workforce: employment by industry: the only data available stated that 18.5% of employment is in agriculture, forestry and fishery in March 2015. There is no other data.

KEY POINT: Compared with the other websites this was a low level of website information for potential investors.

There is however more detailed labour data available in a 89 page separate document called Southland Labour Market Assessment (2015: 40) which shows the highest occupation grouping at 16% of jobs as being in agriculture and fisheries (but this had declined over the last 12 years by -2.2%), then service and sales, then plant and machinery declining by 16.2 % over 12 years. Of interest is the 11 -10% in the labour force in each of the following categories, are all increasing by as much as 27, 25 and 36.9% in absolute numbers, being professionals; legislators – administrators and managers; and technicians all increasing, as were those working as labourers (7.2%) and elementary service workers increasing by 22%.

KEY POINT: This data is useful, but may be too inaccessible for investors to easily use in their decision making.

Priority One' s website clearly showed labour data from 2015, showing which industries created the most jobs in their area: the highest being healthcare/social assistance, then administration and support services, then education and training. However, their annual report did not show this data, showing instead the highest growth sectors, but not actual job numbers: horticulture and food processing, bioactivities, information and communication technology, marine discovery, specialised manufacturing and education. This information can be misleading if actual job numbers are not referred to, the Southland Labour Market Assessment (2015) data is clearer, showing numbers as well as growth and decline trends.

Venture Taranaki's website had an employment data option which showed a detailed ranking of the growth industries in 2014 -15, with the largest employers being dairy, dairy product manufacturing, supermarkets, and then hospitals. Information is supplied by Infometrics. Separately, their 2015 annual report showed the employment composition for 2008, the highest shares being in agriculture, then wholesale retail, then business services.

KEY POINT: The VTT website data is very thorough, showing all industries, in growth or decline over the year, and is very accessible and informative for new investors.

RECOMMENDATIONS for VS consideration:

• Detailed data on Southland worker numbers in all occupation groups and, in particular, large and growing occupations, needs to be shown on the website in a prominent position. This data is available, but in a separate hard to access document. Venture Taranaki had this data on their website.

(ii) ANNUAL EARNINGS OF RESIDENTS:

Priority One's website showed: Mean annual earnings 2014 for Tauranga city $49,780, compared with NZ at $54,230. The 2015/16 annual report showed the increase in average salary was 7%, but no other data was given.

Venture Taranaki's website showed: Mean earnings $57,070 and 2.7% growth, but no national average comparison was given.

Venture Southland website showed: via the economic development link via the regional statistics link: the average household income at $84,836 with links to comparisons with other regions.

No recommendations: Venture Southland shows average income and regional comparisons well.

(iii) HOUSE PRICING COMPARISONS:

Venture Southland, via the economic development link, via the regional statistics link, shows mean rent at $226 per week with a link to comparisons with other NZ regions. House price comparisons are available by scrolling down the page, and include comparisons with other regions.

No recommendations: Venture Southland show annual earnings and house price comparisons well.

(iv) LABOUR FORCE PARTICIPATION RATE:

Venture Southland, via the 'economic development' link, via the 'regional statistics' link showed this to be high compared with the national average.

Priority One website via the 'our economy' link shows employment growth for Tauranga city of 3.7% compared with 2.4% for NZ and total employment. Priority One's annual report 2015/16 (p.4) shows 4.2 % employment

growth for the wider Western Bay sub–region.

No recommendations: Venture Southland shows this information adequately.

(v) POPULATION:

VS website shows via the 'economic' link, via the 'regional statistics' link that the estimated Southland population was 97,300 in June 2015.

Priority One's website shows via the 'our economy' link a 2015 estimate of 124,600 for Tauranga city rather than for region. Priority One's annual report for 2015/16 shows (p. 4) a population of 171,400 for the Western Bay sub region 2015

VTT website shows via 'work and live', via 'about Taranaki', under 'region' a population of 110,000 split into New Plymouth 75,000, Stratford 9,000 and South Taranaki, including Hawera 26,000.

KEY POINT: this population split into different urban areas is useful and shows the other economic hubs in the region.

RECOMMENDATIONS for Venture Southlands consideration:

• VS need to list the populations of sub-areas up-front on the website. Note the VT breakdown of population into sub-areas is very useful, however the data is rather hard to find in most websites, involving opening several pages. The Priority One website had a Tauranga city only focus, which gives little opportunity for highlighting lagging areas with growth potential in the region.

(vi) GEOGRAPHY

Venture Southland does not describe the region in their website and offers a link to Southlandnz.com which shows a map of the region showing all sub-areas, which must be individually opened to gain the data, and there is no one page overview of the populations or economies.   No mention is made of the proximity of neighbouring areas such as Queenstown or Clutha, Owaka, Tapanui, Lawrence, Clinton, Balclutha or Kaitangata.

Priority One mentions: Western Bay of Plenty and Tauranga city, with little or no mention of smaller areas: TePuke, Kai Kati, Waihi Beach.

Venture Taranaki mentions: Mount Taranaki area, including New Plymouth, a small mention is made of; Hawera (population given), Stratford (population given) and no mention is made of smaller places such as Patea, Waverley to the south or Morau, Urenui, Waitara, Inglewood or Eltham. Though there are separate documents for the Stratford District Council (SDC) economic development strategy 2012-15 and separately the South Taranaki District Council (STDC) (Hawera) Economic Strategy 2014 which mentions Patea.

RECOMMENDATIONS for Venture Southlands consideration:

• To get a good description of Southland's geography one has to go to the Southlandnz.com site, and this does not give a one-page overview of the populations or economics of these smaller areas. The VS website could usefully have one page giving an overview of the economic size and potentials in the various Southland urban areas (e.g. Bluff's population and port), and some indication of driving time to neighbouring economic hubs such as Queenstown and Central Otago would be beneficial.

(vii) FINANCIAL COMPARISONS VS, P1 & VTT (taken from annual reports).

 Any suggestions and key points are made in bold:

a) DA's ORGANISATION INCOME

Venture Southland- total revenue $5m: Operating income includes: Council $3.4m, other income $1m, grants $0.194m, project income $0.340m   (year in review 2012-13).

Priority One- total revenue $1.6m: Council grant $0.904m, INSTEP grant $0.152m, member fees $0.275m (2014/15 report).

Venture Tauranga-total revenue $3.6m: Council grant $2.7m, Callaghan grant $0.12m (2014/15 report).

No recommendations: Income is higher than the others, however VS undertakes a lot of economic and community development for lagging or fringe areas which the other DA's do not do, and it has the benefit of financial contributions from a combination of councils and some income generating projects.

b) DA's ORGANISATION EXPENSES

VS expenses include: operational $4.5m, project expenses $0.352m (Year in Review 2012-13).

Priority One expenses: wages $0.669m, project expenses $0.622m, marketing $0.035m (2014/15 Report).

Venture Taranaki expenses: Personnel $1.2m, rent $0.14m, marketing $0.54m   (2014/15 Report).

c) STAFF

Venture Southland had the largest staff budget included in the $4.5m operational expense, which includes other operational costs as well as 47 staff or equivalent 34 FTE's (1 CEO, 8 admin, 10 business team, 11 community development/events (5 of these allocated to smaller regions), 4 destination marketing staff).

Venture Taranaki's wages budget is $1.2 m and has 13 staff (2014/15 Report).

Priority One wages $0.657m and has 9 staff (2015/16 Report)

No recommendations: Staff numbers are higher than the other DA's, however, VS undertakes many additional activities, including economic and social development for lagging or fringe areas which the other DA's don't. The OECD reports clarify that levels of staff can vary widely among DA's. There is no average baseline for staffing levels.

(viii) STRUCTURE COMPARISONS VS, VTT & P1.

VS was first formed in 2001, and is owned and funded by the Invercargill City Council, Southland District Council, and Gore District Council. The Community Trust of Southland also contributes to an Investigations and Impetus Fund, with funding also received from Environment Southland. Venture Southland receives some additional income from their own activities, such as the Awarua Satellite Ground Station and related space project and additional contracts for services. Venture Southland is a joint committee of the three Councils and had previously considered changing from a Joint Committee structure to a Council Controlled Organisation (CCO) during 2013/14 but subsequently agreed to remain as a Joint Committee and declined any change. The Joint Committee has six members, three are currently councillors and three independent directors appointed by council: including a Director who was previously an ex-Director of Port Taranaki, and CEO of Riverlands Ltd Eltham; a Director who is the Chair of the Southland Regional Development Strategy (SoRDS), Chair EECA, and Director of PowerNet Ltd, Electricity Invercargill, and Todd Corporation, and a final Director being the ex-Chair of the Community Trust of Southland (CTOS) and Director of various industry boards, and an additional Director who is the Chair of Environmental Southland. There is also an advisory subcommittee who monitor and oversee Venture Southland, with Invercargill Council allocating five: being the Mayor and two councillors and two community reps, one being the SIT CEO, and one community representative being a director shown above. Southland District Council allocates four members, being the Mayor and two councillors and one community representative, being a director shown above.

Gore allocates three, being the Mayor and two councillors, and separately there is also an Iwi representative. Being a Joint Committee staff must be formally employed by one of the councils.

Venture Taranaki Trust (VTT) has been a CCO since 2004 and is owned solely by New Plymouth District Council. VTT has 7 board members, all of whom are appointed solely for their economic development skills, with only 3 board members living locally in the region, noting that few businesses in Taranaki are registered in Taranaki with most being owned outside the region. No board member is appointed for reasons of their business sector or organisation representation. Three of those members are also on the Audit and Risk committee, and are currently all locally resident board members. The organisation recently undertook a section 17A LGA review and decided to appoint one non-voting observer member representing the owner of the CCO. This person may attend all meetings as an observer, with no voting rights, but can have copies of all minutes and can attend confidential briefings. The first hour of VTT meetings are confidential. The board reports to its owner the New Plymouth District Council, as well as to the other councils in the area namely, Stratford District Council, South Taranaki District Council and Taranaki Regional Council. The owner has the ability to appoint or remove the CEO of VTT. All other VTT staff are employed by VTT directly.

Priority One was established in 2001 by the Tauranga and Western Bay of Plenty business community in partnership with the sub-regional local authorities. It was the first economic development organisation in New Zealand to be initiated by the business community and run along business principles of action and results (P1 website). Priority One does only macro-economic activities and not individual business training or mentoring, as this is done by the local Chamber of Commerce. Priority One also undertakes economic development for the two area councils. Priority One is unique in New Zealand in that it is a stand-alone organisation owned by local businesses and not by the Council and its board is elected by its paid up local business members. It has 11 board members, one is the CEO of Tauranga Council and one the CEO of Western Bay of Plenty Council, as Priority One is also responsible for undertaking all economic development for both councils. The rest of the board members are elected from the businesses who pay a subscription towards membership of Priority One, with the number of votes being related to the value of their subscription. The board members tend to be senior staff of a range of local companies, and often the larger ones such as the port company. Board members have a position for three years and then must stand for re-election if they so choose.

RECOMMENDATIONS for VS consideration:

Consideration of a model that will allow the direct employment of staff. Further consideration could be given to the VTT model, which avoids directors having an excessive council, funder or business sector/company bias, while maintaining a strong economic development focus among the directors. Note: overseas evidence suggests that a range of structures are found to be workable.

(ix) DA ACTIVITY COMPARISONS VS, P1 & VTT (taken from annual reports).

Venture Southland activities summary: (Year in Review 2012-13):

Key points relative to P1 and VTT: VS has the highest income, is the only one of the three DA's doing community development, and has a focus on local dairy and agriculture, supporting the retention of, or alternatives for the existing aluminium smelter. There is a high level of innovation research e.g. space support, silica potential, oat milk potential, alternative energy potentials, International Education student attraction. General business support including mentoring, innovative lean management training and dairy lean management training; tourism promotion and support for new tourism product development strong events support; strong support of community groups, one social issue meeting, social issue facilitation e.g. Riverton night patrol and Mataura /Gore DC worker, website, newsletter, social media. Future plans include economic development in Ohai, Nightcaps, Tuatapere and Wyndham.

RECOMMENDATIONS for VS consideration:

• **Excellent to see in the future plans to support economic development in lagging areas.**

• **Could benefit from linking tourism promotion material and events with attracting new investors and residents to Southland's main centres and smaller towns.**

• **Excellent use of high tech shown, this may also benefit from having a balanced focus to also include low-skilled jobs and focusing on matching innovative low-tech businesses to the low-skilled populations.**

• **Excellent focus on multiple users for Tiwai Point smelter, new multiple users for Manapouri power may also be a benefit. New multiple users for under-utilised facilities such as schools, pools, disused factories, etc. may be a benefit.**

• **Migrant settlement support is excellent, potential to focus on economic integration and productive utilisation of other family members.**

• **Need to ensure strong asset and skills mapping for smaller areas, with a focus on economic as well as social.**

• **See suggestions below.**

Venture Taranaki activities summary: (Annual Report 2012): Their focus is mostly on business support, very good information is provided on the region, focus on regional assets, very strong lures for new skills and expatriates to locate to the area, strong promotion of lifestyle, use of social media, including YouTube, events, starting a new activity, and finding mentors for community groups.   Little in the way of small town support.

The smaller councils, Stratford DC and South Taranaki District Council STDC (Hawea), both depend on VT. Current economic activities for both the smaller councils being fairly modest, and limited to I-site and business association support in Stratford. Stratford DC had done a very through SWOT analysis of future needs, and indicated 21 new ideas, including encouraging apprentices into the trades, CBD improvements, new subdivisions, promotion of affordable housing, and promotion of tourism features such as the 'Lost Highway' - but no indication of how these new activities will be resourced. STDC were focused on potential Hawera retail upgrades and heritage walks in some of the smaller towns (the only plan to mention the small lagging areas), as well as proposals to support youth careers days and youth to work celebrations.

More detailed notes on activities for VT, SDC and STDC are in Appendix 1.

RECOMMENDATIONS from comparisons with VT, SDC & STDC for Venture Southland's consideration:

• **Evidence suggests that Venture Southland does a lot more for economic development in fringe and lagging areas, and should be congratulated for undertaking this initiative. In Taranaki, for example, this is left to the smaller and less well-resourced councils.**

• **There would be benefit in possibly having a 'jobs required' section in the Southland website?**

• **There would be benefit in promoting affordable housing (e.g. the Stratford plan)**

• Linking businesses to universities or polytechnics?

• Venture Taranaki has excellent business statistics ('intelligence'). It is recommended that Venture Southland makes this type of data easily available on their website for new potential investors. In particular, it would be useful having data on skills and assets available at small town level.

• Small town SWOTs need to be applied.

• Monitoring retail activity, both on the ground in shops in each town, and via the internet in each town, would be useful to identify growth or decline. Consider upgrade of CBDs (SDC).

• 'Residential luring campaigns' such as the 'Swap Sides' campaign.

• Marketing of affordable housing (SDC)

• Upbeat social media e.g. 'we are happy' YouTube clip used in Taranaki.

• Linking businesses needing staff with apprentice supports.

• Promotion of alternative tourism features, e.g. the Forgotten Highway (SDC)

• Mentors for community groups? Unsure of need in Southland.

Priority One (Tauranga) activities summary: (Annual Report 2015/16) very growth focused, e.g. attracting and growing innovative businesses, encouraging macro-economic change via projects, such as linking youth to science and innovative local businesses, and creating a CDB based tertiary facility, leaving business mentoring and coaching of businesses to the Chamber of Commerce. However, there are few projects for low-skilled (except kiwi fruit and aqua culture) or lagging regions, few social projects.

Activities identified in the report include: new industrial land i.e. Tauriko business estate, NZs largest private industrial park; merging two polytechnics; plan for a university campus in the city by 2019 is an issue for the area; research into 'blue biotech' (aquaculture, etc.); Angel Investment Fund - Enterprise Angels Bay of Plenty, which claim to be NZ's largest and most active; privately owned WNT Ventures, a technology incubator linked to all NZ universities and linked to a Wellington Angel Investment group; private Newham Horticultural Innovation Park; powdered titanium product development; new regionally focused private equity fund for established high growth businesses called Oriens Capital; 'House of Science' for teacher development (500 teachers) and primary pupil science exposure – based on a model from Berman University in Germany; Marine Bio Discovery- a marine field station link between Waikato and Berman University (Germany) ; 'In step': young innovators awards, speakers in schools, principals visit to innovative businesses; Sponsoring various innovation awards and events; business expos; 'Ignition': co-working space for entrepreneurs; business attraction and relocation: 60 firms were approached, 4 moved, leading to 29 new jobs, 18 firms are actively considering relocation with the potential for 362 jobs; promotion of the CBD via virtual tours; contact centres: encouraging current firms to stay and not outsource, and the attraction of new call centres; targeting distribution companies in Auckland; ICT cluster; international links to (Yantai) China, (Hitachi) South Korea and (California) USA; Business skill attraction "wish you were working here" work with NZ immigration, including migrant investor support; Kiwi fruit post-harvest forum issues and actions (power, water, transport, staff accommodation).

RECOMMENDATIONS from considering Priority One (Tauranga) for Venture Southland's consideration:

• Agricultural research is currently being undertaken. Need for aqua-culture research?

• Need for a large private industrial park?

• University (polytechnic) campus in city focus?

• Linking other universities, e.g. Otago and Lincoln, to local businesses? i.e. WNT Ventures.

• Angel Fund or Oriens Capital Fund?

• Linking high school teachers to innovative local businesses?

• Establishing 'Young Innovator' awards?

• A co-operative sharing space for entrepreneurs?

• Actively luring businesses to relocate to the various small towns or to Invercargill City?

• Recording numbers of businesses who sought (or are seeking) to move, numbers who moved, numbers of jobs created

• Actively attracting migrant investors, liaison with NZ immigration?

• Identification of pockets of land, resources available for utilisation, in small towns and larger Southland centres?

- **Identifying and address retail vacancies, and use vacant retail spaces?**
- **Linking primary and intermediate school teachers to scientists?**

While all three organizations share many similarities and successes, it is apparent that VS has a wider and more comprehensive portfolio of activities, particularly in rural areas which places VS in a comparative position with many of the more successful RDAs globally.

5. FEEDBACK FROM LOCAL STAKEHOLDERS

5.1 Venture Southland's perceived involvement in the region's economic development and its future potential: recommendations for VS consideration based on key informant interviews.

5.1.1 Methodology

A range of Southland and national individuals were asked for comment, selected on the basis of their knowledge of Southland and its economy. They were asked for their personal views on Southland's economy and VS, and considerations on how specific challenges could be addressed. They were also asked to consider whether any of the international or national economic development concepts outlined in Sections 3 and 4 above could be of relevance to Southland. These interviews were undertaken via telephone interviews. Personal details in the interviews have been removed to preserve the informant's anonymity, and this was done to encourage individuals to share their views freely. The focus on the personal views of experts allows a degree of independence from organisational viewpoints.

Sixty people were initially identified for interview, based on them having experience of the region and its economy and informants were sought from a range of sectors and geographic areas. Of the sixty who were originally identified, four declined due to conflict of interest or time constraints, whilst a total of 31 individuals responded. These interviews have provided some very useful feedback and suggestions for Venture Southland's consideration, reflecting insights from knowledgeable individuals from a wide range of sectors and sub-regions.

The interviewees included economic development experts, including a representative of one agency from outside the region, and two independent economic development consultants who had worked in Southland, as well as in other areas in New Zealand, and one former VS contact. In total, eight economic development experts were interviewed and their interviews have been coded as: EDA1, EDA2, EDA3, EDA4, EDA5t, VS1, VS2, VS3. Central (Gt1 & Gt2) and local government respondents (SLG1,LG2,LG3,LG4), independent businesses (B1t, B2, B3, B4, B5, B6m) including Māori, a technology business, real estate and business groups (BG1, BG2, BG3f), representatives of Gore (G1,G2,G3) and smaller towns such as Stewart Island (B6), Mataura, Bluff, Lumsden, Winton, Ohai, Edendale/ Wyndham (ST1m,ST2b,ST3l,ST4w,St5e) were also interviewed. Several of the interviewees from the various coded sectors were also farmers. Only a few organisations or individuals from sub-regions in Southland were unable to respond, but hopefully their views are captured in the responses from the informants detailed below and independent input to VS, apart from this study, remains an option for all.

Some interviewees responded to only certain specific matters raised, hence the numbers of responses per topic should not be the sole consideration, as a suggestion from one person can be a perfectly valid suggestion. That said, positive responses from a range of people do indicate support for an issue and little opposition does indicate a degree of popularity of an issue or concept. Where contrary views are expressed they are indicated beside the opposing view. Some comments were unsolicited, but are also included in order to reflect the views of the interviewees. Where useful recommendations were raised they are included in bold for Venture Southland to consider. These recommendations cover the range of concerns or opportunities raised by the interviewees, and are also consistent with RDA practice both around the world and in New Zealand. Some interviewees suggested that more political actions were needed and these are also detailed in the text should VS choose to consider them.

5.1.2 Analysis of interview responses

Findings from the interviews have been coded and assembled under key themes which are detailed below;

(i) Economy

In summary, most respondents viewed the economy of Southland to be predominantly based on farming production; fishing and seafood; food processing, farm services; general services, including retail, health and education; some manufacturing for export in Invercargill, with sheet metal and boat-building specified; tourism, mostly in Te Anau, and to a lesser extent on the coastal route; a very small amount of IT; and a very small amount of arts and 'alternative occupations' including internet traders. Three respondents noted that these arts and alternative style occupations tend to locate in the smaller peripheral towns, but often required good internet and cell-phone services.

The performance of the economy was described as 'middling' in the smaller towns by one interviewee (ST5E). The retired population is very present in the dynamics of the Southland economy, with four respondents noting that financially independent older Southlanders of 55+ years were selling up and retiring to their holiday homes in Central Otago, while one (B5) noted that some North Islanders were 'considering' reinvesting in Southland, freeing up capital and buying a second local investment property as well.

ST2B and G1 recommended: that **this retired population should not be viewed as a negative factor, and some consideration should be given to jobs that can be created by catering to the service needs of both the active and less active older population.** BG2 mentioned the challenge of facilitating local access to locally produced energy/electricity, as the regulations regarding the transfer of electricity to the National Grid did not incentivise the local use of locally generated power.

EDA4 &ST2b recommended **that VS continue to assist in considering methods of helping local businesses to access local energy/electricity directly and to consider alternative uses for local electricity.**

(ii) VS's mix of activities / integration of activities

Eight interviewees (LG2, EDA1, EDA3, EDA4, VS2, VS3, VS1, ST2B) believed that tourism, events, community development and economic development should be retained in the same organisation allowing for the activities to merge. They felt there was a considerable cross-over between these activities, and with much potential to leverage economic development off other sectors' activities. In contrast, only one alternative view was expressed by Gt2, who indicated that they would like to see tourism separated from the group due to confusion/disagreements about different agencies controlling different geographical areas.

One respondent (EDA1) strongly felt that VS should not silo staff into a single sector and that all staff should be able to facilitate some cross-over in all of the sectors. VS1 felt the VS staff did, however, liaise and fill gaps. An example given of cross-over was a small community development activity i.e. a 'mud running' event, which could eventually become a regional iconic event and lead to area promotion and tourism.

Recommendation: t**o keep tourism and events, community development and economic development activities merged within one organisation, with all staff able to 'cross-pollinate' development potentials.**

Two interviewees argued that they would prefer it if their councils could reconnect council community development activities to VS economic development, with LG2 wanting community development and economic development in Invercargill to merge.

Recommendation: **that VS staff should be able to advise council staff of any cross-over investment potential in council projects e.g. in a council community development project.**

The benefit of VS being a 'one-stop shop' for development enquiries e.g. community, new migrants from other parts of NZ, or international, investment, business development, tourism, events etc. was also recommended by two interviewees (EDA1 & EDA4).

(iii) VS's foci and its staff

An extremely high level of appreciation for VS staff was expressed, with 12 interviewees making strongly positive comments. Three mentioned that the co-funding from the three councils had resulted in the resourcing of high-quality staff, two mentioned their concern that VS staff resourcing was underfunded, which affected the time available to assist or communicate with stakeholders, and two respondents suggested that outside government funding or revenue for the space project could assist.

Recommendation: **that the high level of resourcing of staff via council co-funding should be retained, and other ways to augment funding could also be considered.**

Some VS staff were cited by interviewees as being 'extremely skilled', 'smart' and 'useful', in particular in research (especially in space, lignite, silica, oat-milk and water availability research), community development, and economic development implementation. They were also praised for their 'ability to push projects over the line,' to undertake smart innovative projects, and to have a 'can do' attitude (Gt1). Three respondents mentioned a very high uptake of VS business support programmes by businesses, being much higher than in other regions (EDA3, EDA4, B3). In addition, they noted that VS had a successful history of facilitated support programmes which had proven to be beneficial. Many noted a high level of VS staff awareness of what is occurring in community groups and businesses in both large and small towns in the region, including B6m who noted VS's ability to work productively with Ngai Tahu. ST3L noted that VS was more effective than council in these activities and BG2 noted that VS is considered as a 'leader in economic development in NZ' and should not follow anyone else's model. Specific praise for having big ideas, the space programme, lean management, lean dairy, energy research, silica research, oat-milk research and international education being particularly noteworthy. Gt1 praised the CEO of VS for being able to gain national funding and 'hold a room'. Gt1 noted that disruption can occur in organisations when staff are replaced due to political changes. G3 did indicate that VS was dependent on 3 or 4 key staff.

Recommendation: **that the pool of highly capable VS staff, with their keen awareness of economic and community development, should be retained and supported.**

(iv) VS's portfolio mix

Though many supported the mixed focus of VS staff (8) and the various VS activities (12) seen above, there was a small degree of criticism, with one interviewee feeling that VS was too 'high end' in its focus, while three others (VS2, LG3, Gt2) noted that some research had not produced jobs to date, and the energy put into this research had to be halted at some stage, while also noting that the research data can be made publically available and left to the market to uptake SLG1, LG2 & EDA1. EDA1

Recommendation: **That the board of directors should have a robust methodology to be able to assess the project/research threshold, and at some point, to assess if it is likely to produce jobs and on occasions, if deemed appropriate, to fully withdraw and pass the project/data on to the market sector.** One respondent felt that VS had spread its wings too far, however, this needs to be considered against the high level of positive support for research noted by many of the above respondents. Two respondents felt there should be more of a focus on jobs at the bottom end of the economic and skills spectrum, and assistance for struggling suburbs, with the need to include addressing particular employment needs in Invercargill (Gt1 & LG2).

EDA1 recommended: **that it is critical that economic development organisations have a mixed and balanced portfolio of longer term 'blue skies' development of creative projects, including still unheard of innovative new projects that may diversify the economy, as well as enable the growth of new or additional 'visible' jobs. In particular, it is important to match new businesses to the low skilled in struggling areas.**

(v) Lobbying and having a general 'bird's eye view'

Having a 'bird's eye view' (i.e. the ability to have an objective regional overview) was supported in relation to tourism (see below), but also too for all economic development, migrant support, community development and events. VS was seen to be independent from councils and able to lobby for an issue, even if it was not in line with a particular council's priorities. However, some respondents wanted this lobbying to be stronger, in particular for the struggling areas in both small towns, and in struggling Invercargill suburbs. Some felt that the larger companies and Invercargill dominated the economic field of VS's concerns, and the smaller players also required support and advocacy. Therefore, a concern was expressed that if large companies or council representatives dominated the Board of Directors of VS, this could possibly be perceived to pose the risk of a bias towards certain geographic areas or sector activities. One interviewee mentioned that the neighbouring regions also promote activities and have similar economic issues to contend with, suggesting there is value in liaising with them (Gt1).

Recommendation: **It is good that VS has a regional 'bird's eye' role and view of tourism, events, CD and economic development.**

Recommendation: **VS have a lobbying role to government and councils expressing this 'bird's eye view', even if contrary to a particular council's interests.**

Recommendation: **to also consider including in this 'bird's eye view', the needs of stressed/lagging areas in small towns, rural areas or struggling suburbs.**

Recommendation: **VS should include liaison with neighbouring regions such as Dunedin, Clutha, Queenstown, Central Otago, etc., who may benefit from a shared engagement over common challenges.**

(vi) Economic focus: tourism or agriculture?

Contrasting views were expressed about economic focus. The pro-tourism development view was seen as a key way forward by some who saw that economic diversity was needed and tourism was the key to this. One interviewee noted that tourism jobs require low capital outlay and offer jobs to farmers' children as an alternative to agriculture which was now less labour intensive and more capital intensive. One interviewee supported providing additional funding to tourism as the state only funded national tourism promotion. The counter, pro-agriculture view, was seen as key to the future by others; comments included that tourism was clustered in Te Anau and to a lesser degree in the coastal townships, and there was a larger and wider spread of jobs in agriculture and these jobs were more consistent and substantial. Two respondents felt that tourism ED should be more self-funded and less of a drain on the rates. One also mentioned that they felt the need for the promotion of towns on inland routes, whereas tourism currently focused only on the coastal routes. Views on these two key sectors were fairly evenly split.

Recommendation: **to strive for a balance between tourism and agriculture in terms of funding and support.** Consideration is needed of the externally funded and self-contribution balance between tourism and agriculture which is a complex and changing situation with political and market implications.

(vii) Tourism

Six interviewees expressed a high degree of appreciation for VS support of events and tourism. One (Gt2) respondent, while happy with events promotion, indicated they would like to see tourism established as a separate entity due to confusion/disagreements about different agencies controlling different geographies. Many more respondents, however, (EDA2,EDA1,LG4,VS1,EDA5,BG2) indicated appreciation for VS's support of tourism promotion and their support for smaller tourism providers, and saw a need for VS to offer the 'bird's eye view' of tourism and to provide coordination, with other niche tourism hubs undertaking specific actions. GT2 indicated a need to co-ordinate tourism promotion, as problems had occurred in the past when one tourism group's promotion had been displaced by another. Others expressed the need for this 'bird's eye view' to consider the pressure on tourism and how this may be best addressed by different towns or villages i.e. in terms of issues such as infrastructure; toilet provision, support for private camping grounds (1), broadband (5), and in planning matters (i.e.: VS could advise on tourism planning to ensure a spread of support across the region, and the maintenance and improvement of the quality of the tourism experience, including issues of environment and water quality (3). It was also argued (by 7) that such an approach could take the pressure off tourism hubs by hosting campervans in other towns and developing alternative attractions. One interviewee wanted this 'bird's eye view' to also include liaison with Dunedin, Queenstown and other neighbouring regions, as tourism in Southland was driven by these neighbours.

Recommendation: **VS should consider providing a 'bird's eye view' of tourism and liaising with neighbouring regions, and with niche tourism hubs and other towns to enable them to undertake specific actions.**

(viii) The tourism campervan issue

In relation to tourism, 9 respondents noted a problem occurring with freedom campers attracting public frustration and at times aggression, which could negatively affect tourist perceptions of the area, with one describing Invercargill as 'campervan unfriendly'. One respondent felt that VS needed to assist in lobbying for new planning rules to restrict freedom camping in possibly sensitive areas. Another felt that privately owned camping sites should be encouraged, and 7 argued that community facilitated and controlled campervan hosting areas, such as in Lumsden, should be actively encouraged. Suggestions of where such activity could be encouraged included, Mataura, Tuatapere, Ohai, Nightcaps and Otautau. One interviewee indicated that having a degree of control, and providing privacy through screening at community campervan sites would help to avoid negative public interaction.

Recommendation: **VS should consider local attitudes to campervan tourists and support the development of friendly, private and community controlled sites.**

(ix) Invercargill tourism (i-Site)

One interviewee felt that the i-Site in Invercargill was located to suit council departments i.e. being sited at the museum and park and not located to suit visitors. They would like to see VS operate freely of council directives in tourism development matters. Another indicated that the i-Site was in the correct location for tourists and a second site in the CBD could be considered if car-parking, an associated facilities, were available.

Recommendation: **Investigate the I-Site location and viability of a CBD information site in Invercargill.**

(x) Events

Another example given of cross-over between activities was in relation to events and economic development. The example was given of events that can also actively lure new investors and residents with a special interest to an area. Nine interviewees mentioned that events should be supported to actively promote local investment opportunities (G1, VS3, Gt2, G3, EDA5, BG3f, BG1, BG2, and B6m).

Recommendation: **Events could be supported to actively lure new investors and residents with a specific interest.** Two interviewees also identified the benefit of attracting repeat visits. VS1 **noted VS does promote events in the region, however, this was a low key activity that may need to be highlighted more.**

One business (B2) also saw benefit in these activities and recommended: that **VS support events that could attract the specialised skills and staff that local businesses required, in this case perhaps through events utilising physics and robotics.** They did also comment that their own personal requirement for specialised staff was less, as their reputation ensured a pull of skilled prospective staff.

(xi) The space project

Many interviewees (ST1, B3, EDA1, VS1, VS3, Gt1, and BG1) mentioned that VS operated the space satellite station themselves, with none voicing an opposition to this, including from those who objected to VS owning other projects. Two respondents, BG1 & B3, mentioned that the private sector would not be prepared to

take the risk and therefore they were happy to see VS operate this specific project. Some appreciated that the space project was an income generator for VS and therefore reduced the call on rates. One business in the technology field said they received no spin-offs from the project, but appreciated the 'can do attitude' that the project indicated. EDA1 Indicated **that care needed to be taken to assess whether the energy input, including staff attention, put into self-run projects like the space project warranted the income generated.**

Recommendation: **that the income generating space project should receive continued support.**

(xii) Housing, new residents and migration

As a positive feature, many interviewees noted the steady and improved property sales in the region, with B5 noting that new foreign immigrants were buying houses, with the exception of Filipino workers who had previously often rented. But the parents of international students were also buying houses despite only visiting for 3 months a year. A less positive view came from LG2, who noted that increased sales had resulted in affordable rental property now being more challenging to access and hence the 'affordable Southland' message is possibly less true.

Five interviewees, including G1, BG2, LG3, noted that North Islanders were reluctant to move to Southland, citing negative North Island views of the cold in Southland, despite having lifestyle affordability and job availability. Respondents V1 and EDA2 noted that people may consider moving, but there was a need to promote the area and follow through with jobs, houses, lifestyle options such as cafes and welcoming support. Two of these respondents, plus BG3, mentioned a preference for attracting foreigners from overseas to live in Southland, as they were happier to move to a cool climate where there was employment and housing stability and willingness to accept challenging working conditions. G1 did indicate a contradictory view, namely that foreign workers had less time to contribute to the community, and were sending income home as remittances, and therefore contributed less to the local economy, other than assisting farm businesses to increase productivity. This person and one other (Gt1) indicated a preference for North Islanders seeking employment to move to Southland and contribute to the local economy. Respondents BG2 and ST1m indicated a benefit to Southland from the cultural diversity of immigrants, a benefit to the local farms through the provision of labour and indicated that remittances tended to stop over time, or with the second generation, with one noting that Dutch immigrants were similarly considered in the past, but over time proved to be major contributors to the New Zealand economy. EDA1 noted that if jobs and salaries are at the right level then people will come, whether from overseas or North Island. One interviewee, BG2 preferred to attract North Island families of workers rather than retirees. In general, the attraction of workers from both overseas and New Zealand was seen as beneficial, though recommendations were given on how this could be better facilitated (see below).

Four informants Gt1, ST1m, SLGA1 and EDA2 recommended: **That the image of Southland be promoted ("tell people the lights are on" EDA2), with two examples given of using Mayor Tim Shadbolt and SIT as the best adverts for Southland.** An informant in real estate and LG3 recommended: **the support of mature SIT students who are more likely to remain Southland residents and purchase housing.** Several respondents, including ST3L and G2, noted that 'creative' people were preferring to locate in the smaller towns, especially those with good internet connections, rather than in the larger more conservative urban areas and recommended: **the promotion of small towns as a location for IT businesses and internet traders.**

Of those concerned with migration, most noted a lack of research on who is buying in Southland and their reasons for purchasing or leaving, and what occupations these new residents and their family members have.

Recommendation: **Research should look into who is moving to Southland, the household members' occupations, reasons for moving, or factors causing hesitancy to assist in future regional promotion campaign planning.**

Some mentioned plans and current initiatives to support new migrants via welcome packs and new migrant centres, though one was unsure who was undertaking this. Six (B6m, G1,VS3, GT2, Gt1, EDA2) supported the concept of and recommended: **development of models of a more personalised pastoral care service to all family members who migrate to ensure personal support to access appropriate work or activities for partners and youth family members, whether international or North Island migrants.** Gt1 and B6m noted that **government support packages could be used to incentivise transfers from the Auckland region to Southland.**

(xiii) Café development

Three respondents mentioned that good cafes can assist in attracting and holding residents. Two interviewees mentioned that Southlanders are hospitable at first contact, but tended to keep their hospitality based in the private home. Two (VS2 and EDA2) recommended: **more quality 'small' café's and bars to encourage public hospitality, in particular in Invercargill,** which they felt lacked a variety of cafés of quality. One respondent noted that very hospitable cafes do exist in the smaller outlying towns and villages and recommended **friendly small town cafes be promoted on a Southland / VS website.**

(xiv) Private-public partnerships, brokerage and building development

The need to develop a hotel was mentioned by VS1, LG3, LG4 and B1t. VS entering into Joint ventures with businesses was supported by two interviewees EDA2 and VS3 who recommended **that VS should have a division that can stand alone and allow them to operate such joint venture businesses,** while brokerage between business and investors was preferred by EDA1 rather than entering into private-public partnerships. In Bluff the need to facilitate the use of empty sections, the possible development of a motel, and the development of a wharf for both commercial and leisure boats was noted (ST2B & B6m). Recommendation: **that VS play the role of a broker between businesses and investors/financiers to encourage building (including wharves) that addresses economic needs.** B3 recommended: **VS could help businesses, particularly larger businesses, to access venture capital.** Several small towns have had problems with people owning buildings and holding them as an unused asset, rather than passing them on to owner operators, though this was finally addressed by the owners' own decision to eventually sell. Respondents recommended that: **future issues with building owners blocking usage be addressed via encouragement from community leaders to sell sites to owner occupiers** (ST1m, ST2).

(xv) Businesses succession planning

The need to assist older persons in business to consider succession planning was raised by G2 & BG1, who preferred VS encouragement rather than provision of direct support. **Encouragement of people to move from employee to entrepreneur and to help businesses in succession planning** was suggested by BG3f. B4 **suggested that businesses that had benefited from VS lean management growth support could encourage other businesses not experiencing growth to use the programme.**

(xvi) Retail

Changes and challenges in retail have to be accepted (BG2), with LG4 indicating a need to reduce the amount of retail space in some parts of Invercargill and to make some retail areas more attractive. The costs involved to earthquake strengthen commercial buildings has made some now unviable to re-utilise and this was noted as an issue by one interviewee. ST1m and ST2b recommended **that councils and community boards are responsible for town amenity, however VS could assist in securing funding and offer planning advice.** As noted above, the need for attractive café's to offer public hospitality was noted by at least two interviewees (EDA2 and VS2), while one noted that attractive cafes in the smaller towns needs to be promoted as covered in a recommendation above. **Encouraging and supporting others to do 'buy local'-campaigns** was recommended by G1, ST3l & G3.

5.2 CRITICISMS AND CONCERNS

5.2.1 VS project retention

The generally strong praise for VS staff and activities was tempered by two interviewees who added a 'but'. In their view VS tends to collect activities (such as the business mentoring programme) and VS has moved into owning projects (BG1, BG2), which they would have preferred the private sector or community groups to own and run. One respondent indicated that this view, unless VS proved to be the best at operating the programme, should not be pursued. However, several respondents noted that it was acceptable for VS to run projects that the business community perceived as being too high a risk. One preferred a focus on local businesses, with others indicating that if local businesses did not uptake a concept then seeking New Zealanders or overseas companies willing to relocate to Southland needed to occur. EDA4 endorsed VS's current practice of starting projects and then handing them on to the private sector or contractors. VS1 and EDA1

Recommended: **That the VS philosophy of helping, enabling and passing projects on to local community groups, businesses and contractors to implement be made clearer, while VS may also self-implement projects should this be the most feasible/effective option, and offer development options to outsiders willing to relocate to Southland if local uptake is not occurring.**

5.2.2 Perception of independence

Two interviewees mentioned that Southland's 'we can do it ourselves' mentality meant that Southland missed out on collaborative funding opportunities, but **VS can and does help these collaborative projects to be achieved** (Gt1). Recommendation: **that this role be noted.**

5.2.3 Perception of funders setting the direction

Two interviewees also added that they felt VS was too Invercargill focused or focused on the needs of the councils, with smaller struggling areas missing out on VS support. The domination of council representatives or funder representatives was given as a reason. One felt that large tourism operators also tended to dominate, needing a balance to be put in place with the smaller operators. While some wanted VS to be able to operate independently of council, they also saw a need to be accountable back to the councils for their funding. To address these concerns:

Recommendation: c**onsideration of the VS structure to ensure that board members who are appointed have a 'bird's eye view' of where needs and potentials lie. Potential conflicts of interest related to the views of a particular council, funder, place or business sector by board members need to be avoided.**

5.2.4 Previous poor relationships

A previous poor relationship with VS was raised in three interviews, with two mentioning that their current positive relationship with VS did not occur 5 years previously (G3 and B1t) and one (ST2B) said this had happened 10 years previously. Alternatively, one other interviewee said that their positive experience was 9 years previously and VS had had little contact since (ST1M). BG2 noted that VS did not currently have the support of some business sectors. Recommendation: **to consult individuals privately 'over coffee' as this 'may' help address this lack of business support in some areas.**

5.2.5 The Southland Regional Development Strategy (SoRDS)

The Southland Regional Development Strategy (SoRDS) was spontaneously mentioned by interviewees with concerns noted about certain aspects of SoRDS namely; it was seen as being based on rivalry and was not a collaborative undertaking; further it was proving slow to implement (G3); being 'Invercargill centric' and affluent business dominated (VS1 and G3) and not addressing the needs of jobs at the bottom level social levels (Gt1); with two interviewees mentioning that the 10,000 additional residents was not the correct goal. It was also perceived that SoRDS was mostly tourism focused (EDA4), or tourism and aquaculture focused, rather than on food production and manufacturing (BG3f), with G1 not wanting VS to be separate from SoRDS. The alternative views included one (Gt2) indicating that SoRDS wanted a new organisation, or a bigger response from VS (EDA2).   SoRDS was seen by one (Gt2) to have a clear mandate, and felt that VS needed to be clearer about what it did and should not try to be all things to all people. A more facilitatory role was seen by BG2 who hoped VS did not take over SoRDS, but would help to support SoRDS.

5.2.6 Website and other media

Some interviewees felt the VS website was 'low performance', with a low level of usage or awareness reported by 10 informants, but this was similar for the Southland website (LG2, EDA2, Bt1, ST2B, G1, VS2, LG4, BG2, G2 and B6m). Two had no opinion (Gt2 and BG1) and one felt that the web site performed as expected (EDA4).

Recommendation: **The useful concept of using the website to promote jobs and housing and investment opportunities in the larger towns and specifying what opportunities were available in smaller townships and villages** was also mentioned by 14 interviewees (Gt2,B3,SLG1,ST3L,BG3,EDA3,EDA1,Gt1,LG4,ST2B, G2,VS3,B6m & EDA1). The last expanded to say this was critical and recommended **that the website needed to be smart-phone/app usable, and a website with useful data was more important than a slick website,** a point that EDA2 also mentioned (NB. During the research it was noted that several other NZ EDA's kept detailed records on their websites of aspects such as labour trends showing, for example, sectors with large and increasing numbers of jobs. Such data might also be usefully included on the VS website). A different view was expressed by respondent B2, who preferred to see support for local businesses rather than the attraction of outside businesses. Meanwhile B3 emphasised the need to attract workers from outside the region and not poach workers from other local businesses. This person also supported complementary rather than competing business attraction.

Some respondents from small towns were frustrated that small towns were not mentioned on the VS website and the Southland website, despite in some cases having made requests that this be done (G3, G2, ST4W, ST2B and ST3L). There was strong support for a listing of small town assets on the websites from SLG1, a large organisation. However, one respondent noted that in some North Island regions, small towns had requested an iconic village picture to be included on the website. EDA1 recommended: **that small town assets and jobs should be listed according to their town, however, the final decision needed to be made by VS.**

The newsletter and regular email updates were strongly used and appreciated (VS1, SLG1 and B1t), with EDA4 attracting most of her clients via the newsletter. Only one respondent mentioned social media i.e. Facebook, twitter, etc. (VS1). Recommendation: **increase the level of awareness of the newsletter, email updates, website and social media.** Recommendation: **Other NZ RDA's indicate that better links between the Southland and VS websites should be considered.**

Face to face contact was appreciated by many and, in particular, by B6m.

The 'can do' attitude of Southlanders was mentioned by several respondents who recommended **the utilisation of high profile individuals such as Tim Shadbolt, and innovative projects like SIT, to keep the region and its 'can do' attitude and positive image in the public arena.**

5.2.7 Communication and confidentiality

Four respondents (B2, EDA4, VS1, and SLG1) commented that a few businesses and groups were hesitant/ reluctant to give their input about VS in these interviews and private, confidential discussions might be more appropriate, in addition to possibly providing input in traditional public meetings. Two of these also mentioned that large organisations, councils and councillors often failed to have an input into VS, despite having ample formal opportunities. EDA1 recommended: **a mixture of private liaison to ensure that confidential and sensitive needs can be discussed, while ensuring that all non-confidential issues and concerns are worked on in public workshops.** This person indicated that people were often hesitant to state their opposition in a public setting. However, two mentioned that one to one informal contact was very time-consuming and would require funding of staff time. VS1 indicated a preference for VS to engage with people rather than solely consult.

The need for confidentiality at appropriate times was mentioned by five respondents (VS3, EDA3, EDA4, EDA1 and B3), while openness was also seen as being important by EDA1, whilst also agreeing that confidentiality was particularly important in property and competitive contract negotiations or bids. One North Island RDA adopts the practice of having their first hour of a meeting held in confidence, with no minutes recorded under Chatham House rules, with one observer representing the combined funders. Recommendation: **VS should practice confidentiality on some commercially sensitive and creative discussions, while general and non-commercially sensitive ED directions should be discussed openly.**

G1, G3, ST2b appreciated and recommended: **VS giving a voice to an issue, speaking up to councils and assisting in approaching funders.** Gt1 supported this **and VS's role in seeking national funding.**

5.2.8 Internet and cell-phone coverage

Poor internet and cell-phone coverage in the outlying areas was seen as an issue and a priority for BG1, with specific mention of the needs of farmers (G3 and BG3f) who required technology out in the field, as well as for internet traders and IT workers who wanted to locate to small rural towns (G1, G2, G3, SlG1 and ST4w), and also for tourists (EDA5t and EDA2). One suggestion was to look outside of Chorus and Government for a solution (G3). Two respondents commented that towns with good internet and cell-phone coverage could promote this asset to potential investors who were looking for a place to relocate. Recommendation: **VS should continue to facilitate the increase of internet and cell-phone coverage to assist local economies in rural tourism, farming, IT and internet trading.** Recommendation: **VS should use their website to promote specific rural areas with excellent broadband access provided to potential investors including creative businesses and IT users.**

5.2.9 VS structure

One interviewee (BG2) felt that VS's current structure was fine, with the exception that they should perhaps look at which activities they controlled. Another respondent (GT2) wanted VS to have business and community representation on their Board, but none from Council. Six respondents (including BG1, G3 and VS3) wanted a full or partial CCO model, with all directors being appointed on the basis of their ED skills rather than their representative roles, the Board having the ability to self-police, with SLG1 seeing no need even for political observers. EDA2 envisaged an organisation larger than VS, while EDA1, an informant with a high level of knowledge of EDA structures, recommended a CCO model with one non-voting observer role for the combined political parties, with the observer able to attend confidential meetings, and with the councils maintaining the ability to hire and fire the CEO.

EDA1 also recommended **there should be a larger number of Board members to allow for absences, with 7-9 Board members being remunerated and appointed solely based upon their broad economic development skills, and possibly not even living in the region. Bias to a specific geographic area or business sector needs to be avoided.** Two respondents felt the need to act swiftly and, if necessary, confidentially. A further two respondents (EDA1 and Gt1) noted the **need for VS to hire its own staff**. The need for accountability to funders was noted by three respondents.   Recommendation: **that the CCO structure with one council observer role to be shared by the combined funders should be considered.**

The challenge for these informants was that they wanted VS to have the freedom to undertake economic development as required, even if this was against the preferences of a specific council, yet they acknowledged the need for collective funding from the various councils to resource VS, and the need to be able to provide accountability for this funding. Recommendation **that VS be allowed to speak up and present views that may at times be contrary to those of their funders.**

5.2.10 Bureaucracy and reporting

The need to streamline reporting, and in so doing reduce the drain on energy levels in the organisation, was mentioned by six interviewees (Gt1, VS1, EDA1, BG1, EDA3 and LG2). LG2 suggested the **need for a clear set of objectives that do not change too much over time, while allowing some flexibility in funding to enable the swift undertaking of economic development, should unexpected opportunities arise.**

5.2.11 The needs of smaller communities

The majority of informants from smaller communities (5)(plus 2 from larger organisations) desired to have their available economic potentials, job prospects and housing prospects placed on a central Southland website or VS website for potential investor information. See website recommendation: t**o include website promotion of houses and job data for smaller towns and separate sections for the medium sized towns such as Gore, Winton, etc.** The low level of resources and energy in small towns was mentioned, with some small towns having an anti-change attitude. **The appreciation of VS putting forward ideas and being proactive in supporting small town projects was expressed.**

Several interviewees (including ST3L &\and G2) noted that creative businesses were preferring to locate in the smaller towns, especially those with good internet connections, rather than the larger more conservative urban areas and recommended: **the use of the website to promote small towns as a location for artists, 'creatives', IT businesses and internet traders.**

Some communities, such as Gore, felt their non-involvement in VS regional arts events was an issue, despite Gore hosting a considerable arts theme on their own and an awareness their financial contribution to VS was insufficient to qualify for a lot of attention. They did desire assistance to know who to connect with in order to be involved in wider regional opportunities. However, several interviewees from Gore mentioned that Gore's strong sense of self-sufficiency often worked against their requests for involvement in broader activities. Recommendation: **consider facilitating relevant/logical involvement of smaller areas, despite their lower financial contributions.**

The need for business mentors in small towns was mentioned by ST3l, and the **need to have training support for special skills training in small towns** i.e. in child care training (ST1m).

5.2.12 Lagging areas

When mentioned that overseas findings (OECD) indicated that development in lagging areas could contribute to aggregate national GDP growth, there was some interest in this fact, and some respondents indicated a concern about lagging areas, and saw some potential to develop activities in these areas, with western Southland often mentioned as an area needing support. Most small town community informants felt their untapped economic potential was not being actively investigated, and they lacked the people to do this research or promote or implement it themselves. Promoting of available assets in small towns was also seen to be a benefit (by G2, G3, B5, ST5E, BG3f and EDA1). **Matching low skilled industries to lagging areas,** such as trucking in Nightcaps, was noted by two interviewees (SLG1 and BG3f) and is a recommendation from overseas economic development practices. The importance of maintaining small town hubs like schools and halls in lagging areas was noted as important by ST5E.

In contrast, one informant (EDA 3) felt that development efforts should be targeted to growth areas and high levels of efforts should not be targeted to low productivity areas, unless parallel support was put in place. Another respondent disagreed, noting that what is true in Europe is not necessarily relevant in rural New Zealand with its lower population and unused resources. Several respondents mentioned positive village driven initiatives in areas like Lumsden, to have a public park adapted to host campervans and promotion on a 'camper mate' app, though one was unsure how this idea actually developed.

Seven made mention of other towns on the outer fringes of the tourism routes (Otautau, Nightcaps/Ohai, Mataura, Tuatapere that could similarly benefit from hosting tourism overflow. Both internationally and in New Zealand (Duntroon) **examples of University department partnerships with smaller towns was considered to be worthy of VS's consideration** by three interviewees (BG2, G1 and SLG1).

Two mentioned the need to find alternative methods of providing services in lagging areas e.g. septic tank based sewage (SLG1). Recommendation: **consideration of development potentials in lagging areas and VS facilitation of identified opportunities should there be potential for job and wellbeing outcomes.**

5.2.13 Expert tertiary and high school student links to relevant businesses

One business (B2) and G3 supported the concept of **businesses linking with university students in related subjects, including universities from outside their region, and also with Southland high school students with relevant interests.** This respondent indicated that they linked well with SIT, but needed to link more with students and potential new employees from other higher education facilities, particularly in electronics and physics. This concept is used in Tauranga, which encourages science students and science teachers to

link with local businesses.

Recommendation: **VS supporting events that could attract the skills and staff that businesses require, in this case events utilising physics and robotics.**

6. EVALUATION

6.1 Introduction

This sixth and final section of the report provides an overall evaluation of VS, having compared it with other agencies about the world and within New Zealand including the specific operations of two New Zealand DA's. The study was also informed by a range of persons involved in the local economy to gauge their views on VS's role and if this could be augmented along lines that are occurring in other regions nationally and internationally. As noted in Section 1, as there is a large variety of projects and agency structures across the world, attempts to replicate other agencies in terms of focus, size, staff or activities would clearly be inappropriate, as different projects, structures, and agency styles have evolved in response to the needs of each region and community. Nevertheless, this research hopefully offers some ideas that may encourage fresh thinking, and an assurance that no one size, style or structure is necessarily correct, but rather that practice around the world can inform local development practices and allow for a degree of comparison and inspiration.

6.2 Venture Southland

Venture Southland (VS) was established in 2001 as a joint initiative of the Invercargill City Council, Southland District Council and Gore District Council. It was set up to respond to the economic and demographic challenges which the broader Southland region was experiencing at the turn of the millennium, and was tasked to assume responsibility for the region's economic and community development initiatives.

Over time the structure and focus of the organization has evolved and matured and, as the interviews detailed in the previous section indicate, the organization now enjoys widespread support from a range of stakeholders both within and beyond the region, and from various government agencies.

Similarly the focus of VS has evolved to its current priorities of three broad areas of support and intervention, namely: community development, economic development and destination promotion. Despite the challenges of providing for a broad range of activities, there are clear efforts to adopt a Southland-wide approach and to support economic and community development in both the more affluent and the struggling areas of the region.

VS's Vision is to work towards creating;

• A region with vibrant urban and rural communities that is widely recognised as a desirable place to live, learn, do business and visit.

• A harmonious social and natural environment that is based on sustainable development and diversity.

• A population sufficient to support services, recreational facilities and opportunities that enhance the quality of life for residents (VS, www).

VS's Mission is;

• To actively work with groups and organisations to identify opportunities and facilitate the development of projects and initiatives that will enhance the prosperity and quality of life of Southland communities (VS www).

As the organization has evolved, a significant range of projects have been implemented and a regional leadership role has been undertaken, which together have created very clear and direct benefits for the region, and have strengthened Southland's national and international profile and, no doubt (though difficult to prove), have encouraged investor confidence, quality of life in the region and supported its key activities.

Over the last decade and a half, dozens of projects have been undertaken. It is beyond the scope of this investigation to overview the extensive range, or to assess each project individually. Nonetheless, it is worth drawing attention to a few of the key initiatives, namely;

• Encouraging the roll-out of broadband in the region.

• Youth training and support.

• Assisting SMEs and established businesses through the 'lean business' programme

• Promoting research and innovative development and on-the-ground projects in areas such as space, alternative use of crops, alternative energy, using local resources, etc.

• Support for community facilities such as museums etc. in multiple centres.

• Regional tourism promotion.

• Migrant support and attraction of immigrants.

6.3 VS: an international and national comparison

Based on a review of VS's vision, mission and core documents relative to the overview of international evidence presented at the end of Section 2 in this Report, it is apparent that in terms of **operational principles and strategic foci** there are very clear parallels with international best practice. In line with OECD findings and the Canadian Policy Research Networks (2008), in particular (see the Conclusion to Section 2), it is evident that VS;

• Operates through a regionally specific partnership and governance arrangement which provides the space to engage with the region's diverse partners.

• VS has clearly adopted a holistic approach to development which international evidence regards as critical, focusing on issues as diverse as place marketing, tourism, regional competitiveness, innovation and research, knowledge exchange, business support, training, quality of life issues, migration, training and youth support, business efficiency, use of available natural resources and community development.

• VS clearly focuses on both community and economic development issues, which is not common in NZ practice, but a theme which is viewed as critical internationally.

In terms of the key strengths which VS displays, close parallels with international best practice are evident. These include;

• The advantage of being linked to councils and receiving their resourcing, but operating as an independent entity which provides a broader scope of action than individual councils are able to provide, and, in so doing, helps to ensure acceptability to a wide range of role-players who may otherwise struggle to deal directly with local government – such as business entities, foreign investors, etc.

• Operating effectively as a private sector body strategically repositions VS as an entity which can enter into contracts, and can easily work with agencies both inside and outside of the region, and also internationally.

• Having a relatively small organization enables quick and rapid responses to shifting economic and community needs and the identification and pursuit of new opportunities.

• Not being either a private or a local government body enables VS, when necessary, to stand back and adopt a holistic and long-term view of the region and their mandate, as recommended by the OECD (2009). This directly facilitates pro-active research into new regional opportunities, and the pursuit of business and community ventures which the region can benefit from in the future.

• Operating regionally lends itself to economies of scale and hosting activities which are better managed at the regional level, such as tourism. In so doing, this avoids the possible parochialism of local places marketing themselves, often in competition with each other, and generally with limited budgets, to an international market with little knowledge of the region or its attractions.

• Providing a 'one stop shop' service to investors and businesses is a key advantage, as noted in the interviews with Southland individuals.

• Playing a local leadership role, including the brokerage of local agreements between businesses, communities, investors and institutions, is clearly a key role played by VS which is reflected in interview responses and parallels the findings of OECD research (2009) more generally on the role RDAs can play.

Relative to international experience, some areas which may need attention can also be identified:

• While VS is almost unique as an EDA in NZ in having a focus on issues of community development and the needs of lagging areas (as occurs internationally, and particularly in the EU), a clearer and more direct focus may need to be placed on these themes and the retention of economic development, tourism development and community development within the same organisation.

• There may well be scope to devote more attention to marginalised communities and neighbourhoods, lagging regions and clusters of low-skilled individuals, as happens in the US and Europe (OECD, 2012), focusing on suitable matches of low tech innovation businesses to the skills of the local population.

• It would be useful to undertake more informal engagement with both individual businesses and business groups, and to broker appropriate relationships with individuals in local and national institutions, including tertiary education institutions.

• Though the organisation operates effectively independent of the various councils, while benefiting from the combined funding of the councils of the region, the board structure could be adjusted to remove any perceived dominance of a specific political geographical area or business sector, maintaining focus instead purely on development skills.

• Urban interventions, such as urban regeneration, may well merit more attention.

• There could be scope for dove-tailing regional tourism and event promotion with linked investment and place marketing initiatives to a targeted audience.

In terms of the strategies selected, a comparison between VS's focus and international best practice (see Section2: Beer et al. 2004; Beer and Maude, 2002; Beer and Lester, 2015; RDA www; CPRN, 2008) clearly indicates that, within constraints of budget and local specificities, there is a remarkably close similarity between the focus of VS's operations and the diversity observed within international best practice.

With the possible exception of the need to have a stronger focus on neighbourhoods and lagging regions, all of VS's core economic interventions and support activities clearly match what are the key development foci of hundreds of DAs internationally – particularly in Australia and Europe.

Extending this line of argument, it is evident from examining the overview of NZ EDAs (see Table 1) that VS is actually one of the few NZ agencies whose work most closely aligns with international practice, with most EDA's in NZ having a narrower and often sectorial focus, focusing only on aspects of economic development and place promotion, and seldom giving attention to community development and partnership formation.

Relative to the two other NZ RDAs examined above, Venture Taranaki and Priority One, it is apparent that VS compares very favourably in terms of focus, strategy and outcomes. Given the different structure and foci of the Bay of Plenty and Taranaki economies, direct comparisons are difficult to make. However, some suggestions for VS can be made here, based on what these two North Island RDAs do, namely;

• More effective use could be made of labour, economic, demographic and employment opportunities data on the website to market the region and its opportunities.

• The website could include time series data, showing long-term economic trends regionally and locally e.g. employment, retail numbers, etc.

• Regional and small town data could also be made more easily available on the website.

• Greater use could be made of skills and asset mapping.

• Strengthening links between tourism/events and investment promotion is another avenue that might be pursued.

• Consider the greater use of social media and YouTube style promotions.

• Being able to employ staff directly (as opposed to having staff seconded by council) may be beneficial.

• Consider a CCO structure and having Board members appointed solely for their economic development skills, with avoidance of geographical or business sector bias.

• Consider council ownership representation being addressed by the appointment of non-voting observer role/s, allowed to attend confidential meetings.

• The portfolio of highly innovative 'blue skies' projects is to be commended.

• The inclusion of community development and a focus on struggling areas is also commended. Though opportunities to highlight smaller town assets and jobs on the website would be useful.

In terms a regional perspective, the information detailed in Section 5 from interviewees clearly indicates that VS is generally held in high regard in the region, and was frequently complemented for a wide range of positive attributes, ranging from its structure and operation, to its staff and innovative capacity. However, the interviews did generate some suggestions for VS to consider in the future, namely;

• Identification of economic opportunities catering to the service needs of the retired population.

• Continue investigating options for the utilisation of local energy supply options.

• Retain a tourism focus.

• Retain the integration of the mix of tourism, events, economic development and community development within the one organisation.

• Advise councils on how to maximise cross-overs and synergies between projects.

• Retain and support highly skilled staff.

• A mixed portfolio of 'blue-skies' projects and traditional job development, such as the development of new jobs in the low-skilled sectors, including in lagging areas.

• Undertake an assessment of blue skies research at intervals to assess whether new future forms of job uptake are likely to occur and if the research should continue.

• Provide a 'bird's eye view' of regional development and promote links across the region, especially for tourism.

• Balance regional support for agriculture and tourism.

• Develop links between regional promotion of investment and relocation opportunities at events.

• Research into the reasons why people are choosing to relocate, or show reluctance to relocate to Southland.

• Promote the region's image further and seek new residents from northern New Zealand and internationally, as well as enhance the retention of mature students.

• Promote small towns as destinations for creative/artistic businesses, or hubs for IT traders.

• Offer more personalised pastoral care for migrants and their families, whether for the North Island or overseas.

• Promote a café culture in Southland.

• Play more of a brokering role, especially in terms of building development and accessing financial partners and funders.

• Promote the assets and jobs available in specific small towns and larger cities in Southland utilising the website.

• Develop a policy of researching 'blue skies' development projects and business support, and then offering the implementation of these activities to businesses and organisations in Southland, and to national or international partners who might be willing to relocate to Southland. Self-implementation should occur only when this is the most effective option or the private sector do not wish to engage.

• Ensure that VS promotes regional interests, but seeks national partnerships and, where appropriate, promotes views which might be contrary to those held by councils.

• Using informal engagement to encourage greater input and participation by individuals, businesses, business groups and organisations.

• Continue the successful use of newsletters, email updates, and other forms of communication.

• A higher level of usage and promotion of the website.

• Consider use of social media and YouTube style promotions (see comparisons above).

• Consider a CCO structure and having Board members appointed solely for their economic development skills, thus avoiding of geographical or business sector bias.

• Consider council representation being addressed by the appointment of one combined non-voting observer role, allowed to attend confidential meetings, and having some non-regional Board members to provide an outsider perspective.

• Consider options for the development of lagging towns where job creation or social benefit prospects seem to warrant this.

• Consider the skills development needs and mentoring needs of small town businesses.

• Consider the 'bird's eye view' of tourism and the development of friendly controlled campervan parks with small town hosts.

6.4 Overall Synthesis

Certain key findings emerge from the evidence analysed in this study;

• That VS's mission, objectives, foci and strategies are in line with international best practice.

• That in the NZ context, VS is clearly one of the most innovative and successful RDAs/EDAs in the country.

• Since its inception, VS has developed a very credible reputation in the way it plays a key networking and brokerage role, and its support for economic and community development and marketing of Southland.

• While some limitations are noted, as detailed above, it would be a retrogressive step to attempt to 're-invent the wheel' and initiate significant modifications to the organization and focus of VS. What has been put in place has taken many years to evolve and, as evidence from other countries and indeed from Auckland city's amalgamation process shows, introducing new arrangements can actually slow down the pace of development, and it may take years to recapture momentum lost during radical structural change. A myriad of different ways have evolved to stimulate economic development, as can be seen from studies and experience from across the world. Southland's model has evolved successfully, though inevitably it will always benefit from further evolution and adaptation. It is hoped that consideration of the points raised in this report will assist in this process of positive change.

• Venture Southland should be supported and nurtured in continuing its excellent and work in economic and community development, while engaging both formally and informally with councils, community individuals, business organisations and individual businesses, to ensure that they have the option of fully participating, while avoiding the creation of a geographic or business sector bias, so that a meaningful and sustainable form of regional development can be achieved.

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APPENDIX 1:

Comparison of Venture Southland with Venture Taranaki and Priority (based on Annual Reports)

Venture Southland Activities (taken from: Year in Review 2012-13)

Divided into three parts; Economic Development, Destination Promotion, Regional and Community Development

Highlights in the summary:

- Venture Southland has focused on the importance of primary industries to Southland, in particular dairy farming. Among the projects being tackled is how to capitalise in Southland on NIWAs work on capturing methane emissions from dairy farm covered anaerobic effluent ponds. The Business team is working with NIWA on trialling methane emission capture.

- The international education market is conservatively estimated to bring in $20 million annually to the south and that figure looks likely to increase with Southland leading the way nationally in this area.

- Tiwai Point research to attempt to secure the future

- Lean manufacturing in the dairy farming, demo farms, training and videos to show how to improve business efficiencies.

- Events assistance for the Burt Munro cycle event

- ILT Kidzone event attracted sell-out crowds 11,000 over 6 days.

ECONOMIC

- Lean manufacturing in the dairy farming, demo farms, training and videos to show business efficiencies.

- Among the projects being tackled are how to capitalise in Southland on NIWAs work on capturing methane emissions from dairy farm covered anaerobic effluent ponds. The Business team is also working with NIWA on trialling methane emission capture.

- Regional Business Partner network secured $176,000 from NZTE of training support which companies match by 50%.

- R&D advanced manufacturing event 2012-13 brought in $1.5m in matching R&D.

- ATV (automotive transfer vehicle) launch (4th of 5 planned) an Ariane 5 rocket programme in association with the European Space Agency, Southland plays a role is a tracking station at Awarua that supports the rocket to split just behind Bluff – programme also includes school visits.

- Stewart Island energy project investigation includes: hydro-preferred, wind and solar projects.

- Rural Futures programme - assessing productive capacity of Southland's agriculture

- Growing systems and how these may be impacted on by commodity price changes.

- Silica profile in Southland, for potential investors i.e. for photo voltaic panels.

- Tiwai point research to attempt to secure the future of the industry.

- Encourage Christchurch (CHC) to use Invercargill business in the post-earth quake

rebuild - 210 business on data base.

- Southland energy conference – including NIWA methane conversion and eco- building techniques.

- Mentor programme 40 mentor to client matches.

- Education Southland set up 8 years ago to attract international students to primary schools, secondary schools and Southland Institute of Technology.

DESTINATION PROMOTION

Mediums used: domestic magazines, Christchurch airport, social, web, brochure, expo, Chinese high schools links, migrants, Te Anau events; plus one tourism strategy review – of the Catlins. Key activities:

- In one year 600 migrant contacts during 25 sessions, and 60 employer enquires.

- Catlin's tourism strategy review (previous was 10 years ago).

- Southland initiative coordinated by Christchurch airport to promote Southland and

Fiordland, focuses on Chinese market. Fiordland some international TV.

- Domestic media, 5 magazine coverage.

- Attended TRENZ exhibit in Auckland.

- Te Anau events e.g. harness racing, fishing, Big 3, Tartan event, Health and Wellbeing expo

- Social media.

- Tourism brochure.

- Tourism campaign website.

COMMUNITY DEVELOPMENT

Summary; some cross-over with DESTINATION activities. Mediums used: help at workshops, helped 2 Trusts set up, booklets for 25 groups, one special issue meeting, events {10}, plus 5 events in Te Anau, 1 new CD worker appointed, specifics: one memorial, Riverton night patrol re-activated). Key Activities:

- Governance workshops.

- Rural health forums issues attracting staff and operational costs.

- War memorial restoration – $85,000 lottery grant.

- Gore District Council community Development Office position shared jointly

  between Gore and Venture Southland and $27,000 from Youth Development

  Partnership fund.

- Arts Southland charitable trust to champion arts.

- Matariki short film festival: attendance of 181 over 2 days a 40% increase

- Help to set up Mossburn District Charitable Trust

- Riverton night patrols – re-established after 5-6 year gap.

- Help and support for events: Burt Munro challenge, Southland Buskers Festival,

Shakespeare in the Park, school speech contest, A&P show , Hokonui fashion   awards, Hokonui Moonshiners Festival, Bluff Oyster and Food Festival , Southland Festival of the Arts , ILT Kidzone event (sell-out crowds of 11,000 over 6 days).

-Helped 100 community groups secure a total of $ 800,000

-Printed 25 booklets summaries of community projects.

UPCOMING PROJECTS

Key Projects in V.S. Draft Business Plan 2014-15 include:

- Support and promotion of Around the Mountains Cycle Trail.

- Southland Futures: pathways into employment in agriculture for young people as art of wider work on workforce development.

- Establishing new international education partnerships with Chinese high schools.

- Increasing visitor numbers, bed nights and spend in Southland and Fiordland.

- Community and economic development in Ohai, Nightcaps, Tuatapere and Wyndham.

- Continuing to lead, support and help develop events in Southland and Fiordland and analyse event economic impact study.

- Continue development of high-value oat industry project and further diversification of Southland economy

Comparison Regions:

Venture Taranaki Activities (taken from Annual Report 2014)

- Total revenue: $3.6m, income includes: Council $2.7m, Callaghan Innovation $0.12m, NZTE $0.09m, other grants $0.58m, other revenue $0.26m, interest $0.31m.

- Expenses: personnel $1.2m, rent and operating $0.14m, marketing $0.54m, professional fees and grants $1.16m, trustee fees $0.07m.

- Also received support from TSB community trust and Taranaki Electricity Trust.

- Redirected $2.29 m to local businesses, e.g. 28 R&D Callaghan grants total valued at $1.9m (R&D grants e.g. for a business doing safety training on line).

- 225 capacity development vouchers via NZTE ("like a marketing boot camp").

- Matched 43 business to mentors.

- SOCIAL piloted work in 14-15 community organisations.

- 43 businesses linked to Massey R&D projects.

- 79 start-up clinics in area, Stafford and Hawea, with a total of 257 people (up 30 on last year).

- Information (intelligence) provided on community and business statistics e.g. accommodation, retail, horticulture, primary production, gas and oil.

- Oil and gas website energystream.co.nz established.

- Lunch and learn meetings about oil i.e. Anadarko presentation.

- Retail growth above the national average, increase in online retail, 34.5% to international, but dropping and domestic remains strong.

- Lincoln University looking at potential for horticultural development in Taranaki

- Attended APPEA conference in Perth, (Australian Petroleum Production and Exploration).

- Attraction of skilled workers, Taranaki job website: foreigners list their skills on the site, 890 local employers and 462 active job seekers.

- Visitor info and 2 tourist campaigns, and seasonal visitor campaigns in spring and summer.

- Tourism and industry talks: Sydney trade show, supported a business to attend TRNZ in Auckland, attended a conference centre conference in Auckland called Convene.

- Tourism brochures on walks, parks, museums, Forgotten Highway route, Surf Highway route and Must Dos.

- Swap-sides campaign (target Auckland and UK) and the (RE) discover campaign (to lure back ex-pats during the holiday sessions, used KEA: Kiwi expats aboard) Taranaki lifestyle tool kit, encouraging fly in /fly out workers to be based in Taranaki.

- Had a world happiness day. See www.wearehappyfrom.com You Tube Pharrell Williams Happy (Taranaki) – 30,221 views.

- 12 major events including WOMAD, triathletes, iron man, cycle, surf events, 6 matches pending for FIFA U 20 – resulting promotion of concert, American cars.

- Social media, website, twitter.

- Advocating for the region to DOC, government, Air NZ, e.g. on bilingual signage, e.g. State Highway 3 north of New Plymouth.

Stratford District Council Activities (taken from Economic Development Strategy 2012-15) (Sub-district within Taranaki)

In summary: a council strategy acknowledging that VT do most of the economic development in the region, current activities are modest, very good local SWOT to guide the future, 21 very good proposed future projects including:, town amenity, retail attraction, events, route promotion, info for residents & migrants, use VT job website to attract staff, commercial subdivision, work with apprentices in trades, -but no indication provided how these additional activities will be funded.

Activities are staffed by: the CEO and community development officer position who in part assists the Stratford Business Association and I site support

Current activities:

- Focus on infrastructure, district plan and regulations.

- Responding quickly to new opportunities.

- i-site.

- A welcoming CBD for new migrants and visitors

- Supporting and retaining businesses in the town, and business growth support via VT

- Developing and attracting events.

- Promoting a regional brand via VT.

- Supporting community groups.

Future ideas (21):   Commuting opportunities for locals working outside Stratford; lure new retail; support events existing and one new planned; MTFFJs support; apprenticeship schemes in some industries encouraged; use VT job website; do a commercial subdivision plans attached; new toilets; new farmers market; improve Broadway; welcome packs; central link: info for residents & celebrate successes; market the area for affordable housing suitable for retirement, aerodrome, etc.; residential subdivision; improve cycle way; town beautification; opportunities forgotten highway, Mt. Taranaki, road ends; signage; holiday park review; trade awards; better broad band.

South Taranaki District Council (Hawera) Activities (taken from Economic Strategy 2014) (Sub-district within Taranaki)

In summary: states that plans need to be written, mostly with a focus on the Hawera urban area and heritage walks in some of the smaller areas. Economic aspects are targeted to secure VT business support and promoting local 'youth to work' celebrations and careers days. Other activities are library, walks and sports focused. This is the only plan to mention some of the smaller places like Patea.

Primary Goals:

- To provide a vision for the Hawera urban area and a model for planning future upgrades of smaller communities.

- To establish a network of walk and cycle ways.

- Supporting business and development

Other goals include:

- To develop an urban design plan, a cycle and walkway plan, and economic development (will be done via VT).

- Local and new businesses will be supported.

- Social and cultural action plan to be well informed on current health education and public transport issues.

- To consolidate libraries cultural and heritage facilities.

- To use the TSB hub as a conference and event centre, to host events, have sports activities and cultural activities at the swimming pool, hub and library.

SOCIAL objectives: to develop partnerships with the Mayor's Task Force For Job's via careers days and 'youth to work' celebrations, Rotokara mainland island project, heritage walks at Eltham, Patea, Opunake and Hawells lakes

Comparison Region Two:

Priority One Tauranga Activities (taken from Annual Report 2015/16)

Summary of Projects: mostly innovative business focused projects, some youth projects linking to science and innovative businesses. Very growth focused, few projects for the low skilled (except kiwi fruit & aquaculture) or lagging regions and only a few social projects.

Activities identified in the report include:

- New industrial land e.g. Tauriko business estate, NZs largest private industrial park.

- Merging two polytechnics and plans for a university campus in the city by 2019; research into blue biotech (aquaculture etc.).

- Angel investment fund (Enterprise Angels Bay of Plenty) claimed to be NZ's largest and most active.

- Privately owned WNT ventures a technology incubator linked to all NZ universities and linked to a Wellington Angel Investment group.

- Private Newham Horticultural Innovation Park.

- Powdered titanium product development.

- New regionally focused private equity fund for established high growth businesses called Oriens Capital.

- House of Science for teacher development (500 teachers) and primary pupil science exposure – based on a model from Berman University in Germany.

- Marine Bio Discovery, a marine field station linked between Waikato and the Berman German universities.

- In step: young innovators awards, speakers in schools, principals' visit to innovative businesses; sponsoring various innovation awards and events and business expos.

- Ignition: co-working space for entrepreneurs; business attraction and relocation: 60 approached, 4 moved =29 new jobs, 18 active in relocation, potential for 362 jobs; promotion of the CBD via virtual tours; contact centres: encouraging the current businesses to stay and not outsource; attraction of new contact centres; targeting distribution companies in Auckland; ICT cluster; international links to (Yantai) China, (Hitachi) South Korea and (California) USA.

- Business skill attraction "wish you were working here" working with NZ immigration, including migrant investor support; Kiwi fruit post-harvest forum issues and actions (power, water, transport, staff accommodation).

Strategies:

- Bay Of Plenty Growth Strategy: 9 areas: agribusinesses, aquaculture, education, forestry and wood processing, geothermal, horticultural, Maori land utilisation, visitor economy, water management.

- Smart Economy: the purchase of data to prove economic advantage of area, comparisons with other regions. Smart growth which focusses on identified pockets of land for residential and commercial development, key projects are: tertiary education, supporting business, Innovation Park, exports, CBD, broad band, Maori economic development. Smart Growth priorities are: horticulture and food processing, marine & aquaculture, specialist manufacturing, energy, marine science, education, ICT, freight logistics.

- CBD Study: a new CBD campus is the main focus, promotion of fashion and arts stops via flags & brochure, murals, marketing of the CBD, Hairy McClarey sculpture (now in place), Christmas parade, Waterfront access projects, Wharf street dining precinct, Willow street activation group to address vacancies, Heritage site promotion in unused retail spaces, Opera in the park planning.

- Youth innovator awards: attendance of 1,900 at business and careers expo, schools and engineering expo, school career in law 30 attended, INSTEP links high schools to business via visits to businesses, 31 youth attended INSTEP leader's day. House of Science to connect scientist with teachers and primary/intermediate aged pupils.

- Tertiary campus in CBD: Stage one: $15m energy trust, plus matching funds from regional council, council grifted land, balance from university of Waikato, $40m total for stage 1. Full project est. $88m. Clinical school set up in 2007 to link regional hospitals to Auckland University. Coastal research field station established.

- Social: housing affordability forum, forum on ageing.