

## Property Council New Zealand

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Submission on

# Wellington City Council's Draft Economic Wellbeing Strategy

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**For more information and further queries, please contact**

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## Wellington City Council's Draft Economic Wellbeing Strategy

### 1. Recommendations

1.1 Property Council New Zealand ("Property Council") welcomes the opportunity to provide feedback on the Wellington City Council's Draft Economic Wellbeing Strategy ("the strategy"). We recommend that Wellington City Council:

- Reduce the financial burden on businesses in order to achieve a business friendly city;
- Align the strategy with all other Council plans; and
- Have on-going conversations with the private sector to fully understand the practical implications of the strategy.

### 2. Introduction

2.1. Property Council is the leading not-for-profit advocate for New Zealand's most significant industry, property. Our organisational purpose is, "Together, shaping cities where communities thrive".

2.2. The property sector shapes New Zealand's social, economic and environmental fabric. Property Council advocates for the creation and retention of a well-designed, functional and sustainable built environment, in order to contribute to the overall prosperity and well-being of New Zealand.

2.3. We aim to enable opportunities to build sustainable and resilient communities, capable of meeting future needs.

2.4. Property is the fourth largest industry in Wellington. There are around \$40.4 billion in property assets across Wellington, with property providing a direct contribution to GDP of \$4 billion (10 percent) and employment for 20,640 Wellington residents.

2.5. We connect property professionals and represent the interests of 134 Wellington based member companies across the private, public, and charitable sectors.

2.6. This document provides Property Council's feedback on [Wellington City Council's Economic Wellbeing Strategy](#). Comments and recommendations are provided on issues relevant to Property Council's members.

### 3. Sustainable Business and Career Pathways

3.1. Property Council agrees that businesses require easy access to people with skills, experience and knowledge as this drives productivity and innovation. With the impact of COVID-19, this has not been more apparent than now for our members. Our members are facing high levels of skills shortages across many industries including construction. We are pleased to see that this has been highlighted as a priority in the strategy. Our members have found that with a shortage in skills, we see development occurring however it is uncertain whether this is happening to the highest quality. We encourage Wellington City Council to collect data around skills shortages and present this to government. This can be used as a tool to encourage more action in this space.

#### **4. Transitioning to a Circular Economy**

- 4.1. Property Council supports co-creating business sector plans and sector transition programmes. We recommend that this involve working with businesses to understand how these programmes can be implemented. It is important to note that the private sector do face some limitations, so we encourage the Council to work closely with us and create initiatives in this space.
- 4.2. We do not believe that refreshing Wellington City's branding is required to improve the economic wellbeing of the city. In order to see business thrive, their financial burden must be reduced along with true collaboration with the business sector and increasing the attractiveness of Wellington as a place to do business. The rating impost to businesses, increasing costs of insurance, skills shortages alongside uncertainty in respect of future seismic requirements and the funding of Let's Get Wellington Moving is not supporting existing businesses or attractive to new businesses.
- 4.3. We support developing a business and investment attraction strategy and plan. This should also be done in conjunction with the business community as it holds a wealth of knowledge which can be utilised in setting long term plans for the city and providing businesses with more certainty.

#### **5. A Business-Friendly City**

- 5.1. The strategy notes that it wants business to "generally thrive" and provide more support when businesses are starting up and scaling up. As discussed above, the best way to do this is to reduce the financial burden on businesses alongside increasing their opportunities for growth and greater productivity.
- 5.2. Businesses are facing an increased multitude of costs including development contributions, amendments to the Holidays Act 2003 and in Wellington specifically, the increase to the rating differential proposed in the 2022/23 Draft Annual Plan. The proposal will see the rating differential increase from 3.25 to 3.7 and if adopted, will be the highest rating differential in the country. It is important to make sure that this strategy is aligned with other Council plans to provide certainty to business. Amending the rating differential outside of a Long-Term Plan is not providing long term certainty for business.
- 5.3. Economic wellbeing also includes appropriately managing capital and operational expenditure. We are not seeing this from Wellington City Council at the moment and would appreciate clearer guidance on how these costs will be better allocated to ensure that economic wellbeing in the city can be achieved.
- 5.4. Furthermore, we want to see Wellington City Council push central government to encourage its own employees back into the city. A change in the alert levels may not help business immediately so we would like to see central government lead the way and play a part in revitalising Wellington's vibrancy.

#### **6. A dynamic city heart and thriving suburban centres**

- 6.1. We support developing central city and suburban centre regeneration plans, including exploring an entertainment, artisan and retail experience precincts. Creating precincts that enable local cultures to come together enhance cities and help them thrive. Our members would also want

to see a 20-minute green city, a way that allows people to get around and explore the CBD's precincts, in a short 20-minute walk. This can be achieved through coordinated district planning which enables and encourages greenery within the CBD.

## **7. A revitalised and regenerating city**

- 7.1. We support creating a built environment that is safe, attractive, climate and environmentally friendly. Property Council supports the Council's commitment to reduce net carbon emissions to zero by 2050, as this aligns the Government's Climate Change Response (Zero Carbon) Amendment Act 2019. Over the last couple of years, through the guidance of our members, we have seen our advocacy focus expand towards improving sustainability and resilience within the sector. We support the need to reduce emissions within the building and construction sector and acknowledge that there is a lot of work required from Central and Local Government, and the private sector to achieve these goals. It is important to note that the private sector may not have the capital to spend without careful consideration, so we urge that there are on-going conversations with the private sector to deliver on its objectives.
- 7.2. Property Council supports city designs that enhance economic growth and development. We support modernising city venues and drawing people back into the CBD following a difficult two years due to COVID-19. It is important to note that updating city venues may bring to light potential issues such as a need for seismic strengthening. Our members have found that there has been a heavy focus on earthquake prone buildings, however this is an assessment that needs to be done on all buildings.

## **8. Draft Action Plan**

- 8.1. The feedback asked for a list of priorities within the Draft Action Plan. We have ticked the priorities that align with our membership. Please see this below.

## **9. Conclusion**

- 9.1. We support the direction of this strategy but recommend that it be implemented in coordination with other Council plans. We also recommend that the Council have on-going conversations with the private sector to fully understand the practical implications of the strategy.
- 9.2. Any further queries do not hesitate to contact Sandamali Gunawardena, Advocacy Advisor, via email: [Sandamali@propertynz.co.nz](mailto:Sandamali@propertynz.co.nz) or cell: 0210459871.

Yours Sincerely,



Gerard Earl  
Wellington Committee Chair

## Outcome 1

### Outcome 1: Sustainable business and career pathways

Approach	Proposed Actions	Responsible Organisation
Understand the skills gaps in key industries	Establish a Wellington City Skills and Education Forum for employers and educators to connect, discuss, and collaborate with each other.	Council WZN
	Work with education and construction sectors to close skills gaps in construction.	Council WZN
	Undertake research to understand the drivers for students coming to Wellington and for choosing to leave or stay when entering the workforce.	Council
	Work with local employers and education institutions to increase opportunities for students to explore the city's workplaces and professions.	WZN
	Advocate across all industries for the development of skills which will be fit for the future circular economy.	Council WZN

Approach	Proposed Actions	Responsible Organisation
Collaboration between Council and education providers	Explore establishing a Town and Gown Committee(s) where key issues, opportunities and the aspirations of the tertiary sector can be better understood and progressed.	Council
	Explore opportunities to better connect tertiary education providers within the city (business, public, and council), such as knowledge sharing and establishing formal work experience programmes.	Council WZN
	Offer new students and families a 'Welcome to Wellington' package.	Council WZN CCO
Support rangatahi, young people and disabled community into sustainable and fulfilling careers	Partner with government agencies, education providers, mana whenua, and employers to: Identify career pathways and development opportunities. Support education providers to inspire young people into careers. Support and enhance work ready programmes and internships, including providing tailored services for diverse communities. Break down barriers for employment in the disability and Rainbow communities.	WZN
	As an employer in the city, we lead by example by: Designing clear pathways and resources so our staff understand how they can progress their careers through Council. Partnering with local schools to support curriculum delivery and inspire children with career opportunities. Partnering with ministry for disabled people to break down employment barriers experienced by the disability community (note that we already work with workbridge on this) Running intern programmes.	Council

## Outcome 2

### Outcome 2: Transitioning to a circular economy

Approach	Actions	Responsible Organisation
Develop a circular economy change programme	Partner with mana whenua and Māori to explore a Māori worldview of managing climate change and moving to a circular economy.	WZN Council
	Co-create business sector plans and circular economy sector transition programmes for Wellington's priority business sectors (eg: digital technology, screen, tourism) - work with Sustainable Business Network.	WZN Council
	Identify and measure progress against the doughnut economics model.	Council
	Work with central government to enable business support funding incentives for businesses committed to a circular economic model.	WZN
	Advocate to central government to develop policies and programmes to transition to a circular economy.	WZN
Promote Wellington businesses to attract investment, spending, and tourism that delivers a circular economy	Develop a business and investment attraction strategy and action plan.	WZN
	Celebrate local business success stories which contribute to a circular economy.	WZN
	Evolve Wellington's placemaking storytelling to amplify examples of progressive businesses making positive change and enhance Wellington City's brand.	Council WZN
	Develop and deliver a plan attract business and cultural events and visitors to our city and the new convention and exhibition centre (Tākina).	Te Papa WZN
	Deliver Wellington City's Destination Management Plan through WZN and contribute to the Wellington Region Economic Development Plan and Waikarapa Destination Management Plan.	WZN
Support Māori economy to thrive	Facilitate sustainable job creation in the Māori economy through our procurement strategy.	Council
	Partner with Te Matarau a Maui and mana whenua to build capability of Māori in digital technology and enable authentic storytelling.	WZN

### Outcome 3: A business-friendly city

Approach	Actions	Responsible Organisation
Deliver business capability and support programmes	Investigate new and innovative ways to support local businesses with strong growth potential.	WZN & Creative HQ
	Work proactively with Central Government to amplify business support and research and development (R&D) programmes.	WZN & Creative HQ
	Encourage business and industry organisations to host events and showcase talent to our national and international counterparts and audiences.	WZN
	Consider how we support smaller businesses to build capability and connect with each other and to the circular economy.	WZN
	Enhance incubation and acceleration services to businesses.	WZN
Re-design regulatory services for customers	Co-design Council services with relevant and diverse business communities.	Council
	Streamline business-targeted Council processes where possible.	Council
	Identify the culture shift required to become more business friendly.	Council
Strengthen existing sister-city relationships	Establish business research panel.	Council
	Foster our relationship with Seoul to build trade partnership in the creative tech, film and gaming sectors.	Council
	Review the International Relations Strategy to establish clear goals for our international relationships to deliver a circular economy.	Council
	Collaborate and share knowledge related to relevant issues such as COVID-19 response and developing a circular economy learning and development.	Council

## Outcome 4 & 5

### Outcome 4: Centre of creativity and digital innovation

Approach	Actions	Responsible Organisation	
Establish Wellington as centre of excellence for digital technology services	Develop sector profiles to understand future potential (underway).	Council WNZ	
	Broaden the reach of targeted programmes to support emerging digital tech companies to scale up.	WNZ	
	Explore opportunities for science and innovation to co-locate and commercialise their research.	WNZ	
	Research the benefits and opportunities of sector hubs and shared services models.	WNZ	
	Advocate to central government for tax incentives that ensure our city is competitive in the global film and gaming markets.	Council	
	Work with/support/promote investment in the sector as necessary to support early-stage investment in emerging digital businesses.	WNZ	
	Review Council's Open Data approach to make more data available in more formats.	Council	
Support our screen sector	Support Screen Wellington to deliver on the Screen Strategy and build industry partnerships and work programmes.	Council WNZ	
	Partner with mana whenua and Te Matarau a Maui to identify opportunities for Māori to increase their skills and capability in the film and screen sector.	WNZ	
	Advocate for faster broadband upload - download speeds especially in business areas.	Council	
Modernise our city venues	Redevelop the Opera House into a flexible, modernised venue to service identified gaps in our offerings.	Council WNZ	✓
	Explore opportunities for the TSB Arena to make sure the arena can serve as the city's large multi-purpose entertainment and sports venue in the foreseeable future.	Council WNZ	✓
	Explore opportunities for big events at Sky Stadium in a post-COVID world.	Council	✓

### Outcome 5: Celebrate our Capital City status

Approach	Actions	Responsible Organisation	
Celebrate our Capital City identity	Partner with mana whenua, heritage bodies, government institutions and the creative sector to make our Capital identity stories more accessible.	Council WNZ	
	Leverage the reputation of our public sector to generate growth opportunities for businesses, events and education.	WNZ	
	Work with Queer and Rainbow organisations to share stories and provide platforms to enable visibility.	WNZ	
	Tell the stories related to Parliament and our world-leading social legislation that supports the UNESCO World Heritage status initiative for the Parliamentary precinct.	Council WNZ	
	Partner with government institutions to develop their product and customer experience offering.	WNZ	
	Leverage being the home of Government	Work better together with other councils in the region to leverage our proximity to central government to influence decision-making.	Council
Market Wellington's reputation as the home of New Zealand's transparent, ethical, and democratic public service, and identify opportunities to celebrate our government talent.		WNZ	

## Outcome 6

### Outcome 6: A dynamic city heart and thriving suburban centres

Approach	Actions	Responsible Organisation	
Actively create experience precincts	Develop central city and suburban centre regeneration plans, including exploring an entertainment, artisan and retail experience precinct programme.	Council WNZ	✓
	Develop a night-time economy plan.	Council	
	Ensure we continue a year-round events programme that consistently supports visitation, vibrancy and spend to our city, including local events.	Council WNZ	✓
	Investigate building/creating a weather resilient space for farmers/artisan markets.	Council	
Celebrate our creative culture, Te Ao Māori and Te Reo Māori	Explore opportunities to activate empty buildings and shop fronts and consider the most critical locations for retail and hospitality activities.	Council WNZ	✓
	Review all economic grant funding to ensure it is structured to deliver best outcomes for the wellbeing of our local community economies.	Council	
	Collaborate with mana whenua and creatives to identify and activate through Te Ao Māori and Te Reo, including Tākina, Te Ngākau Civic Square and Te Aro Pa.	Council	