

Thames-Coromandel District Council Productivity Plan



Final Establishment Report

October 2018



rationale >

IMPROVING INFRASTRUCTURE OUTCOMES

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Thames Coromandel Productivity Plan

Prepared for:

THAMES COROMANDEL DISTRICT COUNCIL

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Executive Summary

This Establishment Report outlines how a Productivity Plan Programme Business case can provide improved economic, environmental and social outcomes for the Thames-Coromandel District (TCDC). It builds on an evidence base which captures issues to be addressed and opportunities that can be pursued. Importantly, it outlines how TCDC can partner with central and regional government agencies, local councils, industry, iwi and the community to catalyse a positive change that stretches outside TCDC's normal remit as a Council.

The proposed Productivity Plan will utilise a Better Business Case approach to prioritise high value investments, combined with a Spatial Plan to visually integrate land use regulation and infrastructure planning and investment. In keeping with the intention of Central Government, this plan will use a Spatial approach to produce a strategic, future-focused and evidence-based plan developed through a collaborative and participative process, that sets the long term (30+ years) vision for a region, city or local area (across social, economic, environmental and cultural dimensions).

Thames-Coromandel is a district of significant opportunity. It is in close proximity to Auckland, Hamilton and Tauranga, has an enviable lifestyle due to the natural environment and climate, and is a popular tourist destination.

Despite the positives, aspects of the District's economy are underperforming. The District is experiencing declining productivity, low business growth, low GDP growth, low median earnings, high levels of deprivation and low levels of skilled employment. The constraints to growth include highly seasonal tourism and reducing contribution to GDP, housing shortages and imbalances, and a lack of corporate investment in the District. Over the last five years, TCDC has focused on how to create a more diverse and vibrant economy that attracts new investment, more business and more people living in and visiting the District. While strategic direction has been in place and several initiatives have been implemented, the anticipated economic growth has not eventuated.

Thames-Coromandel has several strengths that it can build on. Proximity to Auckland and the ability to leverage from their growth and housing issues is a significant opportunity for TCDC to stimulate residential and business growth of the District. TCDC is ready to positively influence and facilitate economic growth through the development of the Thames-Coromandel Productivity Plan - a programme that will improve overall economic performance and deliver against the vision and themes of the Economic Development Strategy.

A new integrated and evidence-based approach is needed. A Better Business Case (BBC) approach will be used to develop a Productivity Plan for the district. This approach includes identifying issues, gathering evidence, building community and stakeholder involvement, developing a wide range of options and collaboratively evaluating, refining and testing options to define a preferred way forward in each area. The principles of the BBC framework are also consistent with the investment needs of the government, including the requirements for making an application for funding under the Government's recently established Provincial Growth Fund.

After identifying a wider programme of possible initiatives in a previous report (April 2018), this Establishment Report is focused on high value opportunities, with five targeted workstreams proposed. These are:

1. Land use.
2. Land productivity.
3. Connected journeys.
4. Aquaculture
5. Destination management.

The Productivity Plan will aim to achieve these objectives:

- Improved land use productivity that supports better employment opportunities and corporate investment.
- Improved spatial planning for the district to support targeted economic growth.
- Improved roading, blue highway and skyway access to and connectivity around the district.
- Expansion of aquaculture farming and supporting industries.
- Improved offering and coordination of the district as a food destination.

The intention is to fully define this plan and programme by June 2019.

1 Background

Thames-Coromandel District Council (TCDC) has identified economic development and increased productivity as a priority area of focus for the Council and the community. Economic development is defined as actions that positively influence economic growth and improve the economic and social wellbeing of a community by providing jobs, sufficient income levels, and the resources required to achieve a healthy standard of living and quality of life. It will also focus on how the most vulnerable in the district can gain the most benefit, ensuring equitable outcomes across the board.

Economic development strategies to date recognise the strengths of the District and the opportunities that this provides. Thames-Coromandel is within a 1-2-hour drive from Auckland, Hamilton and Tauranga, and is a popular tourist destination with an outstanding and diverse natural environment on offer. A number of programmes and projects have been completed over the years to support development of the economy. This includes building infrastructure capacity, increased support and investment in tourism and events, and encouraging investment in electricity upgrades and ultra-fast broadband. Despite efforts to date, several aspects of the District's economy are underperforming.

The Economic Development Strategy: Towards 2028 focuses on what TCDC can do to make Thames-Coromandel a confident and vibrant business District and the strategy and themes that support this, as shown below.

Vision:

Through our actions the Thames-Coromandel will be a confident and vibrant business district.

Strategy:

To positively influence and facilitate economic growth.

Strategic Themes:

- Being business friendly
- Advocating and networking
- Supporting tourism and events



The Productivity Plan programme outlined in this report identifies how the strategy can most effectively be delivered. A key component of success is development of a robust evidence base to ensure a good understanding of the problems we are trying to solve and where best to focus energy and resources. The programme identifies five targeted workstreams that will drive productivity and the delivery of the Plan.

1.1 Context

1.1.1 Thames-Coromandel District

Thames-Coromandel District is located in the Waikato Region and has four main towns of Thames, Coromandel Town, Whangamata and Whitianga along with many smaller coastal townships. The District covers the entire Coromandel Peninsula from Hikutaia in the south to Port Jackson in the north.

The Coromandel Peninsula is described as a place of outstanding natural beauty with a proud history. Its many advantages can be seen in the mountain ranges, white sand beaches, native forest and bush, as well as the Māori and early-European heritage evident in older towns and settlements. The climate and proximity to the population centres of Auckland and the Waikato has meant that holiday settlements have experienced periods of rapid growth. Over 30% of land is Department of Conservation estate, providing a backdrop to coastal areas along the east and west of the peninsula and a variety of recreational opportunities. Thames is part of the popular Hauraki Rail Trail (connecting across three districts) and planned future extensions will no doubt increase use of this cycleway experience. Thames-Coromandel is also a popular destination for events such as the Beach Hop in Whangamata and the Scallop Festival in Whitianga.

The population of Thames-Coromandel as at June 2016 was 28,400. The population is typical of other tourist areas where a significant proportion of ratepayers reside outside of the District. Projections indicate low growth of permanent residents over the next ten years with gradual increases in some areas (Mercury Bay) and small declines in others (Thames, Tairua-Pauanui and Whangamata). This reflects an ageing population, a lower birth rate than death rate, and decreasing migration. The popularity of all areas as holiday destinations is projected to continue.

The main drivers of economic activity for the District (along with the secondary activities generating from them) are:

- Primary production.
- Property/business services.
- Tourism.
- Manufacturing.
- Construction/building.
- Health care and supporting services

The graph below outlines the breakdown of GDP contribution by industry.

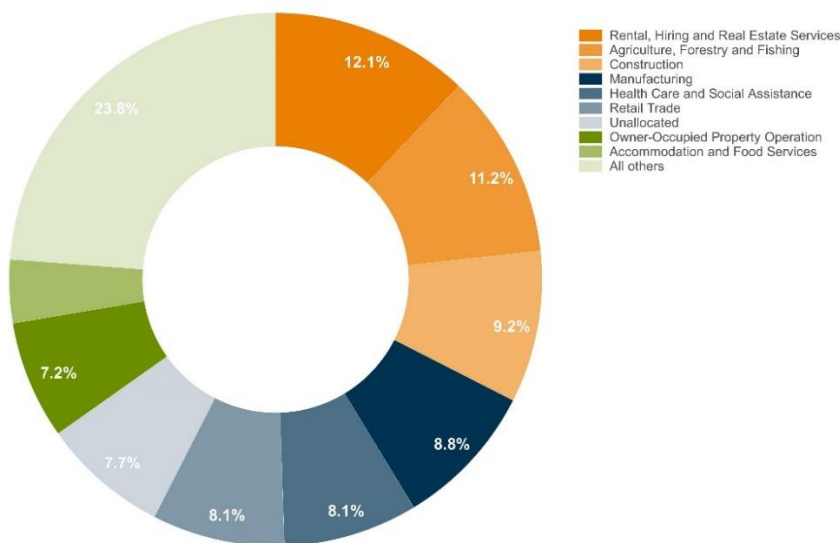


Figure 1: Infometrics industry breakdown (contribution to GDP) for the district

Aquaculture is one of the biggest contributors to economic development and there are several business streams that have flowed from the aquaculture industry that provide tourist attractions such as recreational fishing charters.

Further analysis on characteristics of the District and implications for delivering successful economic development outcomes are discussed in the Challenges section of this report.

1.1.2 Key influences

Changes in technology, population, the political environment and climate (amongst other things) create constraints and opportunities that influence future economic development direction.

A significant change that has the potential to influence the future of the Coromandel Peninsula is the roll out of Ultra-Fast Fibre. Improved access to broadband infrastructure has the potential to drive economic development and promote growth as it removes the traditional geographical barriers associated with working and living outside a main centre, what is achieved in this space will have an influence across much of the Productivity Plan.

Growth and migration particularly from Auckland creates huge potential for residential and business growth of the District. The Coromandel Peninsula has the geographic proximity and abundant lifestyle opportunities that with the right focus, could stimulate economic growth of the District. This is where the need for a strong evidence base and understanding of what is constraining this potential growth and increased productivity is required.

Treaty of Waitangi settlements are predicted to come into effect in the Hauraki-Coromandel by 2020 and are likely to change the governance and management environment that is currently in place. It is important that TCDC looks at how it can proactively adapt to these changes and identify opportunities that improve the way the Council works with Iwi. Consideration of how TCDC might enable Maori economic development opportunities is a key aspect of the Productivity Plan.

The increasing frequency of extreme weather events and potential sea level rise is a global issue that is changing the way that we live and how we plan and respond to these challenges. TCDC has a focus on identifying the potential risks and planning for long term resilience to these changes. This is an important consideration in future planning for urban development, land use, business, access and infrastructure investment.

An increasing focus on protection of the environment is particularly relevant for the Coromandel Peninsula as the natural environment is a key characteristic of the area and the challenge is to balance attracting people to the District with the protection of areas that often are the reason who people choose to move here.

The political environment has changed, and New Zealand is experiencing a shift in direction from Central Government. The Economic Strategy of the Government proposes to move beyond what is perceived as narrow economic indicators and measures of success, to a social market economy that puts the well-being of people and the environment at the centre. The Government's urban growth agenda is likely to give rise to further changes to the national planning framework, and the focus on housing availability and affordability could see a range of incentives being used to encourage investment in these areas.

Through the impending activation of the new Ministry for Housing and Urban Development (October 2018), central government has signalled their interest in working with local governments to complete Spatial Planning for their district.

Under their definitions, a Spatial Plan will produce a strategic, future-focused and evidence-based plan developed through a collaborative and participative process, that sets the long term (30+ years) vision for a region, city or local area (across social, economic, environmental and cultural dimensions).

A spatial plan directs and integrates land use regulation and infrastructure planning and investment, and visually illustrates:

- The existing and future land use pattern (at a high level)
- Existing and future infrastructure provision and strategic corridors
- Priority areas for investment
- Areas for protection or restoration (for example ecologically significant areas, versatile soils or culturally important areas)
- Other strategically significant priorities for the area.

1.1.3 Provincial Growth Fund

The Government has committed to enhancing the productivity of the regions, recognising that tools are needed to ensure those areas outside of the main centres are equipped to meet the challenges ahead. The Provincial Growth Fund (PGF) will lift productivity potential in the regions, based on three investment tiers (refer Figure 1 below). Thames-Coromandel is well positioned to make an application for funding through the PGF for the Productivity Plan.

Projects put forward for consideration for funding will be required to demonstrate clear merit and have strong business support and an understanding of the growth profile of the area. These principles are consistent with the Better Business Case (BBC) approach applied to the Productivity Plan. As individual projects are progressed the criteria for investment, as set out under the PGF¹, can be considered and assessed using the BBC model.

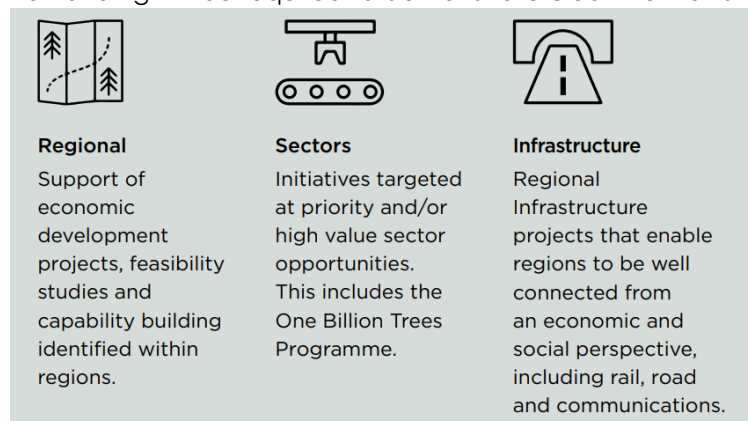


Figure 2: Provincial Growth Fund Investment Tiers (Source: Ministry of Business, Innovation and Employment)

The criteria used to assess funding applications demonstrates the importance of the Plan building on what is already in place, connecting to regional stakeholders and priorities, and having robust evidence to support the need for change and demonstrate that the project will deliver on the intended outcomes.

The PGF is a potential funding source for this plan and an initial submission has been completed to explore this option.

1.2 The New Zealand Treasury Living Standards Framework

The government's vision is focused on higher living standards for New Zealanders. Achieving this requires growing the country's human, social, natural, and financial/physical capitals which together represent New Zealand's economic capital.

¹<https://www.mbie.govt.nz/info-services/sectors-industries/regions-cities/provincial-development-unit/provincial-growth-fund/project-criteria-and-assessment>

Recent legislative challenges have brought the Living Standards Framework to the fore Councils across New Zealand. This Framework uses four capitals that work together to inform a level of wellbeing for communities. Importantly, it helps prioritise and inform decision making through encouraging an understanding of synergies as well as trade-offs. This framework can guide planning and investment decision making for TCDC and tools are being developed to support this through NZ Treasury. This Framework will certainly play a role in the development of the Productivity Plan.

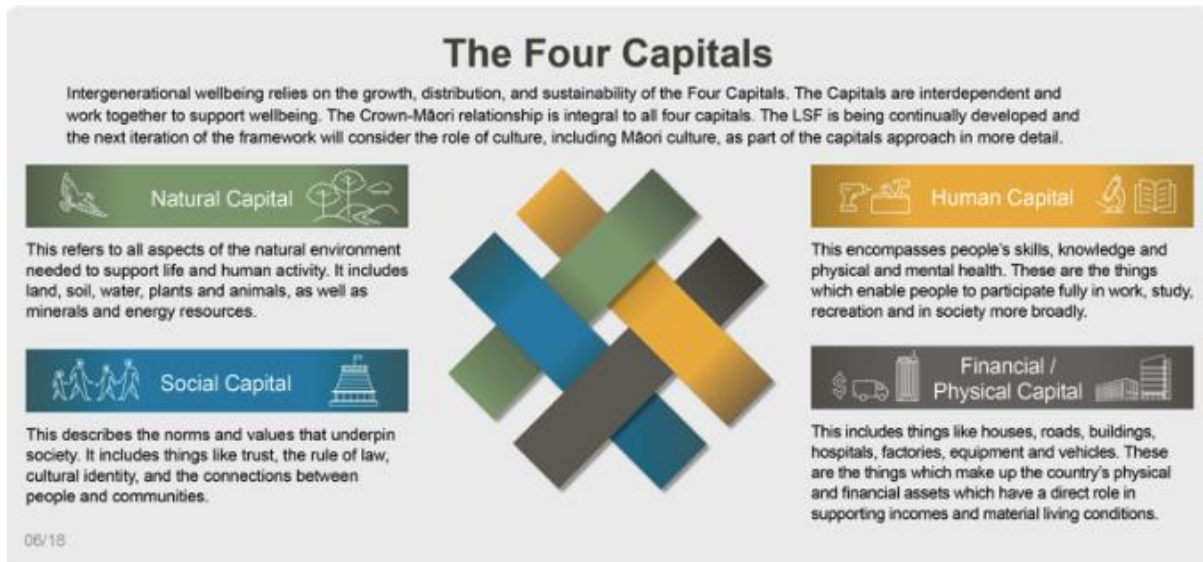


Figure 3: NZ Treasury Living Standards Framework

1.2.1 Pare Hauraki Collective Settlement

In 2009, the 12 Iwi of Hauraki formed the Pare Hauraki Collective for the purpose of negotiating a Treaty settlement. The 12 Iwi are:

- Hako
- Ngāi Tai ki Tāmaki
- Ngāti Hei
- Ngāti Maru
- Ngāti Paoa
- Ngāti Porou ki Hauraki
- Ngāti Pūkenga
- Ngāti Rāhiri Tumutumu
- Ngāti Tamaterā
- Ngāti Tara Tokanui
- Ngaati Whanaunga
- Te Patukirikiri.

The areas of interest of the Iwi of Hauraki extend from the Mahurangi coast in the north to the western Bay of Plenty and include the islands of the Hauraki Gulf/ Tīkapa Moana.

The Iwi of Hauraki have a combined population of over 16,000. The 12 Iwi have individual mandates to negotiate the settlement of their claims.

On 2 August 2018, Pare Hauraki signed their Collective Treaty Settlement Deed in a ceremony at Parliament with the Crown represented by Treaty Negotiations Minister Andrew Little.

When the settlements come into effect in the Hauraki-Coromandel, they are likely to change the governance and management environment that is currently in place. Iwi are set to be the largest landowner in the Coromandel post-settlement, so all workstreams identified within the Productivity

Plan will have a central Iwi focus. A key consideration of the Productivity Plan will be how TCDC can best work with Iwi to enable the best use of their assets and resources, ensuring positive outcomes for Māori communities across the District.

2 Challenges – what we need to address

A workshop with the Mayor, Chief Executive and Group Managers was held in April 2018. This was used to assess the current situation and identify issues (and potential opportunities) impacting on economic activity in the district. It is likely that additional issues will be identified as more detail and information is gathered for each of the workstreams.

To assist with this discussion, Rationale gathered evidence around statistical trends across a range of factors including employment, housing, income, deprivation, skills, tourism spend and visitation, transport access, GDP, workforce, and business. All data used for this analysis was sourced from:

- Infometrics Economic Profiles.
- Stats New Zealand.
- Rationale Growth Projections.
- New Zealand Index of Deprivation (NZDep) via the University of Otago.
- New Zealand Transport Agency (NZTA).
- The 2017 Thames-Coromandel District Council Economic Development Strategy.

A comparison was made between Thames-Coromandel and other tourist destinations including Queenstown, Far North District and Taupo. These destinations were selected for the following reasons:

- Similar appeal as a destination.
- Similar challenges around access and population demographics.
- Similar variety in the economic affluence of the population, including reasonably high level of deprivation between Far North District and Thames Coromandel.
- Availability of common data in the identified areas (note that Taupo had less data coverage and is not always shown in the comparative graphics).
- As a district that has experienced a great deal of positive productivity, economic growth and change in the last 10-15 years, Queenstown Lakes provided a benchmark for where Thames-Coromandel could be in the future.

A full account of the findings is included as Appendix 2. The summary below outlines the issues at a high level.

2.1.1 Low land use productivity

There are areas of land that don't appear to be used for a productive purpose. This situation provides the potential to increase land productivity in the District. A greater understanding is required of:

- where the land is
- who owns it
- why it has low productivity
- what the potential is
- the constraints that may be preventing more productive use (such as natural hazards, regulatory processes).

2.1.2 Seasonality of tourism activity and reducing contribution to GDP

Issues include:

- Relatively low value tourists - often perceived as a cheap destination for tourists as can be relatively "free" to travel around and stay.
- No product in place, lack of over-arching premium brand.

- No identified captured audience.
- Tourist numbers are increasing but this isn't translating to significant increases in tourism spend.
- Very large change in visitation between busiest and quietest times.
- Not enough high-value, year-round product offer to encourage longer stays.

Tourism spend per guest night is \$465 compared to \$607 in Queenstown and \$552 in Taupo. Far North is lower at \$403. The quietest month tracks at 16% of the tourism activity of the busiest month compared to 49% at Queenstown and 25% in the Far North. There is high variation of monthly spend between seasons in this district. This comparative analysis also demonstrates that TCDC has potential to gain a much larger portion of the national Tourism spend in the future.

2.1.3 Housing and accommodation shortages and imbalances

The key issues include:

- Shortage of housing stock – lack of rental accommodation, high proportion of vacant houses many of which are not available for any other use or are Air BnB, lack of housing for workers which impacts on the ability to attract business to the District.
- Low number of permanent residents.
- Large number of absentee ratepayers.
- Lack of high quality branded motel/hotel environment to attract corporate interest and investment over the 'mum and dad' business investment.

Through the analysis completed by Rationale, it was determined that 49% of housing stock is vacant compared to 24% in Queenstown. Projections indicate that this will increase to 53% by 2048. Approximately 55% of ratepayers live outside of the District.

2.1.4 Ongoing roading resilience and access

SH25 is seen as the biggest barrier to development. The SH25 loop around the Coromandel peninsula is prone to damage and closure from storms. NZTA continue to do repair work, most recently on the Thames Coast Rd (SH25) from Thames to Waioumu, following the January 2018 storms (investment of up to \$19 million so far), however the issue is momentum going forward to become completely resilient for the entire SH loop particularly for mussel and logging trucks, as well as the growing number of camper vans.

SH25 is performing below the level of comparable highways. 2017 was a particularly poor year and may be attributed to the Cyclone Cook event in April 2017, which caused a large number of slips across the Thames-Coromandel District. Despite this explanation, SH25 appears much more prone to closure and susceptible to extreme events. This will likely have negative effects on tourism and industry in the area. Furthermore, if there are multiple closures around the SH loop, it leaves communities isolated and vulnerable and basically locked in.

2.1.5 Uncertainty over impact of Treaty Settlements.

It is anticipated that the Post Treaty Settlement environment will impact on the way things currently operate. Co-governance and co-management structures will provide a greater role for Iwi in decision-making over issues such as planning and the future of the Hauraki Golf. It is important that TCDC are well placed to respond to any change that will eventually occur at a district level. Initial indications are that Iwi will become the largest landowner in the District.

2.1.6 The planning process and costs involved

This is seen as the biggest inhibitor to increased productivity, development and encouraging innovation. An example used was the potential impact of Plan Change 2 (relating to water use) on economic development opportunities. This issue needs to be explored further to define the specific challenges and outline targeted actions for inclusion in the programme.

2.1.7 Low business growth and low GDP growth

Businesses need houses for their workers to live in. The lack of rental accommodation is a big constraint for businesses to relocate to Thames-Coromandel and Thames in particular.

Ultra-Fast Fibre is also now available, but the district currently has low uptake. Despite the proximity to Auckland, Thames-Coromandel doesn't have a business environment that encourages investment and there is a lack of corporate presence in the District. Local businesses tend to be "mum and dad" operations that are unable to drive product development at the scale needed. There is huge opportunity to create a premium brand that builds on strengths such as the aquaculture industry and artisan food businesses. This needs to be business-led. Ideally corporates and small businesses alike could work together as an industry to define and develop the unique product and brand for the district and collectively promote it.

Key indicators in this area include:

- Low GDP production compared to benchmarked districts and the nation.
- GDP growth has generally tracked below NZ GDP growth.
- Low mean earnings compared to the peer group.
- Lower recent business unit growth compared to the rest of NZ.
- Average business size and average annual business growth is lower than Queenstown and on a similar level to the Far North.

2.1.8 Lack of cohesion across the District

It is difficult to achieve a cohesive vision for the District for several reasons including:

- Geographic separation between towns creating distinct communities that often don't see the greater needs of the District.
- Parochialism at a political and community level.
- Lack of integration between towns and between industries across the District.
- Difficult to get consensus due to disparity of views, often receive 50% in support and 50% against on issues, no critical mass in the middle.
- The fact that more than 50% of TCDC ratepayers don't live permanently on the Coromandel, so there is often differing needs, wants and views to permanent ratepayers.

This affects the ability to build depth and diversity in the economy so that if an area of the District is experiencing a downturn, another area can sustain the District during this time.

2.1.9 Population characteristics

The ageing population is nearly twice the national average and the trend is projected to continue. This impacts on housing needs, support services and on the working age population.

Deprivation is a significant issue for the district. A deprivation index of 7.1 for the district was discussed in relation to a comparison index of 5 for New Zealand, 8.5 for Far North District and 2.1 for Queenstown Lakes. This index is provided by the New Zealand Index of Deprivation (NZDep). The way this is measured is explained further in Appendix 3.

Key indicators in this area include:

- High comparative levels of deprivation.
- High level of youth not engaged in work, education or training (NEET). The rate is reducing but is still high compared to NZ average.
- Declining working age population.
- High percentage of retirement age population.
- Low comparative levels of highly skilled and skilled employment.

3 Taking a New Approach

It is recognised that TCDC has spent considerable time and effort seeking to address the challenges faced in achieving successful economic development outcomes. While strategies have sought to provide clear direction on what needs to be done and why, this effort and investment has not translated to growth in economic indicators such as GDP and employment, nor has it resulted in increased productivity.

The District has many strengths that can be built on and is fortunate that while there are challenges in place, some of these challenges also provide potential new opportunities. TCDC is ready to positively influence and facilitate economic growth and needs confidence in a Productivity Plan programme that:

- Delivers on strategic objectives.
- Is supported by robust evidence.
- Takes a spatially based approach.
- Is coordinated and integrated into the way we do things at TCDC and within the community.
- Can be delivered by TCDC and through partnerships and collaboration with others.
- Is focused on the areas of greatest need.
- Demonstrates that positive change is happening on the ground.
- Has the potential to achieve some quick wins.

A new approach is needed to develop, evaluate and implement agreed options.

4 Productivity Plan scope – what we plan to do

After identifying a wider programme of possible initiatives in a previous report, this Establishment Report is focused on high value, high productivity opportunities, with five targeted workstreams that are integrated through a Spatial Plan:

1. Land Use
2. Land Productivity
3. Connected Journeys
4. Aquaculture
5. Destination Management

The overarching aim for the Productivity Plan is to ensure the district can do more with what it has and contribute to better local, regional and national outcomes. The Productivity Plan will use the better business case process to ensure each workstream is thoroughly investigated to clearly capture the case for change, investment objectives, options evaluation, costs, commercial arrangements and delivery mechanisms.

After identifying a wider programme of possible initiatives, this plan is focused on high value opportunities in land use, land productivity, connected journeys, aquaculture and destination management. This will all be underpinned through a productivity-focused Spatial Plan for the district. This project will bring together a wide range of workstreams to improve the economic outcomes across the Thames-Coromandel District as shown below:

4.1.1 Spatial Plan

A spatial plan, as defined in this programme matches that of the new Ministry of Housing and Urban Development. It is a strategic and integrated approach to planning that seeks to set an overarching vision for an area - based on evidence, local distinctiveness and community objectives.

It will produce a strategic, future-focused and evidence-based plan developed through a collaborative and participative process, that sets the long term (30+ years) vision for a region, city or local area (across social, economic, environmental and cultural dimensions).

A spatial plan directs and integrates land use regulation and infrastructure planning and investment, and visually illustrates:

- The existing and future land use pattern (at a high level)
- Existing and future infrastructure provision and strategic corridors
- Priority areas for investment
- Areas for protection or restoration (for example ecologically significant areas, versatile soils or culturally important areas)
- Areas of vulnerability to be addressed.
- Other strategically significant priorities for the area.

4.1.2 Land Use

The Land Use workstream will focus on improving the provision of residential and business land to ensure these are not impediments to growth. This includes:

- Identifying hot-spots for supply and demand analysis.
- Considering where overall Economic Development initiatives may drive demand for more land and support increased jobs and productivity.
- Informing and supporting Maori Economic Development activities that are driven by land use change.

4.1.3 Land Productivity

The Land Productivity workstream will focus on opportunities to increase income from the district's land. This includes completing a productivity analysis across the district and identifying high value

investment opportunities, such as cultivation of flowers, honey, native plants, timber and certified organic production areas.

4.1.4 Connected Journeys

The Connected Journeys workstream will focus on improving our transport networks across all modes to enable growth. This includes:

- Using a whole of network approach to understand the issues and opportunities.
- Building on the strategic assessment already completed for SH25 and SH 25A.
- Supporting and progressing the business case identified by NZTA to address a lack of resilience in this area.
- Connecting the economic drivers around aquaculture and tourism to this business case.
- Identifying how better transport connections and options can support improved social outcomes for areas of vulnerability.

4.1.5 Aquaculture

The Aquaculture work stream will focus on exploring opportunities to grow aquaculture and supporting industries. This includes:

- Understanding what is required to support growth in this industry, including facilities, access to resources, transport connections and industry alignment.
- This will align with the work underway to complete a feasibility study by November 2018 on Kopu as a Marine servicing and business Precinct. A PGF application has also been submitted in September 2018 to proceed to a Business Case.
- This workstream ties in with the Coromandel Marine Farmers Association (CoroMFA) PGF application for an expansion of the Sugarloaf Wharf within the Coromandel Harbour to increase production of aquaculture from this facility
- This workstream also complements the Pita St Development PGF application for a marina and charter boat facility for tourism, ferry and recreational fishers.

4.1.6 Destination Management

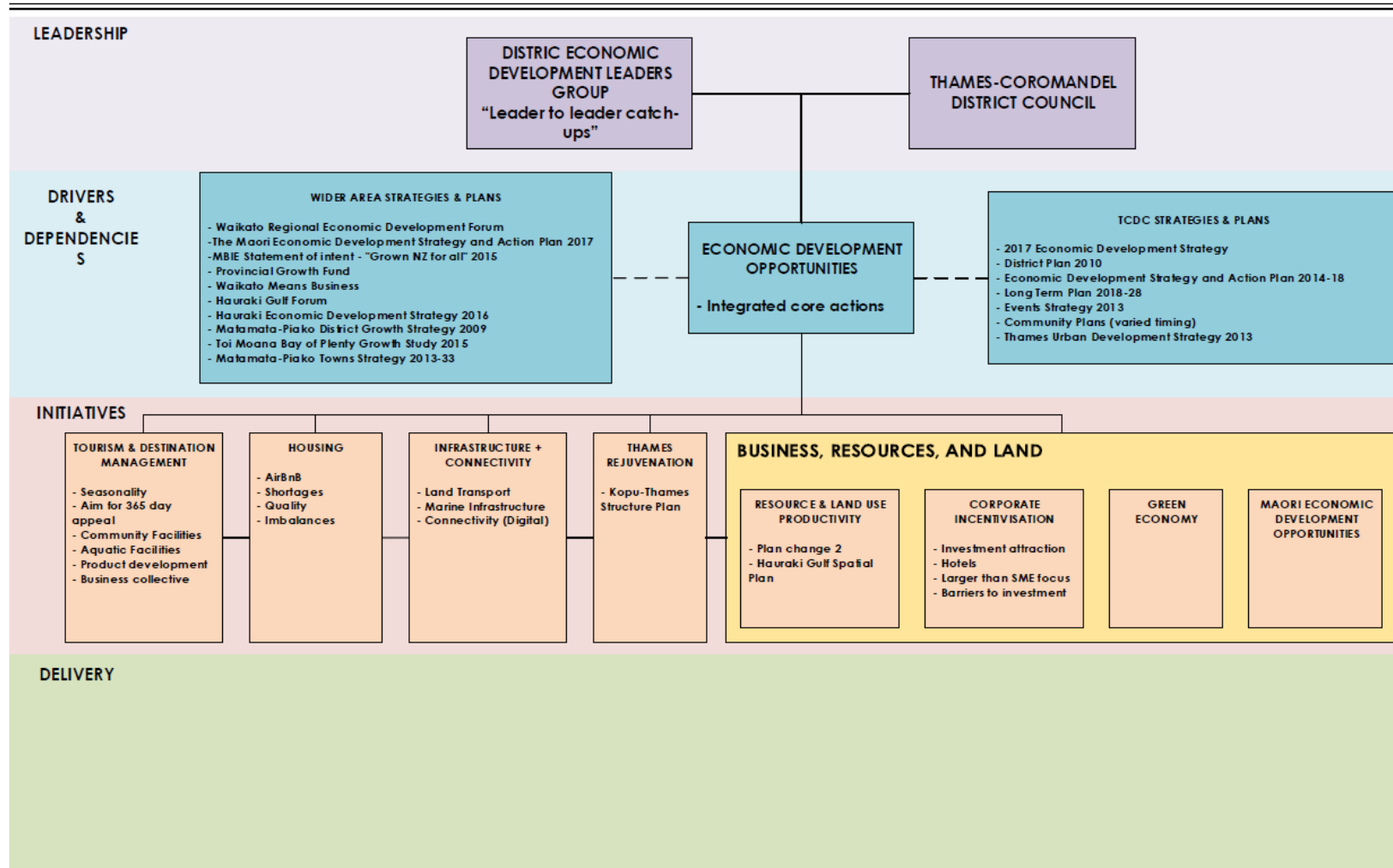
The Destination Management workstream will focus on building the District's attraction for visitors and investors. This includes:

- Improving business alignment and coordination. There are many great activities occurring in the area, but they are not joined up and this is reducing the overall effectiveness of the business community.
- Identifying and removing barriers to investment for accommodation. There is currently no premium high-end hotel accommodation. This causes an over-reliance on Air BnB-style offerings. We need to understand what is holding back the investment in improved accommodation.
- Building on the work done to date to support development of the area as a food destination, by supporting homegrown, artisan and organic local food and beverage and building on the Coromandel food story

Note: these workstreams will all feature a strong focus on supporting the Maori Economy, with specific support of agreed initiative is that may emerge from recent treaty settlements.

The high-level outcomes will be translated into investment objectives during the development of the Strategic Case. These investment objectives will be supported by tangible KPIs which will include job/business growth, GDP growth, corporate investment levels, transport resilience and visitor growth. Social prosperity and social outcomes will also be defined through identification of business needs for the programme. *Figure 21* below shows the initial thinking and the broad economic development initiatives that were suggested as part of the earlier establishment report. *Figure 22* shows the finer grained approach that has been suggested, with a spatial framework informing five key workstreams that will make up the Productivity Plan.

TCDC Economic Development Workstreams



19 April 2018

Status: Draft

Figure 4: Economic Development Workstreams Diagram

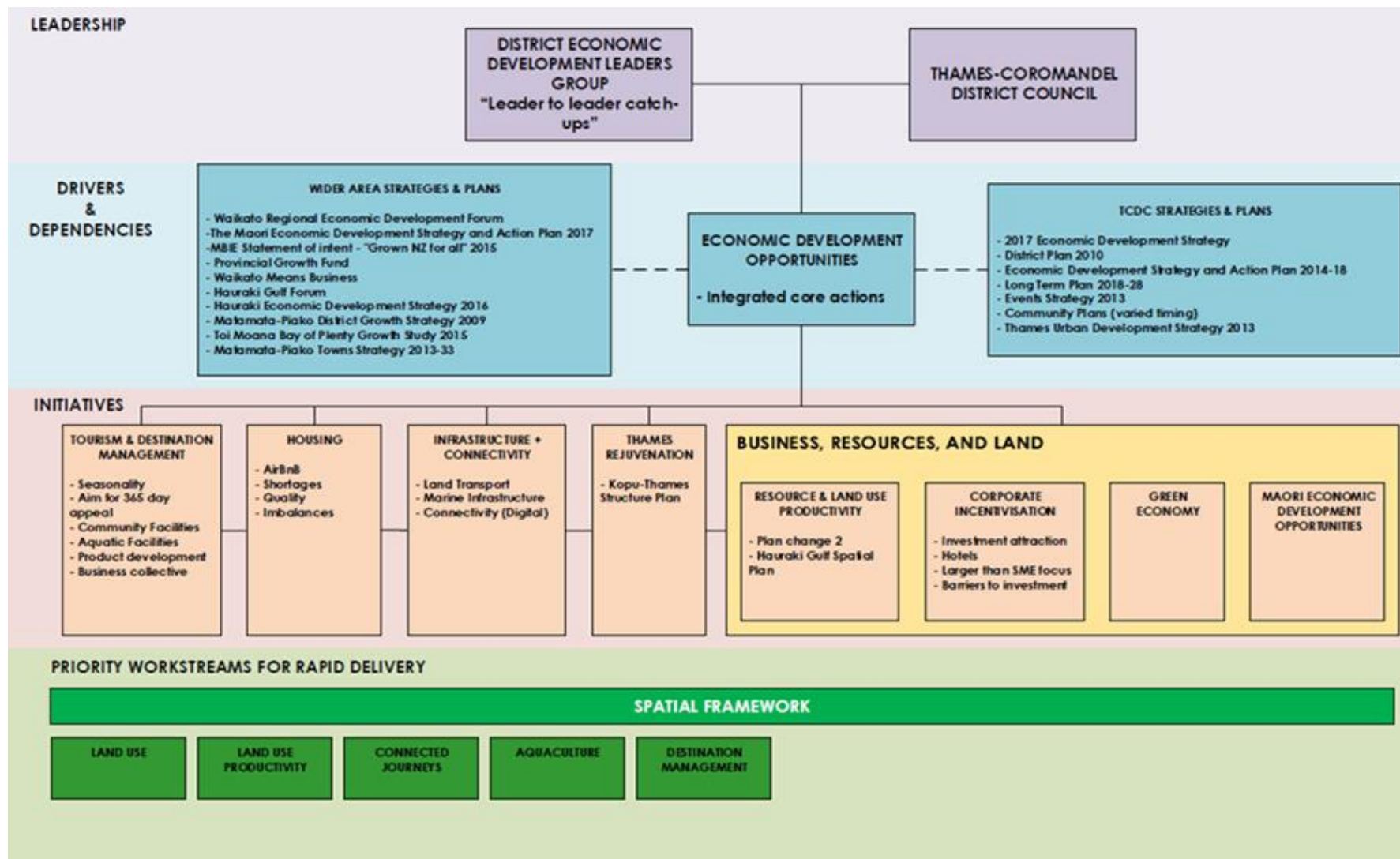


Figure 5: Productivity Plan Workstreams

5 Productivity Plan Objectives

- Improved land use productivity that supports better employment opportunities and corporate investment.
- Improved spatial planning for the district to support targeted economic growth.
- Improved access to and connectivity around the district.
- Expansion of aquaculture farming and supporting industries.
- Improved offering and coordination of the district as a food destination.

6 Economic Development Strategy Objectives

The vision is that Thames- Coromandel will be a confident and vibrant business District. This plan will support this vision and the achievement of the objectives identified in TCDC’s Economic Development Strategy: Towards 2028. The Strategy aims to positively influence and facilitate economic growth with a focus on:

1. Creating an easy to navigate investment environment that enables positive business development and job creation.
2. Supporting the visitor economy and using Council influence to identify what the District is good at and continue to drive those capabilities.
3. Connecting the dots that will grow the business community and local economy.

7 Geographic and functional focus

The geographic scope of the Productivity Plan is the Thames-Coromandel District. This is where the primary focus will be however it is recognised that the delivery of initiatives and projects is likely to require a wider reach across the region. For example, through marketing the District to other regions or through working with other regions to secure funding or identify opportunities for collaboration.

The Plan sets out what TCDC will initially co-ordinate or deliver and defines Council's expectations of other potential partners that could lead initiatives to increase productivity and encourage economic growth. This recognises that there are a range of roles that TCDC can have in supporting economic development (see Figure 20) and helps to understand where best to apply effort. TCDC alone cannot achieve sustainable increases in productivity and economic growth without partnerships with the private sector, Iwi and the community.

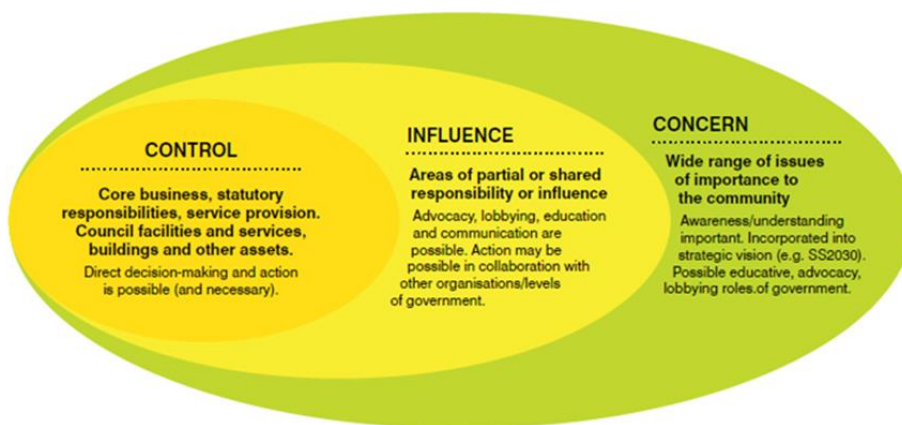


Figure 6: Spheres of Influence as applied in the City of Sydney Economic Development Strategy

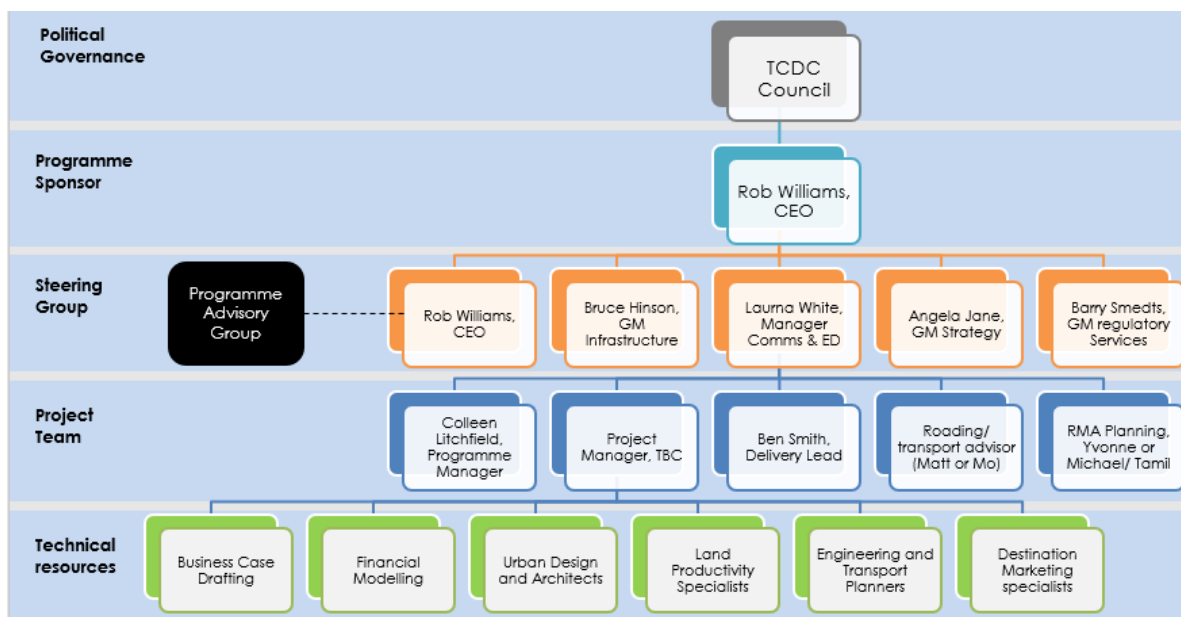
8 Programme Governance and Decision-Making

Programmes of this nature benefit from a clear and well-structured governance and decision-making framework. The proposed decision structure is set out in Figure 22 and is specific to TCDC.

The Programme Governance is the main forum for decisions and financial approvals. The Steering Group is the primary review and integration forum to ensure implications are thought through and coordinated at an organisational level. The emphasis across the structure is to reinforce that this is way that TCDC will work moving forward, and that everyone within the organisation has a part to play in achieving successful economic development outcomes for the District.

The decision structure is flexible to recognise that as further work is undertaken at a project level, changes may be required to accommodate the outcomes of this.

Figure 7: Decision Structure for Productivity Plan



9 Proposed Process and Schedule

The intention is to maintain momentum to ensure the economic challenges for the district can be rapidly addressed, while ensuring adequate time if being taken to identify and deliver the right solutions.

Current project timeframes aim to have the finalised Draft Business Case ready for TCDC approval by June 2019. Key milestones include:

- Develop an updated Programme Establishment Report for Council approval (August – November 2018)
- Procurement of specialists (November/December 2018)
- Confirm the case for change (December/January 2018)
- The Economic Case - Optioneering and Integration (February/March 2019)
- Targeted engagement on draft options (March 2019)
- Complete the Commercial, Financial and Management Cases (April/May 2019)
- Present and finalise the Draft Programme Business Case (June 2019).

10 Specialist Procurement

The primary procurement objective is to ensure the right expertise are in place to support development of a series of integrated projects, at best value, and in time to be considered for the 2019/2020 Annual Plan process.

A key element of success is the development of the right procurement approach, which creates a highly cooperative team comprising internal and external specialists. This team must be focused and dedicated to hit the delivery dates to achieve the full benefit of the economic development programme. For this scope of work, a diverse team including design, planning, engineering, marine specialists, economists, land development and productivity specialists, destination management consultants and marketing professionals are required. See appendix 3 for a breakdown of services required and the estimated costs for each.

The procurement process is driven by the following principles:

- optimise activity output within the limited delivery timeframe
- support a collaborative and integrated approach
- minimise the number of suppliers across the full programme
- ensure value for money.

To manage this procurement process and the team when they are in place, the intention is to engage a fixed term project manager who has significant experience with this type of engagement process and running integrated programmes.

11 Confirming and informing the issues and benefits

An Investment Logic Map will be carried out once the Productivity Plan programme has been agreed by Council and kicked off. The ILM process is part of the BBC and is used to ensure the 'story' about any proposed investment makes sense. The problem and benefit statements developed in the ILM will inform the gathering of further evidence for the programme and workstreams and help to 'test' the strategic direction already in place.

12 Programme Integration

The workstreams structure, shown later in this report, identifies the targeted productivity initiatives of the programme, and the drivers and dependencies that provide a strategic framework for these initiatives.

12.1 Optioneering

The programme integration will primarily occur at the optioneering stage. Workshops will aim to agree the optimal solution for each workstream and then combine to provide an integrated programme of preferred options. There may be tensions and interface issues that need to be acknowledged and worked through at this 'first cut' stage. This allows TCDC (and stakeholders) to assess whether the projects are an enduring solution or whether other options require consideration. A 'second cut' would then be developed, to be incorporated into the Draft Plan for consultation.

13 Dependencies

13.1 Drivers

13.1.1 Regional strategies

- Waikato Plan

- Waikato Economic Development Strategy
- Auckland Economic Development Strategy
- Inter-regional strategies

13.1.2 District strategies

- TCDC Vision
- TCDC Economic Development Strategy
- Events Strategy
- Tourism Strategy
- Urban Development Strategy

13.1.3 Private Development Interface

It is important to be aware of private development proposals that are at various stages of planning and feasibility assessment when considering the economic development initiatives programme. This is to ensure a coordinated, integrated and collaborative approach to creating a step change in economic growth for the District.

14 Partner and Stakeholder Engagement

A preliminary stakeholder mapping exercise has identified the key partners that TCDC needs to work with throughout the programme:

- Te Waka, Waikato Regional Economy Development Agency (Waikato Means Business).
- Eastern Sub Regional Group (Thames-Coromandel District Council, Hauraki District Council and Matamata-Piako District Council).
- Waikato Regional Council.
- Iwi.
- New Zealand Transport Agency (NZTA).
- Ministry of Business Innovation and Employment (MBIE).
- MPI
- DOC
- Other central Government agencies (as required).
- Local industry and community leaders.

The intention is to involve these organisations at key times to help develop the evidence base, test and challenge the workstream information, and to look at how they can support delivery of the projects and initiatives outlined in the programme.

Each workstream will have its own stakeholder matrix to reflect the interest and influence for that specific scheme. A communication and engagement plan will be created that shows when and how the respective partner and stakeholder will be engaged with. Additional stakeholder groups may be identified through the process.

15 Community Engagement

Community engagement is a vital element that will contribute to the success of the programme and associated projects. Opportunities will be provided for community and stakeholder input at key stages throughout the development of the programme. TCDC is conscious that the message they are receiving from the community is that they want to see action (not another strategy or plan) so a tactical approach is required to give the community confidence that this will occur.

A communications and engagement plan will be developed for the Productivity Plan to ensure an integrated approach is taken to key messages that identify what we are doing, why and how. This will be developed by the TCDC Communications Team reflecting the principles of the

Significance and Engagement Policy. A mini plan will be developed for each workstream, ensuring that this is consistent with the overarching plan.

The primary objective of initial engagement will be a targeted approach for “intelligence gathering” purposes for each of the workstreams. This will include a combination of perceptions, anecdotal evidence and quantitative information where available. The initial engagement is likely to include workshops, meetings, media articles from the Mayor identifying issues and asking for feedback on them, and an online survey that can be sent via the TCDC website and email newsletter. Our Coromandel magazine is sent to all residents and ratepayers and is a good way of engaging with absentee owners.

It is anticipated that a range of engagement activities and forums will be employed to allow the community to provide feedback. Robust and genuine engagement will help to foster a sense of ownership that will support the implementation of the programme and the projects that stem from it. Prior to commencing engagement, a stocktake exercise will be undertaken to understand the outcomes of previous engagement and consultation activities. For example, submissions made to the TCDC 2018-2028 Long Term Plan on proposed changes to funding the economic development rate. This will identify any key findings that can be applied to the economic development programme and ensure subsequent engagement is adding value and not going over old ground. The findings of the review will inform the communication and engagement plan and help to direct the type and extent of engagement required.

16 Communication

It is critically important to communicate the process, potential options and any proposed changes across a wide variety of media platforms to keep the community up to date and to seek their involvement. TCDC has a toolbox of communications channels to reach a range of target audiences. The communications and engagement plan will identify those that are most appropriate for each phase of this project, and how each will be employed.

17 Understanding Costs

The Productivity Plan cost is estimated at \$830,000. The cost breakdown is shown below:

Workstream	Cost
Connected Journeys	\$195,000 (it is assumed that this cost will be offset significantly through a 50% Financial Assistance Rate (FAR) contribution).
Land Use	\$80,000
Land Productivity	\$90,000
Aquaculture	Costs captured in in Kopu Marine Precinct BBC and PGF submission made in September 2018(\$300,000)
Destination Management	\$100,000
Spatial Plan and Business Case development	\$365,000

TCDC has a strong case to apply for the Provincial Growth fund for assistance in funding the development of the Prosperity Plan, particularly in terms of the Land Use, Land Productivity, Destination Management and Aquaculture workstreams.

It is also expected that the New Zealand Transport Agency will fund a significant portion of the Connected Journeys workstream. There are also opportunities to partner with the private sector to deliver projects identified as part of the Productivity Plan.

18 Conclusion

Thames-Coromandel has significant opportunity available to increase productivity and stimulate economic growth across the District. Despite efforts to do this in the past, the District is experiencing declining productivity, low business growth, low GDP growth and low median earnings and low earnings growth. A new integrated and evidence-based approach is needed to deliver on the objectives of the TCDC Economic Development Strategy and to improve the overall economic performance of the District.

The development of a well-evidenced and robust business case approach will provide the foundation to guide better investment decisions. The Productivity Plan will also facilitate better integration across the five proposed workstreams.

It will be important to work quickly in developing the Productivity Plan programme to demonstrate and provide confidence to the community that TCDC is proactively responding to economic growth issues the District is experiencing.

19 Recommendations

It is recommended that Thames-Coromandel District Council endorse the 'new approach', which includes the following arrangements:

1. Approval of the Establishment Report.
2. Establishment of the Productivity Plan Programme.
3. Progressing a Provincial Growth Fund funding application for a Programme Business Case to deliver the Productivity Plan.
4. The involvement of partners, stakeholders and the community at key points throughout the development of the programme.

Appendix 1 – Issues list from the initial workshop

What's holding us back – what's the future?

ILM Problem	Item	Issues
TBC	1.	Many strategic and regional policies and strategies that TCDC doesn't support or follow
TBC	2.	Housing stock and rental properties
TBC	3.	Lack of current business collective to drive activity/improvement
TBC	4.	Lack of vision for each town centre that is driven by the community – predominantly Thames
TBC	5.	Lots of low lying ground that is not being used productively (Needs analysis)
TBC	6.	Land use constraints preventing more productive use
TBC	7.	Lack of high quality branded hotel products/presence
TBC	8.	Planning process and cost to get through this
TBC	9.	No/not enough housing for workers
TBC	10.	We don't have a product – the free destination, don't have a captured audience, an over-arching premium brand
TBC	11.	We are too small, don't have the longer experiences like Northland
TBC	12.	Vacant properties – not available for renters or stock turnover
TBC	13.	Don't have the inclination or business environment to invest & leverage the success of Auckland
TBC	14.	NZTA interest constraining development/ consenting opportunities
TBC	15.	NZTA reactive/ observing role
TBC	16.	Ongoing roading resilience - SH2/SH25
TBC	17.	Thames town centre appeal
TBC	18.	Communications connectivity – low uptake of UFB
TBC	19.	Low youth participation
TBC	20.	Highest elderly population
TBC	21.	Mum & dad business unable to drive product development/scale. Take what you do & turn it into something magnificent. Build on strengths
TBC	22.	Isolation/lack of integration between businesses

TBC	23.	District of inequality – Disparity of views & needs makes it hard to get consensus
TBC	24.	No collective district view – Very town or individual industry focussed, patch protection
TBC	25.	Whitianga 1-speed economy – Potential to suffer without enduring industry

Appendix 2: Detailed analysis of issues

A workshop with the Mayor, Chief Executive and Group Managers was held in April 2018. This was used to assess the current situation and identify issues (and potential opportunities) impacting on economic activity in the district. It is likely that additional issues will be identified as more detail and information is gathered for each of the workstreams.

To assist with this discussion, Rationale gathered evidence around statistical trends across a range of factors including employment, housing, income, deprivation, skills, tourism spend and visitation, transport access, GDP, workforce, and business. All data used for this analysis was sourced from:

- Infometrics Economic Profiles.
- Stats New Zealand.
- Rationale Growth Projections.
- New Zealand Index of Deprivation (NZDep) via the University of Otago.
- New Zealand Transport Agency (NZTA).
- The 2017 Thames-Coromandel District Council Economic Development Strategy.

A comparison was made between Thames-Coromandel and other tourist destinations including Queenstown, Far North District and Taupo. These destinations were selected for the following reasons:

- Similar appeal as a destination.
- Similar challenges around access and population demographics.
- Similar variety in the economic affluence of the population, including reasonably high level of deprivation between Far North District and Thames Coromandel.
- Availability of common data in the identified areas (note that Taupo had less data coverage and is not always shown in the comparative graphics).
- As a district that has experienced a great deal of positive productivity, economic growth and change in the last 10-15 years, Queenstown Lakes provided a benchmark for where Thames-Coromandel could be in the future.

Low land use productivity

There are areas of land that don't appear to be used for a productive purpose. This situation provides the potential to increase land productivity in the District. A greater understanding is required of:

- where the land is
- who owns it
- why it has low productivity
- what the potential is
- the constraints that may be preventing more productive use (such as natural hazards, regulatory processes).

Productivity growth has generally tracked below the NZ average, as shown in the graphic below.

Productivity growth in Thames-Coromandel District and New Zealand, 2000-2017

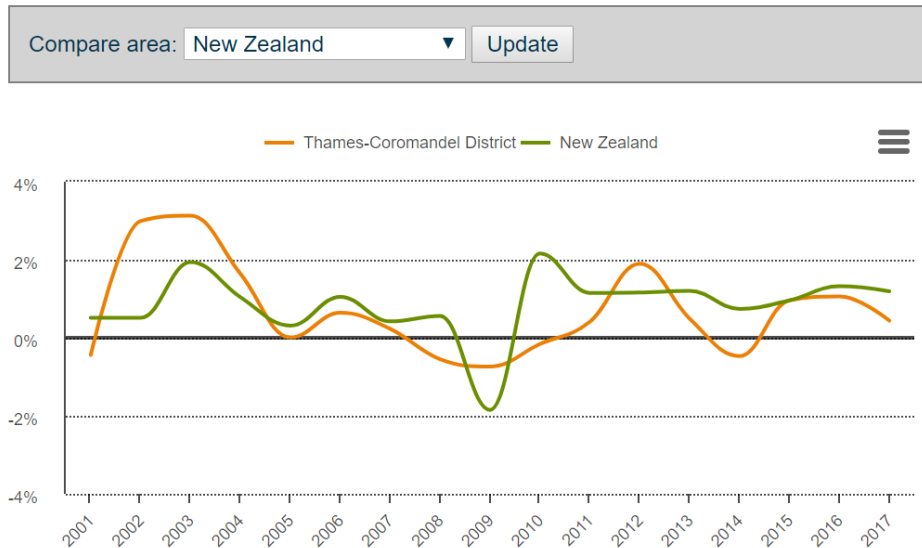


Figure 8: Productivity growth for the district compared to New Zealand (Sourced from Infometrics)

Seasonality of tourism activity and reducing contribution to GDP

Issues include:

- Relatively low value tourists - often perceived as a cheap destination for tourists as can be relatively "free" to travel around and stay.
- No product in place, lack of over-arching premium brand.
- No identified captured audience.
- Tourist numbers are increasing but this isn't translating to significant increases in tourism spend.
- Very large change in visitation between busiest and quietest times.
- Not enough high-value, year-round product offer to encourage longer stays.

Key evidence of these issues is shown below.

Tourism spend per guest night is \$465 compared to \$607 in Queenstown and \$552 in Taupo. Far North is lower at \$403.

TOURISM SPEND PER GUEST NIGHT

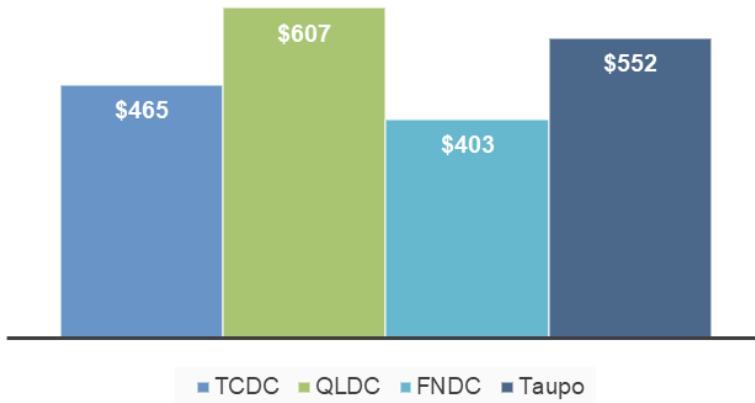


Figure 9: Tourism spend per guest night

The quietest month tracks at 16% of the tourism activity of the busiest month compared to 49% at Queenstown and 25% in the Far North.

SEASONALITY - QUIETEST MONTH VERSUS BUSIEST MONTH

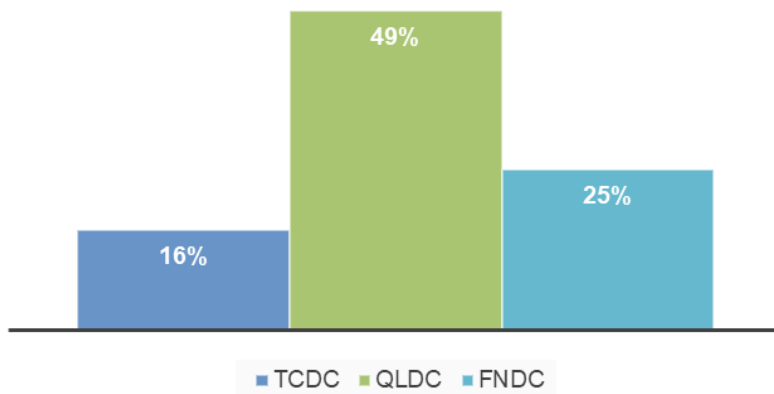


Figure 10: Seasonality comparison - performance of the quietest month as a percentage of the busiest month

There is high variation of monthly spend between seasons in this district. By comparison, Queenstown has little seasonal variation in tourism income and Taupo/Far North reflect standard seasonal variations. This comparative analysis also demonstrates that TCDC has potential to gain a much larger portion of the national Tourism spend in the future.

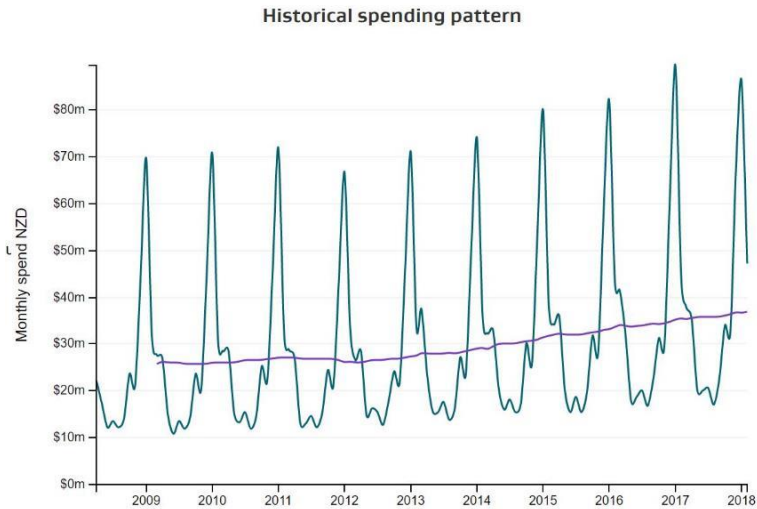


Figure 11: Tourism Spend Within Destination Coromandel RTO

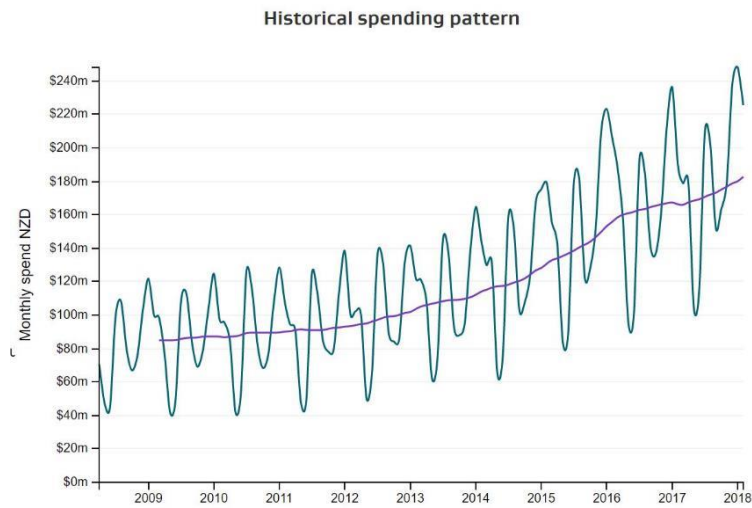


Figure 12: Tourism Spend Within Destination Queenstown RTO

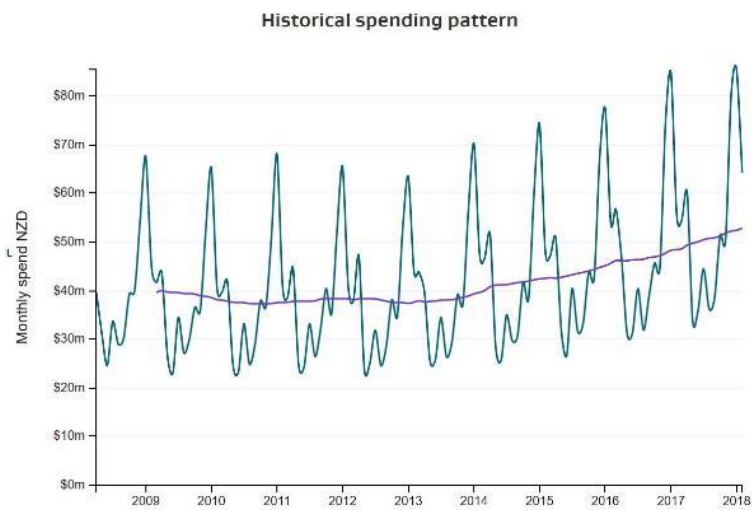


Figure 13: Tourism Spend Within Destination Great Lake Taupo RTO

Housing and accommodation shortages and imbalances

The key issues include:

- Shortage of housing stock – lack of rental accommodation, high proportion of vacant houses many of which are not available for any other use or are Air BnB, lack of housing for workers which impacts on the ability to attract business to the District.
- Low number of permanent residents.
- Large number of absentee ratepayers.
- Lack of high quality branded motel/hotel environment to attract corporate interest and investment over the 'mum and dad' business investment.

Through the analysis completed by Rationale, it was determined that 49% of housing stock is vacant compared to 24% in Queenstown. Projections indicate that this will increase to 53% by 2048. Approximately 55% of ratepayers live outside of the District.

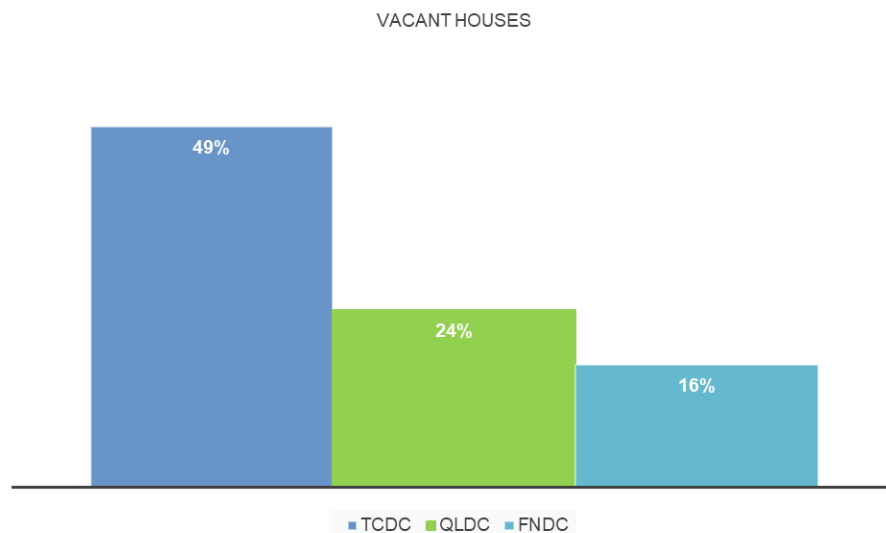


Figure 14: Percentage of vacant houses in each district

Ongoing roading resilience and access

The SH25 loop around the Coromandel peninsula is prone to damage and closure from storms. NZTA continue to do repair work, most recently on the Thames Coast Rd (SH25) from Thames to Waioumu, following the January 2018 storms (investment of up to \$19 million so far), however the issue is momentum going forward to become completely resilient for the entire SH loop particularly for mussel and logging trucks, as well as the growing number of camper vans.

The graph below presents reliability data across the Primary Collector highways across a two-year period. The data from both 2016 and 2017 shows the performance of SH25 as being below the other highways. 2017 was a particularly poor year and may be attributed to the Cyclone Cook event in April 2017, which caused a large number of slips across the Thames-Coromandel District. Despite this explanation, SH25 appears much more prone to closure and susceptible to extreme events. This will likely have negative effects on tourism and industry in the area. Furthermore, if there are multiple closures around the SH loop, it leaves communities isolated and vulnerable and basically locked in.



Figure 15: A comparison of calendar year closures by hours per km for 2016 and 2017

SH25 is seen as the biggest barrier to development yet the current NZTA focus is on the Waikato expressway. This is a significant constraint to increased productivity and development in the district. An evidence base had been completed that lays the foundation for a SH25 improvements Business Case to be developed in partnership with NZTA. This business case needs to understand the wider benefits potential investments will bring to productivity across agriculture, and tourism.

The Connected Journeys workstream within the productivity plan will include this wider focus.

Uncertainty over impact of Treaty Settlements.

It is anticipated that the Post Treaty Settlement environment will impact on the way things currently operate. Co-governance and co-management structures will provide a greater role for Iwi in decision-making over issues such as planning and the future of the Hauraki Golf.

The Iwi focus is currently at a regional level and it is important that TCDC are well placed to respond to any change that will eventually occur at a district level. Initial indications are that Iwi will become the largest landowner in the District.

The planning process and costs involved

This is seen as the biggest inhibitor to increased productivity, development and encouraging innovation. An example used was the potential impact of Plan Change 2 (relating to water use) on economic development opportunities. This issue needs to be explored further to define the specific challenges and outline targeted actions for inclusion in the programme.

Low business growth and low GDP growth

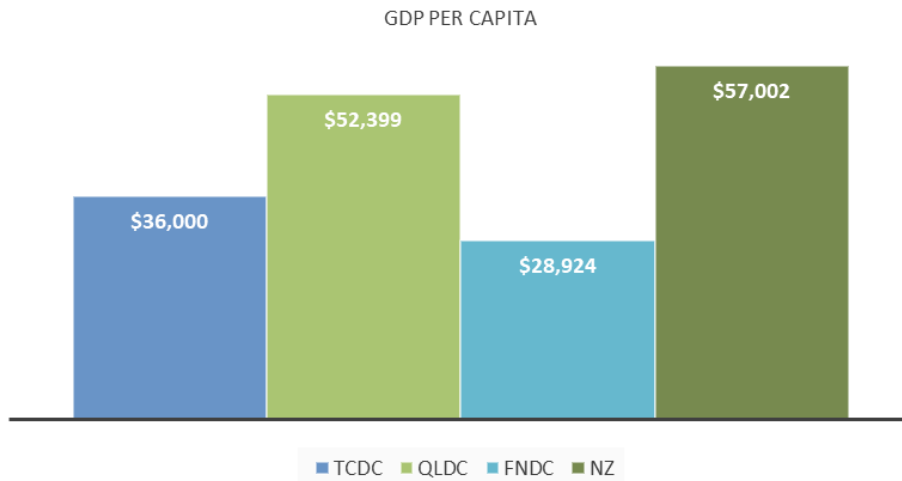
Businesses need houses for their workers to live in. The lack of rental accommodation is a big constraint for businesses to relocate to Thames-Coromandel and Thames in particular.

Ultra-Fast Fibre is also now available, but the district currently has low uptake. Despite the proximity to Auckland, Thames-Coromandel doesn't have a business environment that encourages investment and there is a lack of corporate presence in the District. Local businesses tend to be "mum and dad" operations that are unable to drive product development at the scale needed.

There is huge opportunity to create a premium brand that builds on strengths such as the aquaculture industry and artisan food businesses. This needs to be business-led. Ideally corporates and small businesses alike could work together as an industry to define and develop the unique product and brand for the district and collectively promote it.

Key indicators in this area include:

- Low GDP production compared to benchmarked districts and the nation.
- GDP growth has generally tracked below NZ GDP growth.
- Low mean earnings compared to the peer group.
- Lower recent business unit growth compared to the rest of NZ.
- Average business size and average annual business growth is lower than Queenstown and



on a similar level to the Far North.

Figure 16: Comparative GDP production per capita

GDP growth

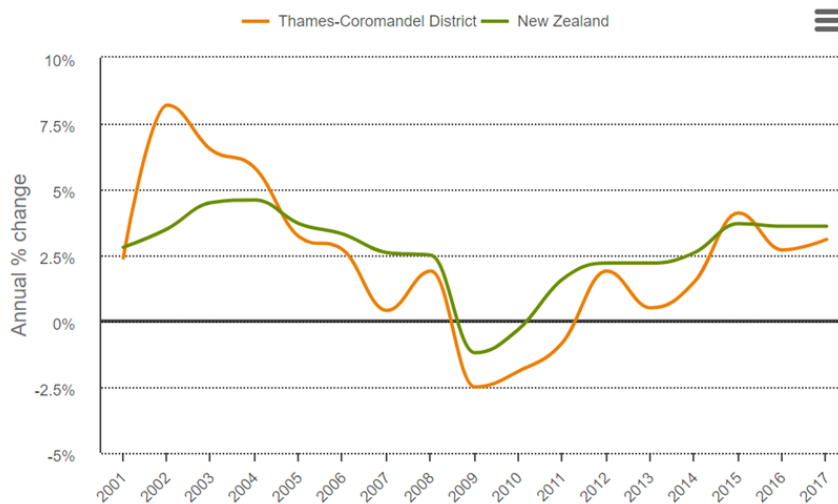


Figure 17: GDP growth compared to the rest of New Zealand

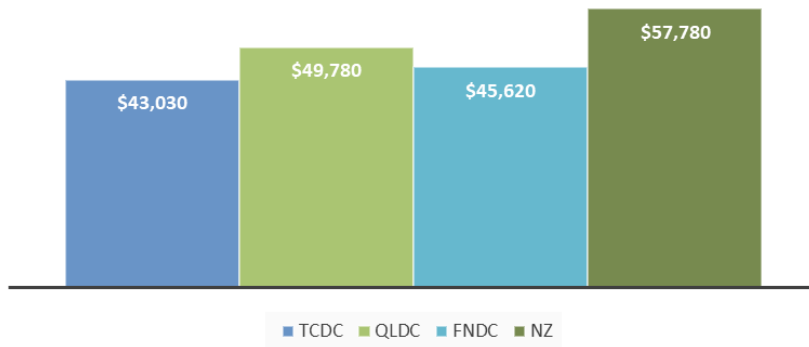


Figure 18: Mean earnings comparison (2016)

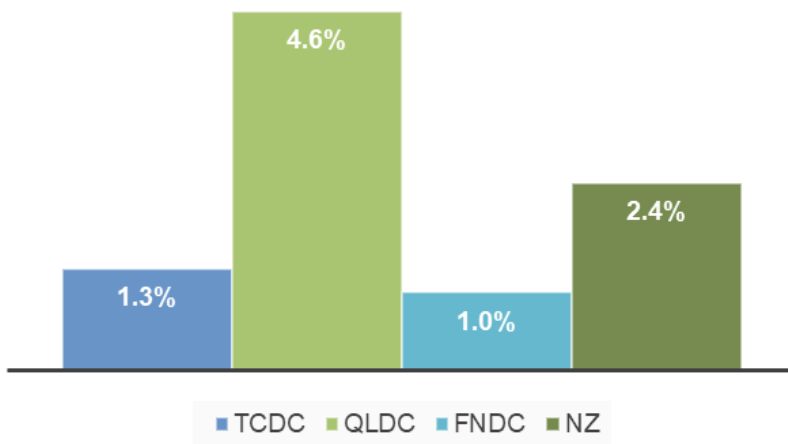


Figure 19: Average 2013-2017 Business growth comparison

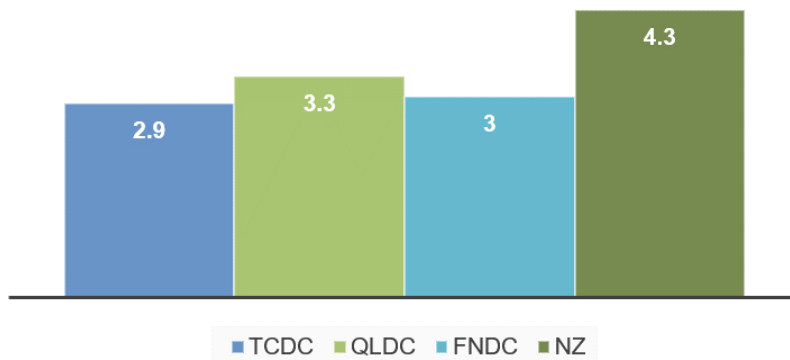


Figure 20: Average business size comparison (2017)

Lack of cohesion across the District

It is difficult to achieve a cohesive vision for the District for several reasons including:

- Geographic separation between towns creating distinct communities that often don't see the greater needs of the District.
- Parochialism at a political and community level.
- Lack of integration between towns and between industries across the District.
- Difficult to get consensus due to disparity of views, often receive 50% in support and 50% against on issues, no critical mass in the middle.
- The fact that more than 50% of TCDC ratepayers don't live permanently on the Coromandel, so there is often differing needs, wants and views to permanent ratepayers.

This affects the ability to build depth and diversity in the economy so that if an area of the District is experiencing a downturn, another area can sustain the District during this time.

Population characteristics

The ageing population is nearly twice the national average and the trend is projected to continue. This impacts on housing needs, support services and on the working age population.

Deprivation is a significant issue for the district. A deprivation index of 7.1 for the district was discussed in relation to a comparison index of 5 for New Zealand, 8.5 for Far North District and 2.1 for Queenstown Lakes. This index is provided by the New Zealand Index of Deprivation (NZDep). The way this is measured is explained further in Appendix 3.

Key indicators in this area include:

- High comparative levels of deprivation.
- High level of youth not engaged in work, education or training (NEET). The rate is reducing but is still high compared to NZ average.
- Declining working age population.
- High percentage of retirement age population.
- Low comparative levels of highly skilled and skilled employment.

DEPRIVATION INDEX (1 - 10, WITH 10 BEING THE MOST DEPRIVED AND A NATIONAL AVERAGE OF 5)

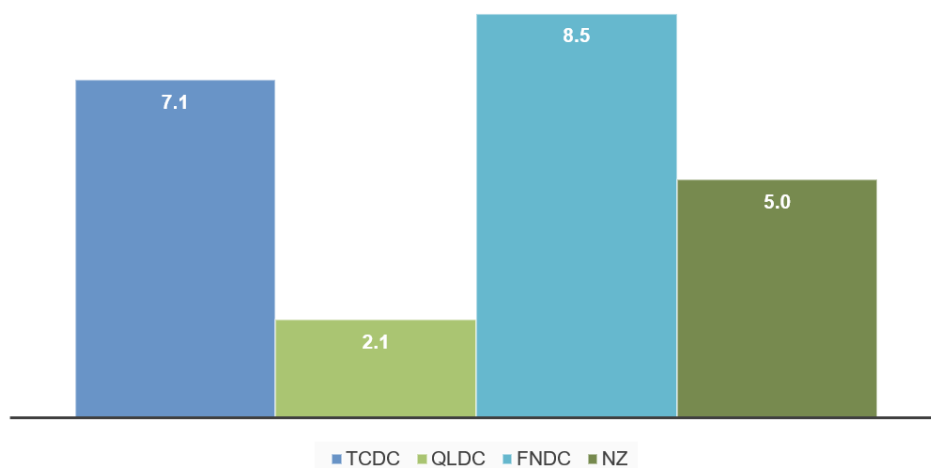


Figure 21: Deprivation index comparison

NEET RATE (15 - 24 YEAR OLDS NOT ENGAGED IN WORK, EDUCATION OR TRAINING)

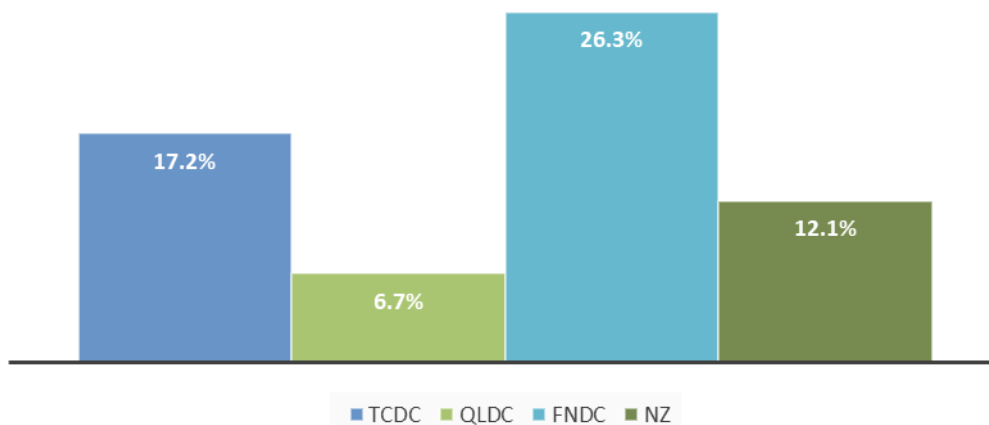


Figure 22: NEET Rate comparison

HIGHLY SKILLED EMPLOYMENT

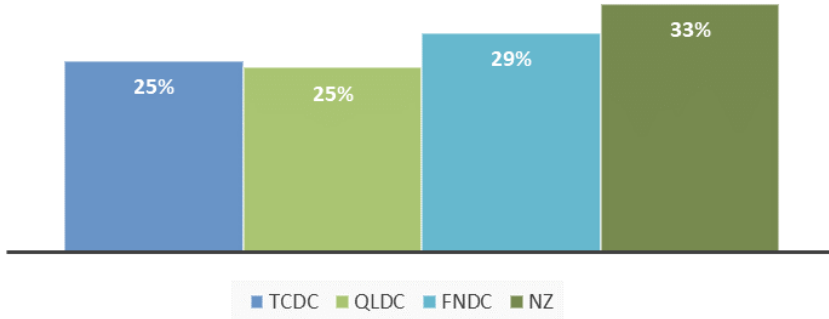


Figure 23: Highly skilled employment comparison

Appendix 3 – Thames-Coromandel District Deprivation Background

Deprivation is where you do not have access to things considered necessary for a pleasant life.

For TCDC, we have looked at two different measures of deprivation;

1. New Zealand Index of Deprivation (NZDep)
2. New Zealand Index of Multiple Deprivation (IMD)

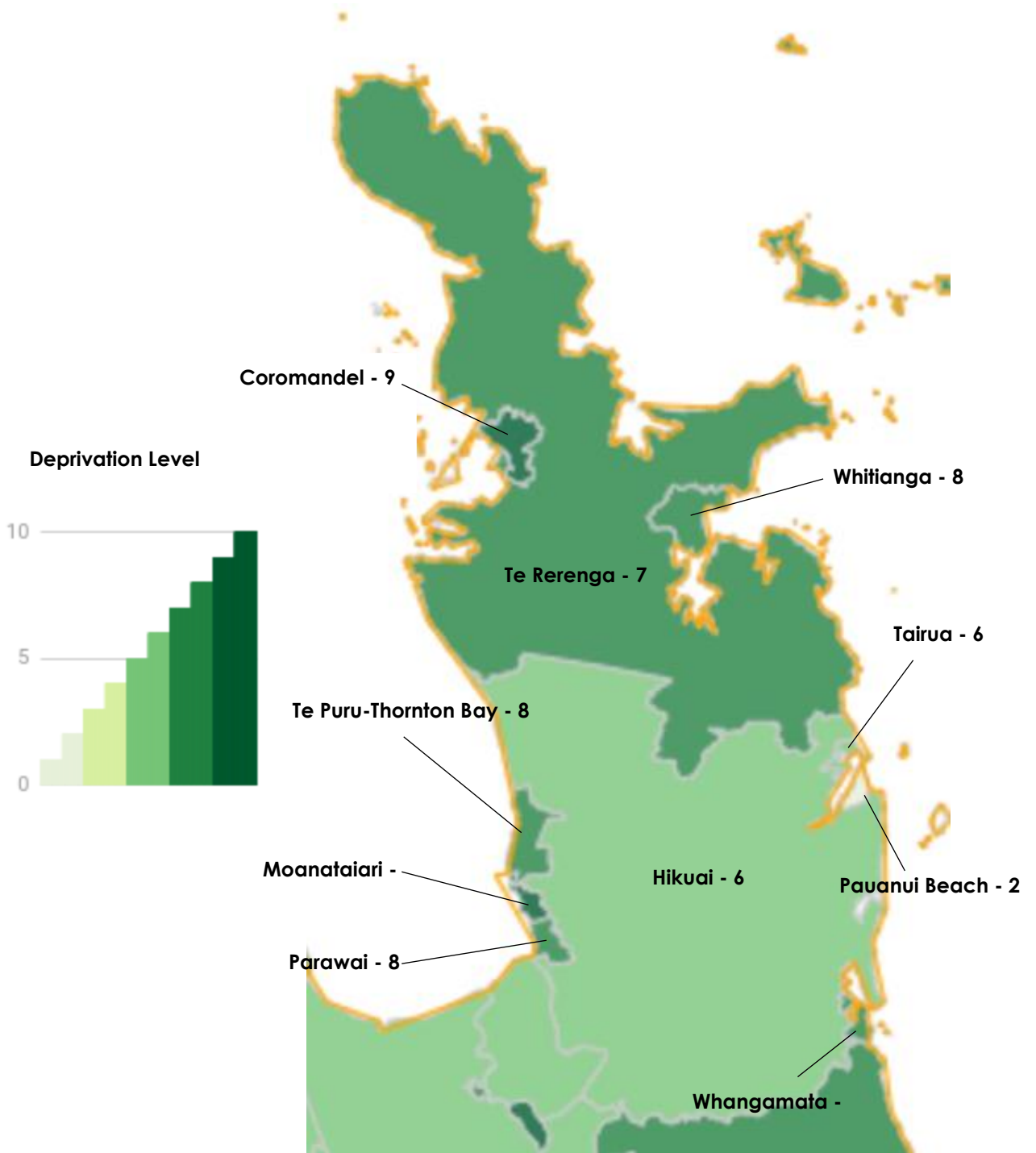
NZDep uses data from the 5-yearly census to measure nine aspects of material deprivation, including people receiving a benefit, people on a low income, dwellings not owner occupied, people unemployed, people with no qualifications, single parent families, overcrowding, access to a telephone (to the internet as of 2013) and access to a car.

IMD uses data from government departments and the 2013 census to develop 28 indicators of deprivation that were combined into seven domains of deprivation: Employment; Income; Crime; Housing; Health; Education; and Geographical Access. The IMD is the weighted combination of these seven domains. The Domains may be used individually or in combination to explore the geography of deprivation and its association with a given health or social outcome.

NZDEP

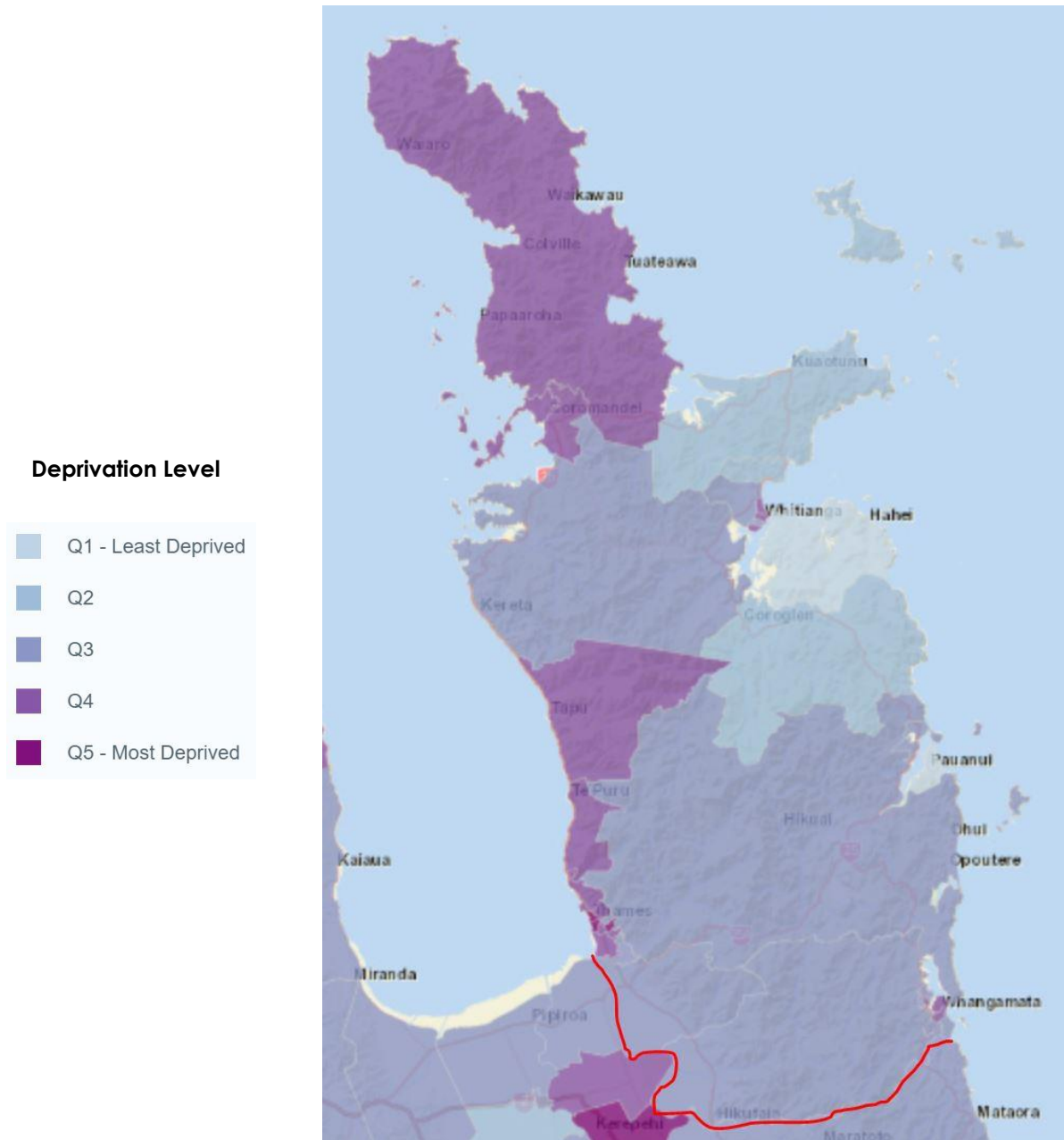
The NZDep is generated from The University of Otago and the IMD generated from The University of Auckland.

The following diagram shows the NZDep levels in Thames Coromandel District Council compared to the rest of the country by Census Area Units (CAU's). Each CAU in New Zealand has been ranked according to its NZDep score and assigned a score based on where it sits in the list. For example, Coromandel CAU, with a score of 9, sits within the top 10% most deprived CAU's in the country.



IMD

The following diagram shows the IMD levels in Thames Coromandel District Council. Like the NZDep, each area has been ranked according to its IMD score.



Discussion

The NZDep and IMD measures show similar patterns of deprivation across the district. The most concerning levels of deprivation are the coastal areas adjacent to the Firth of Thames and the northern most section of the Coromandel Peninsula. These areas rank in the top 20% of levels of deprivation in the country.

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New Zealand Index of Deprivation

<https://www.otago.ac.nz/wellington/departments/publichealth/research/hirp/otago020194.html>

Accessed 16/04/2018

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<https://www.fmhs.auckland.ac.nz/en/soph/about/our-departments/epidemiology-and-biostatistics/research/hgd/research-themes/deprivation.html>

Accessed 16/04/2018

Appendix 4 - Productivity Plan Procurement Matrix and Cost Breakdown

TDC PRODUCTIVITY PLAN - TECHNICAL RESOURCES REQUIREMENT AND RECOMMENDED PROCUREMENT APPROACH									
TECHNICAL INPUT	WHAT	CORE WORKSTREAMS						TOTAL	PROCUREMENT APPROACH
		TDC PRODUCTIVITY PLAN - PROGRAMME BUSINESS CASE	CONNECTED JOURNEYS	LAND USE (potential rezoning of land)	LAND PRODUCTIVITY (getting the most of the land we have)	AQUACULTURE	DESTINATION MANAGEMENT		
PLANNING AND LAND USE									
SPATIAL PLANNING	KEY VISUAL OUTPUT: UPDATE AND ENHANCE THE CURRENT SPATIAL PLAN FOR THE DISTRICT	DEVELOPMENT OF A SPATIAL PLAN FOR THE DISTRICT THROUGH ALLOCATION OF TARGETED AREAS FOR INVESTMENT	INTEGRATING TRANSPORT AND LAND USE TO ENHANCE PRODUCTIVITY. INCLUDES WATERBASED AND LAND TRANSPORT.	SPATIAL PLANNING TO ASSIST WITH REZONING OPTIONS	DEMONSTRATING PRODUCTIVITY OPPORTUNITIES SPATIALLY AND CONNECTIVITY WITH KEY LOCATIONS AND INFRASTRUCTURE	SPATIAL PLANNING WITHIN IDENTIFIED MARINE PRECINCTS AND RELATIONSHIP BETWEEN FACILITIES	VISUALLY DEMONSTRATE OPPORTUNITIES	\$120,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$50,000	\$10,000	\$15,000	\$15,000	\$15,000	\$15,000		
RMA PLANNING & RELATED LEGAL ADVICE	LOOKING AT CONSTRAINTS AND DEPENDENCIES THROUGH DISTRICT PLAN ZONES/RULES		PROVIDE PLANNING & LEGAL ADVICE TO INFORM OPTIONS	PROVIDE PLANNING & LEGAL ADVICE TO INFORM OPTIONS AND IMPLEMENTATION	PROVIDE PLANNING & LEGAL ADVICE TO INFORM OPTIONS	PROVIDE PLANNING & LEGAL ADVICE TO INFORM OPTIONS		\$50,000	INTERNAL RESOURCE OR DIRECT APPOINTMENT - LOCAL KNOWLEDGE SPECIALISED SUPPLIER
			\$5,000	\$30,000	\$10,000	\$5,000			
URBAN DESIGN AND LANDSCAPE PLANNING	LOOK AND FEEL OF THE TOWN	DEVELOPMENT OF VISUAL GRAPHICS TO SHOW HOW INVESTMENT OPTIONS LOOK IN PRACTICE	LANDSCAPING AND URBAN DESIGN AROUND NEW TRANSPORT INFRASTRUCTURE			IMPROVING PUBLIC REALM ASPECTS OF MARINE FACILITIES		\$40,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$10,000	\$20,000			\$10,000			
COMMERCIAL VIABILITY AND INCENTIVES	INVESTIGATING INVESTMENT OPPORTUNITIES			COMMERCIAL ANALYSIS OF TARGETED LAND USE CHANGES	COMMERCIAL ANALYSIS OF POTENTIAL PRODUCTS (SUCH AS HONEY, ORGANIC PRODUCTS, FLOWERS. ETC)	INVESTIGATE COMMERCIAL OPPORTUNITIES WITHIN MARINE PRECINCTS	COMMERCIAL ANALYSIS OF ACCOMMODATION & HOSPITALITY DEVELOPMENT OPPORTUNITIES	\$70,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
				\$20,000	\$20,000	\$20,000	\$10,000		
LAND USE PRODUCTIVITY	ENCOURAGING DEVELOPMENT/INVESTMENT IN LAND THROUGH RESEARCH AND INFORMATION INTO PRODUCTIVE LAND.			POTENTIAL MULTIPLIER FROM DIFFERENT PRODUCTIVE LAND USES FOR THE PURPOSE OF ASSESSING JOBS AND THEREFORE HOUSING DEMAND	ASSESS CURRENT PRODUCTIVITY LEVELS, DATA ANALYSIS, IDENTIFY OPPORTUNITIES & IMPLEMENTATION		SPATIAL ALIGNMENT OF LAND USE PRODUCTIVITY WITH INVESTMENT OPPORTUNITIES FOR ACCOMMODATION & HOSPITALITY DEVELOPMENT	\$50,000	INVITED TENDER (CONSIDER UNIVERSITIES)
				\$10,000	\$30,000		\$10,000		
TOURISM & FOOD DESTINATION									
TOURISM DEVELOPMENT	UNDERSTANDING WHAT IS HOLDING THE DISTRICT BACK AND WHAT CAN BE DONE						ASSESS CURRENT SITUATION, IDENTIFY OPPORTUNITIES, TACTICS AND IMPLEMENTATION PLAN (INCLUDES ACCOMMODATION)	\$25,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
FOOD DESTINATION DEVELOPMENT	CULTIVATING AND COORDINATING FOOD ATTRACTIONS AND EXPERIENCES. MAY INCLUDE A TOURING ROUTE.						ASSESS CURRENT SITUATION, IDENTIFY OPPORTUNITIES, TACTICS AND IMPLEMENTATION PLAN	\$25,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
TRANSPORTATION AND ENGINEERING SERVICES									
TRANSPORT PLANNERS	HOW WILL TRANSPORT WORK ACROSS ALL MODES. THIS SHOULD INCLUDE DESIGN, LAND USE INTEGRATION + LOCATION OF HUBS AND NODES.		TRANSPORT PLANNING FOR A RESILIENT AND ACCESSIBLE NETWORK (ASSUME 50% FAR WILL BE APPLIED TO THIS COST)		IDENTIFY FREIGHT CONSTRAINTS	INTEGRATED FREIGHT ASSESSMENT	ACCESS OPTIONS INCLUDING ROAD AND WATERBASED TRANSPORT	\$80,000	INVITED TENDER IN PARTNERSHIP WITH NZTA
			\$50,000		\$10,000	\$10,000	\$10,000		
TRANSPORT BUSINESS CASE DEVELOPER	CONTRIBUTION TO THE SH25 BUSINESS CASE		BUSINESS CASE DEVELOPMENT (ASSUME 50% FAR WILL BE APPLIED TO THIS COST)						INVITED TENDER IN PARTNERSHIP WITH NZTA
CIVIL ENGINEERING	DESIGN OF TRANSPORT OPTIONS		TRANSPORT SOLUTION DESIGN WHERE REQUIRED (ASSUME 50% FAR WILL BE APPLIED TO THIS COST)			HIGH LEVEL DESIGN AND COSTING OF MARINE FACILITIES TO SUPPORT FREIGHT, WATERBASED TRANSPORT AND SERVICING		\$130,000	INVITED TENDER IN PARTNERSHIP WITH NZTA
			\$50,000			\$80,000			
ANCILLARY SERVICES									
ECONOMICS	QUANTIFY HIGH LEVEL BENEFITS AND INFORM FUNDING OPTIONS	HIGH LEVEL ECONOMIC ASSESSMENT FOR THE PROGRAMME (SUCH AS PRODUCTIVITY MULTIPLIERS)				TARGETED ASSESSMENT OF ECONOMIC IMPACTS OF A MARINE SERVICING/BUSINESS PRECINCT		\$25,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$20,000				\$5,000			
SPECIALIST ENGAGEMENT	DEVELOPMENT OF SPECIFIC MATERIALS AND TARGETED ENGAGEMENT OUTSIDE OF BAU	DEVELOPMENT OF LARGE SCALE, HIGH QUALITY GRAPHICS AND SPECIALIST ENGAGEMENT (INCLUDING IWI)				SPECIALIST ASSESSMENT OF GEOTECHNICAL, SEDIMENT AND BATHYMETRIC CONDITIONS		\$90,000	DIRECT APPOINT PREFERRED SUPPLIER
		\$40,000				\$50,000			
ENVIRONMENTAL EFFECTS	ASSESSMENT OF ENVIRONMENTAL EFFECTS	COMPLETION OF AN IMPACT ASSESSMENT FOR RELEVANT ASPECTS OF THE PROGRAMME	COMPLETION OF AN AEE FOR THE SH25 BUSINESS CASE OPTIONS			COMPLETION OF AN ENVIRONMENTAL IMPACT ASSESSMENT FOR KOPU MARINE PRECINCT OPTIONS		\$20,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$5,000	\$5,000			\$10,000			
ILM/WORKSHOP FACILITATOR	VISION WORKSHOP INDEPENDENT FACILITATOR	ACCREDITED ILM FACILITATOR FOR THE PROGRAMME						\$10,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$10,000							
GROWTH & DEMAND MODELLING	TO SHOW RESULTS OF DIFFERENT INTERVENTIONS	OUTLINE OUTPUTS OF DIFFERENT INTERVENTIONS AT A SPATIAL PLAN LEVEL						\$25,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$25,000							
PROJECT and PROCUREMENT MANAGEMENT									
PROCUREMENT	SCOPING AND MANAGING THE PROCUREMENT PROCESS	PROCUREMENT SUPPORT	PROCUREMENT SUPPORT	PROCUREMENT SUPPORT	PROCUREMENT SUPPORT	PROCUREMENT SUPPORT	PROCUREMENT SUPPORT	\$30,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000		
PROJECT MANAGEMENT	INTEGRATION SPECIALIST PROJECT MANAGER	DELIVERY ASSURANCE				DELIVERY ASSURANCE		\$60,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$50,000				\$10,000			
PROJECT and PROGRAMME MANAGEMENT									
BUSINESS CASE	DELIVERY OF STRATEGIC CASE	PRODUCTIVITY PLAN PBC						\$70,000	INVITED TENDER OR DIRECT APPOINT PREFERRED SUPPLIER
		\$50,000				\$20,000			
	DELIVERY ECONOMIC CASE INCLUDING OPTIONS AND ECONOMIC ASSESSMENT							\$80,000	
		\$50,000				\$30,000			
	COMPLETION OF COMMERCIAL, FINANCIAL AND MANAGEMENT CASES, INCLUDING FINANCIAL MODELLING							\$80,000	
		\$50,000				\$30,000			
TOTAL		\$365,000	\$195,000	\$80,000	\$90,000	\$300,000	\$100,000	\$1,130,000	YEAR 1 - 2018/19
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	YEAR 2 - 2019/20
TOTAL		\$365,000	\$195,000	\$80,000	\$90,000	\$300,000	\$100,000	\$1,130,000	TOTAL

