

## 20. CANTERBURY ECONOMIC DEVELOPMENT COMPANY LIMITED – STATEMENT OF INTENT



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| <b>General Manager responsible:</b> | General Manager Strategy and Planning DDI 941 8177 |
| <b>Officer responsible:</b>         | Programme Manager, Strong Communities              |
| <b>Author:</b>                      | Alan Bywater, Programme Manager Strong Communities |

### PURPOSE OF REPORT

1. The purpose of this report is to advise on possible comments the Council may wish to make to Canterbury Economic Development Company Ltd (CED Co.) on its proposed Statement of Intent.

### EXECUTIVE SUMMARY

2. CED Co. is the regional governance group formed to act as a promoter for transformational economic development projects that will benefit Canterbury, and to utilise the Canterbury Economic Development Strategy (CREDS) to coordinate strategic initiatives. CED Co. will act as a liaison with Central Government regarding economic development on behalf of the Council shareholders and community of Canterbury.

In line with Ministry of Economic Development (MED) and New Zealand Trade and Enterprise (NZTE), CED Co. will be able to participate in and contest for:

- (a) The Regional Strategy Fund (RSF) – (\$750 000 over three years)
- (b) The Enterprising Partnership Fund (EPF) – (in excess of \$32.5m over three years).

3. CED Co. is made up of representatives from the following organisations:

- Hurunui District Council
- Waimakariri District Council
- Kaikoura District Council
- Christchurch City Council
- Ashburton District Council
- Waimate District Council
- MacKenzie District Council
- Timaru District Council
- Environment Canterbury.

In addition there is a Maori representative and four representatives from industry.

4. Councillor Mike Wall is the Christchurch City Council representative.
5. As part of the process to form CED Co., a Statement of Intent (**attached**) has been drafted and there is an opportunity for the various constituent bodies to provide feedback on it.
6. There are a few aspects of the draft Statement of Intent the Council may decide that it wishes to comment on:
  - (a) The wording in 4.2 implies that CED Co. is the sole interface with Central Government, in terms of economic development. There is a need for individual council's and their respective economic development agencies to be able to liaise with Central Government agencies on a regular basis regarding economic development issues specific to their city or district. The wording of this clause should be amended to reflect this.
  - (b) Paragraph 4.2 also states "*CED Co. acting as the interface **does** encroach on the current activities of the local role-players*". This should read '**does not**'.
7. In addition there are some minor wording issues the Council should draw the company's attention to, as follows:
  - (a) The phrases 'district role player' and 'regional economic development role player' are used in the Statement of Intent. The meaning of these terms and the distinction between them is obscure.

- (b) Paragraphs 3.5 and 3.6 should refer to the '**Council Shareholders**' or the '**local authorities**' rather than 'territorial authorities', as Environment Canterbury is a shareholder but not a territorial authority.
- (c) In the second bullet point under 5.1.1 'lawful obligations' should read '**legal obligations**'.
- (d) The fourth bullet point under section 5.1.1 should be amended to '...not the preserve of the Administration Agent and **is not** day-to-day administration' for clarity.

#### **FINANCIAL IMPLICATIONS**

- 8. There are no financial implications arising from this report.

#### **LEGAL IMPLICATIONS**

- 9. The Statement of Intent and the constitution of CED Co. have been reviewed by the Legal Services Unit. The Statement of Intent is consistent with the constitution and includes the items necessary under Clause 9 of Schedule 8 of the LGA02.
- 10. Under section 65(2) and clause 3 of schedule 8 of the LGA02, comments on the draft Statement of Intent are required to be approved by the Council and cannot be delegated to another body or officer.

#### **Alignment with LTCCP and activity management plans**

- 11. The development of a regional economic development governance group has been necessitated by changes in the ways Central Government agencies wish to interact at a regional level. Whilst this was not foreseen at the time of writing the 2006-16 LTCCP, it is broadly consistent with the statement around regional economic development - 'The Council promotes and manages economic development in the region'.

#### **ALIGNMENT WITH STRATEGIES**

- 12. CED Co. will be responsible for overseeing the review of the regional economic development strategy CREDS.

#### **CONSULTATION FULFILMENT**

- 13. In this case the Council is being consulted on the Statement of Intent of the regional governance group. The substantive areas of feedback identified in paragraph 6 are consistent with Canterbury Development Corporation's views.

#### **STAFF RECOMMENDATION**

It is recommended that the Council:

- (a) Receives the Canterbury Economic Development Company Draft Statement of Intent for 2009/10 (attached).
- (b) Requests that CED Co. addresses the matters raised in section 6 in this report in finalising the 2009/10 company Statement of Intent.
- (c) Draw to the attention of CED Co. the wording detailed in section 7 in this report.