

7.1 Economic and Community Development Group Update Report

Report To:	Growth & Infrastructure Committee
Meeting Date:	Wednesday, 21 May 2025
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Purpose

To provide the Growth and Infrastructure Committee with an overview of activity across the Economic and Community Development group.

Recommendation

That the Growth and Infrastructure Committee:

- a. Receives and notes the Economic and Community Development Group Update (Resolve # 2025-167).

Executive Summary

The Economic and Community Development Group operate in the strategy realisation space, implementing a range of workstreams aligned to the Community Objectives and Goals of the Long-Term Plan 2024-34.

In broad terms it is all about improving the standard of living of our community. Our workstreams are long term by nature, and for some projects intergenerational. These sit alongside some short-term initiatives that reflect the agility and market responsiveness required to seize growth opportunities on behalf of our community.

Context

The Economic and Community Development Group (E&CD) leads the following areas of Council activity:

Economic Development - implementing the Economic Development Plan (2023) to create high quality employment opportunities, underpinned by future proofed skills development.

- Housing - supporting, enabling and catalysing increased housing supply, across the entire housing continuum in line with the Councils Housing Strategy (2020).
- WORKit - This service is funded by Ministry of Social Development (MSD) through the Mayor's Taskforce for Jobs, working alongside community partners and stakeholders, to support NEET youth into employment or further education.
- Events and Visitor Development - To devise and implement strategies to grow the events and visitor economy, delivering a sustainable return on investment, through the attraction of major events and through optimising our visitor experience.
- Community Development - Build relationships with key local and regional community services providers and stakeholders and manage contracted services to improve local community wellbeing.

Discussion

A number of the workstreams the group are involved in are confidential by nature and thus will not be covered within this Committee report in any detail, rather they will be covered by separate reports to Council. At the start of May 2025, the team are managing 25 workstreams across all areas of E&CD activity. This report will provide a summary of current status as well as performance against outcome measures, we use to track progress against the LTP 2024-24 goals.

LTP Goal Reference	Measure	Frequency	FY 23/24 Actual	FY 24/25 Target	FY 24/25 Actual (YTD)	Status	Data Source
G5	WORKit NEET work placements achieved	Monthly	3	4	2.7		MTFJ Hub Spot database reporting
G1	Building Consents (BC) issued new dwellings (COC)	Monthly	7.2	8.6	8.5		Alpha One
G1	Building Consents (BC) issued new dwellings (Tokoroa SA2) (COC)	Monthly	0.58	0.78	1.62		Alpha One
G5	Students attending school regularly % by term	4 Terms	40%	55%	44%		Education Counts
G4	% GDP Growth per capita	Annually (Calendar)	1.0%	2.0%	-1.5%		Infometrics (target based on Treasury Economic and Fiscal Update)
G1	Home ownership % (Residential)	Yearly	64%	65%	tbc		SWDC Ratepayer database
G4	Number of new business established with SWDC support	Monthly	0.25	0.34	0.1		SWDC ED staff
G4/G5	Number of beneficiaries (work ready) - 12 month rolling average	Monthly	1202	1150	1200		MSD Statistics benefits monthly release

LTP Goal Reference	LTP Goal
G1	More people in the South Waikato own their own home than ever before
G2	More people participate in community activities and events in the South Waikato than ever before
G3	No waste or rubbish leaves the district
G4	Our economy grows faster than anywhere else in the country
G5	All our young people are in either education or employment

Project Phoenix

Background

In March 2024 Oji Fibre Solutions notified its staff that its plans to further invest capital into Kinleith Mill infrastructure would not go ahead due to high energy costs and an inconsistent Government energy policy. In November 2024 there was a further announcement from Oji that paper production at Kinleith Mill would be discontinued, PM6 closed down and with 230 employees at risk of redundancy.

Project Phoenix was established by South Waikato District Council as both a short and long-term response to the Oji announcements and the resulting impacts in the district. The Project aims to coordinate the activities, investments and interventions by SWDC and the other stakeholders, including Oji.

Objective

The overarching objective of Project Phoenix is to address and minimise the impact to both Tokoroa and the Central North Island as a result of plans by Oji Fibre Solutions to discontinue paper production at the Kinleith Mill, with up to 230 FTE roles planned to be disestablished as a consequence.

As part of our response Council have recruited an Economic Development Manager to lead Project

Phoenix alongside other economic development projects. This increase in resource is being funded through existing budgets and strengthens our ability to effectively lead the local response.

Stakeholders

	Project Phoenix	Public Services Commission Taskforce
Main parties	• SWDC (South Waikato District Council) • MSD (Ministry of Social Development) • Workers First Union • E tū union • OJI Fibre Solutions • Toi Ohomai • Amplify • RotoruaNZ	• Regional Public Service • MSD (Ministry of Social Development) • Health NZ • Te Puni Kōkiri • Ministry of Education • Work and Income • Inland Revenue • Kāinga Ora • MHUD • NZ Police • SWIFT • SWPICS • Raukawa
Areas of focus	• Identifying all impacted parties • Investigating new job opportunities • Determining training requirements • Scoping regional economic impact	• Responding to community/lwi priorities in relation to Social Outcomes for the community • Bringing together key government agencies and community leaders to work collaboratively • Communicating areas of Government support available (e.g. benefits) • Providing financial & budgeting advice • Counselling services • Community support

Priorities

Short-term priorities (now – 18 months) include:

- Establishing the quantum of *directly impacted employees* (OJI and Contractors)
 - How many reside in district
 - How many are likely to take early retirement
 - How many seeking re-employment in district
- Identifying skills and training requirements
 - How many looking to retrain for new opportunities
 - Which sectors need new employees and what are skills requirements
 - What training can be provided locally (e.g. Toi Ohomai)
- Establishing the quantum of *indirectly impacted employees*
 - Who are they and are they local companies
 - What is the impact on business viability
 - What plans do they have / what support is needed
 - How many employees are looking for work in district

Longer-term priorities include:

- Identifying the supply of development ready industrial/business zoned land
- Determining developers/landowners in place who are committed to developing this capacity
- Redevelopment opportunities for the wider Kinleith Industrial zone
- Working with Oji on how to secure long-term viability of pulp operations in the district
- Long-term commitment of Toi Ohomai to providing/increasing trades training locally to support skills development of the workforce
- Working with housing developers to identify the employment pipeline connected to new developments and how we can enable locals to benefit from these opportunities
- Investor attraction and marketing
- Partnering with Crown and others for co-investment into the district to help grow the economy

Housing Development - Clyde Street

This new development of 14 homes by Kainga Ora is on track for completion by the end of June 2025 and a launch event is being planned for July 2025.



WORKit

As part of our plans to accelerate delivery of LTP 2024-34 Goal Five, we are recruiting for another staff member to increase service capacity. Following a decision by Impact Hub Waikato to discontinue its physical presence in Tokoroa, we have taken the opportunity to lease the site on Swanson Street, Tokoroa. This will be developed into a youth employment hub enabling and facilitating other service providers to cluster with WORKit and provide a better aligned experience for NEET youth. This change supports Goal Five and improves the delivery of sustainable employment outcomes for NEET youth.

Linkage

Vibrant culture

Healthy proud and connected community

Economic development

Attachments

Appendix A: E&CD Workstreams May 2025