

Wellington Regional Leadership Committee

# City and Regional Infrastructure Deals



## City and regional deals in New Zealand

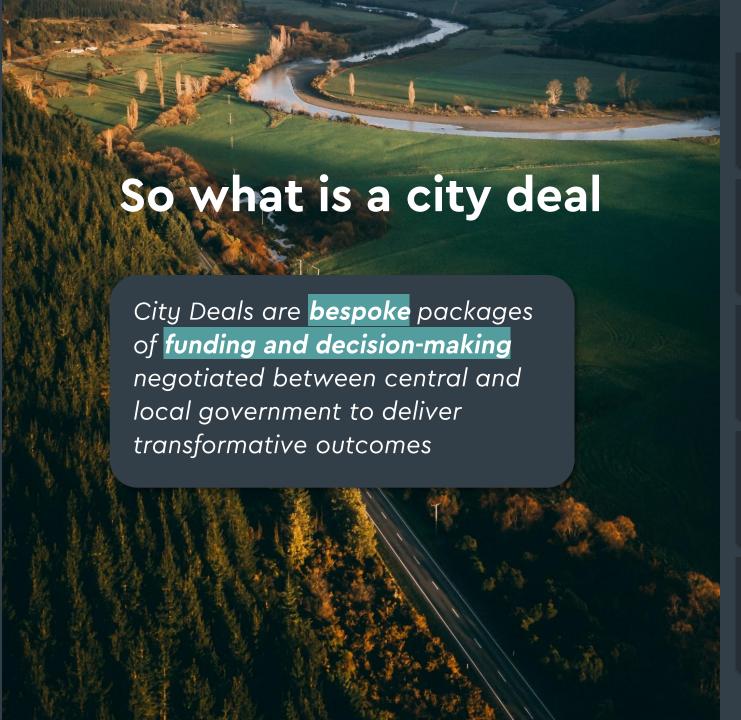
## What do we know...and what's still unclear

- National's 100-day plan included commitment to National, City and Regional Deals to partner with local Government to create long-term pipelines of regional projects
- 100-day plan also included commitment to establishing a new National Infrastructure Agency and to introduce innovative funding and financing tools
- National ACT Coalition Agreement commits to instituting long-term city and regional infrastructure deals, allowing PPPs, tolling and value capture rating to fund infrastructure.
- National NZ First Coalition Agreement commits to establishing a Regional Infrastructure
  Fund with \$1.2 billion in capital funding over the Parliamentary term

### BUT it is still unclear

- How is infrastructure defined and relationship between deals, Infrastructure Agency and RIF
- Will every city and region get a deal and who will be 'first in best dressed' (not in Coalition's 100-day plan)
- Extent and timing of funding and financing tools such as land value capture





### **Urban Development Agreements (Canada)**

Since 1980s –three tiers of government, community and businesses in place-based regeneration – 5-year periods

### City Deals (UK)

Since 2011 – 31 City Deals approved and 2 in negotiation – places can access between £450m £1.1b funds over a 20–30-year horizon – 10 – 20+ year periods

### Growth Deals (UK)

Since 2014 to fund Local Enterprise Partnership projects – 43 Growth Deals agreed between 2014 - 2017

### **Devolution Deals (England)**

Since 2014 - builds on City Deals, devolving more services and accountability to local government - 11 Devolution Deals (plus extensions)

### City and Regional Deals (Australia)

Introduced in 2016– 9 City Deals approved, 2 Regional Deals approved, 1 Regional Deal in negotiation – 20-year periods

## Deals are not about developing more strategies, writing more business cases, or applying for more grants

City deals are not a short-term fix but part of a long-term journey towards real devolution of powers, funding and responsibilities to the local level

**City deals** are a negotiation not a right and not everywhere can get the same deal at the same time and it takes time to get it right

**City deals** need to prioritise investment asks and deliver against national as well as local policies and targets

**City deals** require dedicated implementation and governance arrangements

City deals are supported by innovative funding mechanisms and evergreen investment tools



## MARTINJENKINS

## Deals are not just about roads and houses



## BUSINESS LAND AND PREMISES

Cardiff City Region - £50m Strategic Premises Fund for development of new sites/premises to support business growth and attraction



## ADDRESSING UNEMPLOYMENT

London Growth Deal - £11m investment in case workers to provide holistic support and services to help people into long term employment



## **ENHANCING LIVEABILITY**

SEQ Deal - \$286m Liveability Fund for community facilities, urban amenity, environmental infrastructure and open spaces, as well as \$10m fund for public art initiatives



## EMPLOYER LED TRAINING

Sheffield City Deal - brokerage to connect small businesses to tailored training and apprenticeships that match needs



Liverpool City Deal - improved regulatory coordination to support growth and attraction of low carbon technologies



## RENEWABLE ENERGY

Townsville City Deal - focus on renewable energy innovation, technology and investment





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### **Opportunities**

Opportunities and

considerations for

Greater

Wellington

- Demonstrate link to long-term strategy and investment plan and understanding how activities will deliver vision and objectives
  - Wellington Regional Growth Framework and supporting plans
- Align planning and decision making including relevant spatial planning processes
  - Future Development Strategy
- Clear and resilient governance arrangements with defined roles, responsibilities and accountabilities
  - Wellington Regional Leadership Committee
- Having capacity at local level to negotiate well and effectively deliver once deal is struck - dedicated team and resources
  - Role for GWRC and/or WellingtonNZ

#### Considerations

- Prioritisation framework for identifying projects for a Deal
- Preparing an MOU to start discussions with Government
- Robust performance and monitoring arrangements focused on reporting progress against outcomes
- Co-investment and funding approach including new mechanisms and evergreen investment vehicles
- Attracting and applying private capital, including ability to provide future revenue and returns to capital
- Te Tiriti led approach and opportunity to take an intergenerational focus on holistic wellbeing