



Hutt City's Council's Application for
Community Relationship Award



Hutt City Council built a Proactive partnership with business to retain and grow jobs.

A much better relationship between Council and business was a priority in Hutt City's economic development strategy. The city's economy had consistently performed below the national average. A strong, vibrant local economy relied on building effective and genuine partnerships, where previously there were few.

ECONOMIC DEVELOPMENT STRATEGY

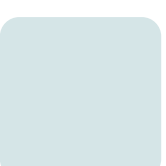
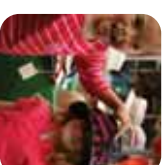
In 2002, Hutt City's economic development strategy aimed for a strong, vibrant local economy to deliver on Council's vision of a great place to live, work and play. "A strong economy delivers jobs, opportunities, a fun and pleasant place to live and a better quality of life for Hutt City residents," the strategy stated. The city was facing GDP and employment growth trailing both New Zealand and the region.

JOB	HUTT	REGION	NZ
1997-2001*	-0.3	+0.6	+0.9
TOTAL ECONOMIC VALUE ADDED	HUTT	REGION	NZ
1997-2001*	+1.2	+1.7	+2.3

* Figures show average annual percentage change over the period indicated.

Building a strong, enterprising and diverse economic base meant Hutt City had to retain and grow existing businesses and attract new ones. But Council didn't know much about businesses leaving the city or the business drivers causing them to go. Other cities in the region were actively competing for business.

The starting point was to build effective and genuine partnerships with business.



The relationship in Wingate:

Hutt City analysed issues and responded to needs

Development of Wingate was identified in consultation with business as an important tactic in achieving the city's economic goals. A development plan was formulated with carefully defined goals, budgets, actions and accountability.

WINGATE DEVELOPMENT PLAN

Council worked closely with Wingate businesses to learn more about the development potential for the area. A plan was commissioned to promote Wingate as a business destination, make it more attractive for future development and support existing businesses.

The plan began with consultation among key stakeholders and site analysis. This was followed by a stakeholder workshop where ideas were tested. The resulting action plan achieved a high degree of support from key stakeholders. (Copy of Plan attached, Appendix 1).



EXAMPLE

Partnership & Transformation' seminar. Wingate businesses reported that some of their customers were having difficulty finding them. Council responded with new directional signs and is improving the appeal of the area with landscaping work to make it attractive for businesses, workers and their customers.



EXAMPLE

Wingate boasts leading manufacturing companies. Consultation indicated a higher profile for creative manufacturing and more recognition of creativity in manufacturing would help retain and grow them as well as attract new creative manufacturing businesses. In partnership with the Wingate Business Group, Hutt City Council organised the Wingate Speaker Series to lift the profile of the Wingate industrial area of Hutt City. Over a hundred attended the first in the series featuring internationally recognised advocate of design and author Don Norman.

The relationship is highly consultative and a two way partnership

Council developed a comprehensive database of businesses to facilitate communications. The relationship has been further strengthened with regular chief executive briefings and mayoral breakfasts to discuss topical issues.

Council has implemented an ongoing partnering programme with its contractors called 'Better Together'.

ON SITE BUSINESS VISITS – LISTENING AND ACTING

Business visits have seen council and business work collaboratively on particular obstacles or challenges.

In many cases, this has achieved resolutions both for the business and the economy. Being better informed about business is key to Hutt City's economic development, and business needs to know what Council is doing. Visits to local businesses by the Mayor and senior management were introduced as a tactic to strengthen Council/business relationships. These visits involve a tour around the business premises, discussions with the owners and employees of the business, and discussion on topical issues.

EXAMPLE Through a regular business visit Council learned a leading research company was outgrowing its existing premises, which in many respects were unsuitable for a world-renowned organisation. At the same time other cities around New Zealand were actively courting the organisation to relocate. The company is a significant employer as well as a drawcard for other science and research-based businesses. Hutt City Council coordinated a search for suitable premises capable of meeting the company's strict

requirements. Council was able to identify a suitable property, subsequently successfully acquired by the organisation. Their objective was achieved and the city retained the jobs of a significant number of highly qualified people.

EXAMPLE When Council staff visited a local engineering firm, the owner advised that one of his most highly skilled engineers was finishing up. This staff member operates complicated equipment for which there are as few as a dozen competent and skilled replacements in New Zealand. Council called a business immigration specialist at the regional economic development agency and identified an overseas engineer who had asked while on holiday here about opportunities to work and live in New Zealand. An interview was arranged at short notice before the prospect left for the UK. His skill set matched the job requirements, a job was offered and the new staff member's work permit organised through Immigration the same day.





Innovation. A manufacturing cluster was established in response to a renaissance of manufacturing activity. Hutt City linked with neighbouring councils to create a telecommunications network and get a better deal for increasingly sophisticated business demands.

Innovation and creative solutions to business needs: Smartlinx; manufacturing cluster

MANUFACTURING CLUSTER

Council established a manufacturing and engineering cluster involving about sixty local businesses (now the core of a regional specialist manufacturing cluster). The cluster focuses on integration of design into manufacturing and linkages between education facilities; design houses and local manufacturing businesses. Successes include a capability assessment of member firms and a skills gap assessment by the local polytechnic, the establishment of a School of Smart Product, the pilot trial of embedding education tutors into the workplace and additional funding for advanced prototyping equipment for use by cluster members and polytech students.



SMARTLINX

Council learned it was losing high growth high-tech businesses due to the high cost of broadband. For example, an award-winning computer games developer was established in Lower Hutt, but moved to Wellington because it needed faster broadband. Hutt City Council investigated the scale of the issue for wider businesses, and invited neighbouring cities to be part of the project. A survey of approximately two thousand businesses indicated broadband access and reasonable cost are increasingly important issues for a large number of businesses. A group of business people with support from councils undertook a detailed investigation of possible solutions. Their recommendation was to establish a community-focused commercial operation to deliver a broadband solution. Councils and businesses responded with a partnership to establish and capitalise Smartlinx 3 Limited.



Relationship produces quick results
businesses and jobs are growing
again in Hutt City

Building a relationship with business was identified as a crucial factor in developing Hutt City's economy. The relationship is a model partnership. It identified needs and Council worked closely with business to respond to opportunities and needs. Gains to the Hutt City's economy, industry and individual businesses have been swift.

ECONOMIC PERFORMANCE

Hutt City's economic performance was better in all measures for the 2002–03 year, the first year of the new relationship between Council and business and the most recent for which figures are available.

Job numbers increased by **1.4%**, a net increase of **514** full-time equivalents. The strategy identified a target of **37,716** jobs by 2007. The target was reached in the first year of the strategy, with **37,752** jobs recorded in Hutt City at March 2003.

The last year's growth in jobs accounts for **56%** of the total figure for the last seven years.

The number of businesses in Hutt City dropped between 2000 and 2002. But in 2002–03 the trend was reversed and there were 176 new businesses created in 2002–03.

