

NIEP Social and Economic Assessment Report

Prepared for

FAR NORTH HOLDINGS LTD.

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Executive summary

Introduction

This report has been commissioned by Far North Holdings Ltd. (FNHL) to support a plan change application to the Far North District Council to rezone a rural zoned site in Ngawha (of 240ha) as a Ngawha Innovation and Enterprise Park (NIEP or 'the Park').

The proposal is for a comprehensively planned large-scale and high amenity industrial precinct to be staged over 1-5 years. The concept for the Park has been subject to a high degree of planning and co-ordination between FNHL, tenant businesses, training providers, government agencies, Crown Research Institutes and local Māori trusts. The tenant mix is designed to maximise synergies between different types of business activities.

Stage 1 occupants of business premises to be accommodated at the Park will consist of around 15 separate business/training providers, generating jobs or training positions as follows:

- a) 222 part-time or seasonal workers,
- b) 326 full-time staff (of which 58 are existing jobs within the district/region), and
- c) 232 students (including a mix of 72 full-time and 160 part-time trainees, with the former also gaining work experience on the site)

Scope of the report

This report assesses the proposal in terms of its potential social and economic effects on Kaikohe and the surrounding area, to inform the council's decision-making on resource consents and a proposed Plan Change pursuant to the Resource Management Act (RMA) 1991. The report contains:

1. analysis of demographic and economic information for Kaikohe and the surrounding area
2. projections of employment at the Park and its direct contribution to GDP in the local economy,
3. an assessment of the significance of positive and negative social and economic effects of the proposal,
4. recommendations for measures to be taken to avoid or mitigate negative social effects and also to maximise positive economic effects for Kaikohe's existing labour force and businesses.

Economic effects

In summary, the proposed Park is assessed to have a range of positive economic effects for Kaikohe/Ngawha and the surrounding area:

1. Based on the Park's total Stage 1 and 2 construction cost of \$110 million and the estimate of its direct contribution to FND GDP of \$36.3 million, it would generate a 1.36% boost in total GDP spread over the duration of the construction period (1-2 years), equivalent to 66% of the average annual increase in GDP over the past decade.
2. Based on the estimate of 333 FTEs for Stage 1, the direct GDP impact of \$27.28 million to \$30.29 million per annum would imply a 1.02 – 1.14% increase in the district's 2020 GDP. This long-term sustained GDP impact is additional to the initial construction impact on FND's GDP.
3. The GDP contribution of the completed Stage 2 operation of the Park has not been estimated given uncertainty about the ultimate scale and mix of tenancies to be accommodated. However, if it were to involve a similar scale and mix as for Stage 1 with FTE job numbers of the same order, it would be reasonable to expect it would generate an additional GDP contribution of \$27.28 million to \$30.29 million per annum (bringing the combined Stage 1 and 2 total GDP to \$54.6-60.6 million per annum), equivalent to over 2% of the FND's 2020 GDP.
4. The inclusion of skills training operations reflects a deliberate effort to ground the Park as an asset for the Kaikohe/Ngawha community by providing:
 - pathways to employment for the existing workforce, including those currently unemployed or not in education, employment or training, and
 - business to business pathways for the significant primary production landholdings (both Māori and non- Māori owned) and providers of raw materials in the surrounding area,
5. Additional contributions to GDP (not estimated) from:
 - i) upstream 'indirect impacts' due to the Park businesses increasing demand for goods and services from suppliers in Kaikohe (and elsewhere in FND),
 - ii) induced final demand impacts from the additional household incomes of those working at the Park generating increased demand and expenditure on housing and local consumer goods and services,
6. While those spillover economic effects are unquantified, it is reasonable to expect they will increase demand for retail activity and incentivise increased utilisation and redevelopment of existing industrial and commercial premises/sites in Kaikohe, contributing to the revitalisation of the town as a business/employment centre.

Social effects

The proposal is assessed to have a range of positive social effects for Kaikohe/Ngawha arising from:

1. The provision of 333 FTE jobs and up to 232 trainee positions annually, together with an active management approach to recruit local workers and trainees in an area which currently has a high proportion of Māori youth and a high rate of unemployment and people not in employment, education or training (NEETs). This should lead to a reduction in social costs associated with poverty, poor health, and crime.
2. Potential to encourage Māori rangatahi and older age workers to return to their whenua in Kaikohe to pursue training or work opportunities and live in the area.
3. Potential to forge stronger links with Ngawha Prison (near the Park site) by offering training or work experience for prisoners on day-release or post-release, in ways that complement the construction and nursery operations already established at the prison.
4. Increased demand for housing and utilisation of social and community facilities in Kaikohe, contributing to revitalisation of the town's residential neighbourhoods and town centre.
5. Creation of a circular economy at the Park and the associated impact of this to access local waste streams will create opportunities for social enterprise and local employment.

The proposal is also assessed to have one potentially significant negative social effect due to:

- The risk of a rapid increase in the resident population in Kaikohe and Ngawha if a significant share of new jobs at NIEP are filled by newcomers to the town, leading to a rapid spike in demand pressure on housing (especially private rental housing stock), education, health, and community infrastructure/facilities and services in the area.

The Park currently has two initiatives in place to minimise or mitigate the significance of such risk:

- The Regent trades training operation and potential for other prefabricated house building activity will supply houses which FNHL is working with Community Housing Providers (CHPs) to locate on sites in Kaikohe.
- A Workforce Development Strategy and Action Plan has been developed which commits FNHL to a collaborative process with central and local government agencies, iwi/Māori trusts and business and skills training organisations to maximise recruitment of workers and trainees from Kaikohe/Ngawha.

Conclusions and recommendations

The scale of NIEP is such that it will be of local and sub-regional significance, putting Kaikohe/Ngawha 'on the map' as a business destination by attracting new and diverse types of industrial businesses to the Far North District (FND). Its positive economic and social effects are assessed to clearly outweigh its potential negative

social effects. To maximise positive effects and to mitigate significant potential negative effects, the following measures are recommended to be included as part of the Proposed Plan Change provisions:

FNHL as owner and manager of the Park will maintain a:

1. **NIEP Workforce Development Strategy and Action Plan** that documents over the stages of construction and development of the Park, the collaborative process of engagement and efforts being made with central and local government agencies, iwi/Māori trusts and business and skills training organisations to maximise recruitment of workers and trainees from Kaikohe/Ngawha, and
2. **NIEP Social Impact Management Plan** or suchlike, that similarly outlines engagement processes with local and central government agencies, Iwi/Māori trusts, CHPs, and education, healthcare and community services providers for the purpose of identifying the existing capacity of housing and social infrastructure (and any known commitments to add capacity) to meet demand from a significant increase in the resident population over the next 5- 10 years. Options to provide a pre-school facility and/or worker/trainee housing on the Park site or other solutions could also be addressed in the course of developing the plan.

1.0 Introduction

1.1 Purpose

This Social and Economic Assessment (SEA) Report has been commissioned by Far North Holdings Ltd (FNHL) for its proposed Ngawha Innovation and Enterprise Park (the Park) located on 232 hectares of land (formerly used for dairying) 3kms east of Kaikohe in one of the most socially deprived and economically depressed districts in Aotearoa.

This SEA report is provided to support the creation of a Special Zone for the Park to be consulted as part of Far North District Council's District Plan consultation process to enable the park to be established and accommodate additional development over time. This report provides an assessment of the potential social and economic effects (benefits and dis-benefits) of the Park.

1.2 Location context

The Far North District is predominantly rural, with urban and holiday areas in numerous small towns and settlements. Rural land is used largely for agriculture, horticulture and forestry. Kaikohe is centrally situated in relation to a cluster of towns on the east coast around the Bay of Islands (Kawakawa, Kerikeri, Moerewa, Opuha, Paihia and Russell), and a cluster of small settlements on the south-west coast surrounding the Hokianga Harbour (Horeke, Kohukohu, Omapere, Opononi, Panguru and Rawene) – refer Figure 1.

The subject site proposed to be developed as the Park consists of 232 hectares located at Ngawha on State Highway 12, less than 10 minutes drive to the east from Kaikohe (refer Figure 2). Kaikohe is 27km from the inter-regional 'Bay of Islands' airport at Kerikeri (or 22 minutes travel time by car) and 92km from Whangarei's airport (or about 1.2 hours travel time by car). It is also around 1.5 hour's drive time to the seaport (Northport) at Marsden Point.

Figure 1: Kaikohe/Ngawha Location map



Source: FNDC, Google maps

Figure 2: NIEP site Masterplan



Source: FNHL <https://ngawhapark.nz/>

1.3 Project objectives

The FNHL vision for the Park is to support and enable economic and social development in the wider district for the next 25-30 years, reflecting it will take a significant amount of time to develop mature, sustainable enterprise in the district, overcome inter-generational dependency and develop the skills to support employment and enterprise in the district and wider region.

During 2018-21 FNHL has engaged with businesses, community stakeholder organisations, similar initiatives in other regions and central government agencies to develop and refine plans for the type, scale and location of specific activities and facilities on the site. FNHL has designed the Park to be actively managed as a hub of co-located business, education and training, research and development and business incubation and support facilities, which provides opportunities for local Māori landowners and businesses to invest in value-added activity and attract symbiotic activity to create a circular economy at the Park.

The initial focus builds on Kaikohe's current natural advantages in high quality soils, improving access to water, ability to grow non-traditional crops (including subtropical crops), the opportunity for the wider region to become a major food source for Auckland City (where productive land is being used for housing), and increasing production from Māori land blocks from which hapū are looking to extract as much value (economic and social) as they can.

Over the next 1-5 years, the Park's primary focus is on activity that extracts greater value from:

- ❖ primary sector production;
- ❖ gaining greater value from waste streams from production and manufacturing of primary products;
- ❖ creating a circular economy at the Park that extends to the wider district; and
- ❖ creating employment opportunities for the local community.

As well as this focus, the development of the Park has focused on attracting businesses that:

- can use existing outputs and waste streams within and outside the Park.
- are complementary to locally owned businesses in the region and who embrace the environmental (closed loop) and social (local employment) purposes of the Park.
- add value to the products already being produced within the region/ district.

1.4 Methodology and information sources

Preparation of this report has included the following activities:

- a) Site visits to Kaikohe and the surrounding area,
- b) Analysis of official data to provide a social and economic profile of Kaikohe
- c) Review of published information on social and economic issues, constraints and aspirations in Kaikohe over the past five years, associated with council and central government policy and planning processes
- d) Correspondence with local schools
- e) Analysis of the existing business zoned land areas in Kaikohe and Ngawha, and the implications of adding the quantum of building floorspace and employment levels expected to be associated with development and occupancy of the Park
- f) Identification of the statutory requirements for assessing social and economic effects in the context of resource consents or a Plan Change

- g) Development of an appropriate social and economic impact assessment framework for assessing potential effects, including definition of the communities of interest and assessment criteria
- h) Assessment of potential social and economic impacts (negative and positive) of development of the Park, with reference to the above information base
- i) Making recommendations in respect of avoiding, remedying or mitigating any adverse social impacts of said development

The information and data sources include:

1. FNHL's vision and business case for the Park and other technical reports prepared for the project
2. Official statistics on the economy and demography of Kaikohe from Statistics NZ, Ministry of Education (MoE) and Far North District Council (FNDC).
3. Additional reports and data published by the FNDC, BERL, NZIER and Infometrics Ltd.

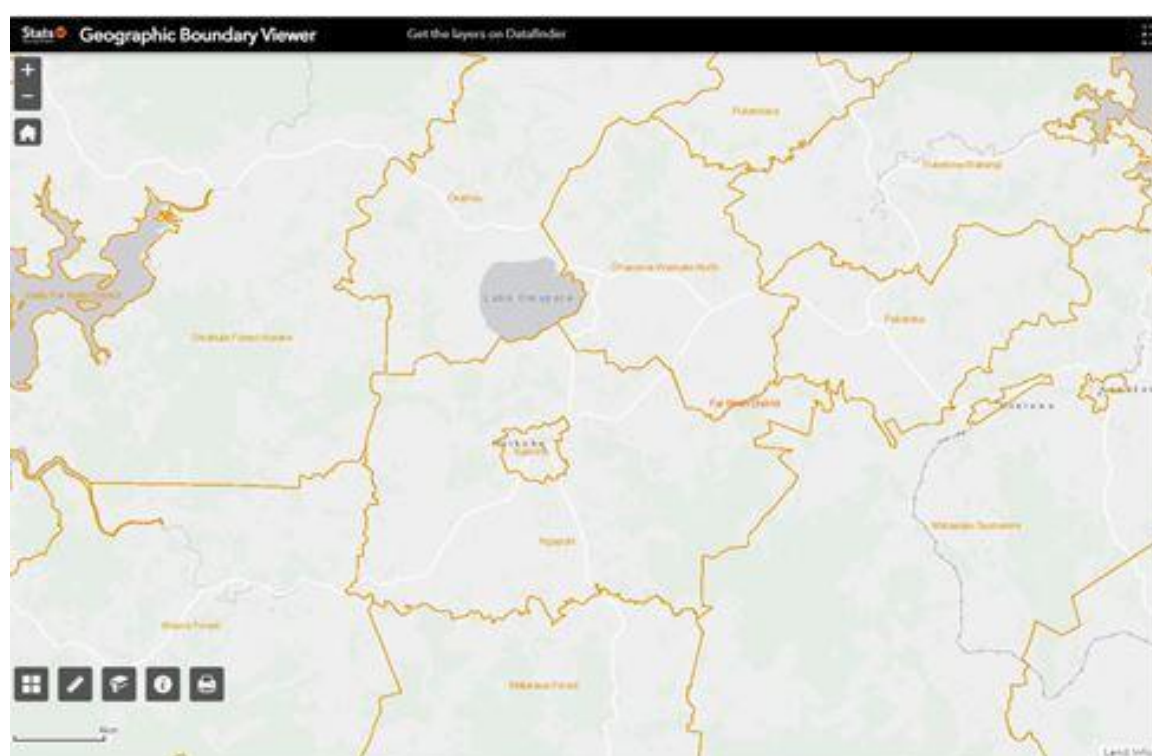
2.0 Kaikohe social and economic profile

2.1 Community profile

Kaikohe town consists of residential, commercial and industrial land uses, and is surrounded to the north, west, east, and south by predominantly rural land use (mainly for beef and dairy farming). Kaikohe's resident population was 4,437 in the 2018 Census and is more recently estimated to be 4,820 (as at June 2020¹) accounting for close to 7% of FND's total population of 71,000. It has grown at an average annual rate of 1.8% over the past 7 years (2013-20), less than the 2.5% growth rate for FND as a whole.

The Kaikohe statistical area sits within and is surrounded by the much larger Ngāpuhi unit which also includes Ngawha where the Park is located as well as land uses including Top Energy's geothermal electricity station, the Department of Corrections prison facility, and the Ngawha Springs thermal pool (refer Figure 1). The Ngāpuhi unit contained an additional resident population estimated at 1,950 in 2020 (up 30% from 1,500 in 2013).

Figure 1: Stats NZ geographic area units (2018 boundaries)



Source: StatsNZ

<https://statsnz.maps.arcgis.com/apps/webappviewer/index.html?id=6f49867abe464f86ac7526552fe19787>

¹ Source: StatsNZ population estimates.

The Kaikohe community profile based on the 2018 Census (refer Table 1) shows it has a high proportion (64%) of residents of Māori ethnicity (which increased from 2006) and is relatively 'younger' than other areas of the Far North, with almost a third (31.5%) of residents being under the age of 15 and just 26% over 50yrs. of age (compared to FND as a whole with 22.2% under 15 yrs. of age, and 44% over 50yrs of age).

Table 1: Kaikohe demographic indicators 2018 Census

Headline Indicator	Kaikohe	Far North	Observations
Number of occupied private dwellings	1,293	23,055	Kaikohe only accounts for 5.6% of all occupied dwellings
Kaikohe Town usual resident Population < 15 yrs	30.5%	21.6%	Much greater % of very young, school-age, pre-teen children.
Kaikohe Town Population 15 – 29 yrs	20.9%	15.9%	Young adults tend to shift away from Kaikohe for work or education
Kaikohe Town Popn 30 – 64 yrs	36.6%	43.2%	Middle aged residents moderately less than the district as a whole
Kaikohe Town Popn > 64 yrs.	12%	19.3%	Kaikohe doesn't have as many retirees as other areas, and isn't aging as fast as other parts of the District
Māori ethnicity 2018	78.4%	48.3%	High concentration of Māori
Family Structures (Households)			
Single Parent Household	36.5%	20.2%	Very high rate of solo parenting
2 Parents with children	47.7%	48.1%	Similar to elsewhere
Couple with no children	15.9%	31.6%	Retirees aren't staying in Kaikohe; or Kaikohe residents have shorter life expectancy. Māori have shorter life expectancy than NZ average.
Household incomes			
Households with income < \$20K	18.9%	12.5%	Relatively more low income households
HH income > \$20K < \$30K	14.5%	12.4%	
HH income > \$30K < \$50K	19.6%	17.8%	
HH with income > \$50K	47%	57.3%	Relatively less high income households
Median Income	\$39,000	\$51,400	
Employment status (share of population in the labour-force)			

Employed Full time	57.5%	64.3%	
Unemployment	19.3%	10.8%	High unemployment rate
Part time employment	23.2%	24.9%	
Labour-force participation rate (of population aged over 15 yrs.)	57.5%	61.3%	
Housing tenure			
Home Owned	38.3%	55.7%	Low level of housing security
Other			
No Qualifications (NZQA - level 2 and above)	30.5%	23.7%	Low level of qualifications
Access to cell phone	87.2%	87.3%	Kaikohe residents have improved access since 2013 (65.3%)
Access to Internet	64%	77.2%	Kaikohe residents have improved access since 2013 (38%)
Access to telephone	50%	64.8%	

Source: Stats NZ 2018 Census

The 2018 Census suggested the average household size in Kaikohe was 3.6 people, compared with an average of 3 people per household for all of FND. It is also likely that Kaikohe accounts for a significant share of the high rate (18.5%) of 15-24 year olds not in education, employment or training (NEET) in the FND in 2018². The numbers would likely be even higher if the district didn't lose some of its younger population. As a 2016 FND council report identified³: "The statistics indicate that when young people get to a certain age (college and young professional age) they leave the district, presumably to find work. If they are to be encouraged to stay the economy needs to grow and provide more jobs".

The vulnerable position of Kaikohe's population is also reflected in:

1. A high proportion of households are on relatively low incomes (with 53% below \$50,000), reflecting in part, a low workforce participation rate and high unemployment rate
2. A relatively low rate of home ownership, and
3. Its rank as having the highest deprivation score (of 1,302) in the FND as a whole⁴.

² Source: Infometrics 2018

<https://ecoprofile.infometrics.co.nz/Far%20North%20District/Employment/Unemployment>

³ FNDC 2016 Our District - a social and economic profile of the Far North p12.

⁴ <https://profile.idnz.co.nz/far-north/deprivation-index>. The Social Deprivation Index is a measure of socio-economic status calculated for small geographic areas. The calculation uses a range of variables from the

While schools in Kaikohe may serve a wider area than the town’s own resident population, Ministry of Education (MoE) school enrolment counts in 2020 (refer Table 3) were static compared to 2013. While changes up or down were experienced by individual schools the total number of enrolees reflects the relatively young demographic profile of Kaikohe residents (refer Table 1) and indicates potential demand for work or post-school study by Kaikohe students will continue to be sustained over the next 1-10 years.

Table 3: Kaikohe school enrolees 2013-20

School	2013	2020
Kaikohe Christian School	186	178
Te Kura Kaupapa Māori o Kaikohe	159	258
Kaikohe West School	362	183
Kaikohe East School	226	302
Kaikohe Intermed. School	141	138
Northland College	280	281
	1,354	1,340

Source: MoE <https://www.educationcounts.govt.nz/statistics/6028>

2.2 Labour-force

The 2018 Census reported Kaikohe's resident labour force being 1,773, of which 411 were employed part-time and 1,020 full time, but 342 were unemployed. In the surrounding Ngāpuhi area, there was a total labour force of 798, including 633 in employment and 165 people unemployed.

Stats NZ Commuter view data (based on journey to work patterns from the 2018 Census), shows that a total 1,332 people actually worked within the Kaikohe area unit but only 540 (40%) of them were residents in the town and almost 60% of jobs (792) were held by people commuting ‘in’ from other areas (refer Table 4). At the same time a significant share of Kaikohe resident-workers (363 or 40% of the total) commuted to jobs outside of Kaikohe.

Table 4: Source of workers in Kaikohe 2018

Commuting type	Total 2018	Percentage
Live and work in area unit	540	40.5%

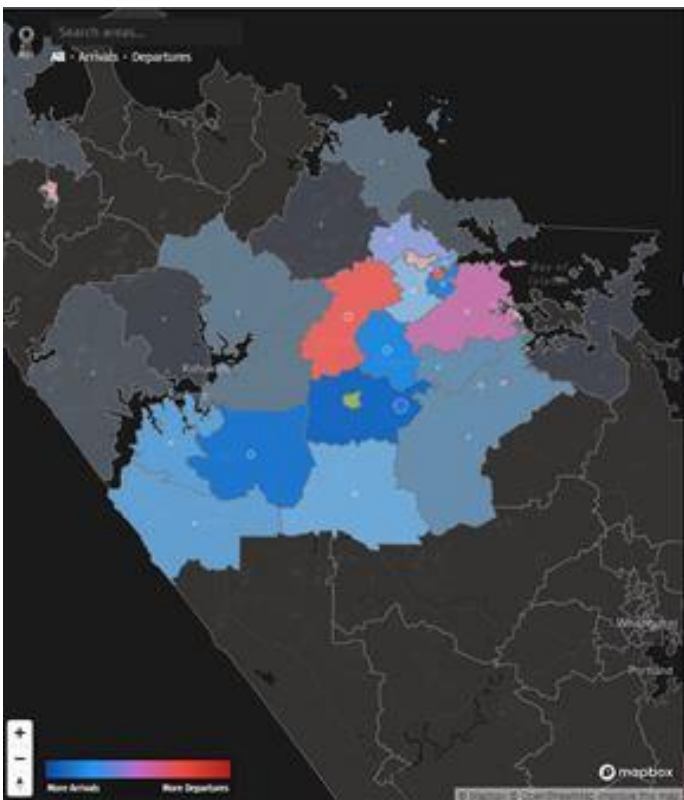
2018 Census which represent nine dimensions of socio-economic disadvantage to create a summary deprivation score.

Commute out	363	na
Commute in	792	59.5%
Total people working in area unit	1,332	100.0%

Source: SNZ Commuter view 2018

The main areas of commuting origins and destinations are illustrated in Figure 2.

Figure 2: Commuting flows to/from Kaikohe 2018



Source: SNZ Commuter view <https://commuter.waka.app/>

Note: dark blue areas show main source of 'arrivals' and red areas are main destinations for resident workers.

The results show that Kaikohe has a relatively weak extent of local 'skills to job' matching with many workers commuting into the town, while many residents either travel to work in adjacent areas or are unemployed. However, it is important to note the strong inter-relationship between Kaikohe and the surrounding Ngāpuhi area (which includes Ngawha within its boundaries). There were 300 jobs in the Ngāpuhi area in 2018 (refer Table 5) of which less than half (46%) lived there and the rest 'commuted in'.

Table 5: Source of workers in Ngāpuhi 2018

Commuting type	Total 2018	Percentage
Live and work in area unit	138	46%
Commute out	216	na
Commute in	162	54%
Total people working in area unit	300	100.0%

Source: SNZ Commuter view <https://commuter.waka.app/>

While 138 residents in Ngāpuhi work within ‘their’ area, a greater number (216) commute from there to work elsewhere. Further detailed analysis of the work-travel pattern shows that around half of those resident-workers (105) work in Kaikohe while 42 Kaikohe resident-workers travelled from Kaikohe to work in the Ngāpuhi area (presumably including workers at Top Energy and the Ngawha Prison in particular).

Of the 792 ‘commuting-in’ workers to Kaikohe, 61% originated from ten area units that are in reasonable proximity to Kaikohe (refer Table 6).

Table 6: Most common sources of arrivals to Kaikohe (workers) 2018

Area	Total Arrivals	Percentage of Arrivals
Ngāpuhi	105	13.3
Ohaeawai-Waimate North	66	8.3
Kerikeri South	57	7.2
Okaihau	45	5.7
Waima Forest	45	5.7
Riverview	39	4.9
Moerewa	33	4.2
Lake Manuwai-Kapiro	33	4.2
Hokianga South	30	3.8
Puketotara	30	3.8
TOTAL	483	61

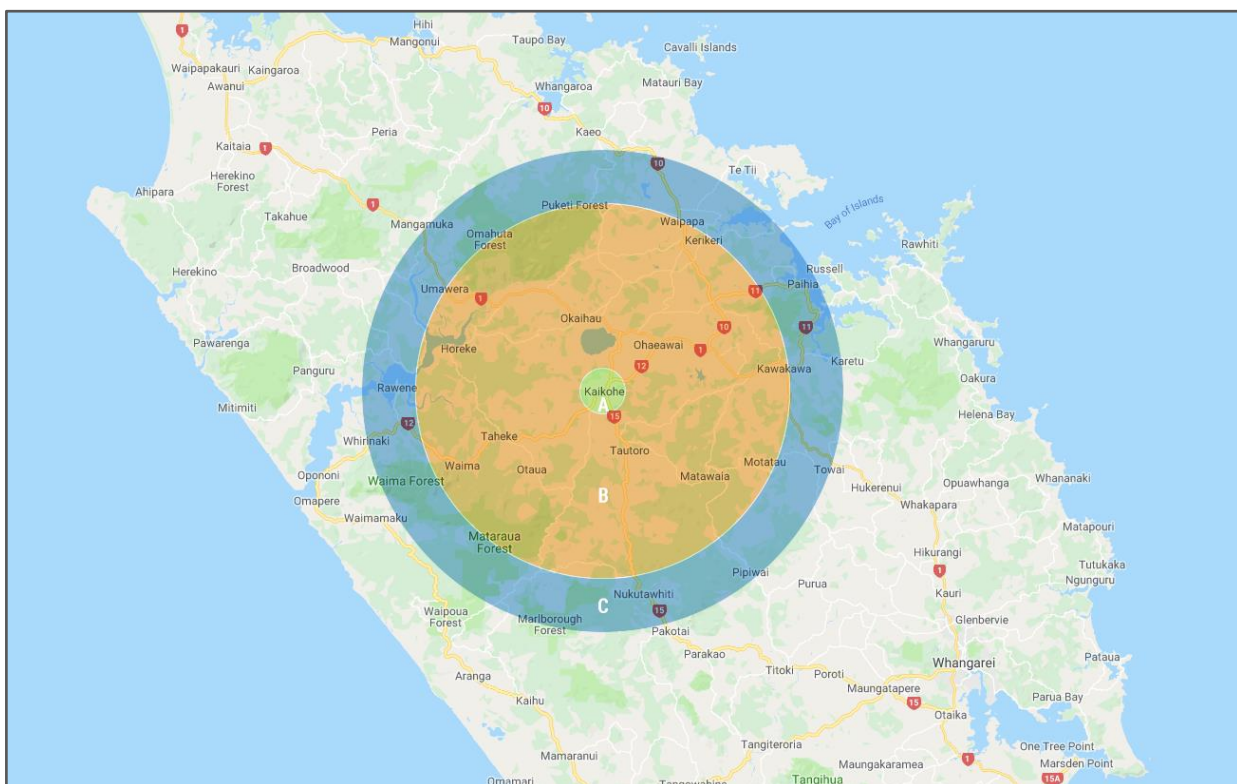
Source: SNZ Commuter view <https://commuter.waka.app/>

Similarly, the majority of commuters into the Ngāpuhi area come from Kaikohe and other areas nearby.

With Ngawha being a key employment hub within the Ngāpuhi area that is also in close proximity to Kaikohe, they clearly function as a joined up area in labour market and employment terms. If Kaikohe and Ngāpuhi are treated as one area, the combined total number of jobs was 1,632 in 2018, of which half (50.5%) are held by people who live within this combined area, and the other half of jobs are held by people who commute from outside the combined Kaikohe and Ngāpuhi area.

For the purposes of this report Kaikohe and Ngawha’s primary labour-force catchment is defined to comprise Kaikohe and the ten statistical areas in Table 6. These locations are generally within 5-30km of Kaikohe by road distance or up to a half-hour travel time. Other further way areas can be regarded as a secondary labour force catchment in relation to both Kaikohe and Ngawha. They are generally within a distance of approximately 30-40km by road, or a half-hour to 45 minute drive time of Kaikohe, but have weaker spatial links with Kaikohe and Ngawha based on the 2018 Census employment and commuting patterns (compared to the primary catchment). The primary catchment (indicated by the ‘inner A and B’ rings in Figure 3) comprises area units with a total resident labour-force of 10,100 in 2018. Over 2013-18 this increased from 7,680 (i.e. by a strong 31.5%).

Figure 3: Kaikohe and Ngawha Labour-force catchment 2018



Source: Strateg.Ease Ltd. based on data from Stats NZ.

Despite the presence of a total 1,630 jobs in the Kaikohe- Ngāpuhi area in 2018, there were also over 500 unemployed in their combined labour-force. As a 2016 Council report ⁵ refers there is still a “high concentration of unemployment in the area where Kaikohe-Ngawha and Hokianga South meet”.

While the Park has a large labour pool in the primary catchment to draw on, alleviating the high level of unmet demand for work by residents within the primary Kaikohe and Ngāpuhi area is clearly recognised as an objective of the Park by providing both training and employment opportunities at Ngawha which should help upskill those who cannot get jobs commensurate with their current skill level.

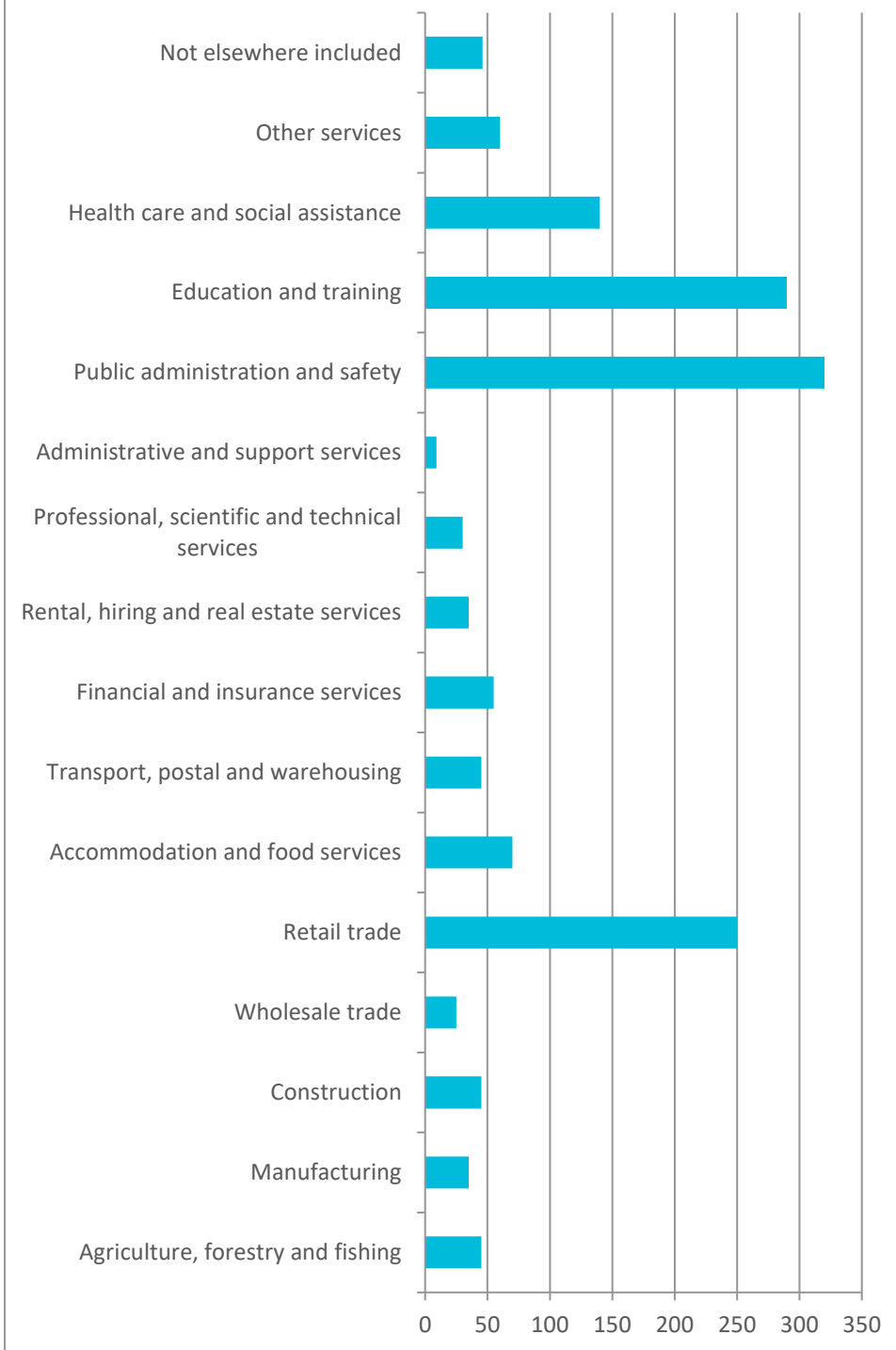
2.3 Employment in Kaikohe and Ngawha

Stats NZ business demography data indicates there were 1,500 jobs in Kaikohe in 2018⁶ (refer Figure 4):

⁵ Refer FNDC 2016 Our District - a social and economic profile of the Far North (p27).

⁶ Note the figures are different from the 2018 Census primarily because they are based on a survey of business owners rather than households.

Figure 4: Kaikohe employment by industry sector 2018



Source: SNZ Business demography data 2018 (note several small sectors included in 'not elsewhere included')

A clear majority of jobs (i.e. two-thirds, or 1,000 jobs) are accounted for by four main industry sectors:

1. Retail trade (250)
2. Public administration and safety (320)
3. Health care and social assistance (140)

4. Education and training (290)

Over 2013-18 Kaikohe suffered a decline in jobs of 14.3% (from 1,750 jobs in 2013⁷) while FND as a whole experienced employment growth of 13.2% (refer Attachment B for data). Kaikohe went from accounting for 10% of total jobs in FND in 2013 to 8% five years later. While job increases in Kaikohe were generated in Manufacturing (+10 jobs) and Education and training (+30 jobs), net reductions were experienced across many individual industry sectors. Most of the job losses in absolute terms occurred in three out of four of the above 'core' sectors, plus a couple of others:

1. Retail trade (-30 jobs)
2. Health care and social assistance (-150 jobs)
3. Electricity, gas, water and waste services (-35 jobs)
4. Public administration and safety (-30 jobs)
5. Administrative and support services (-31 jobs)

Less significant losses in absolute job numbers also occurred in:

1. Professional, scientific and technical services
2. Agriculture, forestry and fishing
3. Accommodation and food services
4. Information media and telecommunications
5. Rental, hiring and real estate services

Within the adjacent Ngāpuhi area unit there were 410 jobs (less than the 2013 Census tally of 495), of which close to 70% (280) are in the Public administration and safety sector (attributable to the Ngawha Prison). A further 10% of jobs (40) are in Agriculture/forestry and only nine jobs (2.2%) are reported for the Electricity, gas, water and waste services sector (presumably the Top Energy plant) and the remaining small numbers are spread across several other sectors.

The data suggests that even though the resident population of Kaikohe and nearby areas has grown modestly over 2013-18, Kaikohe itself lost employment in a range of retail, accommodation and personal services sectors, as well as in public utility and community service sectors (with the exception of the 'education and training' sector).

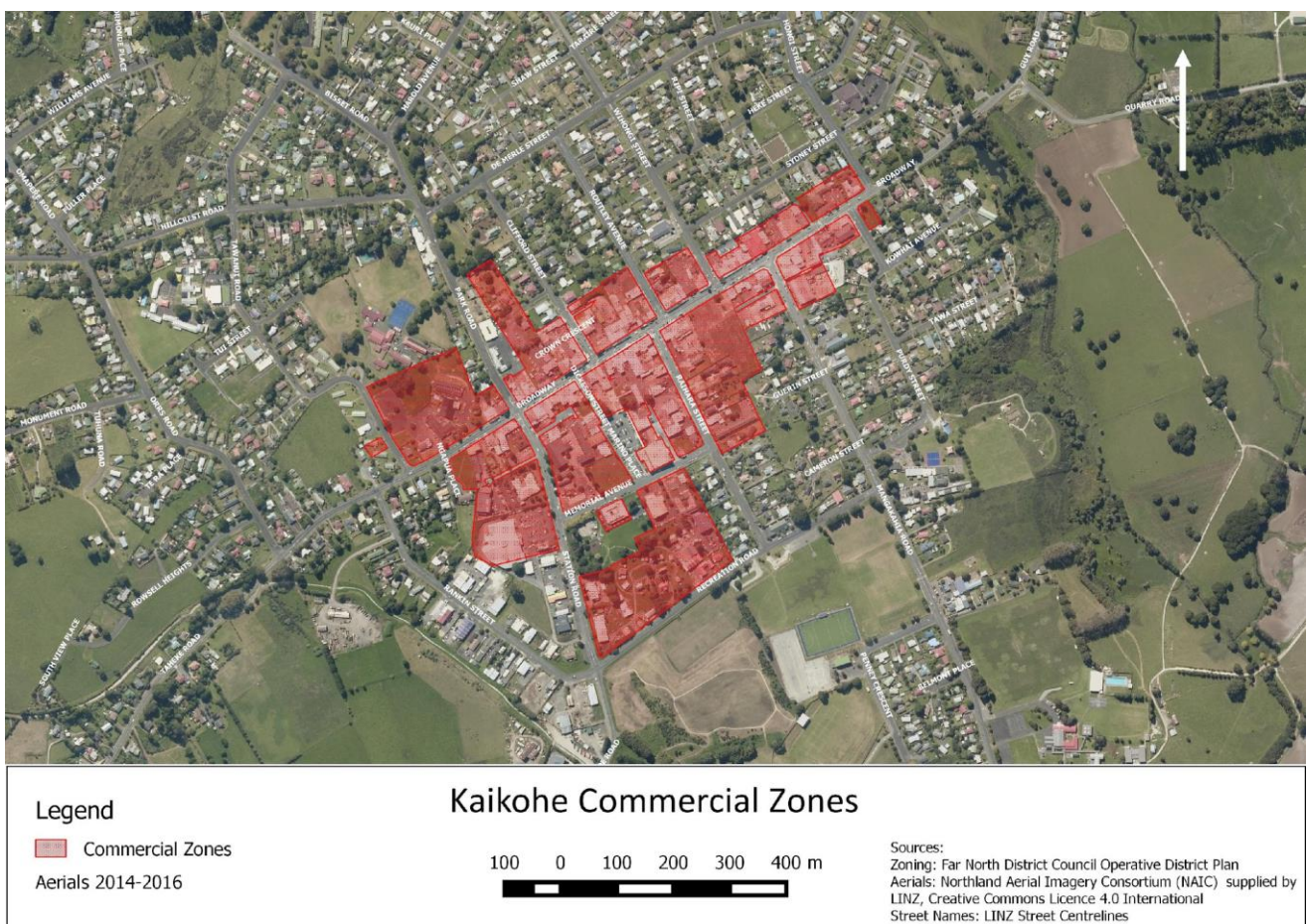
⁷ Note the 1,750 estimate is higher than the 1,596 figure from Commuter view due to different SNZ data sources (the Commuter view series only counts respondents who stated how they travelled to work at the time of the 2013 Census).

2.4 Commercial and industrial land in Kaikohe and Ngawha

2.4.1 Kaikohe town centre

Kaikohe’s main town centre is subject to the Far North District’s Operative District Plan Commercial Zone, with a total land area estimated to comprise 24.4ha (refer Figure 5).

Figure 5: Kaikohe Commercial Zoned land



Source: Strateg.Ease Ltd.

The core retail area contains two supermarkets and numerous small businesses situated along the main street (Broadway), and its immediate side streets (which runs approximately 2.5kms through the centre of the town). A good proportion of the mainstreet businesses are fast food outlets, catering to State Highways 1 and 12 traffic and locals alike. Other businesses serve the extensive rural area and primary producers.

No data is readily available from the FNDC on the gross floor area of building development within the zone, but the commercial area is generally characterised by older building stock of predominantly 1-2 storeys with low to moderate amenity, and many vacant premises.

The town is home to a significant concentration of government agencies including:

- Ministry of Education - Special Education Service;
- Child Youth & Family Service (CY&FS);
- Youth Justice;
- Work & Income New Zealand (WINZ);
- Police;
- Justice (District Court); and,
- Northland District Health Board – Community nursing

There is also a medical centre and a Māori Health Service (provided by Ngati Hine Health Trust). The Far North District Council has its head office and Council Chambers in Kaikohe, and provides the large War Memorial Community Hall and Library, as well as a large Recreational Reserve - Lindvart Park – home to Hockey, Rugby, Soccer and Netball facilities.

Around the town centre Kaikohe has six state funded schools (catering to Yrs. 1 to 13), the Te Kura Kaupapa Māori o Kaikohe school (offering Te reo Māori immersion in Yrs. 1–13), and 12 early childhood education facilities. All but the Kaikohe Christian School have a Decile 1 rating.

Northland College, the local secondary school (yrs. 9–13), incorporates a farm and forestry block and has established a partnership with Lincoln University to provide alternative courses to the norm in state secondary schools. Northland College also has a Trade Academy operating within its precinct that includes “The Hub” catering programme, supported by a fully operational catering kitchen.

Tertiary education providers include the Northland Technical Institute (North Tec) which has a Kaikohe Learning Centre (offering a limited range of courses) and Te Wānanga o Aotearoa.

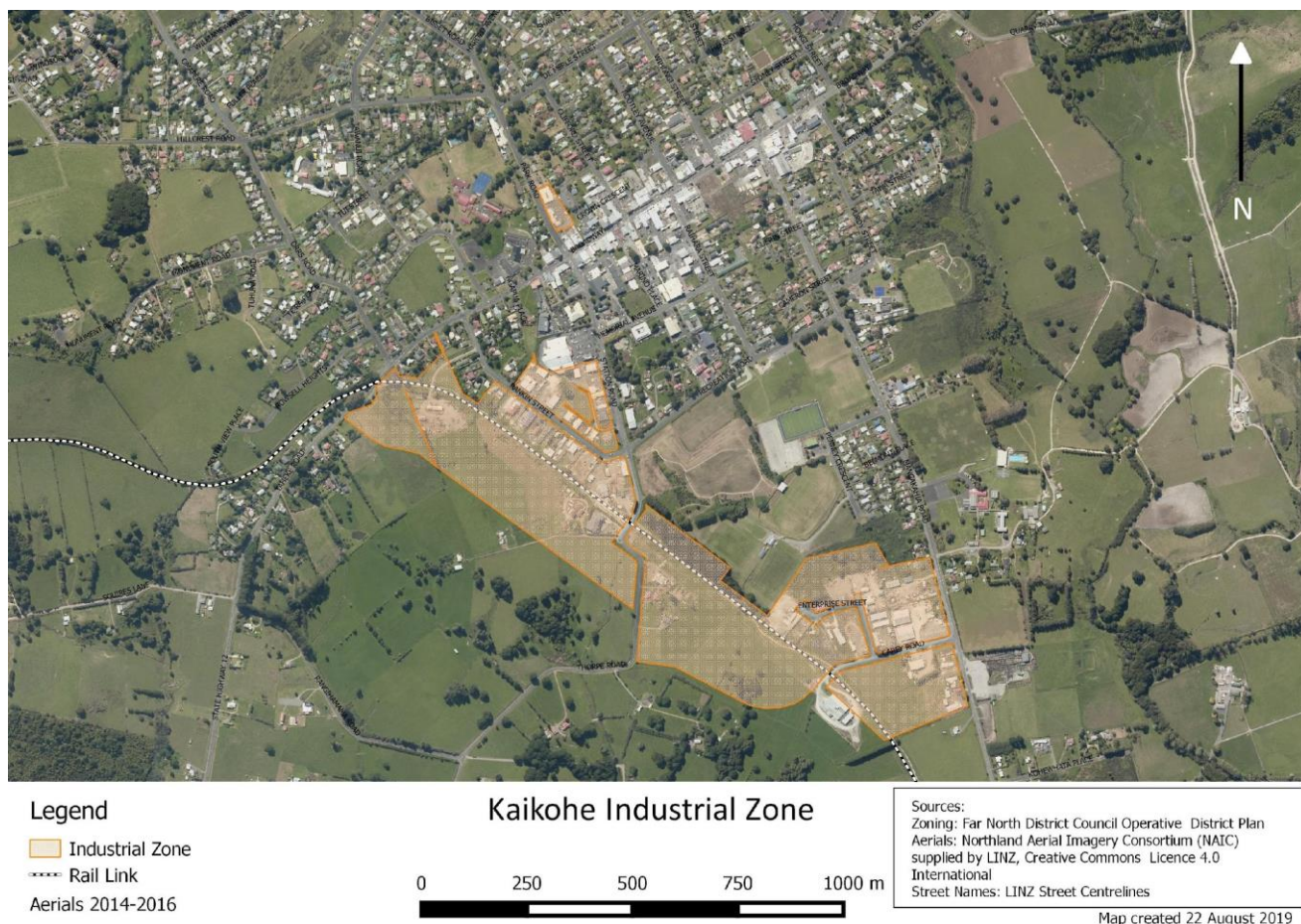
While the various education, health, social service and justice facilities serve Kaikohe as well as an extensive area from coast to coast, and south to north between Whangarei and Kaitaia, the employment data above implies that even though demand for services may be expected to have increased on the back of population growth, there has been a net decline in employment levels in several industry sectors compared to five years ago (including private sector businesses, central government agencies, and not for profit organisations).

Part of the loss of retail and service type business activity in the town centre may be due to residents in and around Kaikohe shopping at competing locations such as Waipapa and Kerikeri. Looking forward, retail and business activity in Kaikohe stands to benefit from the FND Council’s plans to redevelop its Head Office and Chambers as part of developing a major new Civic Centre (for which \$9.82m funding is provided in the council’s LTP 2021-31)⁸.

2.4.2 Industrial land

The land area in Kaikohe subject to the Far North District’s Operative District Plan Industrial Zone is estimated to comprise a total 42.8ha (refer Figure 6).

Figure 6: Kaikohe Industrial Zoned land



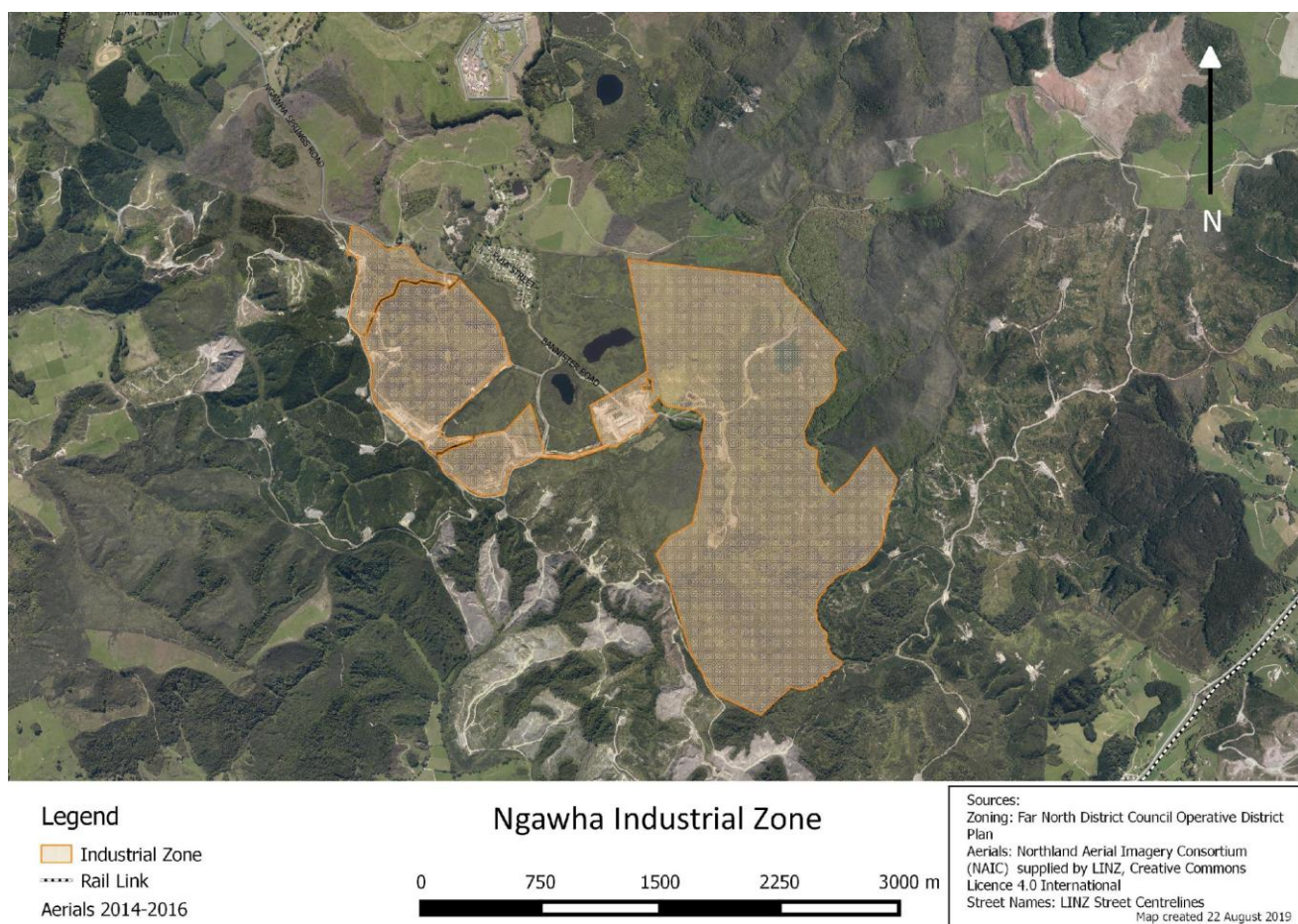
Source: Strateg.Ease Ltd.

⁸ Refer <https://www.fndc.govt.nz/files/assets/public/objectivedocuments/policy-and-planning-pol/ltp-and-annual-plans/2021-2031-ltp/capital-works-programme.pdf>

No data is readily available from the FNDC on the gross floor area of building development within the zone, but the area can generally be characterised as low amenity, with older buildings and a significant number of underutilised or vacant sites.

The industrial zoned land in Ngawha is significantly larger, estimated at 382.4ha (refer Figure 7) and accommodates established activities on large sites, including the Ngawha prison, Top Energy’s geothermal plant and the Ngawha Springs thermal pools. Large portions of the zone are undeveloped.

Figure 7: Ngawha Industrial Zoned land



Source: Strateg.Ease Ltd.

The above estimate for Kaikohe compares to a lower figure of 32.3ha of industrial land according to a BERL report (2015)⁹ which identified around 27ha (or 84%) as being occupied by a mixture of light industry, warehouses and services, and 5.1ha (or 16%) being vacant land (refer Table 6).

Table 6: Industrial land (ha) within Kaikohe and surrounds									
		Heavy	Light	Warehouse	Service	Occupied	Vacant	Total	
Kaikohe			11.8	5.8	9.6	27.2	5.1	32.3	
Waihou Valley-Hupara			14.5	4.5	23.0	42.2	9.0	51.2	
Kerikeri			8.0	8.2	10.0	26.2	1.4	27.6	
Moerewa		10.0	0.2			10.2		10.2	
Sub-total		10.0	34.5	18.5	42.6	105.8	15.5	121.3	
Far North Total		170	150.9	19.9	55.6	400.3	28.2	428.4	

Source: adapted from BERL Feb. 2015 Upper North Island Industrial land demand (p36).

Within the surrounding area (in the vicinity of 30km from Kaikohe), BERL identified a total 121ha of industrial land, including 15.5ha (13%) of vacant land. The areas in Table 6 combined accounted for 28% of all industrial land in the FND (121ha out of 428ha), and a high 55% of the district's total stock of vacant industrial land (15.5ha out of 28.2ha).

BERL developed two scenarios (i.e. a 'BAU' and a 'growth' scenario) of future demand for industrial land in Northland region concluding that the Far North District could require a net increase in supply of industrial land in the order of 126ha (BAU) or 211ha (growth scenario) over the 2013 to 2031 period.

It is important to note here that the BERL report omits Ngawha's industrial zoned land¹⁰ and based on the aerial photograph in Figure 6 there appears to be significantly more vacant land than the 5ha identified above, although much of it appears to be on sites that are occupied but underutilised.

The BERL 2013 based projections indicate significant increases in demand for industrial land occurring over the next decade (2020-30), implying an average demand for 7-12ha per annum in FND as a whole. Even allowing for the vacant land in Kaikohe to have been underestimated by say 10ha (i.e. assuming a total 15ha

⁹ BERL Feb. 2015 Upper North Island Industrial Land Demand. Note while the two respective estimates cannot be obviously reconciled to explain the 10ha gap, it may be due to the BERL figure discounting the railway corridor or other portions of industrial zoned land for various reasons (e.g. in use for non-industrial purposes).

¹⁰ It is not clear why the Ngawha industrial land is omitted from BERL (2015). In any case the author understands that the majority of the remaining vacant industrial zoned land in Ngawha is considered unsuitable for large-scale industrial development due to physical constraints (from personal communication with FND Council officers on July 15, 2019).

or half of the industrial zoned land in Kaikohe is vacant, implying a total 38.2ha vacant land in FND), the demand projections would imply the supply of vacant land in the district as a whole could be exhausted within less than 4-6 years from 2019 (under the 'growth scenario' or the conservative BAU scenario respectively). Additional capacity will therefore require either more intensive utilisation of existing land or new industrial zoned land supply to be made available over the next decade.

2.4.3 Market availability of commercial and industrial sites

The extent to which business zoned sites are available for sale or lease is a generally accepted indicator of the readily available market supply of such space. Notwithstanding the significant number of apparently vacant or underutilised commercial and industrial sites in Kaikohe or Ngawha, a search of real estate listings for the month of July 2021 indicates very few industrial or commercial sites as listed for sale or lease. There were seven commercial sites available with a combined land area of 11,800m² (just over 1 ha) and only 5,440 m² gfa in the Kaikohe area. No industrial zoned sites appear to be available in Ngawha (refer Attachment C).

3.0 The proposal

3.1 The Ngawha Innovation and Enterprise Park (the Park)

FNHL has set the following outcomes for the Park:

- ❖ Businesses that are new to the region and that are innovative are attracted to the Park by the environment, the management of the Park, R&D, and an available, work-ready workforce.
- ❖ Sustainable, long term, employment opportunities are created (skilled, semi-skilled and unskilled) for the local community and the cycle of social dislocation, poor health, low educational attainment, criminal activity and economic poverty is broken.
- ❖ Māori land development is accelerated and supported into new and more productive uses.
- ❖ Existing primary producers are able to increase productivity through having a place to do added-value processing.
- ❖ R&D and business development support is available at the Park to lift innovation and productivity of businesses inside and outside the Park.
- ❖ New local self-employment, local enterprise development and innovation is created and fostered through, co-location, incubation, research and development and mentoring.
- ❖ The Park is a place where the development protects and enhances areas of ecological value protecting the mauri of the place.
- ❖ The working environment for the businesses and employees at the Park enhances personal wellbeing/ ora – through the creation of cycle and walking trails, and the retention of as many existing natural features as possible in the Park's design and layout.

The bigger picture for the Park is to accommodate additional business activities (beyond Stage 1) and to provide room for future expansion in the GFA of established activities on their existing sites.

3.2 Projected employment

Based on FNHL information, the occupants of business premises to be accommodated at the Park over 2021-24 (defined here as Stage 1) will consist of around 15 separate business/training providers, generating jobs or training positions as follows (refer Attachment D for details):

- d) 222 part-time or seasonal workers,
- e) 326 full-time staff (of which 58 are existing jobs within the district/region), and

- f) 232 students (including a mix of 72 full-time and 160 part-time trainees, with the former also gaining work experience on the site)

While there are 27 contracted workers shown in Attachment D, they are only associated with the initial development of building premises at the site and are not included as part of the on-going day to day operation of businesses.

The total maximum headcount at the site associated with Stage 1 will therefore be around 780.

In order to estimate full-time equivalent jobs (FTEs) at the Park as a basis for estimating its net economic impact for the FND, the following adjustments have been made to the Stage 1 job and student numbers:

- a) Exclude the 58 existing jobs in the district/region as they are simply being relocated
- b) Exclude part-time trainees as they will not gain actual work experience and contribute to business output at the site
- c) Account for part-time staff and full-time trainees who will gain work experience and contribute to business output at the site as 0.5 FTE
- d) Account for seasonal workers as 0.25 FTE (assuming they work only 3 months of a year)

Skills training activities will be a cornerstone element of the Park, operating to supply around 230 skilled 'graduates' per annum from 2023 onwards, into the local workforce. The 72 trainees associated with Regents Trade Training would be in full-time training which includes on-the-job experience at the Park (e.g. in prefabricated housing construction). They would therefore directly contribute to business output/revenue and are assumed to be equivalent to a 0.5FTE in Table 7. The 'Innovation and Education Hub' is also planned to provide training (by Northtec) for 160 trainees per annum, but as they would be part-time and may already be in jobs (either at the Park or elsewhere in Kaikohe) they are counted in the headcount but not the FTE estimate. Over time many of the 232 trainees per annum would be expected to be hired in full-time jobs at the site or elsewhere in Kaikohe or the wider district.

The net total FTE count at the site will start at 242 in 2021 and rise to 333 in 2024 and are projected to be sustained from then on (refer Table 7).

Table 7: NIEP FTEs Stage 1 (excluding staff from existing businesses)

Year	Full Time (permanent)	Part-time (permanent) ¹	Seasonal ²	Students ³	Total
2021	190	1	51	0	242
2022	190	1	55	16	262
2023	190	1	55	36	282
2024	241	1	55	36	333
2025 & on-going	241	1	55	36	333

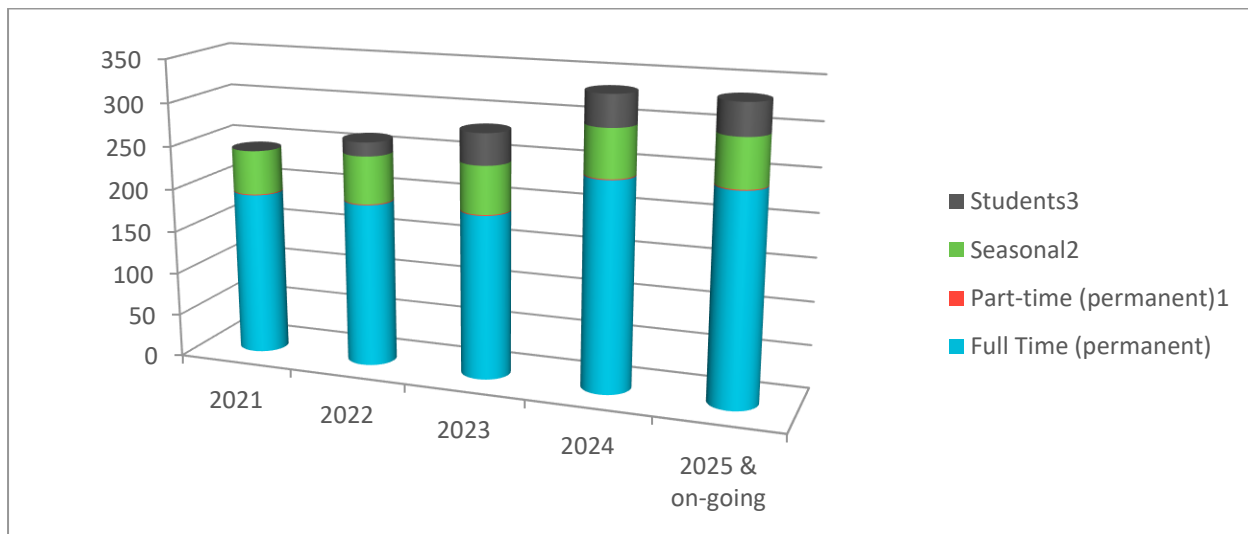
Notes:

1 PT workers treated as 0.5 FTE

2 Seasonal workers treated as 0.25 FTE

3 Regent Trade trainees counted as 0.5 FTE but Northtec students excluded

Figure 8: NIEP FTE estimate Stage 1



The allocation of FTEs by business/tenant occupant is shown in Table 8:

Table 8: NIEP Stage 1- Estimate of net FTEs from 2024 onwards

	Full Time (permanent)	Part-time (permanent)	Seasonal	Students	Total
Kaikohe Berryfruit Ltd	81	1	30		112
Olivado NZ Ltd	4				4
Honey processing	12		1.5		13.5
Prefab housing	27				27
Yacon	3		4		7
Manuka Tea	7				7
Coffee- nursery, culture, processing	22				22
E Hort Nursery	28		1.25		29.25
Manufacturing Units	24				24
Incubation Units	24				24
IEC Building:					
Permanent	3				3
Hot desking			3.25		3.25
Park Maintenance & security	6				6
Education & training:					
RTC				36	36
NorthTec (TBC)					
Corrections			15		15
Total	241	1	55	36	333

Note, while potential development sites and indicative costings of infrastructure and buildings have been estimated for Stage 2, the total jobs that could be generated have not been estimated as yet and are therefore excluded from this section of the report.

Although the total headcount on-site at any one time is projected to reach around 780 by 2024, the estimate of net additional FTEs of 333 is equivalent to a 20.4% increase in the total ‘employment count’ of 1,632 in the combined Kaikohe and Ngāpuhi area (based on the 2018 Census). These jobs would be genuinely new jobs (i.e. a net addition to the FND economy) as they are not relocating from elsewhere in FND.

Based on the businesses being accommodated at the site, occupations are expected to include a mix of executives/managers, technical professionals (e.g. engineers), trainers, construction trades, administrators, machine operators, logistics and warehousing staff, security staff, horticultural workers, and processing and packing staff.

3.4 Construction investment - Stage 1

FNHL has provided initial estimates of development costs for components of the Park including upgrades to main road infrastructure and development of individual sites and buildings. The preliminary design estimate for Stage 1 is \$57 million (refer Table 9) involving infrastructure/land development and individual building premises. The NIEP Masterplan indicates total GFA will be 165,300m² for horticulture tunnels, plus 19,610 m² for buildings, and 12,510m² for carparking areas (total 197,429m²).

Table 9: NIEP Construction estimate Stage 1

Occupant	Business	Proposal	Investment being made
Kaikohe Berryfruit Ltd	Undercover horticultural production	10ha hydroponic polytunnels	\$7m
Olivado	Culinary Oils processor	2,000m ² , Processing plant	\$5m
Northland Inc	Innovation & Education Hub	1,500m ² unit to provide R&D, and Education Training for park tenants and wider primary sector	\$7.5m
NorthTec	Training Centre	2000m ² Polytech training facility	\$5m
Regent Training Centre	Training Centre	1000m ² trades training facility	\$3m
Dept of Corrections	Secure Training Facility	1ha secure training and rehabilitation facility.	\$10m
Infrastructure			\$19.5m
Total Investment Stage 1			\$37.5m
TOTAL INVESTMENT			\$57m

If Stage 1 construction of the site is spread over 2 years it would imply investment in the order of close to \$30 million each year. To put this estimate in context, the value of non-residential consents in the FND as a whole averaged \$38.4 million per annum over the 2008-18 decade. They reached a peak of \$83 million in the year to December 2018 and had a total value of \$55 million during the year to June 2019¹¹. Construction of

¹¹ Source: <https://ecoprofile.infometrics.co.nz/far%20north%20district/QuarterlyEconomicMonitor/NonResidentialConsents>

the Park would therefore be a significant boost to investment in the district over the next two years and on that basis alone can be regarded as a regionally significant development.

FNHL has indicatively estimated a Stage 2 development at a total \$53 million, to include around 12 additional buildings/sites including: a 10ha horticultural development, food processing activity, business hub, and five accommodation units for visiting CRI personnel. Other proposed activities have yet to be confirmed but the NIEP Masterplan provides for a quantum of potential development of 15,065m² of building GFA.

While the total GFA and site areas planned in Stage 2 have yet to be determined with certainty, the total provision for building and carpark space on individual sites at the Park in both Stages 1 and 2 would be over 50,000m² in addition to horticultural facilities of a total 264,720m². That would make the total site area effectively in 'business use' to be over 315,000m² or equivalent to 31.5ha of land area (without allowing for any internal roading or landscaping areas). By comparison Kaikohe's Commercial zone and Industrial Zone are estimated to comprise 24.4ha and 40.4ha respectively.

The NIEP is clearly too large and diverse to be able to be accommodated within either existing zone, and would require major acquisition and redevelopment of sites and consequential displacement of existing businesses even if it was considered a feasible option.

Based on the cost estimate of \$53 million which is close to the Stage 1 amount, the Park could well grow to accommodate an additional 300 or so jobs and significant additional building floorspace over the Stage 2 timeframe (i.e. after 3-5 years from opening). Although the ultimate development of the site in terms of GFA and employment is subject to uncertainty, the projected employment for Stage 1 is considered a sufficient basis for assessing the Park's potential economic effects at this time.

3.6 GDP 'return on investment' - Stages 1-2

The Stage 1 construction would be expected to generate additional employment in Kaikohe/Ngawha on top of those at the Park, but a significant share of the workforce will likely be existing workers commuting from the wider area or shifting location temporarily. While employment levels have been forecast for the Stage 1 tenancies expected to set up at NIEP, the value of the output/revenue expected to be generated by those tenancies cannot be projected at this stage. In the absence of such information the following approach has been taken to estimate the economic impacts of the Park in terms of its contribution to local GDP:

1. Stages 1-2– NIEP Construction: by applying a national level ratio of value-add to gross output in the construction sector of 33% to the estimate of Stage 1 and 2 construction costs of \$57 million and \$53 million respectively, to estimate the *direct* contribution to FND GDP¹²,
2. Stage 1-NIEP Operation: by applying FND industry average productivity estimates as at 2020 to the projected total Stage 1 2024 employment level of 333 FTEs at the Park, to indicate the *direct* annual contribution to GDP in FND¹³.

Stages 1-2– NIEP Construction

The contribution to GDP from a \$110 million construction cost is estimated to be \$36.3 million (refer Table 10), and the total number of construction jobs is estimated at 542¹⁴. These economic impacts would be spread over the duration of the construction period only.

Table 10: Stage 1-2: NIEP Construction costs and GDP contribution

	Cost \$m	GDP contrib. \$m ¹
Stage 1	57.00	18.81
Stage 2	53.00	17.49
Total	\$110.00	\$36.30

1 GDP contribution est. @33% of total construction cost based on NZIER 2013 NZ sector profile.

Source: FNHL estimated costs of park site development, tenant sites/buildings and fit-out

Stage 1-NIEP Operation

The direct contribution to FND GDP of the Park being fully operational has been estimated as follows:

1. Source industry average productivity levels per employee (at ANZSIC one digit code) from Infometrics 2020¹⁵ for both FND and New Zealand as a whole,

¹² Sourced from NZIER 2013 (Table 7, p17). The low ratio of value-add to the ‘output value’ of construction reflects the exclusion of intermediate inputs such as cement, joinery, planting etc. sourced from suppliers (whether they are inside or outside the district). It therefore omits multiplier or spillover impacts on ‘upstream’ suppliers in the FND as well as induced impacts from construction workers incomes increasing expenditure on local goods and services.

¹³ It is important to note that a GDP based measure is less than the total value of output/revenue produced at the Park as it is net of the value of intermediate goods and services.

¹⁴ Based on applying the FND average of \$66,928 value-add per FTE in the construction sector to the GDP contribution of the construction costs (using Infometrics 2021 data).

¹⁵ Refer Infometrics 2018: <https://ecoprofile.infometrics.co.nz/far%20north%20district/Productivity/IndustryProductivity> NB. GDP is in 2010 dollars so as to allow comparison in real terms over time.

2. Assign the estimate of FTE jobs in the business occupants at the Park to the most relevant industry sector (refer Attachment E for details),
3. Multiply the number of jobs in that industry by the respective average productivity estimates (refer Table 11).

The direct contribution to FND GDP of the Park being fully operational is estimated at \$27.28 million to \$30.29 million per annum which would continue over a long-term period.

Table 11: Estimate of annual GDP contribution of activities at NIEP (2020 dollars) Stage 1

Industry sector	Attribution of NIEP jobs to sector	GDP/FTE (\$2020) FND	Estimate 1: Total GDP (\$m)	GDP/FTE (\$2020) NZ	Estimate 2: Total GDP (\$m)
Manufacturing	77.5	120,182	9.31	125,532	9.73
Agriculture, Forestry and Fishing	141.25	82,717	11.68	89,850	12.69
Professional, Scientific and Technical Services	36.25	67,315	2.44	84,222	3.05
Construction	42	49,357	2.07	62,900	2.64
Education and Training	36	49,242	1.77	60,356	2.17
Total	333		\$27.28		\$30.29

Source: Infometrics productivity data; Strateg.Ease Ltd.

The two estimates can be regarded as alternative expected values of the direct economic contribution of the Park once it is up and running with all of the Stage 1 activities and associated 333 FTE jobs ‘on the ground’, with:

1. Low estimate: assuming businesses at the Park will operate at the same level of productivity as ‘their’ industry average in Far North District as a whole
2. High estimate: assumes businesses at the Park will perform at a higher level of productivity, on a par with the industry average for New Zealand as a whole.

The aggregate GDP impact depends on the number and size of businesses and the overall mix of industry types located at the Park. The table shows that the greater the employment associated with higher value sectors of ‘Manufacturing’, ‘Agriculture’ and ‘Professional Services’ (which tend to be more capital and knowledge intensive), the higher the resultant GDP impact.

4.0 Assessment of economic and social effects

4.1 Communities of interest

The existing resident and business community in Kaikohe and Ngawha are considered to be the core focus for assessing economic and social impacts of the Park. The social and community land-uses within those two locations (e.g. schools) are also recognised as part of this core community of interest. Residents and businesses in the wider FND area (particularly the 5-30km primary labour-force catchment) are recognised as a second-tier community of interest (refer Table 12).

Table 12: Economic and Social Impact Assessment communities of interest

Core community	Kaikohe and Ngawha	<ul style="list-style-type: none"> i. Residents (including workers, students and NEETs) ii. Businesses and social and community service providers
Secondary community	Far North District (particularly the 5-30km primary labour-force catchment area around Kaikohe)	<ul style="list-style-type: none"> i. Residents (including workers, students, and NEETs) ii. Businesses and social and community service providers

As GDP is necessarily estimated at the aggregate level of FND as a whole, it is an indicator of economic welfare gains for the entire population. However, as the estimated contribution to GDP is a direct one (limited to the business activities at the Park), it is accepted as a measure of value that would largely benefit workers and employers in the two communities of interest defined above.

The following themes are considered to be the most appropriate basis for assessing social and economic impacts of a Proposed Plan Change to meet the requirements of the Resource Management Act 1991 (refer Attachment F for further explanation):

1. **Economic effects:** relating to the potential impacts on existing businesses and business areas, and employment and training opportunities for the local labour-force,

2. **Effects on people’s way of life and community cohesion:** relating to the potential impacts on how people live and work, and interact with one another, and their access to jobs, housing, and social and community facilities and services.

It is recognised that given the crossovers between social, cultural and environmental effects care has to be taken to avoid double counting. For this reason potential effects of the proposed Park on matters such as the quality of the natural environment, protection of cultural heritage sites, infrastructure requirements, traffic impacts, or risks associated with natural hazards, are omitted from consideration on the basis that they are expected to be addressed in other technical reports.

4.2 Economic impacts

The GDP of FND as a whole was estimated at \$2,666 million in 2020 and experienced average growth of \$54.3 million per annum over the 2010-2020 decade¹⁶. Based on the Park’s total Stage 1 and 2 construction cost of \$110 million and the estimate of its direct contribution to GDP of \$36.3 million, it would generate a 1.36% boost in total GDP spread over the duration of the construction period (1-2 years), equivalent to 66% of the average annual increase in GDP over the past decade.

Based on the estimate of 333 FTEs in Stage 1 only, the direct GDP impact of \$27.28 million to \$30.29 million per annum would imply a 1.02 – 1.14% increase in the district’s 2020 GDP. This long-term sustained GDP impact is additional to the initial construction impact on FND’s GDP. While the estimates of the Park’s GDP contribution are necessarily based on a best-fit approach using high level, aggregated industry data, they should be regarded as conservative estimates of the Park’s likely contribution to the local economy. They do not include indirect economic impacts on local GDP (due to multiplier effects) which will arise from an increase in supplies of goods and services to NIEP businesses (e.g. processed timber, metal fabrication, office supplies) being sourced from Kaikohe or other locations in FND; nor do they make allowance for workers at the Park increasing demand for consumer goods and services within the local area.

Given the Park will be a new purpose-built facility designed to make the most of complementarities between individual businesses and on-the job training programmes, it is reasonable to expect the Park will operate above the average productivity level for the district. It could even exceed the national productivity average, for example by being more capital intensive or ‘leading edge’ in the application of new technology, plant and

¹⁶ Infometrics 2021 *ibid*.

equipment compared to their industry average. For these reasons the high estimate based on the national industry average is considered the more appropriate indicator of the Park's expected contribution to GDP.

It is assumed that the construction workforce would predominantly be drawn from Kaikohe/Ngawha and the primary catchment area. Those jobs together with skills training activities on the site will directly benefit the local labour-force in Kaikohe/Ngawha and the wider area (including those currently unemployed and NEETs).

The GDP contribution of the Stage 2 operation of the Park has not been estimated given uncertainty about the scale and mix of tenancies to be accommodated. However, if it were to involve a similar scale and mix as for Stage 1 with FTE job numbers of the same order, it would be reasonable to expect it would generate an additional GDP contribution of \$27.28 million to \$30.29 million per annum (bringing the combined Stage 1 and 2 total GDP to \$54.6-60.6 million per annum), equivalent to over 2% of the FND's 2020 GDP.

4.3 Social impacts on housing, education, health and community facilities

In considering the potential social impacts of the proposal it is appropriate to focus on the likelihood of demand pressure coming to bear on the capacity of Kaikohe and Ngawha's housing stock and social (e.g. health and education) and community facilities (e.g. council parks and community centres). While any increased investment in housing and social/community facilities will have a positive economic impact, it is also appropriate to consider the magnitude and pace of change likely to arise from the proposal as a potential source of stress on the town's housing market and social and community service providers to adequately respond to a significant increase in demand.

The provision of around 330 FTE jobs at the Park would naturally lead to an increase in the local resident population of Kaikohe and Ngawha depending on the extent to which jobs may be filled by pre-existing residents in those areas. The preceding analysis of the spatial pattern of labour-force and employment locations in Kaikohe and Ngawha (refer Section 2.2) showed that just over half of all jobs in the combined Kaikohe and Ngāpuhi area units (50.5% or 815 jobs) are held by people who live within the combined area, implying the other half of total jobs are taken by people who commute from outside the Kaikohe and Ngāpuhi area units.

Based on the relatively even split between resident and non-resident jobs in 2018, it is reasonable to project that half of the jobs at the Park would be filled by locals within Kaikohe/Ngawha, and 50% would be filled by people commuting into the area (with a majority being from the 5-30km primary catchment area).

The implication is that the main demand pressure for housing and social and community services would be distributed across Kaikohe and the primary catchment area. If 165 jobs are attributed to members of the primary catchment's labour-force of 10,100 they would account for only 1.6% of that labour-force. It is plausible to expect a sizeable share of the jobs would be taken up by the existing labour-force in the primary catchment, and no more than minor additional pressure on housing and social and community services would arise within towns and settlements across this area (e.g. in Kerikeri, Waihou Valley, Ohaeawai, Okaihau, Hokianga South).

In this regard FNHL currently has an initiative in place to minimise or mitigate the significance of such risk: the Regent trades training operation will supply houses which FNHL is working with Community Housing Providers (CHPs) to locate on sites in Kaikohe.

Of the other 165 jobs likely to be filled locally from Kaikohe/Ngawha, some proportion would be existing residents and the rest would be new residents shifting there for reasons such as convenience to work. The Park has been designed to provide work and training opportunities for the local labour-force, particularly youth. FNHL has developed a Workforce Development Strategy and Action Plan which commits FNHL to a collaborative process with central and local government agencies, iwi/Māori trusts and business and skills training organisations to maximise recruitment of workers and trainees from Kaikohe/Ngawha and to provide pathways to employment at the NIEP. This should support an outcome of a sizeable share of jobs being filled by existing local residents, a large share of whom are currently unemployed or outside the labour-force.

If the jobs attributed to residents in Kaikohe/Ngawha did lead to up to 165 new resident-workers in this area, it would represent a 'worst-case scenario'. Running with that scenario, it would imply an additional resident population of around 500 (assuming an average household size of 3.0 in Kaikohe). Section 2.1 referred to Stats NZ population estimate for Kaikohe of 4,820 in 2020 and that it has grown at an average annual rate of 1.8% over the past 7 years (2013-20). Adding 500 people over 1-2 years would represent a growth rate of 1.4% (or average 0.7% per annum), and may not be a material event for the town to manage in terms of requiring a significant increase in housing (private or social housing) or infrastructure and social/community services provision compared to the norm.

But if 165 more resident workers in Kaikohe did mean demand for a similar number of additional dwelling units, they would be equivalent to a 12.8% increase on the 1,293 occupied dwellings in Kaikohe in 2018. That would require building an average of 80 or so houses each year for two years. On top of this, construction of

Stage 1 of the Park would also add demand for worker accommodation during the initial 1-2 year period (estimated to involve round 270 workers). Similarly, the total headcount of workers in tenant businesses will be higher than the FTE estimate implies.

Even though the main potential for demand for houses in Kaikohe will occur once jobs establish on the Park site (post-construction), there is clear potential for demand pressure to arise on rental houses and rental prices in the town over the short-term.

Regarding school rolls, an increase in Kaikohe's population of 500 potentially implies an increase in pre-school and school age groups (i.e. less than 17 years of age) in the order of 30% or up to 150 children, many of who would need to be accommodated in existing pre-school and school facilities. Primary and secondary schools in Kaikohe have experienced fluctuations up or down in their enrolment counts in the past 4 years but not to this degree. From previous consultation with school principals in Kaikohe, three confirmed they have capacity to accommodate short-term roll growth (Kaikohe Intermediate, Kaikohe Christian School and Kaikohe West)¹⁷.

As a share of school-age students in Kaikohe already attend schools in the catchment area (e.g. Kerikeri College, Bay of Islands College in Kawakawa) those schools may also have capacity to cater for growth, whether in Kaikohe or the wider area. Given uncertainty about population growth in Kaikohe and the surrounding area due to in-migration associated with the Park, the implications for existing schools cannot be reliably assessed at this stage.

Similarly, as data on pre-schools capacity or utilisation is not readily available at a local town level, nor can potential impacts on existing pre-school facilities be assessed at this stage.

Population growth would also increase demand for healthcare and social advisory services in Kaikohe, but some reduction in demand should also be expected as a result of the Park facilitating a reduction in the unemployed and NEET groups. Existing service providers may be able to cater for a net increase in demand by increasing their workforce in existing premises, noting there was an actual loss of 150 jobs in the 'Health care and social assistance sector' over 2013-18 (refer Section 2.3).

Similarly, there is uncertainty about how housing and business growth in Kaikohe would impact on the capacity of council provided infrastructure (i.e. water/wastewater, roading and community facilities), which

¹⁷ Based on email correspondence and personal meetings in September 2019.

will also depend on the council's own plans for upgrading such infrastructure in the next 5-10 years. Trends in population change and utilisation of existing industrial zoned land should therefore be monitored as the Park progresses from construction through to becoming operational.

As part of a responsive 'implementation management' approach, it would be appropriate for FNHL as the owner and manager of the Park to continue to engage with local and central government agencies and other social service providers to identify and develop mitigation measures should significant impacts on housing, education and social and community services emerge.

5.0 Evaluation of significant economic and social effects

This section provides an evaluation of the significance of economic and social impacts based on the above assessment of effects for the defined Core and Secondary communities of interest (unless otherwise stated). The impacts are rated based on criteria of type of impact (positive or negative) and magnitude of impact (as low, moderate or high), as illustrated in Table 13 and applied in Table 14 below.

Table 13: Evaluation methodology

Type of impact	Magnitude of impact		
	Low Small rate of change or dispersed spatially	Moderate Medium- concentrated spatially	High Large-concentrated spatially
Positive – improvement in economic or social outcomes	Low positive	Moderate positive	High positive
Negative - – adverse economic or social outcomes	Low negative	Moderate negative	High negative

Only **moderate** to **high** impacts are considered to be potential significant effects in RMA terms. Where appropriate, mitigation measures are proposed for managing significant potential **negative** effects.

Table 14: Summary of potential economic and social impacts (Stage 1)

No. ref.	Impact	Community of interest	Duration	Scale	Magnitude of effect
<i>ECONOMIC - relating to potential impacts on existing businesses and business areas and the aggregate impact on the Far North District's economy.</i>					
1	Construction activity and in-flow of construction workers to Kaikohe/Ngawha creating demand for housing and goods and services	Core	1-2 years	Stage1 construction costs will be in the order of \$57m. Employment and GDP impact will be relatively short duration	Moderate-positive
2	Construction activity provides employment for workforce in the wider area, creating demand for housing and goods and services	Secondary	1-2 years	Stage1 construction costs will be in the order of \$57m. Employment and GDP impact will be relatively short duration and dispersed across towns and settlements in the 5-30km catchment area	Low positive
3	Business occupants provide jobs and training for the local labour-force and NEET's	Core	2-3 years and on-going	Around 165 FTEs (including trainee positions); long duration	High positive
4	Business occupants provide jobs and training for the local labour-force and NEET's	Secondary	2-3 years and on-going	Around 165 FTEs and half of 100 trainees per annum from a dispersed 5-30km area; long duration	Moderate positive
5	The Park results in reduction of existing business activity in Kaikohe's Town Centre due to relocation or competition	Core	2-3 years and on-going	Some tenant businesses are relocating FTEs (expected to be 58) but predominantly from elsewhere in the district or wider region, not from Kaikohe. The main types of businesses and providers of employment in Kaikohe's	Low negative

				<p>Commercial Zone (i.e. retail; healthcare and other services; public administration) will not be provided for at the Park, with the exception of 'education and training' facilities:</p> <ul style="list-style-type: none"> i. Northtec will relocate from their Kaikohe campus and expand their operation at the Park (however, students would still rely on the town centre for accessing retail goods and services) ii. Regent Trades Training will be adding to, rather than reducing their existing activity in Kaikohe. <p>Similarly, food processing activities at the Park are not existing occupants in Kaikohe's Industrial Zone</p>	
6	Business occupants generate a direct contribution to GDP of the Far North District	FND	2-3 years and on-going	Estimated in the range of \$27.3-30.3 million pa, adding an enduring +1% to the FND 2020 baseline GDP	High positive
7	Business occupants source goods and services from industrial and commercial businesses (upstream demand)	Core	2-3 years and on-going	Based on scale of tenant businesses, and proximity to Kaikohe, likely to boost demand for raw materials and engineering and professional services, encouraging utilisation of spare capacity and revitalisation in industrial and commercial zones	Moderate positive
8	Business occupants source goods and services from industrial and	Secondary	2-3 years and on-going	Will increase demand but impact will be dispersed across the 5-30km catchment area (and beyond)	Low positive

	commercial businesses (upstream demand)				
9	Business occupants workforce increases demand for housing and goods and services (induced demand)	Core	2-3 years for housing; goods and services on-going	Estimated at up to 165 houses for additional population of up to 500, depending on extent of recruitment from existing labour-force	Moderate positive
10	Business occupants workforce increases demand for housing and goods and services (induced demand)	Secondary	2-3 years for housing; goods and services on-going	Estimated at up to 165 houses for additional population of up to 500 depending on extent of recruitment from existing labour-force; dispersed over 5-30km area	Low-positive

	Impact	Community of interest	Duration	Scale	Magnitude of effect
SOCIAL - relating to potential impacts on how people live and work, and interact with one another, and their access to jobs, housing, and social and community facilities and services.					
1	In-flow of construction worker and business FTEs/households into the area creating pressure on demand for	Core	1-2 years	Construction workers estimated at around 270 of which half (i.e. 135) likely to live locally. May add short-term demand pressure for rental houses in Kaikohe over 2	Moderate-negative

	private rental or owner-occupied housing, and rental levels/prices			year duration (dependent on extent of recruitment from existing resident labour-force).	
2	In-flow of construction worker and business FTEs/ households into the area creating pressure on demand for private rental or owner-occupied housing, and rental levels/prices	Secondary	1-2 years	Construction workers estimated at around 270 of which half likely to live in wider labour-force catchment area. Impact dispersed over 5-30km area.	Low negative
3	In-flow of construction worker and business FTEs creating demand for car-pooling or public transport to the site	Core + Secondary	1-2 years and on-going	Construction workers estimated at around 270 plus 333 permanent FTEs/trainees which are likely to be split 50:50 between Kaikohe and the wider catchment. Reasonable to expect private sector providers (e.g. construction companies or private mini-van service) to cater for demand, or otherwise could be organised by FNHL.	Low negative
4	High resident population growth creating spike in demand for pre-school and school facilities, health care, council infrastructure and community services	Core	1-2 years and on-going	Potential growth in population of up to 500, including 150 in the 0-17 year old group, over a short time period. Some schools have indicated they have capacity to accommodate roll growth at a modest level; implications for social and community services should be monitored during construction and operational stages.	Moderate negative
5	Potential to encourage Māori rangatahi or older age groups to	Core	1-3+ years	Not estimated. Could expect to encourage existing whanau to provide additional housing on existing	Low positive

	return to their whenua in Kaikohe to pursue training or work opportunities and live in the area			'spare' land, but otherwise would increase demand on existing stock or for new houses.	
6	Potential to forge stronger links with Ngawha Prison by offering training or work experience for prisoners on day-release or post-release; could also include other people on Community Service.	Core	1-3+ years	Dept. of Corrections plan to offer construction courses for 60 inmates per annum at the Park. Based on an inmate population of over 600, 10% would be eligible. Community Service population not estimated.	Moderate positive
7	Opportunities for social enterprise and associated local employment form creation of a circular economy at the Park with potential to access local waste streams beyond the Park.	Core	1-3+ years	Potential opportunities not estimated but would provide an additional downstream employment benefit as well as social (and environmental) benefits from diversion of current waste disposal to landfill from Kaikohe/Ngawha.	Moderate positive

6.0 Conclusions and recommendations

6.1 NIEP's economic and social impacts

The Park has potential to make a significant positive contribution to the economic and social well-being of Kaikohe/Ngawha which is currently a low-growth town with a relatively high level of social deprivation and challenges. As well as providing pathway to employment opportunities for the existing labour-force and NEETs, it will boost demand for primary production and industrial suppliers of goods and services in Kaikohe/Ngawha and the wider surrounding area.

On balance, significant positive economic impacts are identified which outweigh the potential significant negative social impacts. A risk of significant negative social impacts is identified under a 'worst-case' scenario of high population growth in Kaikohe (but not the surrounding 5-30km area) bringing pressure to bear on local housing, school rolls and health and community services. That scenario is not a given and will only be an issue if a low proportion of the workers and trainees at the Park are sourced from the Kaikohe/Ngawha area, and there is a significant inflow of new households to Kaikohe/Ngawha over a short period of time.

The Park itself intends to be part of the solution – with objectives to recruit and train people from the local labour-force and having secured a tenant company to build pre-fab houses which could be used to meet demand. It would therefore be desirable to ensure that the Special Zone enables other solutions such as the potential to provide residential accommodation on-site (e.g. for the construction workforce and/or in Stages 1-2 for tenant businesses employees and trainees). In that way the Park could internalise and help to mitigate potential housing impacts.

An appropriate approach to mitigation of this risk would be for the Plan Change provisions to require FNHL as the owner and manager of the Park to develop and maintain:

1. an **NIEP Workforce Development Strategy and Action Plan** or suchlike that documents over the stages of construction and development of the Park, the collaborative process of engagement and efforts being made with central and local government agencies, iwi/Māori trusts and business and skills training organisations to maximise recruitment of workers and trainees from Kaikohe/Ngawha, and
2. an **NIEP Social Impact Management Plan** or suchlike, that similarly formalises engagement processes with local and central government agencies, iwi/Māori trusts, and education, healthcare and community services providers for the purpose of identifying the existing capacity of housing, education and social/community infrastructure (and any known commitments to add capacity) to

meet demand from a significant increase in the resident population over the next 5- 10 years. Options to provide a pre-school facility and worker/trainee housing on the Park site or other solutions, could also be addressed in the course of developing the plan.

6.2 Alternative option to the Plan Change

As an input to the RMA requirement to consider alternative options to the proposed Special Zone, the following points are made:

- The main alternative option for locating the Park in would be on existing industrial zoned land in Kaikohe or Ngawha.
- The scale of the activities to be provided at the Park is too large and diverse to be accommodated in Kaikohe's 42.8ha Industrial Zone given many existing sites are occupied and in fragmented ownership.
- Very few industrial or commercial sites in Kaikohe are actually available on the market (and all that were in July 2021 are relatively small sites).
- Much of Ngawha's industrial zoned land is understood to be constrained in terms of its suitability for general industrial development.
- BERL (2015) projections of industrial land demand for FND indicate vacant capacity in Kaikohe and elsewhere in FND could be exhausted within less than 4-6 years (from 2019). The Park would directly contribute to that scenario by generating demand for supplies of industrial goods and services (e.g. engineering, repairs, construction materials) that will incentivise increased utilisation of existing industrial zoned sites/premises in Kaikohe.

7.0 References

BERL February 2015 Upper North Island Industrial Land Demand

Infometrics 2021 Far North District Economic Profile

Infometrics Ltd. April 2009 Drivers of economic growth in the Northland regional economy, prepared for Northland Regional Council

Far North District Council Three Year Economic Development Action Plan 2016 – 2018

Far North District Council 2016 Our District - a social and economic profile of the Far North

Far North District Council 2013 and 2018 'id:the population experts' community profile data

NZIER July 2013 Construction productivity: An evidence base for research and policy issues. Report to the Building & Construction Sector Productivity Partnership

Ministry of Education 2021 (school enrolment counts)

Statistics NZ 2013 Census, population estimates; Business Demography data.

ATTACHMENTS

Attachment A: Kaikohe-Ngawha Primary Labour-force catchment units 2018

Statistical area	2013	2018
Kaikohe	1251	1773
Ngāpuhi	555	798
Ohaeawai-Waimate		
North	450	630
Kerikeri South	1083	1287
Okaihau	504	681
Waima Forest	345	462
Riverview	861	1056
Moerewa	429	696
Lake Manuwai-Kapiro	990	1230
Hokianga South	459	516
Puketotara	753	972
Total	7,680	10,101

Source: Stats NZ Census data

Attachment B: Kaikohe employment profile 2018

Industry sector	Kaikoh e Number	%	Far North District no.	2013-18 % Change Kaikohe	2013-18 % Change Far North
Agriculture, forestry and fishing	45	3.0%	2,300	-10.0%	12.2%
Mining	3	0.2%	60	-66.7%	-25.0%
Manufacturing	35	2.3%	1,450	40.0%	31.8%
Electricity, gas, water and waste services	-	-	240	-	-11.1%
Construction	45	3.0%	1,200	0.0%	31.9%
Wholesale trade	25	1.7%	330	0.0%	17.9%
Retail trade	250	16.7%	2,350	-10.7%	6.8%
Accommodation and food services	70	4.7%	2,300	-6.7%	24.3%
Transport, postal and warehousing	45	3.0%	780	0.0%	14.7%
Information media and telecommunications	6	0.4%	65	-71.4%	-18.8%
Financial and insurance services	55	3.7%	250	10.0%	-7.4%
Rental, hiring and real estate services	35	2.3%	410	-22.2%	7.9%
Professional, scientific and technical services	30	2.0%	540	-33.3%	17.4%
Administrative and support services	9	0.6%	740	-77.5%	94.7%
Public administration and safety	320	21.3%	1,050	-8.6%	12.9%
Education and training	290	19.3%	2,100	11.5%	0.0%
Health care and social assistance	140	9.3%	2,400	-51.7%	-2.0%
Arts and recreation services	6	0.4%	410	0.0%	36.7%
Other services	60	4.0%	650	9.1%	6.6%
Not elsewhere included	31	2.1%	75	-	275.0%
Total	1,500	100	19,700	-14.3%	13.2%

Source: Statistics New Zealand Business Demography data 2013 and 2018

Notes: Highlighted sectors show main source of job losses over 2013-18 in absolute terms (rather than on percentage basis)

Note employment in Ngawha is not shown as it is part of the Ngāpuhi area unit.

Attachment C: Business sites for sale or lease in Kaikohe (July 2021)

	Address	Site area (m2)	GFA (m2)	Sale (S)/ Lease (L)	Source
Commercial	39 Station Road, Kaikohe	7,199	3,381	S	https://www.realestate.co.nz/3999487/commercial/sale/39-station-road-kaikohe
	60 Broadway, Kaikohe	1,337	~1,140	S	https://www.realestate.co.nz/4020150/commercial/sale/60-broadway-kaikohe
	5 Marino Place, Kaikohe	541	440 (~100 avail. lease)	S/L	https://www.realestate.co.nz/3833724/commercial/lease/5-marino-place-kaikohe
	1 Raihara Street, Kaikohe	175	350 (~170 avail. lease)	L	https://www.trademe.co.nz/a/property/commercial/lease/northland/far-north/kaikohe/listing/2371973608
	117 Broadway Kaikohe	553	280	S	https://www.midnorthrealestate.co.nz/listings/property/204-Broadway-Is-Beckoning
	4C Clifford Street, Kaikohe	600	N/A	S	https://www.trademe.co.nz/a/property/commercial/sale/northland/far-north/kaikohe/listing/2674965639
Commercial/ Industrial	82-85 Mangakahia Road, Kaikohe	1374	370	S	https://www.midnorthrealestate.co.nz/listings/property/178-Kaikohe-Development-Opportunity
Total		11,779	5,441		

Attachment D: NEIP expected occupancy (Stage 1: 2021-24)

Business	Staff from existing business i.e. not new regional roles	Full Time (permanent)	Part-time (permanent)	Contracted (temporary)	Seasonal	Students	Timing of staff intakes
Kaikohe Berryfruit Ltd		81	2	21	120		
Olivado NZ Ltd	19	4					
Honey processing	1	12			6		
Prefab housing	1	27					
Yacon	1				16		2022
		3					2024
Manuka Tea	2	7		6			
Coffee- nursery, culture, processing	1	22			5		
E Hort Nursery	2	28					
Manufacturing Units		24					2024-
Incubation Units		24					2024-
IEC Building:							
Permanent	17	3					
Hot desking					13		
Park Maintenance & security		6					
Education & training:							
Regents TC	3					32	2022
						40	2023 onwards
NorthTec (TBC)	6					100	2022
						60	2023 onwards
Corrections	5				60		
Total Park staff by category	58	241	2	27	220	232	
Total seasonal or part time staff	222						
Total permanent staff	326						

Note: Given uncertainty about the timing of actual development of buildings some activities included above as Stage 1 may not eventuate until after 2024.

Attachment E: Allocation of NIEP occupants net FTEs to ANZSIC Industry sector

	Agriculture, Forestry and Fishing	Manufacturing	Construction	Professional, Scientific and Technical Services	Education and Training	Total
Kaikohe Berryfruit Ltd	112					112
Olivado NZ Ltd		4				4
Honey processing		13.5				13.5
Prefab housing			27			27
Yacon		7				7
Manuka Tea		7				7
Coffee- nursery, culture, processing		22				22
E Hort Nursery	29.25					29.25
Manufacturing Units		24				24
Incubation Units				24		24
IEC Building:						0
Permanent				3		3
Hot desking				3.25		3.25
Park Maintenance & security				6		6
Education & training:						0
RTC					36	36
NorthTec (TBC)						0
Corrections			15			15
Total	141.25	77.5	42	36.25	36	333

Note: based on Strateg.Ease FTE estimates

Attachment F: Economic and social assessment approach

1. RMA statutory requirements

The purpose of the RMA is the sustainable management of natural and physical resources. Section 5 defines this as enabling people and communities to provide for their well-being while sustaining natural and physical resources to meet foreseeable needs, safeguarding life-supporting capacities of environmental media, and avoiding, remedying, or mitigating adverse effects of activities on the environment. The Act defines environment broadly to include social, economic, and cultural conditions.

Explicit economic considerations under the Act include section 5's references to enabling communities to provide for their economic well-being, and section 7(b)'s requirement to have regard to efficient use and development of natural and physical resources. Section 32 requires consideration of alternatives, benefits and costs before a proposed planning measure is put into effect, including after recent amendments how a proposal would affect opportunities for employment and economic growth.

Schedule 4 to the Act requires an applicant for resource consent to include an assessment of:

- the actual or potential effect on the environment (which, as noted above, includes economic conditions) of the activity; and
- any effect on those in the neighbourhood and, where relevant, the wider community, including any social, economic, or cultural effects.

The RMA also requires that councils are not to have regard to trade competition or the effects of trade competition in preparing or changing policy statements or plans, or in considering applications for resource consent.

Applications for resource consent are usually assumed to benefit the applicant, so the RMA focus is on external "spillover effects" that might arise. That includes external effects on natural and physical resources and also on the economic and social conditions within the environment.

Having regard to the above the following components of social and economic assessment are recommended as being appropriate and sufficient to satisfy the RMA requirements for a Plan Change.

2. Economic Impact Framework

1. Assessment of alternative options to the Plan Change to input to the s32 report (the obvious option being, 'get by' with the existing business zoned land in Kaikohe),
2. Projections of employment and training positions on the developed site and their contribution to GDP as indicators of the direct economic welfare effects on the Kaikohe labour-force/community,
3. Assessment of the significance of any negative or positive effects of the proposed development on the wider *economic* role and function of Kaikohe (including the town centre and industrial areas).

3. Social Impact Framework

Qualitative assessment of the significance of any negative or positive effects of the proposed development on the living conditions of the existing Kaikohe community e.g. implications for schools, tertiary providers, community or social services, housing affordability, or the *social* role and function of Kaikohe's existing residential, town centre and business areas.

Based on consideration of the above, as well as the other information sources that have been used to inform this report, the following themes are considered to be the most appropriate basis for assessing economic and social effects of the proposed Plan Change:

1. Economic effects: relating to the potential impacts on existing businesses and business areas, and employment and training opportunities for the local labour-force,
2. Effects on people's way of life and community cohesion: relating to the potential impacts on how people live and work, and interact with one another, and their access to jobs, housing, and social and community facilities and services.