

REGENERATIVE RECOVERY ADVISORY GROUP

FINAL REPORT
JULY 2021

CONTENTS

A. INTRODUCTION AND BACKGROUND	04
Forward	05
What is RRAG?	06
Vision Beyond 2050	07
Defining a regenerative recovery	07
Foundational work	08
B. PRINCIPLES TO GUIDE OUR REGENERATIVE RECOVERY	09
1. A holistic approach	10
2. Our relationship with time	11
3. Our relationship with the natural world	12
4. Our relationships with each other	13
5. Our relationship with the economy	14
C. RECOMMENDATIONS FOR A REGENERATIVE RECOVERY	15
1. Prioritise our relationship with the environment	16
2. Invest in community wellbeing for a thriving, regenerative ecosystem	17
3. Intentionally build clusters and support collaboration	18
4. Re-imagine economic development within community wellbeing and with innovative funding models	19
5. Clarify the role of and responsibility of QLDC and other stakeholders	20
6. Greater investment to resilient physical infrastructure	20
7. Increase use of impact capital	21
D. RRAG SUPPORTED INITIATIVES	22
Machine Learning Institute	23
Glenorchy Science Education and Conservation Centre (GYSECC)	24
Solar Power Sharing Grid	25
Angel/Early Stage Investor Network	26
RRAG's Contribution to the QLDC Recovery team	27
E. THE WORKINGS OF RRAG	28
F. APPENDICES	30

The background of the page is a solid blue color. Overlaid on this background are several thin, light blue lines that form a series of overlapping, elongated geometric shapes, possibly representing a stylized landscape or a network diagram. These lines are positioned primarily in the lower half of the page, creating a sense of depth and movement.

A.

INTRODUCTION AND BACKGROUND

Forward

Tēnā koutou katoa

A year ago, Aotearoa New Zealand was emerging from lockdown and the Queenstown Lakes District was reeling from the immediate impacts of COVID-19. Thousands of jobs were lost, visitors were stranded and the tourism-driven economy was largely shut down. It was quickly recognised that our district needed to think strategically about its recovery.

Queenstown Lakes District Council (QLDC) senior leaders, implementing a fresh engagement approach, invited key thinkers and influencers from across our district to work together on the challenge. Council-initiated and community-led, this Regenerative Recovery Advisory Group (RRAG) reflected the need for long-term thinking in the face of immediate crisis. Short-term pivots and recovery for the tourism industry were being addressed elsewhere; the RRAG's role was to provide foundational thinking, influence conversation and ideate with existing community groups.

Our discussions were broad. We tussled with the very DNA of our district, its future and how this thinking could integrate in to frameworks at local, national and global levels. We engaged with experts and community leaders, with their insights playing a pivotal role in informing our work. Our journey also led us to support specific regenerative recovery initiatives – the first of many our district will see evolve over the coming years.

As Chair of this extremely talented group of diverse individuals, each with their own body of lived experience and knowledge, I can vouch for the energy, wisdom and passion on display at our meetings. A key theme of the RRAG's work has been the way “love of *this* place” holds our district together. This love of place made volunteering for a year's worth of effort possible and I deeply thank my colleagues for their time and commitment.

This report showcases the RRAG's mahi. We share it at a time when the recovery conversation has matured over the past year: regenerative principles are being expressed in many quarters; the need for economic diversification is universally recognised; and sectors and leaders are collaborating like never before. Potential pathways are becoming clear – attention must now turn to identifying leadership and institutions to continue the recovery journey.

Recovery is never a short-term exercise. It can take decades. As our Group concludes its term, we hope that the following principles and recommendations will guide the work to be done in public, private and civic spaces to build our district's resilience and success for decades to come.

*Tukua te wairua kia rere ki ngā taumata
Hai ārahi i ā tātou mahi
Me tā tātou whai i ngā tikanga a rātou mā
Kia mau kia ita
Kia kore ai e ngaro
Kia pupuri
Kia whakamaua
Kia tina! TINA! Hui e! TĀIKI E!*

Allow one's spirit to exercise its potential
To guide us in our work as well as in our pursuit of
our ancestral traditions
Take hold and preserve it
Ensure it is never lost
Hold fast.
Secure it.
Draw together! Affirm!

Simon Telfer
Chair, Regenerative Recovery Advisory Group
July 2021

What is RRAG?

Formed in July 2020, Regenerative Recovery Advisory Group (RRAG) was a Queenstown Lakes District Council initiated, community led group of diverse individuals from across our district.

Our remit was to re-imagine the Queenstown Lakes District's economy within community wellbeing over the medium and longer term. We were to be a think tank to assess and understand the challenge of our COVID-19 impacted community and to help turn innovative ideas into reality.

RRAG researched and documented various thought pieces when considering what regenerative recovery means for our region.

RRAG'S FOUNDATIONAL OUTPUTS INCLUDE:

scenario planning to imagine our district's best and worst future outcomes, based on various environmental, economic and social factors

a strategic framework for evaluating emerging ideas that aligns with globally accepted standards for regenerative wellbeing

an assessment of the conditions required for new initiatives to grow roots and thrive in the region

From February through May 2021, RRAG members met with key stakeholder groups across our district engaging in conversations about regeneration. The purpose of these meetings was to share RRAG's work to date and gain input and direction from experts in different community segments. This has been invaluable for testing our thoughts and validating our output.

Vision Beyond 2050

RRAG's discussions have been grounded in the QLDC's Vision Beyond 2050 (VB2050) document developed in 2018.

The VB2050 sets out eight vision statements for the community to achieve in the next 30 years:

- Thriving People | Whakapuāwai Hapori
- Embracing The Māori World
| Whakatinana i Te Ao Māori
- Opportunities For All | He Ōhaka Taurikura
- Breathtaking Creativity
| Whakaohoho Auahataka
- Deafening Dawn Chorus | Waraki
- Zero Carbon Communities | Parakore Hapori
- Disaster Defying Resilience
| He Hapori Aumangea
- Pride In Sharing Our Places
| Kia Noho Tahi Tātou Kātoa

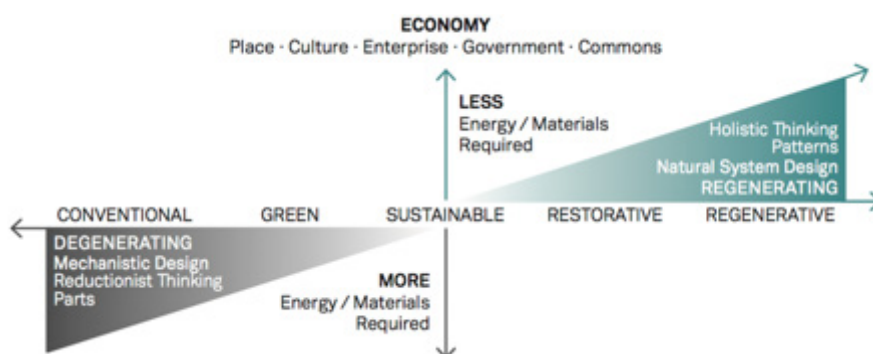
Taking a long-term, intergenerational view of recovery, RRAG sought to answer the question:

“If this is the vision, how do we get there?”

Our scope included recovery from a holistic community wellbeing perspective; bringing together the traditional economic and social silos and finding pathways and support for initiatives that would lead towards the realisation of VB2050.

Defining a regenerative recovery

John Fullerton wrote that “Regenerative Economics is the application of nature’s laws and patterns of systemic health, self-organisation, self-renewal, and regenerative vitality to socioeconomic systems.” The challenge is to move from a conventional economy through sustainability and on to a regenerative economy.



Reference: Fullerton, J Regenerative Capitalism

Foundational work

RRAG completed three research projects that underpin our recommendations.

These included an analysis of different sustainability and regenerative frameworks and goals; an analysis of tangibles and intangibles that make up our 'soil'; and future scenarios that could influence our district's outcomes.

INTEGRATING WITH GLOBALLY RECOGNISED FRAMEWORKS

The '**framework analysis**' reviewed several different models currently being used to guide long term sustainable development, including:

- United Nations Sustainable Development Goals
- New Zealand Living Standards Framework
- concepts such as "Regenerative Capitalism" and "Doughnut Economics"

We also added an extra dimension, mapping our district's Vision Beyond 2050, to our analysis. Viewed together, these frameworks reflect the need to look at recovery from a systems perspective to find the right levers to enable change. It also provides a matrix to cross-check emerging initiatives to ensure that there are no gaps or omissions. It provides the boundaries for the social foundation (or bedrock) and planetary ceiling between which our regenerative recovery can take shape.

ASSESSING OUR DISTRICT'S SOIL

The '**soil analysis**' identified the tangible and intangible factors present (and absent) in our district that enable wellbeing to thrive.

Rather than a traditional soil analysis that maps out the quality of the land, this analysis mapped out the conditions needed for our district to foster economic, social, environmental, and cultural wellbeing. Only when the right soil conditions are present can seeds of ideas germinate, grow and thrive. As in regenerative agriculture, we need diversity to increase the resilience of our community to protect against further economic shocks. By fertilising the right seeds and ensuring that the soil conditions are optimal, initiatives that grow in these conditions will then have the potential to attract like-minded people, align projects and develop clusters.

ANTICIPATING MULTIPLE POSSIBLE FUTURES

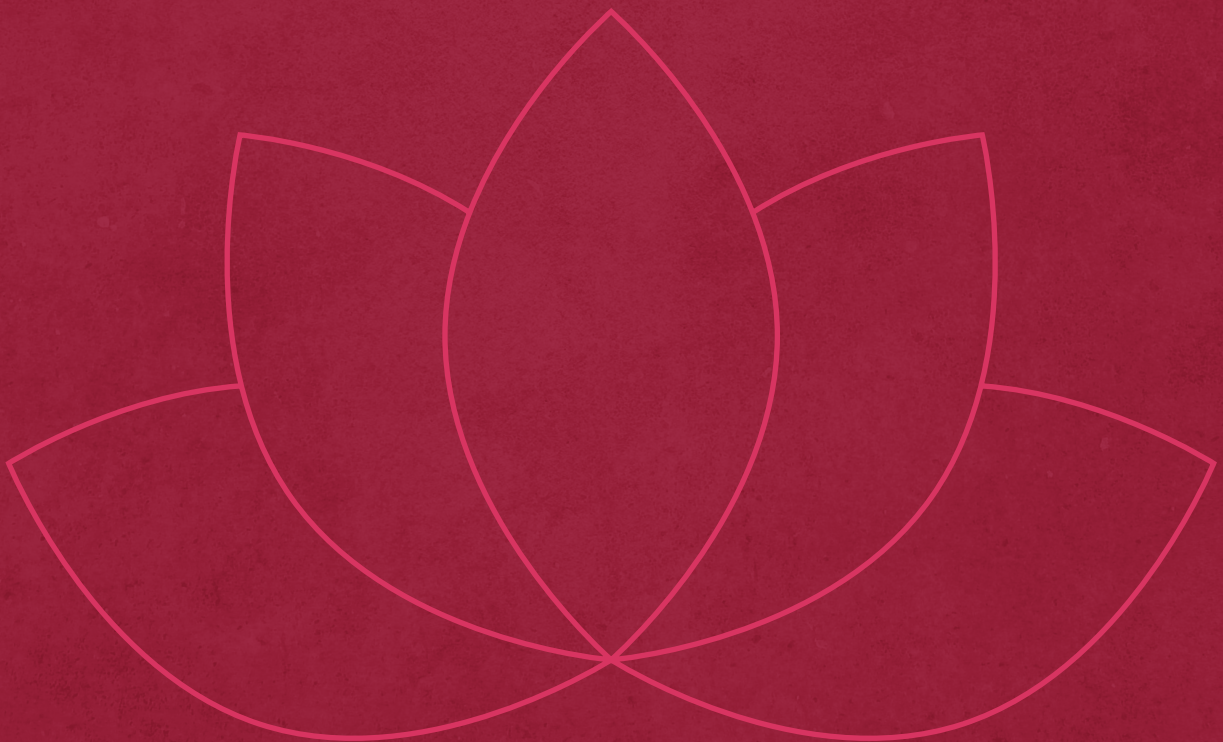
The '**future scenarios**' were developed to anticipate possible challenges our district may face in the future.

Having these front-of-mind during our discussions has helped ensure that our recommendations take into account a range of possible futures. It also highlighted some of the key pressures our district faces such as climate change, inequality, growth and infrastructure.

These three analyses are interconnected and should be considered together when evaluating actions. Links between them highlight leverage points within the ecosystem; by acting on one there can be a positive ripple effect on others.

Please refer to the Appendix to review this foundational work in full.

B. **PRINCIPLES TO GUIDE OUR REGENERATIVE RECOVERY**

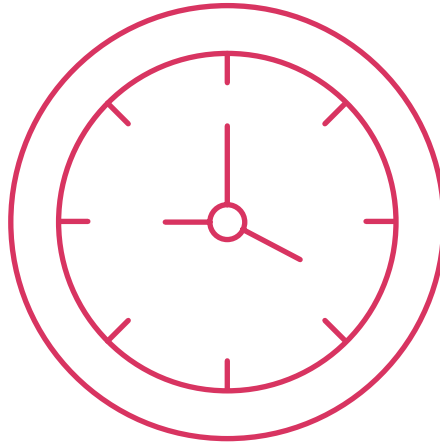




1. A holistic approach

Regenerative recovery requires integrated thinking and system design to constantly improve our environmental, social, cultural and economic wellbeing. It focuses on the importance of being regenerative rather than extractive.

- > Community wellbeing is multi-dimensional and these dimensions are tightly interlinked. We should not consider one aspect of our recovery without considering the impact it has on other aspects.
- > At the core of our approach is an understanding and recognition of the enduring power of strong relationships, collaboration and partnership; striving for beneficial, balanced diversification; and the concept of inclusion. No one should be left behind.
- > Regenerative recovery accepts the paradox of needing to be simultaneously intentional, structural and focused as well as aspirational, flexible and organic. When both are approached together resilience can be achieved.
- > Between social and planetary boundaries lies an environmentally safe and socially just space in which humanity can thrive.



2. Our relationship with time

We take the long-term view of time, where our regenerative recovery is intentional, enduring and intergenerational, founded on our past, our present and our future.

This is consistent with a Māori perspective/Te Ao Māori. Kāi Tahu expresses this with a whakataukī (proverb): *Mō tātou, ā mō kā uri ā muri ake nei*. For all of us and those generations who come after us.

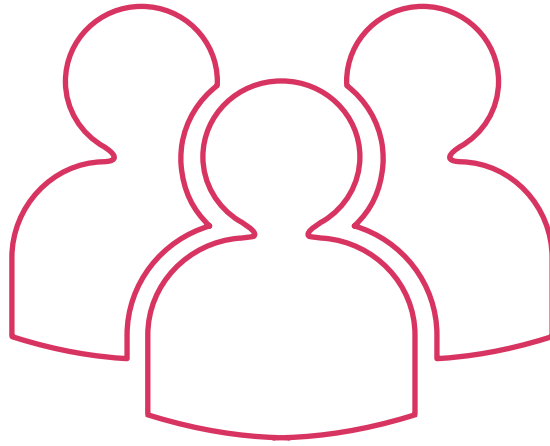
- > We focus on our shared capacity for everyone to become guardians/kaitiaki of our environment and resources which must shape our decision making. What we do today and tomorrow will influence generations to come.
- > We acknowledge the extractive and competitive history of our region and endeavour to actively change this for the future. We seek to do this through supporting a relational approach emphasising love of this place (rather than extraction from this place).
- > We recognise the wealth of experience, knowledge and emerging activity taking place in our district. We believe we should build on and amplify our existing strengths, especially in developing clusters.



3. Our relationship with the natural world

We live within the planetary boundaries (climate, air, water, land and biodiversity) with limited resources. We recognise that a thriving, diverse, resilient environment is essential to support thriving, diverse, resilient communities. These, in turn, create our economy. The obligation to stay within these boundaries permeates all of our decision making.

- > We understand that we are kaitiaki of the land and water upon which we walk and seek to protect and enhance the natural environment.
- > Climate action is a key priority and our responsibilities towards the global effort to reduce emissions is present in all that we do.
- > The latest scientific information we have available must inform our targets and decision making in all that we do. We need to constantly update our knowledge and understanding as new information comes to hand.



4. Our relationships with each other

He aha te mea nui o te ao? He tangata! He tangata! He tangata! What is the most important thing in the world? It is people! It is people! It is people!

A regenerative approach requires a focus on human connection and relationships. This creates a community that enables people to flourish. In Te Ao Māori this interconnectedness extends to the whenua and everything in it. Intentionally building the connective tissue between people, sectors, industries and the land they live in will result in a successful ecosystem in all its dimensions. Everyone has a role to play.

- > We need to work with our communities' natural strengths to achieve success in areas like industry cluster development or geographic connections. We need to recognise our differences, seeking common ground, and learning from each other; without forcing uniformity.
- > Recovery means different things to different people – for some it's long over, for others it's just beginning. The struggle is real but not equally felt or visible.
- > We can learn from the way trees talk to each other through the fungi in the soil that connects between their roots. People are like that fungi in our district's ecosystem.
- > The number, nature and inter-play between our institutions and organisations influences stakeholders' sense of ownership and participation. It is important to understand this organisational landscape and find ways to engage all parts of this system.



5. Our relationship with the economy

Diversification of our regional economy needs to be at the centre of regenerative planning. To ensure we have thriving people and disaster defying resilience, our economic ecosystem needs to be based on:

- > strong relationships within our district, our region as well as nationally
- > innovative thinking and adaptability
- > providing opportunities for all
- > productive, purposeful employment
- > robust circulatory flows of capital, information, resources, goods and services

D. **RECOMMENDATIONS FOR A REGENERATIVE RECOVERY**



1.

Prioritise our relationship with the environment

OPPORTUNITY

Whatungarongaro te tangata, toitū te whenua
As people disappear from sight, the land remains

The COVID-19 crisis has provided us with an opportunity to rethink and reset our relationship with the environment. It allows us to address the urgent need to take climate action, protect biodiversity, lakes, streams, rivers and regenerate our land.

RECOMMENDATIONS

- Strengthen and prioritise QLDC's Climate Action Plan (CAP). Climate change needs to be present in all that we do to enhance and preserve our physical environment. We need to ensure that the CAP and other environmental initiatives have sufficient capacity, resources and budget to achieve the targets it sets down.
- Develop a funding strategy to strengthen the people, tools and action required to protect and enhance our environment within the community. We need to support behaviour shifts towards regenerative practices and actions which enhance our environment.
- Support the development of green economy clusters as a priority for economic diversification.
- Strengthen collaboration within our district to share knowledge and take action on climate, biodiversity loss and land/water degradation.

2.

Invest in community wellbeing for a thriving, regenerative ecosystem

OPPORTUNITY

Our community is as the heart of our recovery. We need to focus on sustaining community wellbeing in all its dimensions and remember that they are naturally integrated and support each other.

RECOMMENDATIONS

- Create a clear, funded strategy to improve citizens' wellbeing and support connection across our community.
- Encourage new investments which integrate the community in all its dimensions, actively linking their development with local schools, training opportunities, employment opportunities and social impact.
- Ensure diversification planning includes community-led micro-diversification opportunities, such as projects arising from the Torokiki community ideation platform.
- Foster coordination and collaboration of social support services, particularly within the Wakatipu region as well as across our district.
- Give greater recognition to the arts and creative sector, and the value it brings to the economy and to mental health.
- Enhance the cultural wellbeing of tangata whenua and everyone who live in our region, enriching cultural experiences and participation with a multicultural focus.

3.

Intentionally build clusters and support collaboration

OPPORTUNITY

Different communities within our district have their own unique strengths. Rather than taking a “one size fits all” approach we can build economic clusters to foster a “what grows well and where” approach. By nurturing connections between these clusters, we can create an ecosystem, both within and outside our district, of resilient, strong and creative networks.

RECOMMENDATIONS

- Undertake a study to identify key areas for cluster development, at a regional, district and community level.
- Support the development of clusters that achieve the Climate Action Plan, diversify our district's economy and tangibly increase our community's wellbeing.
- Increase and strengthen QLDC's collaboration and partnership with key stakeholders in surrounding regions to support the connection and development of clusters.
- Increase and encourage collaboration and partnership between tertiary institutions to embed education and training into cluster formation.
- Focus public and private funding (more on this in Recommendation #4) to establish interdisciplinary centres of excellence in our district that can drive research, education, clusters, and economic development opportunities.
- Nurture the soft infrastructure and networks that will support a range of diversification initiatives over the long term. This can be achieved through funding the development of leadership skills and capacity within the community.
- Share ownership, responsibility, and opportunity for action among community groups, the public sector, and the private sector.

4.

Re-imagine economic development within community wellbeing and with innovative funding models

OPPORTUNITY

Economic development in our district has been under-resourced and relatively narrowly focused for a number of years. This, as well as an absence of generative institutions in our district, has contributed to the challenges we face around lack of economic diversification. A regenerative recovery allows us to broaden the concept of 'economic development' to more purposely integrate environmental, social, cultural, and economic development together within one entity; and motivates us to consider multiple funding approaches.

RECOMMENDATIONS

- Undertake an independent review of our district's current economic development structure/model and measure this against current best practice nationally and internationally.
- Establish an independent wellbeing development agency that includes economic development. Seek funding from multiple sources including central, regional and local government funds, public innovation funds (such as Callaghan Innovation) as well as private funding and grants.
- Consider this agency having operations and governance independent of QLDC.
- Consider how best to leverage our Regional Tourism Offices' extensive experience of branding our district to the world, for the benefit of newly created and emerging economic sectors.
- Ensure facilitation and collaboration are at the heart of this entity, leading to interdisciplinary centres of excellence that drive research, education, clusters and sustainable ecosystems.
- Strengthen public/private, impact-driven partnerships to increase the number of institutions, enhance the economic ecosystem and accelerate new ideas and innovation.
- Look at economic development through a regional and national lens to ensure our region is aligned to Aotearoa as a whole. Recognise and respect local nuances such as the differences between Queenstown and Wānaka.
- Ensure the economic development mandate and funding allows our district to leverage its tourism

legacy, but balance this with a future that sees far greater sector diversification.

5. Clarify the role of and responsibility of QLDC and other stakeholders

OPPORTUNITY

Our soil analysis has identified a list of our shareholders' natural strengths in our district's ecosystem. Alongside this we have suggested what should be added to our soil to make it more regenerative and diversified. The next step is to identify actions and who will take them.

RECOMMENDATIONS

- Review our suggestions around soil additives and create a matrix of roles and responsibilities to be shared among the public sector (central, local, regional government), private sector, not-for-profit sector and iwi. Encourage ownership of initiatives as appropriate by sector and cross-sector.
- Encourage QLDC to address its outsized role by changing its culture to be more empowering and enabling of other stakeholders. This would help give it space to focus on its Local Government Act defined responsibilities and move away from unrealistic community expectations that "all roads lead to Council."
- Invest in both hard and soft infrastructure within our region. Traditionally we think of infrastructure in physical terms (pipes, wires, roads etc). Soft infrastructure refers to organisational support that enables community groups to flourish and be effective (access to facilities, funding, facilitation of networking, collaboration opportunities etc).
- Utilise Rrag's work to encourage QLDC to embrace a regenerative mindset internally and to reflect on what this means in practice for Council's systems, processes, thinking and language.

6. Greater investment in resilient physical infrastructure

OPPORTUNITY

Our work brought to light a number of critical infrastructural issues that must be addressed in our region for long-term regenerative recovery. As a mountainous, highly desirable region to live, our access to energy

resilience, digital resources, affordable housing and transport connectivity is vulnerable.

RECOMMENDATIONS

- Encourage open discussions at the national level to review the regulatory barriers to the creation of micro-grids within communities.
- Ensure that all of our district has access to broadband through continued collaboration with fibre optic line providers.
- Keep the Three Waters infrastructure investment as a priority before, during and after the Reform Programme is undertaken.
- Continue to support the Queenstown Lakes Community Housing Trust to create opportunities for affordable housing and ensure that there are inclusionary zones.
- Prioritise infrastructure to support public and active transport and ensure that effective behaviour change campaigns are adequately funded to accelerate transition to these modes of transport.
- Encourage QLDC to build strong and enduring central government relationships to support investment in significant and innovative infrastructure solutions.

7. Increase use of impact capital

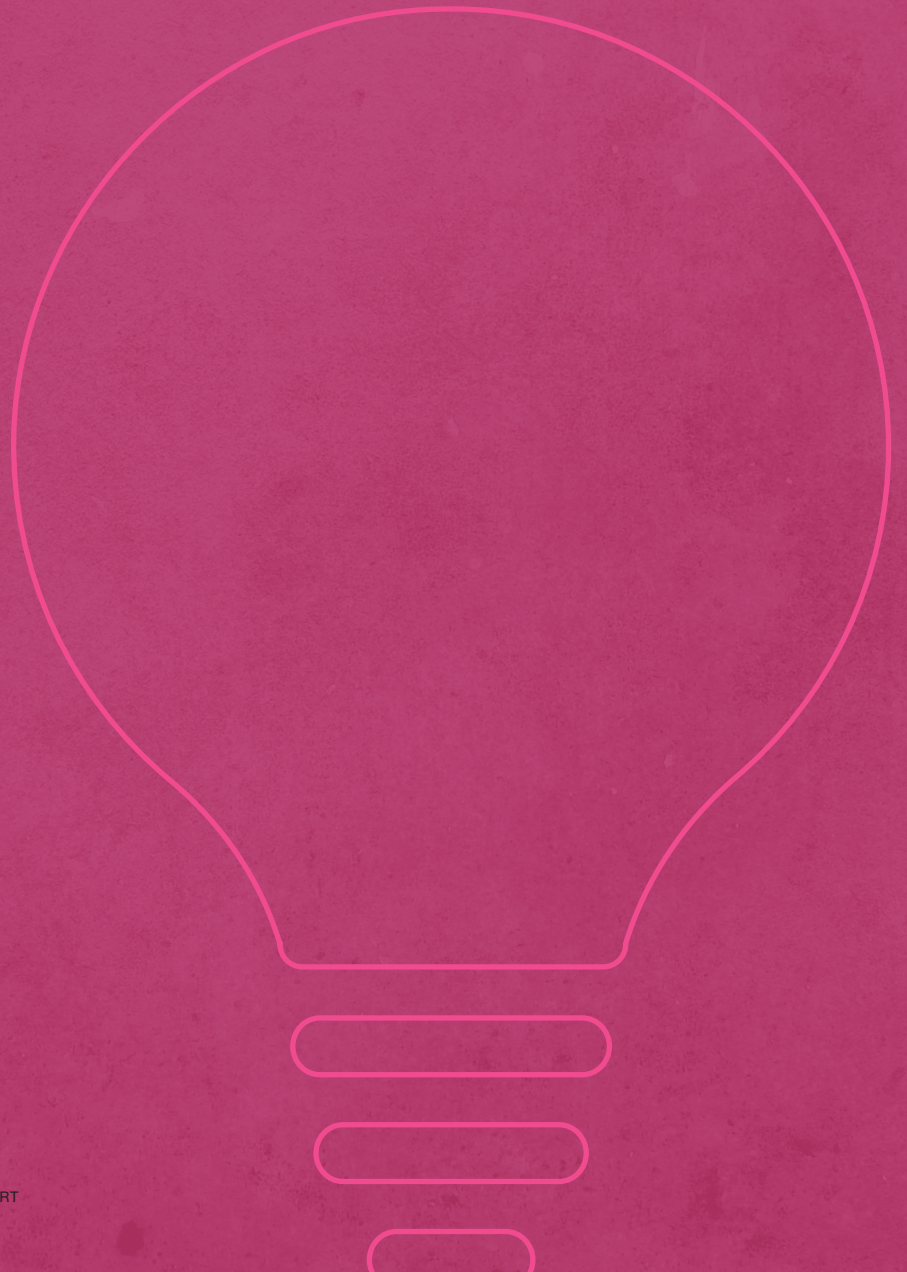
OPPORTUNITY

The use of money influences every decision we make regarding consumption, philanthropy, employment, business and investment. We are increasingly putting our money where our values are. The COVID-19 crisis has seen the acceleration of impact investment. This approach looks at how we can use our capital to create positive environmental, social and economic outcomes, helping us to preserve the planet for future generations.

RECOMMENDATIONS

- Establish an Impact Investment Network within our district to discuss how capital, from philanthropic through to investment, can be used to achieve our environmental, social and economic goals.
- View all operational and capital public spend in our district through an impact lens. Key performance indicators need to be linked to, and measured against, the positive environmental, social and economic outcomes it creates. This includes emissions profiling for capital investments to assess how it affects our climate commitments.
- Introduce a participatory budgeting process to allow the community to decide on priorities for capital spend of ratepayers' money during the long term and annual planning processes in order to increase trust and collaboration between residents and QLDC.

E. RRAG SUPPORTED INITIATIVES



Machine Learning Institute

INITIATIVE OPPORTUNITY

There is currently a gap in the education space between university-level machine learning courses, with maths entry requirements, high test scores, and motivated students, and online learning done at home, based on interest and attention that tends to be variable.

The Queenstown Machine Learning Institute (QMLI) provides a short, structured, and accountable learning programme to produce graduates who can do a few practical things to a very high level, including testing, documentation, and basic ethics.

CHAMPION

Neil Jacobstein drafted the original white paper for the Queenstown Machine Learning Institute, and teamed with Roger Sharp in subsequent drafts submitted to the Queenstown Resort College. There the QMLI was further refined and developed by Charlie Philips and Jacqui McLean, and a Board of Advisors.

RRAG'S ROLE

Neil Jacobstein developed the concept initially in the RRAG context.

CURRENT STATUS

The QMLI programme will be based at the Queenstown Resort College. It will be a six-month course, with an initial focus on foundational knowledge for machine learning and programming, core classical machine learning skills, and finally practise with the latest patterns and techniques in deep learning, natural language processing, and computer vision. The students will be able to showcase their skill development via the Capstone Project course – completing Kaggle case study competitions and working with GitHub. Alongside the core curriculum, we are developing an essential professional soft-skills section, with skills needed to succeed in the workforce, such as communication and presentation skills, working in agile teams, ethics and Responsible AI.

Currently, we are finalising the needs analysis report for NZQA to allow us to offer the course under the New Zealand Qualification framework. Additionally, we have finished drafting a proposed programme structure and are currently working on gaining feedback which will inform us further with our qualification and programme submission. The first class of about 50 is likely to start in January of 2022.

Glenorchy Science Education and Conservation Centre (GYSECC)

INITIATIVE OPPORTUNITY

As part of the Torokiki community ideation platform initiative, John Glover, Chair of the Glenorchy Community Association developed the idea of a Science Centre based in Glenorchy as an opportunity to attract students and researchers from within New Zealand and around the world. The project received district-wide support during the Torokiki process. GYSECC is a model of a economic micro diversification project where a single point project can have significant community impact in the longer term.

CHAMPIONS

John Glover and Leslie Van Gelder

RRAG'S ROLE

Leslie Van Gelder has played an active role in progressing the project at the community level, and Michelle Morss has attended formative meetings to aid in facilitating council pathways for the project to progress. Discussions between Leslie and members of the Recovery Team have helped to explore the concept of micro-diversification and how these projects fit into potential central government funding initiatives. Leslie has also situated the project within the broader Whakatipu conservation community.

CURRENT STATUS

Still in the early days, the project has had initial success in funding applications to the ORC Ecofund and has sufficient funding to start phase 1, a community native plant nursery beginning in 2021. The project also applied unsuccessfully to Jobs for Nature. Discussions are taking place with the QLDC Parks Department as to potential locations on existing reserve land for the nursery and centre. Next steps are an upcoming meeting with Aukaha Science Advisor, Koroko Edwards to explore from the outset ways in which the centre can be shaped by Te Ao Māori approaches to science, education, and conservation at the Head of the Lake. Funding is still being sought for the Centre itself.

Solar Power Sharing Grid

INITIATIVE OPPORTUNITY

Southland and Otago has the opportunity to become a collaborative hub for photovoltaic energy technosystems, utilising small scale (10kw) photovoltaic systems with smart inverters. The focus is on operational testing in a live community environment, to: (1) reduce capital expenditure; (2) improve the electricity ecosystem; and (3) provide a resilient, affordable and 100% renewable energy grid.

The number of power outages in Central Otago has increased by over 40% since 2013, and their duration has increased by nearly 200%¹; they will remain at elevated levels for at least three years while Aurora undertakes an investment programme². Our region will not be able to sustain growth, diversification, decarbonisation, or conversion to electric vehicles in the next decade, without a radical change in our how we invest in power systems. There is one single major power line supplying Queenstown and Glenorchy, which is highly vulnerable to disruption, including earthquakes.

An alternative to traditional approaches is available through combining physical infrastructure with intelligent networks and digital platforms. This will save many millions of dollars in capital expenditure and provide resilient, affordable and clean power to our region.

CHAMPION

Neil Jacobstein

RRAG'S ROLE

Neil Jacobstein developed the concept initially in the RRAG context.

CURRENT STATUS

We are actively exploring 5 and 10kw standard modules for photovoltaic systems that include computers with smart inverter and power sharing software. We are moving away from inverters with built-in computers vs. using inverters with external computers with power management and sharing software. Given the rapid evolution of these systems and the lack of standardization this architecture will provide more flexibility. The trade-off is increased complexity of configuration and maintenance.

The project is inhibited by current regulations, but it is moving forward incrementally. Currently, community members with photovoltaic power are prevented from power sharing arrangements by government policy. By deeming our region New Zealand's first clean energy sandbox, the Government would provide its participants with the freedom to disrupt outdated market models and regulation, leverage new experimental technologies, and construct a new energy ecosystem³. This is not possible in the current electricity market construct and regulatory environment. The 'sandbox' environment would enable the roll-out of transformative and resilient solutions to regional energy challenges in partnership with real communities, forming a blueprint that can be adopted across New Zealand⁴.

¹ Information disclosures on Aurora Energy's website, and Aurora's Asset Management Plan 2020 p53
Aurora-Energy-AMP-2020-Final-12-June-2020.pdf

² Aurora Asset Management Plan 2020, p52.

³ The concept of a 'clean energy sandbox' is well established internationally with examples and guidelines available.

⁴ There are organisations now in New Zealand that have the expertise and technology platforms to be able to form collaborative partnerships with energy sector participants to coordinate activities in the sandbox.

Angel/Early Stage Investor Network

INITIATIVE OPPORTUNITY

A healthy environment to nurture and support the emergence of start-ups and growth businesses in our region requires a number of elements. StartUp Queenstown Lakes has already begun the process of educating and informing entrepreneurs around key elements required for developing a new business. After consultation with a wide range of participants in the New Zealand venture capital and private equity community, we identified the need to establish a core group of sophisticated and seasoned investors in early stage businesses to support the emergence and growth of local start-ups. In consultation with the Otago/Southland investor group, Mainland Angels we are working to bring together a core group to support suitable local opportunities.

CHAMPIONS

Julian Knights and David Wallace (Chair of StartUp Queenstown Lakes)

RRAG'S ROLE

RRAG member, Julian Knights, has worked to identify the missing elements from existing networks and to use his experience and contacts to begin to bring these together. He was Chair of the Australian Private Capital Association (AVCAL) and has more than 25 years international private equity experience.

CURRENT STATUS

At the time of this report, solid progress has been made in establishing core principles. Potential deal opportunities are currently being researched to use as a catalyst to formalise the investor group.

RRAG's Contribution to the QLDC Recovery Team

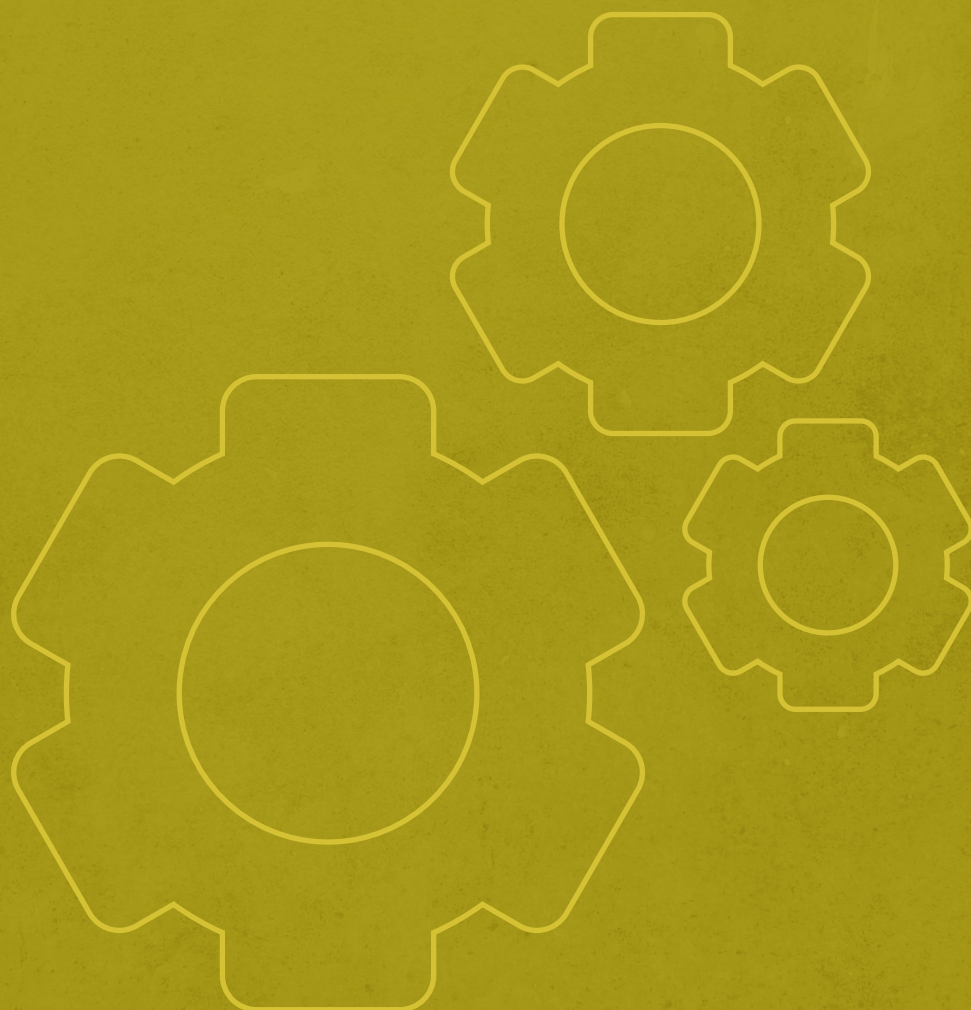
Over its twelve month existence, RRAG has worked closely with the QLDC Recovery Team.

THEIR REFLECTION ON THE RELATIONSHIP WAS:

RRAG has been an asset to the QLDC Recovery Team during a period of unprecedented uncertainty and complexity. They provided an informed and diverse-thinking forum for strategic discussion, analysis of information, testing of ideas and building futures literacy, which enabled the team to bring well-rounded concepts and ideas back into the organisation. The scenarios and framework outputs have contributed to the development of how future programmes could be run, whilst the 'soil analysis' has provided foundational, conceptual thinking to the way the organisation positions and plans for economic diversification.

RRAG has provided an outstanding forum for stress-testing ideas, providing updates and offering informed insights. One such example would be RRAG's engagement with the Torokiki ideas portal, during a session where their perspectives and reflections on the initiatives submitted were considered in some detail. Subsequent to this, one of the projects (the Glenorchy Science Centre) was progressed by RRAG in partnership with the original poster of the idea. The relationships developed between the Recovery Team and the members of RRAG will hopefully continue long into the future.

F. **THE WORKINGS OF RRAG**



RRAG Membership

THE MEMBERS OF THE RRAG WERE:

- Simon Telfer (Chair)
- Kathy Dedo
- Neil Jacobstein
- Monique Kelly
- Raymond Key (from Feb 2021)
- Julian Knights
- Erica Seville
- Roger Sharp (until Nov 2020)
- Michael Sly (from Feb 2021)
- Annis Somerville
- Leslie Van Gelder

18 online and in person meetings were held by the RRAG between August 2020 and June 2021.

All meetings were administered by QLDC and attended by the Strategy and Development Manager, Corporate Services (on behalf of the Recovery Team).

There was no payment from QLDC to RRAG members for their time and contribution.

- Barry Grehan
Queenstown Urban Village;
Sticks n Stones facilitator
- Olivia Bonifant
Generation WAO leader; WAO coordinator
- Isobel Smith
Mt. Aspiring College student leader
- Jim Boulton
Mayor of QLDC
- Michelle Morss
Strategy & Development Manager at QLDC
- Peter Harris
Economic Development Manager at QLDC
- Steve Batstone
Recovery Manager at QLDC
- Marie Day
Community Lead for QLDC Recovery Team
- Bill Nicoll
Risk and Resilience Manager at QLDC

CENTRAL GOVERNMENT MEETINGS

- Grant Robertson, Minister of Finance
(two meetings)

COMMUNITY OUTREACH MEETINGS

Organisations we listened to and shared insights with included:

- Councillors at QLDC
- Wai Wānaka
- Destination Queenstown
- Lake Wānaka Tourism
- Ignite Wānaka Chamber of Commerce
- Startup Queenstown Lakes
- Queenstown Chamber of Commerce
- Kāi Tahu
- Climate Reference Group
- Queenstown Lakes Community Housing Trust
- Central Lakes Trust
- Wānaka Interagency participants
- Leaders in the Queenstown mountain biking / nature / conservation community

RRAG Engagement

INDIVIDUALS WHO PRESENTED AT RRAG MEETINGS

- Ifor Ffowcs-Williams
CEO of Cluster Navigations
- Benje Patterson
Economist and “Diversification in Queenstown Lakes” author
- Carly Green
Wanaka Community Representative – Climate Reference Group

G. **APPENDICES**

1. Alternative Future Scenarios

2. Soil Analysis

3. Framework Analysis

Alternative Future Scenarios

These scenarios have been created to assist in strategy development, to help test how a plan stacks up under different futures.

Vision Beyond 2050 articulates our ‘desired’ future for the Queenstown Lakes District. Planning for the future however doesn’t always deliver perfection – and planning recovery from such a major event as COVID-19 is particularly uncertain. So, in addition to keeping our eye on our goals, it is also important to understand the pressures that might push us off that path.

For this purpose, we have created seven high-level scenarios that articulate key challenges that could emerge during our recovery and as our district evolves. These alternative futures can help us to evaluate the strengths and weaknesses of different recovery strategy options.

It is worth noting that the scenarios are intentionally simple and generalised – their purpose is to encourage people to consider different perspectives on possible effects and response options, and to encourage the use of adaptive planning. We also recognise that these scenarios were captured ‘at a moment in time’. Our rapidly changing world will obviously render them more or less prescient.



SCENARIO 1: MANAGING GROWTH

In this scenario we are back to pre-2020 projections and both population and visitor numbers are rapidly growing.

Efforts to curb the pandemic were broadly successful, thanks to the development and roll out of an effective vaccine. Remote working practices, normalised during the pandemic, look like they will endure in part. As a result, our region is seeing an influx of New Zealanders and internationals wanting to move here. With the economy recovering better than expected, domestic tourism markets remain strong. As international borders re-open, there is growing evidence of pent-up travel demand. The region is once again at risk of experiencing significant growing pains.

KEY QUESTIONS FOR THIS SCENARIO:

- How effective are the checks and balances in place to ensure that our future growth will be regenerative rather than extractive?
- How well is our infrastructure investment approach aligned to meet the needs of the projected growth?
- How do we grow community connectedness and a shared sense of purpose through this growth period?
- Will we grow in ways that increase our resilience to future shocks, or further entrench our vulnerabilities?
- How are the benefits and costs of this growth going to be appropriately distributed/shared?



SCENARIO 2: THE SECOND HIT...

Just as the region begins to put the pandemic behind it, disaster strikes, and the region is shaken by a strong local earthquake.

Psychologically, this is a devastating hit. There is significant infrastructure damage, key transport routes are impacted, and the region is buffeted by ongoing aftershocks. With a large repair bill, a population in flux, and a vulnerable economy, the region is facing a significant infrastructure affordability challenge. Have we sufficiently invested in our region's resilience to sustain a second hit?

KEY QUESTIONS FOR THIS SCENARIO:

- How resilient is our critical infrastructure and are we investing in the right places to build resilience over time?
- Are we investing enough in our community connectedness, such that we have sufficient social capital to see ourselves through the tough times?
- Are we growing the right kind of leaders (both individuals and institutions) that will help see us through times of adversity?
- Have we invested in local, regional and international networks and relationships sufficiently such that others will help us with the hard mahi required for the recovery?



SCENARIO 3: LIFE AFTER THE GOLD-RUSH

Recovery from COVID-19 is taking much longer than expected.

In the Queenstown Lakes District there is reducing economic confidence but our people are determined to make the best of it. People move here because of their love for the place – and while the current situation is tough, they can see it is still a great place to live, work and play. Reflecting on our extractive history from the gold-rush era, what does our community look like if the rush is over?

KEY QUESTIONS FOR THIS SCENARIO:

- Given the proportion of new residents to our region, how well are we embedding people to our communities such that they 'stick' here even when times are tough?
- How well are we diversifying our economy and growing the financial resilience of our district?
- How are we leveraging the talent and creativity in our region sufficiently to come up with new ideas?
- In the face of financial pressures, how might we prioritise infrastructure investment to sustain the attractiveness of our region as a place to live, work and play?



SCENARIO 4: BEYOND TOURISM?

In this scenario, the COVID-19 pandemic has passed, but in its wake comes a similar, yet different, kind of crisis for tourism in our region.

Increasing awareness of climate change, large-scale climate protests and flight-shaming around the globe are challenging the appeal of holidaying in Queenstown and surrounds. We have been talking about diversifying our economy for many years – did we do enough?

KEY QUESTIONS FOR THIS SCENARIO:

- Who leads the conversations that might be needed in order to diversify our economy?
- What is the balance between central/local government led initiatives and local private sector and community led organisations?
- How well are we leveraging the talent and creativity in our region sufficiently to come up with new ideas or scale up existing ones?
- Are there different forms of tourism that we could explore that are more regenerative for visitors and our communities alike?



SCENARIO 5: SUSTAINABLE GROWTH?

If we had to find ways to cope with an influx of new residents, what would that mean for our environment, infrastructure, and communities?

Sydney has just experienced its third summer in a row of extreme temperatures and we are seeing the early signs of increasing numbers of 'climate migrants' moving to the region. This is on top of huge population growth from New Zealand's returning diaspora. If we can't readily stem the influx of people, how can we intentionally grow to meet the needs of our expanding community in a sustainable way?

KEY QUESTIONS FOR THIS SCENARIO:

- Do we have a solid understanding of our region's capacities and natural limits for growth?
- Do we have the planning structures in place to be able to manage growth intentionally?
- Do we have any levers to moderate this growth? What, if any, is the justification for wanting to "shut the door"?



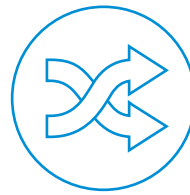
SCENARIO 6: A PLACE FOR ALL?

As prices increase, families and long-time residents are starting to be priced out of the market.

As the world becomes a stranger and riskier place, New Zealand's reputation as a safe haven for the rich and famous amplifies with wealthy people buying up property in the region. If more and more people chose to 'stay' in the region rather than live here, what does that do for the soul of the community? Are there ways we can ensure our region remains welcoming to all and fosters our sense of community?

KEY QUESTIONS FOR THIS SCENARIO:

- How well are we embedding people into our communities?
- Are we investing sufficiently in our social infrastructure that nourishes the region's sense of community, its' character, its' soul and its' social capital?
- Do we have the planning structures in place to be able to address housing and living affordability issues within the region?



SCENARIO 7: EFFECTING CHANGE

Positive change can so often get bogged down by structural inertia, resistance to change, and vested interests.

At the time the Regenerative Recovery Advisory Group (otherwise known as the RRAG) was formed, there was hope and optimism that it would generate fresh thinking, help to diversify our economy, and be a mechanism to bring positive change for our region. The RRAG delivered deep insights and recommendations. The challenge now is to ensure that positive changes are implemented...

KEY QUESTIONS FOR THIS SCENARIO:

- Do we have a clear focus on which aspects of the recovery are our priority?
- Do we have the right capabilities and capacity to deliver on our priorities?
- How well can we work with others to understand and influence the broader system of recovery?
- What is the balance between central/local government led initiatives and local private sector and community led initiatives?

Soil Analysis

This soil analysis can be used to help evaluate ideas and actions, asking how are we “adding the good stuff” in what we do? How is QLDC offering support to strengthen collaboration, leadership, knowledge of good governance, and a wider vision within our district? How does using the criteria of supporting that which comes from and supports Love of this Place (as opposed to an extractive gold mining mindset) change the way in which QLDC supports initiatives?

Queenstown Lakes District “Soil” Analysis



Leslie Van Gelder, Ph.D.
Acting Chair, Southern Lakes Sanctuary

Background

Formed in response to the Queenstown Lakes District's challenges in the face of COVID-19, the Regenerative and Recovery Advisory Group was formed in June 2020 as a community-led advisory group to the QLDC with a remit to review the medium and long-term vision for economic diversification in our district in alignment with our district's Vision Beyond 2050 aspirations.

Three foundational activities took place: a scenarios exercise, a framework alignment with UNDP regenerative goals with VB2050, and the following soil analysis to attempt to understand the Queenstown Lakes District's current state, the history that led to its current state, the necessary amendments needed to encourage diversification, and a methodology for applying the soil findings to decision-making.

Over thirty people were interviewed, including all members of the RRAG and many people across the community. Initial findings addressed both tangible and intangible issues. The intangibles far outweighed the tangibles, that largely focused on the ever-present energy and connectivity issues of our district. All spoke to the intangibles.

Love of Place

Connectivity challenges

Paradoxically hyperglobal and hyper local but not well connected in NZ

Absent generative institutions puts outsized focus on Council

Goldrush legacy attracts many non-collaborators and makes local navigation challenging for newcomers until "proven."

A history of extraction of resource to the point of depletion/extinction

This Place: Mountains, Rivers, Lakes, Remote, Extremes, True Geographic Barriers



Current State of the Soil

THIS PLACE: MOUNTAINS, RIVERS, LAKES, REMOTE, EXTREMES, TRUE GEOGRAPHIC BARRIERS

Grounded in this landscape there are genuine differences between Queenstown, Wanaka, and the outlying communities. Life is shaped by the environment and the challenges it can produce, but also the uniqueness it provides in being a place that restores something in people's souls and brings them here.

A HISTORY OF EXTRACTION OF RESOURCE TO THE POINT OF DEPLETION/EXTINCTION

Beginning with moa, and then pounamu, timber, gold, scheelite, and in more recent times an unsustainable approach to tourism and growth this area has had an extractive history where resources have been depleted to the point of exhaustion.

GOLDRUSH LEGACY ATTRACTS MANY NON-COLLABORATORS AND MAKES LOCAL NAVIGATION CHALLENGING FOR NEWCOMERS UNTIL "PROVEN."

The ideological legacy of the Gold Rush has not disappeared from Queenstown, in particular where competition and waiting for others to fail is still in the business community instead of a spirit of collaboration. Goldrush "flash in the pan" development approaches still exist and don't take regenerativity into account.

PARADOXICALLY HYPERGLOBAL AND HYPER LOCAL BUT NOT WELL CONNECTED IN NZ

Our region is an international destination but not well networked within NZ. Our best exports have been very specific to the place or it's 'terroir' like wine, high country merino, and film/tv settings and those are internationally recognised.

ABSENT GENERATIVE INSTITUTIONS PUTS OUTSIZED FOCUS ON COUNCIL

With no universities, major institutes, an absent regional council, and no marae, the QLDC has taken on an outsized role not typical to local government because there is no one else to step in. As a result QLDC looms large in the psyche of the community (for good and ill) The has been highlighted by the recent COVID-19 crisis.

CONNECTIVITY CHALLENGES

Only one single power line runs to Queenstown and Glenorchy. It is highly unreliable and it is impossible to consider a tech hub future in a place where the power goes out as often as it does here!

LOVE OF PLACE

This is the single largest driver for why people come, why they stay, and why they are willing to work for little money. It has been used to exploit as a result in recent years, and the concern is that if it is considered 'extractable' it will be used up and people will leave the region.

Leadership that motivates, inspires, leads champions, is ethical and visionary

Fostering collaboration, partnerships, compromise, compassion, open-mindedness, flexibility, trust, healthy attitude toward risk

Places, spaces, for convening, "joining up", coming together serendipitously and intentionally



A shared vision and commitment to the Common Good (the Promise of Vision Beyond 2050) and access to a safe and good life.

Cultivating a genuine connection/ belonging

Eschewing "someone should" attitude for a shared sense of agency, responsibility, and willingness to engage.

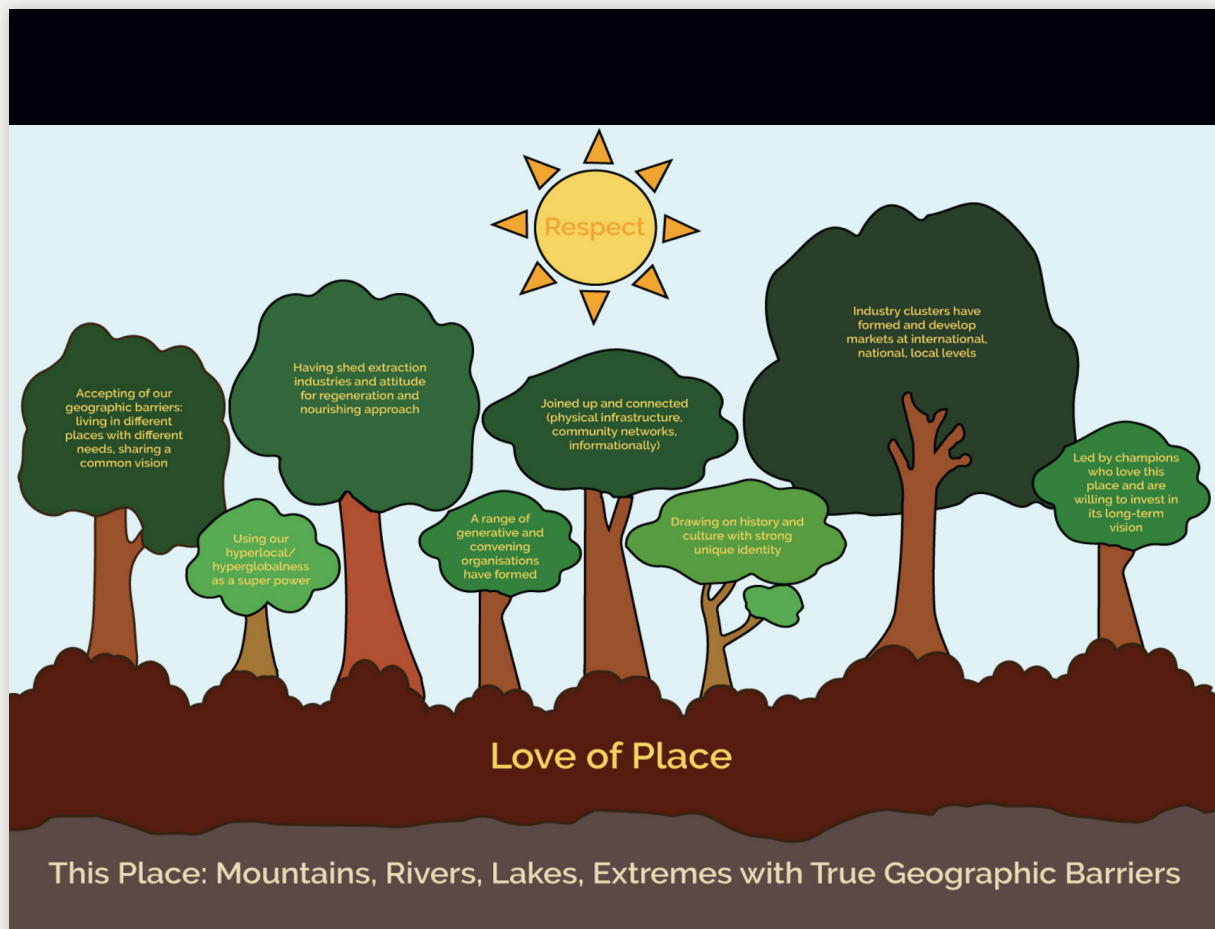
Relationship pathways for entrepreneurs to meet angel investors and be mentored

In a regenerative soil model...

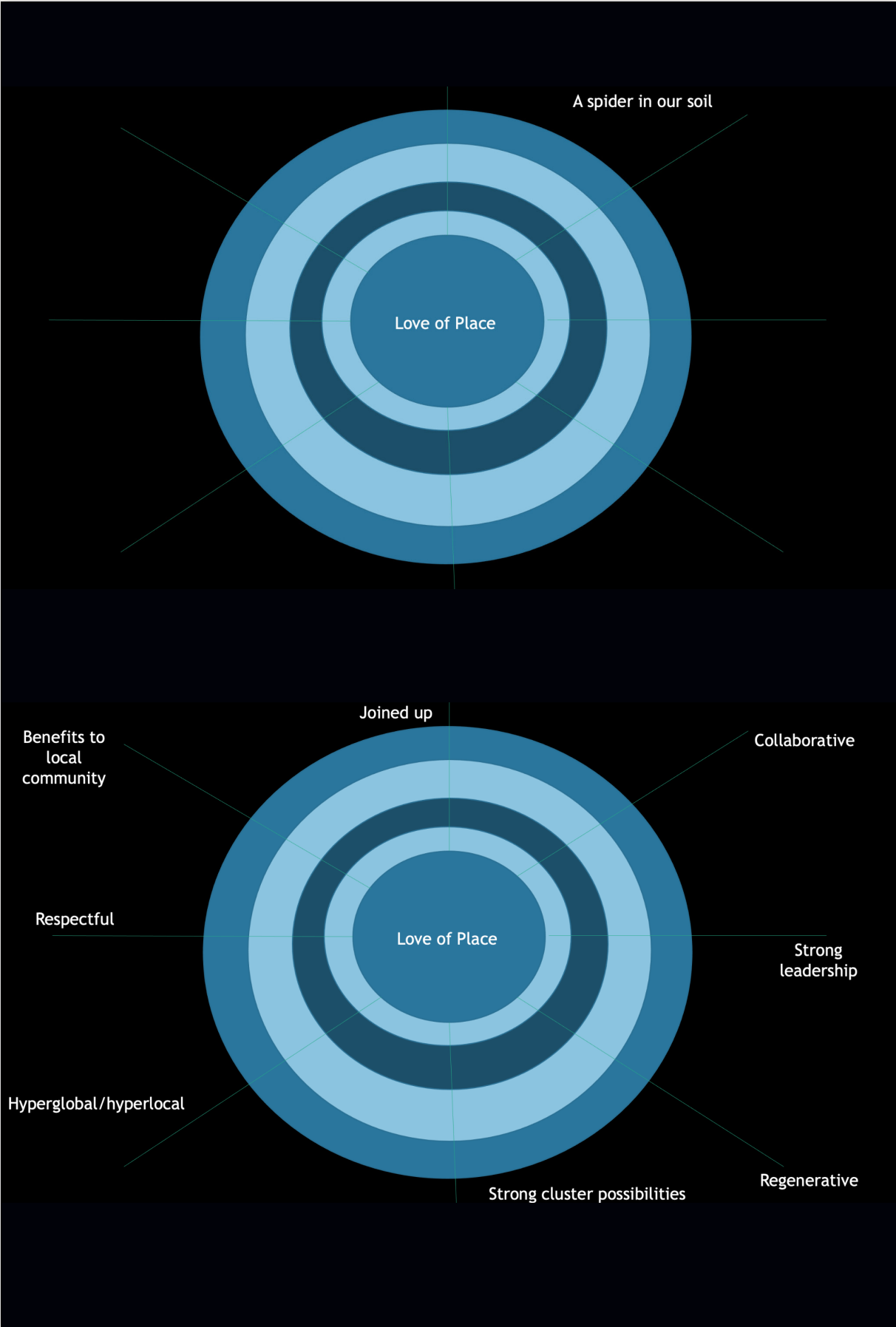
LOVE OF THIS PLACE becomes the core of our region's soil. The economic decision-making moves away from extraction to regeneration by placing "love of this place" as the primary driver in deciding whether or not new industries should be fostered to take root here.

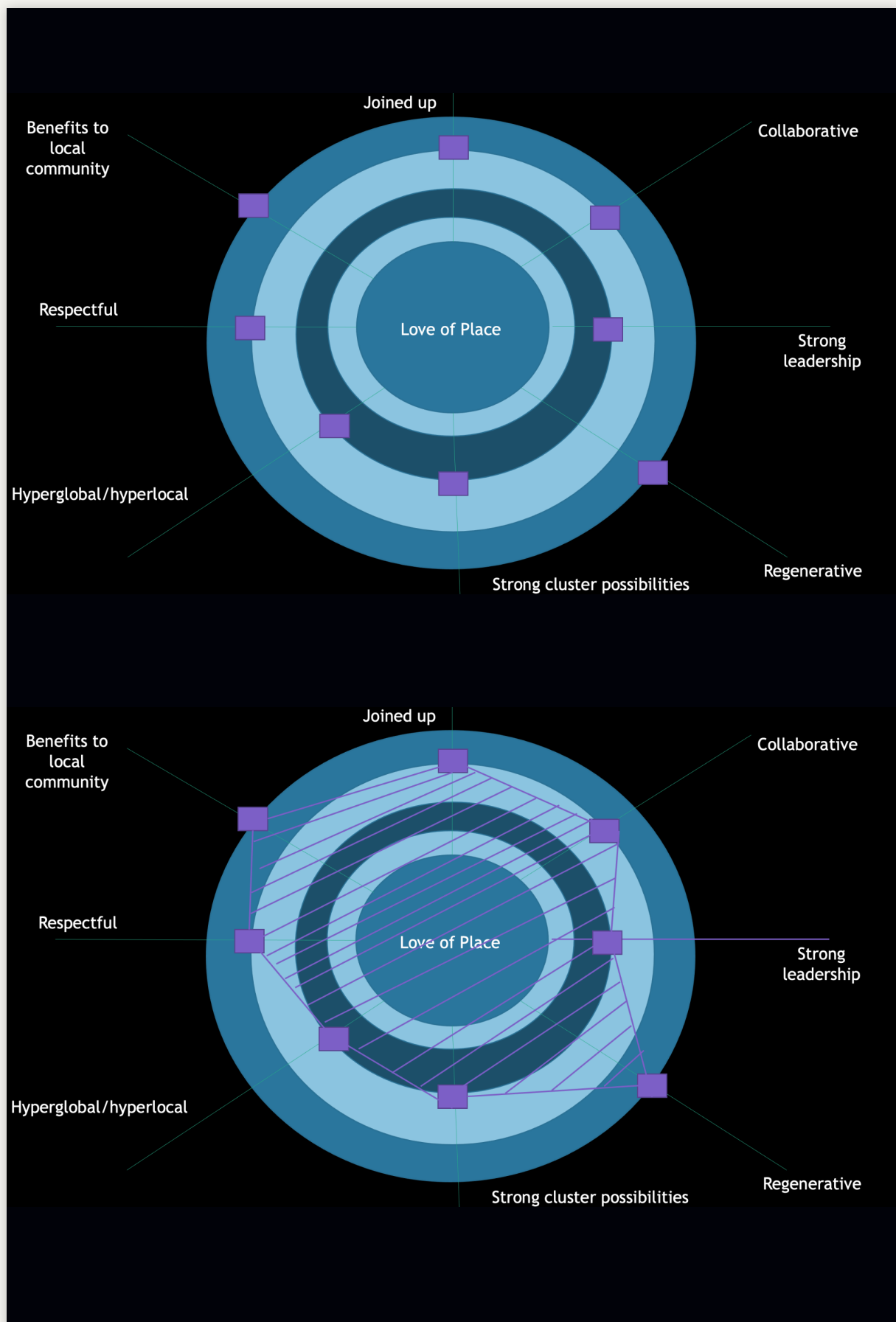
Those industries which could take place 'anywhere' and offer little long term value to our region are less valuable than those which recognise the primary value of nurturing the place itself in the long term.

We know that motivated by love, supported with capacity building, leadership, and intergenerational pathways and opportunities, everyone become kaitiakianga to this land.

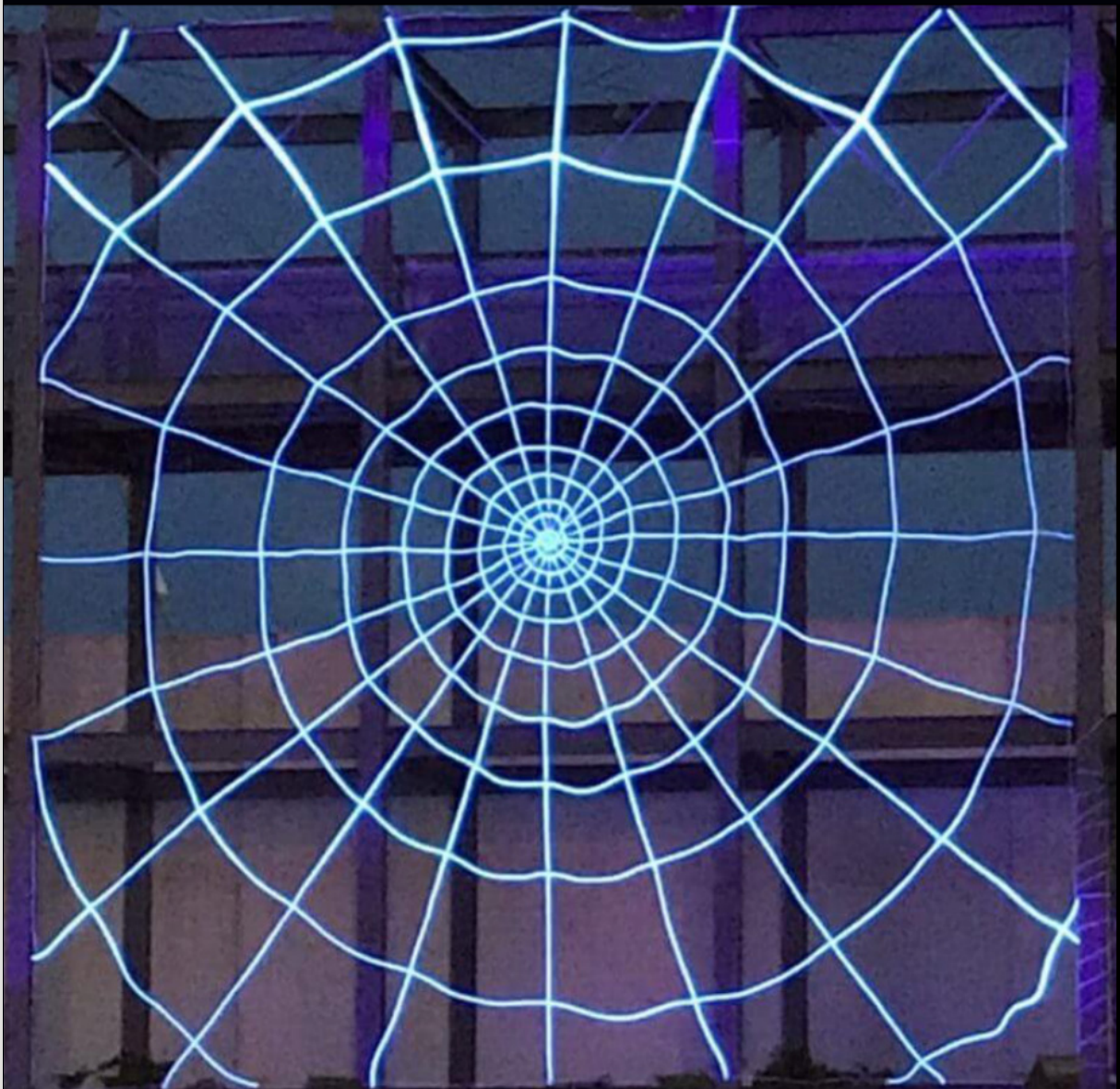


All very sweet and hopeful, but how do we develop an approach that allows for a structured, thoughtful, and practical way to move this forward?





Can our soil tool be a way of growing a “resilient web” for the region?



Framework Analysis

This analysis can be used to map your work with local and global frameworks to test whether it aligns with the likes of UN Sustainable Development Goals or Treasury's Living Standards Framework.

