

2.15 APPLICATION SUPPORT FOR WHANGANUI PGF

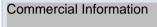
PRO	JEC12		
PGF Applicati	ion	For: Decline	
Applicant:	Whanganui & Partners Limited	Pipedrive ID #	Commercia
Entity Type:	Company	PGF Funding Sought:	\$40,000.00
Region	Manawatu-Wanganui	Total Project Value:	\$Commercial Information
Tier:	1 - Regional	Co-contribution rate:	Commerc
Sector:	Regional Projects	Funding Structure:	Grant
We recommend that the SROs:			
 a) Decline \$40,000 from the PGF fund towards employing resources to develop applications for four Whanganui based projects on the basis: a. Three of the four proposed project applications appear to lack alignment with PDF criteria; 			

- b. No direct alignment with regional plans;
 - c. Our understand is that three of the projects are not priorities for the region; and
 - d. \$\(\sigma^{\text{Commercial Info}}\) to complete each of the four applications to the PGF appears excessive.
- b) Note if this application is successful, the four applications will be submitted by the beginning of December
- Note if this application is successful, and projects proceed the PGF will be approached for further funding for the four projects.
- d) Note scoping and feasibility of the four projects has been completed.
- e) Note Horizons Regional Council application for funding of \$\(\sigma_{\text{commercial Inform}}^{\text{commercial Inform}} \) was approved towards the development of the Accelerate25 Delivery Manawatu-Whanganui Action Plan on 02 May 2019. This approval was made under the umbrella of the RED Minister's approval for regional funding in support of the Regional Development Agencies capacity to deliver projects.

Commercial Information		

Proposal:

Whanganui & Partners Limited have advised there is in-sufficient resource to support application writing and therefore wishes to engage resource/s to develop comprehensive PGF applications. The four projects are expected to create opportunities for business growth as well as employment, training and capability building for the region.



The application states there are no other sources of funding available for resources to develop applications.

It is difficult to identify public benefit of the proposed investment.

Assessment against the PGF criteria:

Eligibility Criteria

Whanganui & Partners Limited is an Economic Development Agency and a Council Controlled Agency.

The PGF have a relationship with Whanganui & Partners Limited due to other projects being sought for funding.

This application is eligible for PGF funding.

Productivity Potential

No commentary was provided in the application on how this application will lift the productivity.

Policy objectives and regional priorities

No clear alignment for this application, however there are some indirect links e.g.: training to get people into the workforce, investing in capital equipment, processing of raw materials (hemp).

PGF Criteria	Assessment Commentary	Rating (0 ✓ to 5 ✓)
Link with fund and government outcomes		
Creates permanent jobs	This funding request is for resource/s to draft 4 x	

	applications for PGF funding.This request does not create permanent jobs.	
Delivers benefit to the community	This funding request is for resource/s to draft 4 x applications for PGF funding.	
Increased utilisation and returns of Maori asset base	No evidence in the application	
Enhanced sustainability of natural assets	No evidence in the application	
Mitigation of climate change effects	No evidence in the application	
Additionality		
Adding value by building on what is already there	 This funding request is for resource/s to draft 4 x applications for PGF funding. Future PGF applications could lead to adding value by building on what is already there. 	
Acts as a catalyst for productivity potential in the region	Whanganui & Partners require funding to develop applications for four future projects that could lead to regional growth. This would be predicated on funding being approved for the four projects.	
Connected to regional stakeholders	and frameworks	
Alignment with regional priorities	The funding request indirectly relates to some regional priorities.	
Support from local governance groups (inc. Councils, Iwi/Hapu)	The application states support for this application has been received from: Commercial Information	
Governance, risk management and project execution		
Robust project management and governance systems	The resource/s will be managed by the Strategic Lead for Commercial Information external consultancy agency.	
Risk management approach	 Two risks have been identified in the application. Risk 1: relates to resource/s being unable to complete the 4 x applications within the 3 	✓

	month timeframe – classified as low risk. Risk 2: if unable to obtain application support, Whanganui could be at risk of being able to support business growth – classified as medium risk. A further risk not identified in the application that could eventuate is that the resource/s may not be able to start immediately, impacting on the 3 month timeframe.
Future ownership / operational management	Not applicable – this funding request relates to drafting four applications

Analysis of the benefits and costs

The key purpose of this application is to draft four applications by engaging with resource/s to undertake the work.

Whanganui & Partners Limited have indicated \$ will be needed for each of the four projects to draft the applications.

Whanganui & Partners Limited envisage the four applications to be completed within three months of receiving the funding.

All benefits are predicated on funding being approved for the four projects and the potential projects progressing.

Financial Analysis

The costs for this application relate to resource/s to draft the four applications at a cost of \$ commercial info.

Funding Arrangements

Funding not supported

Due Diligence and Ownership

Entity due diligence not required as the applicant is the EDA for Whanganui – existing relationship with the PGF.

Key Management Personnel:

Proposed resources to be managed by Commercial Information

(Consultancy Agency)

Risk Assessment

The key risks to the PDU and proposed mitigations of this investment are as follows:

Type of risk	Risk description	Mitigations	Risk Rating L/M/H
Delivery timeline	The 4 applications being completed by the beginning of December 2019		Medium
Cost Risk	Future funding applications may not be		Medium

supported.		
Consultation undertaken or implications:		
Supporting proposal:	No	
Appendices: Yes – Application		
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