



Minister for Regional Development

Regional Development portfolio

Vote Business, Science and Innovation

Report in relation to selected non-departmental appropriations for the year ended 30 June 2024

Foreword

Ministers are responsible for reporting the financial and non-financial performance of non-departmental appropriations to Parliament. This report provides information about the year-end performance results of non-departmental appropriations that have not been included in any other reports to Parliament.

This report provides the 1 July 2023 - 30 June 2024 results of relevant non-departmental appropriations for the Regional Development portfolio within Vote Business, Science and Innovation. The relevant appropriations are:

Non-Departmental Other Expenses

- *Worker Redeployment Package*
- *Cyclone Gabrielle – Regional support for the impacts of Cyclone Gabrielle and January 2023 weather events*

Non-Departmental Capital Expenses

- *Investments through Crown-owned Companies for the North Island Weather Events Primary Producer Finance Scheme*



Hon Shane Jones

Minister for Regional Development

Statements of Performance – Appropriations

Non-Departmental Other Expenses

Regional Development: Worker Redeployment Package

Scope of Appropriation

This appropriation is limited to the support package for worker redeployment and training.

Intention Statement

This appropriation is intended to achieve employment and training opportunities for people displaced by the COVID-19 economic crisis.

Assessment of Performance

Non-Financial

Performance Measure	2022/23 Actual Standard	2023/24 Budgeted Standard	2023/24 Actual Standard
Percentage of contracts monitored against their milestones and reporting requirements	100%	100%	100%

Projects approved are fully contracted with the Local Delivery Partners (LDPs) for the Worker Redeployment Funding, and the grant funding is being utilised over the delivery milestones.

Financial

Expenses (\$000)	2022/23 Actual	2023/24 Estimates	2023/24 Supplementary Estimates	2023/24 Actual
Total Appropriation	582	-	1,266	856

This appropriation is underspent by \$0.410m (32%) for the year ended 30 June 2024 due to a lower volume of suitable funding applications received within the nominated timeframes. All payments have taken place for the approved projects, and the underspend has been returned at year end within the parameters of the Covid Recovery and Response Fund.

Non-Departmental Other Expenses

Cyclone Gabrielle – Regional support for the impacts of Cyclone Gabrielle and January 2023 weather events

Scope of Appropriation

This appropriation is limited to providing support for regions impacted by Cyclone Gabrielle and the January 2023 weather events.

Intention Statement

This appropriation is intended to achieve a funding package enabling a regional recovery for projects impacted by extreme weather in Northland, Hawke's Bay, and Tairāwhiti.

Assessment of Performance

Non-Financial

Performance Measures	2022/23 Actual Result	2023/24 Budget Standard	2023/24 Actual Result
Percentage of contracts monitored against their milestones and reporting requirements	-	100%	100%

Comment

Projects approved in the 2023/24 year are fully contracted with the Local Delivery Partners (LDPs) for the Cyclone Gabrielle Funding, and will utilise the appropriation over the two years of delivery milestones.

Financial

Expenses	2022/23 Actual \$000	2023/24 Estimates \$000	2023/24 Supplementary Estimates \$000	2023/24 Actual \$000
Total Appropriation	-	-	10,000	4,965

Comment

The appropriation is underspent by \$5.035 million (50%) for the year ended 30 June 2024 due to the grant contracts incorporating milestone-based payments. The requirement for each payment milestone needs to be met before payment can occur. The contract payment milestones are spread over the 2023/24 and 2024/25 financial years and the underspend has been approved to be carried-forward into 2024/25 to fund the outstanding milestone payments.

This appropriation was created at October Baseline Update 2023/24 to give effect to the regional recovery package for nine projects, funded by a \$10.000 million fiscally neutral adjustment from the Cyclone Gabrielle Business Support package.

Non-Departmental Capital Expenses

Regional Development: Investments through Crown-owned Companies for the North Island Weather Events Primary Producer Finance Scheme

Scope of Appropriation

This appropriation is limited to investment in Crown-owned companies and their subsidiaries funded from the North Island Weather Events Primary Producer Finance Scheme.

Intention Statement

This appropriation is intended to provide financial support to primary producers impacted by the North Island weather events.

Assessment of Performance

Non-Financial

Performance Measure	2022/23 Actual Standard	2023/24 Budgeted Standard	2023/24 Actual Standard
The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	-	Average score of 4 out of 5 or better	4.5

The Directors of Crown Regional Holdings Limited completed a survey in July 2024 which measured their satisfaction with the agreed services level provided during the 2023/24 financial year. The results indicated a satisfaction score of 4.5 out of 5.

Financial

Expenses (\$000)	2022/23 Actual	2023/24 Estimates	2023/24 Supplementary Estimates	2023/24 Actual
Total Appropriation	-	-	80,000	40,000

This category was underspent due to loan recipients taking longer to request payments as per the signed loan contracts. The underspend has been approved to be carried-forward into 2024/25.