



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 2025

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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 2024 - 30 June 2025 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

- *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*
- *Regional Development: Investment in Crown-owned Companies and their subsidiaries for the Wood Processing Growth Fund*



Hon Shane Jones
Minister for Regional Development

Statements of Performance

Non-Departmental Output 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	2023/24 Actual Result	2024/25 Budget Standard	2024/25 Actual Result
Percentage of contracts monitored against their milestones and reporting requirements	100%	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 three years of delivery milestones.

Financial

Expenses	2023/24 Actual \$000	2024/25 Estimates \$000	2024/25 Supplementary Estimates \$000	2024/25 Actual \$000
Total Appropriation	4,965	-	5,035	2,284

Comment

The appropriation is underspent by \$2.751 million (54%) for the year ended 30 June 2025 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 three financial years from 2023/24 to 2025/26, and the underspend has been approved to be carried-forward into 2025/26 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 Expense

Regional Development: Investment in Crown-owned Companies and their subsidiaries for the Wood Processing Growth Fund

Scope of Appropriation

This appropriation is limited to investments in Crown-owned companies and their subsidiaries for the Wood Processing Growth Fund, to catalyse and accelerate investments from the private sector into new long-lived wood processing

Intention Statement

This appropriation is intended to achieve support for the forestry and wood processing industry to transform for the future by catalysing and accelerating increased investment from the private sector into new long-lived wood product processing, resulting in greater capacity, improved business viability of wood processors, and supporting the transition to a low-carbon future.

Assessment of Performance

Non-Financial

Performance Measure	2023/24 Actual Standard	2024/25 Budgeted Standard	2024/25 Actual Standard
The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	4.5	Average score of 4 out of 5 or better	4.3

The Directors of Crown Regional Holdings Limited completed a survey in July 2025 which measured their satisfaction with the agreed services level provided during the 2024/25 financial year. The results indicated a satisfaction score of 4.3 out of 5.

Financial

Expenses (\$000)	2023/24 Actual	2024/25 Estimates	2024/25 Supplementary Estimates	2024/25 Actual
Total Appropriation	40,000	15,000	21,500	21,500

This category was utilised for loan recipients in line with signed loan contracts. An underspend of \$13.5m has been approved to be carried-forward into 2025/26 for the next stage of Wood Processing Growth Fund Accelerator in conjunction with the Ministry for Primary Industries.

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	2023/24 Actual Standard	2024/25 Budgeted Standard	2024/25 Actual Standard
The satisfaction of the Crown Regional Holdings Limited Directors with agreed service levels and timeframes, on a scale of 1 to 5	4.5	Average score of 4 out of 5 or better	4.3

The Directors of Crown Regional Holdings Limited completed a survey in July 2025 which measured their satisfaction with the agreed services level provided during the 2024/25 financial year. The results indicated a satisfaction score of 4.3 out of 5.

Financial

Expenses (\$000)	2023/24 Actual	2024/25 Estimates	2024/25 Supplementary Estimates	2024/25 Actual
Total Appropriation	40,000	120,000	102,913	102,913

Funding was returned to the Crown at March Baseline Update 2024/25 (\$57.087m) due to undersubscription by loan applicants meeting the assessment criteria within the fund timeframe. The remainder of this category was fully utilised in the 2024/25 year to fund loan recipients requesting payments as per signed loan contracts. The original appropriated funding of \$240m approved in June 2023 has now been drawn down or returned to the Crown