

Regional Economic Development

Weekly Report

3 June – 7 June 2019

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabureau

Under-Secretary to the Minister for Regional Economic
Development



PROVINCIAL
DEVELOPMENT
UNIT

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Dashboard updates

1.1 Status of applications as at 5 June 2019

New projects this week	8
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Total number of projects	Expressions of interest (EOI)	Applications
1,047	382	665

1.2 PGF investment as at 5 June 2019

Committed	Approved	Announced	Unannounced
\$2,280.168M 325 projects	\$1,294.719M 325 projects	\$1,917.272M 256 projects	Confidential advice to Government

1.3 Job numbers as at 5 June 2019

Number of jobs created as at 29 May	831
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1.4 Progress of applications and EOI as at 5 June 2019

Stage	Count
EOI / Application received	145
Evaluation	119
Inactive	207
Unsuccessful	317
Approved (pre-contract)	14
Contracting	69
Executed	176
Total	1,047

* Please note that the graphic has changed to reflect the number of *Inactive* projects (that being projects either on hold or withdrawn) that were previously captured in the *Evaluation* stage. Additionally, Unsupported EOIs are now categorised as *Unsuccessful*, increasing its numbers. *Approved* projects also includes out of process projects that are managed by other PGF agencies.

2. Priority updates

2.1 Departmental Resourcing Requirements

You will shortly be receiving a briefing seeking agreement to the 2019/20 and 2020/21 financial year departmental resourcing requirements to continue delivering the Provincial Growth Fund. This funding will support the PDU and its partner agencies (MPI, TPK, MOT, DOC, and NZTA). Joint Ministers agreement is required prior to the end of June.

3. Upcoming announcements

Minister and USEC

Date	Location of announcement	Projects being announced	Additional information
7 June 2019	Ashburton	Funding to support a detailed business case for a second Ashburton Bridge	A PR and Q&As have been provided to the USEC's office
10 June 2019	Hawke's Bay	Package of investments for Hawke's Bay focused on infrastructure and skills	PR, Q&As and talking points have been provided to the Minister's office

4. Regional Updates

4.1 Tai Tokerau/Northland

Update on key statistics

As of 5 June 2019, 194 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 29 await assessment
- 14 are being assessed
- 9 await further information
- 8 are on hold
- 49 have been approved
- 85 have been unsuccessful - declined, withdrawn or are unsupported.

Regional Activity

Since the previous update we have made significant progress across Northland contracts. Contracts were executed for Te Miroi Barge, Riverside Hotel and Entertainment Complex, Horticulture NZ and Camera Obscura with several others in the process of being signed.

Northland Ministry for Primary Industries, Provincial Development Unit, Te Puni Kokiri and Te Uru Rakau staff will convene shortly to agree a co-ordinated strategy to promote and implement the Government's Whenua Māori Fund.

Upcoming Announcements

No upcoming announcements are planned for Northland.

Contact: Nicki Sutherland, Manager Regional Development (North), Privacy of

4.2 West Coast

PipeDrive update

As of 5 June 2019, 81 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 2 await assessment
- 2 are being assessed
- None await further information
- 7 are on hold
- 19 have been approved
- 51 have been unsuccessful - declined, withdrawn or are unsupported.

Regional Activity

PDU officials are finalising the remaining four contracts from the West Coast package. Runanga Miners Hall and Oparara Arches will be executed in the next 7-10 days.

The following contracts have now been executed:

- Westport & Greymouth Port Feasibility study
- Punakaiki Master Plan
- Dredging of Greymouth Port Lagoon
- Wilderness Cycle Trail.

On 24 May, PDU officials met with Buller District Council and Westport Business leaders to discuss training and employment initiatives that may be eligible for funding. PDU officials will further investigate whether these initiatives could be managed on a region wide basis.

The Commercial project team are making significant progress toward completing an application by the end of June. The project is being led by Com. and is a strong collaboration from West Coast stakeholders: the three West Coast District Councils, Iwi, Commercial, DoC, Development West Coast, Heritage West Coast and Tourism West Coast. A meeting with all stakeholders and PDU officials is scheduled for 20 June to finalise details for the application.

Upcoming Announcements

No upcoming announcements are planned for the West Coast.

Contact:	Kate Styles, Manager Regional Development (Central/South), Privacy of
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4.3 Bay of Plenty

PipeDrive update

As of 5 June 2019, 102 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 15 await assessment
- 4 are being assessed
- 3 await further information
- 10 are on hold
- 24 have been approved
- 46 have been unsuccessful - declined, withdrawn or are unsupported.

Regional Activity

PDU officials have met with Economic Development Agencies (EDA) from across the region to discuss applications that are being received through EDAs. Conversations are ongoing with Rotorua Economic Development Agency and Priority One (Tauranga City Council and Western Bay of Plenty District Council) around support for regional portfolio management capacity.

We have received a number of enquiries around Regional Digital Hubs. We have provided the draft business case and aide memoire to all councils and EDAs for their input around locations.

The Minister of Finance has signed the Whakarewarewa Loan. This will now be sent to the Rotorua Lakes Council for sign off. On 4 June a karakia was held to mark the beginning of development work at the Whakarewarewa Forest.

Risks

Commercial Information

[Redacted content]

Upcoming Announcements

No announcements are scheduled for the Bay of Plenty.

Contact: Nicki Sutherland, Manager Regional Development (North), Privacy of [Redacted]

5. Policy update

HoldCo

Following recent discussions with you about setting up the PGF holding company, we are working to get a briefing to you and the Minister of Finance in the coming weeks on the process for appointing directors to the company's board.

Contact: Isabel Poulson, Manager Strategy and Policy, Privacy of

Development of an Employment Strategy and Youth Action Plan

The Prime Minister has asked the Minister of Employment, Hon Willie Jackson, to develop an Employment Strategy. The Strategy will focus on population groups that continually experience poorer labour market outcomes, with a series of action plans sitting under the strategy.

The first Strategy and Youth Action Plan is focused on improving outcomes for young people. The cross-agency Action Plan will look to leverage activities currently housed in the PDU, including He Poutama Rangatahi and the Sector Workforce Engagement Programme (SWEP), as well as collaborating with new and existing initiatives from other agencies, to improve outcomes for young people who face barriers to employment.

Ministerial consultation on the Action Plan is expected to start next week. We will provide you with advice on any implications to the PGF and the PDU.

Contact: Isabel Poulson, Manager Strategy and Policy, Privacy of

Appendix 1 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date delivered
3720 18-19	The Herb Farm and Café Ltd Loan Approval	RED Ministers	David van der Zouwe	4 June
3748 18-19	Event Briefing: China Capable Public Sector Programme on 12 June	Minister Jones	Isabel Poulson	6 June
3705 18-19	Event Briefing: Ministers' Parker and Jones meeting with Sir Stephen Tindall of Lanzatech	Ministers Parker and Jones	Isabel Poulson	6 June

PROACTIVELY RELEASED

Appendix 2 – Upcoming Cabinet Papers, Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Event Briefing: Minister Jones' meeting with Horowhenua District Council	Minister Jones	Kate Styles	10 June
TBC	Aide Memoire: 2019 Central Government and Local Government Forum on Wednesday, 19 June 2019	Minister Jones	Isabel Poulson	12 June
3791 18-19	2019 Central Government and Local Government Forum	Minister Jones	Isabel Poulson	12 June
TBC	Bay of Islands Airport Terminal Opening	Minister Jones	Kate Styles	13 June
TBC	Limery Loan Approval	RED Ministers	David van der Zouwe	13 June
TBC	Northland Soft Berry Loan Approval	RED Ministers	David van der Zouwe	13 June
TBC	Opuke Loan Approval	RED Ministers	David van der Zouwe	13 June
TBC	Event Briefing: Sky Waka Gondola Opening	Minister Jones	Kate Styles	13 August

Appendix 3 – Official Information Act requests

Ministerial OIA						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA289	Privacy of	24 May	13 June	24 June	Drafting	<p>I am looking for information about the Provincial Growth Fund grant to Northland Regional Council for \$18.5 million for Northland Water Storage & Use in Kaipara and the Mid-North. There does not appear to be much that is publicly available but we are interested in the application made by NRC, and any agendas, briefings, minutes including of decisions and actions, and relevant Cabinet material and other documents relating to this grant.</p> <p>The reason for the request is that I have a client wanting to build water storage to increase economic development and jobs in the regions in NZ also.</p>

PROACTIVELY RELEASED

Ministerial OIA

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
TR121	Privacy of [REDACTED]	4 June	17 June	24 June	Consultation	<p>I refer to your announcement that “the Provincial Growth Fund (PGF) is investing \$800,000 to investigate the development and construction of community water storage to unlock environmentally sustainable economic growth opportunities in the Wairarapa”. Please send me the report you received from officials on which you based your decision to invest public money in this feasibility project, including economic analysis and land use assumptions. Please outline the criteria you used to assess this request for funding. Please also provide analysis undertaken by officials of the environmental sustainability of this proposed project, including assessment of the impact on rivers and streams in the region and on groundwater. For example, what impact would the project have on river flow, pathogen levels and other indicators of freshwater quality in the Ruamahanga River? Finally, what assurance will you obtain that the impact of any such project is, indeed, “environmentally sustainable” as you claim?</p>

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1447	Privacy of [REDACTED]	2 Apr	31 May	7 Jun	Sign out	<p>I request the following information under the terms of the Official Information Act 1982, in relation to the paperwork error in relation to the Provincial Growth Fund. Controller, Auditor-General John Ryan reported the Ministry of Business, Innovation and Employment (MBIE) spent public money outside the authority provided by Parliament. It was granted approval to increase the amount of departmental expenditure to administer the Provincial Growth Fund and incurred expenses accordingly. However, a paperwork error meant that authority to spend could not be granted until the paperwork was corrected. The correction was made, and the creation of a new appropriation category approved, in October 2018. But by that time, some money had already been spent on the basis of the August approval but before the proper authority was in place in October. How much money was spent before the error was discovered - and how much in total? What was the money spent on? What was the nature of paperwork mentioned? Please provide detail around what happened. Who made the error? When was it discovered? Has/ will the money be recovered? I'm also requesting all documents, prepared, sent and received by MBIE, in relation to this error and the spending of public money outside the authority provided by Parliament</p>

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1630	Privacy of natural persons	13 May	4 Jun	11 Jun	Review	This is a request for information under the Official Information Act 1982 relating to funding recipients through the Provincial Growth Fund. 1. We request the following information: 1.1 The name of every organisation that has received funding of any kind through the Provincial Growth Fund. 1.2 The name and contact details of the primary contact person/s for each of the above organisations' respective applications. If there is likely to be a delay in the assembly or provision of some of the information requested, please provide the balance as it becomes available.
1819-1644	Privacy of t l	13 May	4 Jun	11 Jun	Consultation	A copy of the funding agreement/ Contract between Foodsouth, New Zealand Food Innovation Network and MPI with regards to the Sheep and Goat milk industry program in New Zealand - Copies of any briefings from officials to their Minister that cover the New Zealand Innovation Networks involvement in the Sheep and Goat milk industry program in New Zealand - A copy of any reports from Foodsouth on the Sheep and Goat milk industry program in New Zealand

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1687	Privacy of [REDACTED]	21 May	11 June	18 June	Consultation	<p>In order for the [REDACTED] Commercial Information [REDACTED] to continue with further funding applications we make elsewhere, we need clarity around the Decision Meeting of May 2nd. To this end I respectfully request a copy of the Minutes from that meeting, which hopefully provide some insight into the outcome.</p> <p>Our Board of Trustees and other Stakeholders need to clearly understand how we failed to meet the above PGF criteria and furthermore, to know why on the advice of a Fund Advisor we spent considerable time and effort rewriting our application to more specifically fit requirements, only to be told month's later a feasibility study and health related service do not in fact 'fit the brief for the PGF.'</p>
1819-1691	Privacy of [REDACTED]	22 May	13 June	20 June	Consultation	<p>All information relating to the feasibility study undertaken by the Ministry for Business, Innovation and Employment for KiwiRail on freighting logs by rail from Te Wera and Stratford to New Plymouth, and Port Taranaki.</p>

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1720	Privacy of [REDACTED]	28 May	19 June	26 June	Consultation	<p>The grant to the Te Kaha Landowners Group announced by Minister Shane Jones on 17 May states: "The skills, training and employment programme is made up of core projects, including the development of a trial kiwifruit nursery and science lab and an innovative living wage horticulture pilot project." 1. Can you please tell us the specific amount of funds allocated for this nursery development in particular and where this money is from? Is the nursery development funded fully from the PGF or Te Ara Mahi and Whenua Maori allocations? If so which fund is contributing what amount exactly? 2. What does the innovative living wage horticulture pilot project entail? Which fund is the money for this pilot this being drawn from? We would like to see the detail of this pilot please. 3. What market assessment was carried out to find out the impact subsidising a private enterprise nursery could have on the value of kiwifruit plants on the open market?</p>
1819-1614	Privacy of [REDACTED]	9 May	31 May	7 June	With Minister Office	<p>I would like to request all applications, decision documents, and communications regarding the application by the Future Franz Governance Group to the Provincial Growth Fund. Thank you</p>

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1677	Privacy of [REDACTED]	19 May	10 June	17 June	In review	Under section 12 of the Official Information Act 1982, I am again requesting a copy of the spreadsheet titled "Job numbers for open contracts – as at 31 Jan 2019.xlsx" referenced in the attached OIA. Please provide it as soon as possible given it was originally requested on 20 February 2019, again on 23 April 2019 and both requests have been ignored. Please provide the original document with the column titled "sustained new jobs" included and not removed. Where information is withheld, I request that you provide the reason for refusal and the grounds in support of that reason as required by section 19(a)(i) and (ii) of the Official Information Act.

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Appendix 4 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2380	Privacy of [REDACTED]	21 May	17 June	Building a High wage Economy
SJ2176	Privacy of [REDACTED]	29 May	19 June	Disappointment due to not having received acknowledgement of receipt re PGF application
SJ2388	Privacy of [REDACTED]	29 May	19 June	Honey business and Ministers thoughts on regional development
SJ2394	Privacy of natural [REDACTED]	29 May	19 June	Oparara Valley Project Trust PGF funding
SJ2389	Privacy of [REDACTED]	29 May	19 June	Poutama letter to Hon. Nanaia Mahuta
SJ2412	Privacy of [REDACTED]	29 May	20 June	PGF funding/grants/loan to help keep Vickers Aircraft Company in NZ
SJ2400	Privacy of [REDACTED]	4 June	28 June	Toa Nutrition plan to expand & lack of progress with the PGF team
SJ2416	Privacy of natural [REDACTED]	4 June	28 June	UNCTAD report & small scale organic farming to build work in the regions
SJ2280	Privacy of natural [REDACTED]	4 June	25 June	Upcoming 175th anniversary of siege of Ruapekapeka Pa role in NZ Land Wars

Ministerial Correspondence

Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ1805	Privacy of	31 May	16 June	Waitangi Museum Project

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Appendix 5 – Parliamentary Questions

Written Parliamentary Questions

Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 19281 (2019)	Hon Paul Goldsmith	27 May	3 Jun 2019	What reports, briefings, memos, aides memoire, notes and advice, if any, did the Minister receive between 20 May 2019 and 26 May 2019 (both dates inclusive) by title and date?
PQ 19438 (2019)	Maureen Pugh	28 May	4 June 2019	How many full time jobs in the West Coast, if any, have been created through projects funded by the Provincial Growth Fund?

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Appendix 6 – Proactive release

Documents for Proactive Release				
Tracking #	Name	Quantity	Due for release	Status
Multiple	Applications	258	From 6 June	Preparing
Multiple	Business Cases	2	From 6 June	Preparing
Multiple	Cabinet Papers	6	By 12 June	Preparing
Multiple	Funding Agreements	257	From 6 June	Preparing
Multiple	Independent Advisory Panel Meeting Papers	6 document sets	By 12 June	Preparing
Multiple	Provincial Growth Fund Position Papers	2	By 12 June	Preparing
Multiple	Regional Economic Development Minister's Meeting Papers	4 document sets	By 12 June	Preparing
Multiple	Senior Regional Officials Meeting Papers	6 document sets	By 12 June	Preparing
Multiple	Regional Economic Development Weekly Reports	Ongoing	From 14 June	Preparing

Documents Released This Week

Tracking Number	Request
DEV-18-SUB-0266	Provincial Growth Fund West Coast Tourism Investment Package Cabinet Paper
N/A	Stewart Island Wind Investigation Research Paper
2156 18-19	Waitangi Announcements Event briefing
2286 18-19	Background Points for Prime Minister's PGF announcements Waitangi 2019
DEV-18-SUB-0302	Provincial Growth Fund: Unlocking Underutilised Whenua Maori
OC181233	Advice on Kaipara Announcements
DEV-18-SUB-0235	Provincial Growth Fund: Investment in Skills and Infrastructure
3426 18-19	3426 18-19 Regional Economic Development Weekly Report for week ending 10 May 2019
3204 18-19	Regional Economic Development Weekly Report for week ending 19 April 2019
3248 18-19	Regional Economic Development Weekly Report for week ending 26 April 2019
3332 18-19	Regional Economic Development Weekly Report for week ending 3 May 2019

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