

Regional Economic Development

Weekly Report

19 – 23 August 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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1. Dashboard updates

1.1 Status of applications as at 18 August 2019

New projects this week	10
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1.2 Headline Numbers as at 30 June 2019 (monthly)

Total PGF funding committed	Total funding contracted	Total value of funding paid to date
\$2,365.04m	\$887.21m	Confidential advice to Government

1.3 PGF investment to date as at 30 June 2019 (monthly)

Approved	Unannounced
\$1,353.78m 370 projects	\$133.19m 45 projects

1.4 Job numbers as at 31 May 2019 (quarterly)

Number of jobs created	1,023
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1.5 Progress of applications and EOIs as at 30 June 2019 (monthly)

Stage	Count**
EOI / Application received	219
Being processed	258
Unsuccessful	356
Approved	282
Total	1,115

** Approved projects also includes out of process projects that are managed by other PGF agencies. Application numbers and project numbers may differ, as an application may result in multiple projects.

2. Priority updates

2.1 Aged Care in Northland

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Contact: Nicki Sutherland, Manager Regional Development North, Privacy of natural persons

3. Upcoming announcements

Date	Location of announcement	Projects being announced	Additional information
25 Aug	Invercargill	Invercargill – Our City for tomorrow	Press release
29 Aug	Manukau, Auckland	SWEP Employment Hubs	Minister Jackson only
23 Sep	Napier, Hawkes Bay	Food Innovation Hub Apollo Foods	USEC only

4. Schedule of recent and upcoming recommendations

4.1 Summary of projects up for consideration in 29 August 2019 Senior Regional Officials' meeting

Project title	Region	Description of project	PGF investment
FOR APPROVAL			
Tongariro Professional River Guides Training Course Programme (TAM)	Waikato	A new initiative to fill the current shortage of suitable skilled guides, especially New Zealand locals with strong local Iwi links. The initiative is about building a local pipeline of guides and with a particular focus of those people in the Turangi and neighbouring regions.	\$575k
Wairoa Youth Achievement Trust Employment Pathways (HPR)	Hawke's Bay	A two year project targeting 100 NEETS, building on current MSD funded schemes, to support a pathway for NEETs into further education, employment or training. Life skills, driver licenses and driver training and broad based work-training as well as pastoral care will be provided, including post-placement employment support for up to 12 months.	\$306k
Confidential information entrusted to the Government			
An affordable and efficient dredging option for Port of Greymouth	West Coast	To purchase a custom-made dredge (a long-reach digger on a pontoon and a separate self-propelled bottom dumper barge) and depth-sounder to dredge the Greymouth Lagoon. The new dredge would replace the existing one that has proven to be	\$800k

		inadequate. GDC have advised that there are no suitable dredgers (up to 15m max) that can be readily acquired from the market.	
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Confidential information entrusted to the Government

Southland and Otago Regional Engineering Collective ('SOREC')	Otago / Southland	To employ a resource (Regional Leader) to help develop and drive the delivery of SOREC to grow manufacturing engineering firms in the Southland and Otago regions by increasing collaboration to successfully compete for new work, adopt new technologies/ methodologies, and increase the calibre and number of regional apprentices and other roles required by the firms.	\$495k
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Installation of Horizontal Floor Borer	Otago	For installation of their Horizontal Floor Borer machine into their Dunedin workshop. The Horizontal Floor Borer is a critical piece of machinery for hydro equipment maintenance and will help complete maintenance work in shorter timeframes for companies such as Meridian, Genesis and Trustpower. The machine will also be used for maintenance on operating machinery in roading, construction and mining sectors.	\$325k
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<p>Site Weld - Engineering Machinery</p>	<p>Otago</p>	<p>The applicant seeks financial support for three pieces of equipment to help bring more of the process in establishing its equipment in-house. The three pieces of equipment the applicant requires include:</p> <ol style="list-style-type: none"> 1. Mobile Line Borer Rig 2. Kinetic Profile Cutter (with Rotary Head) 3. Lathe 	<p>\$350k</p>
<p>BISON - Container Systems</p>	<p>Otago</p>	<p>For infrastructure related to the creation of a demonstration space to showcase its lifting and weighing shipping container product. Additionally, the applicant seeks funding for manufacturing equipment required to increase efficiencies and production in the company.</p>	<p>\$110k</p>
<p>Red1 Fabrication – Engineering Equipment</p>	<p>Otago</p>	<p>The applicant seeks financial support for a piece of equipment to help bring more of the process in establishing its products in-house. The Water Jet Cutter will enable the applicant to increase its productivity as it will decrease the waiting times currently constraining the applicant's growth, as it currently relies on other manufacturing companies to make the components.</p>	<p>\$93k</p>
<p>United Machinists Accelerate Scalability Project</p>	<p>Otago</p>	<p>Capital expansion project to invest in the automated and high precision machinery capabilities we need to grow our productivity and capacity. The three pieces of equipment the applicant requires include:</p> <ol style="list-style-type: none"> 1. Mazak Integrex fully 	<p>\$890k</p>

		automated machining centre 2. Coordinated Measuring Machine 3. ZeroPoint Pallet system and Robot Arm	
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Confidential information entrusted to the Government

Wairarapa Primary Sector Skills Development	Wairarapa	Stage One implementation of a project to deliver primary sector skills training in Wairarapa.	\$60k
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PROACTIVELY RELEASED

TO DISCUSS

Confidential information entrusted to the Government

TO DECLINE

Confidential advice to Government - Declined Projects

PROACTIVELY RELEASED

5.2 Other projects

Project name	Amount	Description/ update
Ecological Warrior Programme – He Poutama Rangatahi (HPR)	\$415k	This programme was funded by the Provincial Growth Fund (PGF) through HPR and will end on Friday 23 August. The five month training programme included forestry skills and soft skills, as well as intensive pastoral care. The trainees are from South Hokianga and Kaikohe and included non-beneficiary NEETs in need of more intensive support. Most of the rangatahi involved had left school early or had no qualifications. Graduating from the programme at Taheke Marae in Northland, they will receive Level 2 qualifications in Forestry and progress into employment with continued support. HPR contributed \$414,650 in funding towards this programme and the graduation, which has been arranged by the provider for whanau and the community. This is a great success story for the HPR programme.
Region: Northland Status: Contracted		
NZ Chinese Association Ventnor Memorial	\$100k	The increased amount of \$100,000 for the Ventnor project due to strengthening work was approved by SROs and this contract has now been executed.
Region: Northland Status: Contracted		
Te Waka: Waikato Regional Economic Strategy	\$400k	September 2019 marks the one-year anniversary of the launch of the Waikato Regional Economic Development Strategy which was launched by Minister Jones at Karapiro last year. The Minister has been invited to be a keynote speaker at the Claudelands event on 27 September 2019.
Region: Waikato Status: With Regional Team		
Marsden Aged Care Business Case	\$40k	This business case was due at the end of May but has been Confidential information entrusted to the Government PDU officials are working with Marsden Developments to receive a final version of the business case by the end of next week.
Region: West Coast Status: Contracted		

5.3 Major upcoming project milestones due by end of August

Project name	Description/ update
Manea Footprints of Kupe	Construction commences Final fit-out contracts executed
Māori Battalion	Building water tightness and fit-out commences
General Manager Transitional Economies	Commercial Information
Taranaki Cathedral	Commercial Information
Hydrogen Supply Feasibility Study	Concept select report draft to be submitted to the Ministry
Raukokore Irrigation	Commercial Information
Maruawai Precinct Project	Commercial Information

Final reports due to be submitted

<ul style="list-style-type: none"> Commercial Commercial Marsden Aged Care Commercial Information Commercial Information 	<ul style="list-style-type: none"> Commercial Information Project - Pre-Feasibility Study Taranaki Innovation Precincts Transforming Te Apiti into a Major Tourism Destination Commercial Information
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Draft business case / feasibility study due to be submitted

<ul style="list-style-type: none"> Commercial Information Commercial Information NZ School of Applied Biodiversity Hawke's Bay Airfreight 	<ul style="list-style-type: none"> Manawatū River Loop at Foxton Commercial Information
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Final business case / feasibility study / strategy / plan due to be submitted

<ul style="list-style-type: none"> Commercial Information Port Taranaki Transforming Te Apiti into a Major Tourism Destination Commercial Information 	<ul style="list-style-type: none"> Commercial Information Commercial Manawatū River Loop at Foxton Commercial Information
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Appendix 1 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date sent
0563 19-20	Event Briefing: Top of the South announcements	USEC	Kate Styles	20 Aug
0546 19-20	Briefing: Seeking operational changes to manage transition from decision making to project delivery phase of the PDU	Minister Jones	Robert Pigou	20 Aug
0564 19-20	Aide Memoire: Dunedin Waterfront	Minister Jones	Kate Styles	22 Aug
0613 19-20	Event Briefing: Trans-Tasman Resources Ltd	USEC	Nicki Sutherland	23 Aug

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

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Event Briefing: Maori Legal, Business and Government Forum	Minister Jones	Ben Dalton	12 Sep
TBC	Joint ministers briefing paper to transfer \$21.350m from Vote BSI to Vote Conservation	RED Ministers	Robert Pigou	TBC
TBC	Event Briefing: September Recess	Minister Jones	Nicki Sutherland	TBC
TBC	Briefing: Waikato Regional Theatre Update	RED Ministers	David van der Zouwe	TBC
TBC	Briefing: South Waikato	USEC	Nicki Sutherland	TBC
TBC	Event Briefing: Meeting with Mayor Shattock	Minister Jones	Nicki Sutherland	TBC
TBC	Event Briefing: FOMA Masterclass	Minister Jones	Kate Styles	TBC

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
OIA312	Privacy of natural persons	1 Aug	20 Aug	20 Aug	Drafting	All correspondence and material between Eastland Community Trust, MBIE and the Minister relating to the 19.5million PGF announcement regarding the Wood Cluster Centre of Excellence.
OIA313		1 Aug	20 Aug	20 Aug	Drafting	All information including emails, letters and reports relating to the 19.5million investment for the Wood Cluster Centre of Excellence located in Tairawhiti, since 1 October 2017.

Departmental OIAs						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1790	Privacy of natural persons	30 May	15 Jul	19 Jul	At Minister's Office	I have now re-read the Cabinet papers publicly released about the Provincial Growth Fund. I can find no reference to the exclusion of Porirua City or more generally, metropolitan Wellington. I would therefore request the Cabinet reference and associated minute. I would also like advice provided by officials that support this Government position - specifically the policy rationale. I do this under the Official Information Act. It may be that I simply haven't accessed the right Cabinet papers but I would appreciate a link to the appropriate records.
1920-0128	Privacy of natural persons	26 Jul	2 Sep	6 Sep	Consultation	I would like to request information pertaining to a Provincial Growth Fund Project; Maungatapere Berries/Onyx Capital Limited. I would like to request all information and documentation that was presented to the Government, Minister of Regional Economic Development, Provincial Growth Fund, Provincial Growth Unit and its staff from the Applicant (Maungatapere Berries/Onyx Capital Limited) that was used to assess the project.

Departmental OIAs

1920-0167	Privacy of natural persons	2 Aug	21 Aug	28 Aug	Gathering Information	<p>The following information in relation to the SWEP (Road Transport Sector):</p> <ol style="list-style-type: none"> 1. Copies of any advice provided to the Minister, or similar internal documents, recommending this programme should proceed. Please include any expectations of the programme in terms of sustainable employment outcomes. 2. The date the programme was formally launched. 3. The number of participants that have taken part in the programme to date by geographical region, (Northland, Auckland, Waikato, Bay of Plenty, Hawkes Bay, Manawatu, Wellington, Nelson/Marlborough, Canterbury, West Coast, Otago and Southland) 4. The number of programme participants that have gained full time employment (30-hours or more per week) in the industry as a direct result of taking part in the programme. 5. The number of programme participants, who having gained full time employment in the industry and were still working the industry 3-months after commencing their employment. 6. The cost of the programme to date to MBIE. 7. The number of hours MBIE staff have incurred in relation to the establishment, and ongoing maintenance of the programme. (Please also advise if the dollar value of these hours is included in the overall cost of the programme to MBIE to date.) 8. Copies of any updates of the programme provided to the Minister, or extracts from any wider reports, provided that report the progress of the programme to the Minister.
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PROACTIVELY RELEASED

1920-0237	Privacy of natural persons	20 Aug	3 Sep	10 Sep	Scoping	Please supply me with all information comprising of requests, reports, emails and other communications regarding the PGF application by Salacia Wave Power (EHL Group)
1920-0243		20 Aug	4 Sep	11 Sep	Gathering Information	Please supply the following information under the Official Information Act: All communications dated from 12 September, 2017 to 12 December, 2017, between MBIE and Ruapehu Alpine Lifts Limited (including emails, briefing papers, assessments, reports and/or recommendations) pertaining to the company's application to the Ministry for \$20-million in funding to be used in the construction of a Hotel at Whakapapa Ski Field.
1920-0227		20 Aug	4 Sep	11 Sep	Scoping	A number of questions relating to Ruapehu Alpine Lifts.
1920-0247		20 Aug	4 Sep	11 Sep	Gathering Information	Under the Official Information Act, I request all held information including; Expression of Interests, the funding application and it's supporting documents i.e. Letters of Support, all project planning documents, and all held correspondence between MBIE and all parties related to the Secondary School Employer Partnership (SSEP) project which was funded \$449,300 through Te Ara Mahi fund announced 14 August 2019 by Hon Shane Jones.

1920-0250	Privacy of natural persons	20 Aug	4 Sep	11 Sep	Gathering Information	Under the Official Information Act, I request all held information including; expression of interests (EOI), funding application and it's supporting documents i.e. letters of support, all project planning/program documents, and all held correspondence between MBIE and all parties related to following projects announced on 15 August 2019: NGEN Room (He Puna Marama Trust) \$990,000 Life Talk (Kamo Driving School) \$396,000 He Poutama Taitamariki \$2.5 million (HPT) Thank you MBIE.
1920-0269		21 Aug	9 Sep	16 Sep	Gathering Information	Under the OIA I seek copies of all emails held by the Ministry relating to the Minister for Regional Development's participation in a photo shoot on a boat, filmed by a drone. I also seek copies of all documents held by the Ministry relating to this.

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Appendix 4 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2522	Privacy of natural persons	24 Jun	15 Aug	Kawakawa Rail River Foreshore / Ashby's Boat Yard
SJ2588		3 Jul	20 Aug	Hawkes Bay Regional Water Security Programme PGF application
SJ2590		3 Jul	20 Aug	Regional Economic Development
SJ2604		3 Jul	20 Aug	Create a job not take a job
SJ2615		3 Jul	20 Aug	Start-up business funding for recycling enterprises
SJ2625		3 Jul	20 Aug	I can help with the plastic.
SJ2746		15 Jul	20 Aug	Kiwirail Stratford- Okahakura railway
SJ2780		29 Jul	20 Aug	Sent for and on behalf of Mayor Little - Progress update
SJ2789		29 Jul	20 Aug	Daniel's Business Plan
SJ2799		29 Jul	20 Aug	Provincial Growth Fund or Provincial Conflict?
SJ2803		29 Jul	20 Aug	Singapore Trash Video
SJ2806		29 Jul	20 Aug	University of Maryland Accelerated Mass / Moananui
SJ2826		2 Aug	27 Aug	Funding inquiry for EBOP
SJ2849		2 Aug	23 Aug	Oji Fibre Solutions signs MoU with Licella- iQ Renew to investigate new plastic recycling technology
SJ2868		9 Aug	30 Aug	Dipton Community Project

Ministerial Correspondence

Tracking Number	Name	Date received	Due to Minister's Office	Subject
	Privacy of natural persons			
SJ2869		9 Aug	30 Aug	Northland Biocoal Project
SJ2870		9 Aug	30 Aug	Closing of meat waste facilities in the regions
SJ2875		9 Aug	30 Aug	Letter to Grant Robertson, Minister of Finance
SJ2876		9 Aug	30 Aug	HEMPLIME Buildings
SJ2879		9 Aug	30 Aug	Bridging the urban-rural divide
SJ2890		14 Aug	4 Sep	Bay of Islands Exploration Centre unsuccessful EOI
SJ2892		14 Aug	4 Sep	Flax Fiber / NZ Wool
SJ2900		14 Aug	4 Sep	Support request
SJ2908		16 Aug	21 Aug	Great Barrier Island
SJ2906		21 Aug	6 Sep	Provincial Growth Fund Application Bay of Islands Vintage Railway Trust

PROACTIVELY RELEASED

Appendix 5 – Parliamentary Questions

Written Parliamentary Questions				
Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 30091 (2019)	Chris Bishop	21 Aug	26 Aug	Is it correct, as reported in Constructions News, that "a framework is currently being developed that will enable the full impacts of the PGF at a whole-of-fund level to be evaluated", and if so, when will this framework be ready?
PQ 30092 (2019)	Chris Bishop	21 Aug	26 Aug	Is it correct, as reported in Construction News, "As at the end of January this year, a total of 13,085 jobs were expected to be generated by currently-confirmed PGF-funded initiatives – 5121 in feasibility studies and 7964 in actual projects – according to Ministry of Business, Innovation and Employment documentation"?
PQ 30094 (2019)	Chris Bishop	21 Aug	26 Aug	How many times has the Independent Advisory Panel to the Provincial Growth Fund met?
PQ 30093 (2019)	Chris Bishop	21 Aug	26 Aug	What tracking is being done, if any, on the Provincial Growth Fund to ensure it meets its objectives?
PQ 30102 (2019)	Chris Bishop	21 Aug	26 Aug	How many Provincial Growth Fund projects have been approved by Senior Regional Officials as of 1 August 2019?
PQ 30100 (2019)	Chris Bishop	21 Aug	26 Aug	Is a complete list of approved and announced Provincial Growth Fund projects available for the public to access; if so, where can it be found, and to what date it is up-to-date for?

Written Parliamentary Questions

Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 30103 (2019)	Chris Bishop	21 Aug	26 Aug	How many Provincial Growth Fund projects that have been approved by Senior Regional Officials have been announced as of 1 August 2019?
PQ 30104 (2019)	Chris Bishop	21 Aug	26 Aug	How many projects have been approved as recipients of funding from the Provincial Growth Fund as of 1 August 2019?
PQ 30101 (2019)	Chris Bishop	21 Aug	26 Aug	When will the "Announced Projects - Questions and Answers" spreadsheet on the Provincial Growth Fund website be updated, and why is the most recent update from 30 April when the website states it is "updated on a monthly basis"?
PQ 30105 (2019)	Chris Bishop	21 Aug	26 Aug	How many projects, if any, have been rejected as recipients of funding from the Provincial Growth Fund as of 1 August 2019?
PQ 30107 (2019)	Chris Bishop	21 Aug	26 Aug	What is the total value of funding committed but not yet announced from the Provincial Growth Fund, if any, as of 1 August 2019?
PQ 30106 (2019)	Chris Bishop	21 Aug	26 Aug	How many projects, if any, have been approved but not yet announced as recipients of funding from the Provincial Growth Fund as of 1 August 2019?
PQ 30108 (2019)	Chris Bishop	21 Aug	26 Aug	What is the total value of funding, if any, committed from the Provincial Growth Fund as of 1 August 2019?

Written Parliamentary Questions

Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 30110 (2019)	Chris Bishop	21 Aug	26 Aug	What reports, if any, listed by title and date, did he receive from officials in May 2019?
PQ 30109 (2019)	Chris Bishop	21 Aug	26 Aug	What is the total value of funding, if any, paid out to recipients from the Provincial Growth Fund as of 1 August 2019?
PQ 30111 (2019)	Chris Bishop	21 Aug	26 Aug	What reports, if any, listed by title and date, did he receive from officials in June 2019?
PQ 30112 (2019)	Chris Bishop	21 Aug	26 Aug	What reports, if any, listed by title and date, did he receive from officials in July 2019?
PQ 30113 (2019)	Chris Bishop	21 Aug	26 Aug	How many staff, if any, measured in fulltime equivalents (FTEs), were employed at the Provincial Development Unit working in media, communications, marketing, stakeholder engagement or public affairs, as at 1 January 2018, 1 July 2018, 1 January 2019 and 1 July 2019?
PQ 30114 (2019)	Chris Bishop	21 Aug	26 Aug	As of 1 August 2019, how many sustained new jobs, if any, have been created by projects that have received funding from the Provincial Growth Fund?
PQ 29840 (2019)	Chris Bishop	20 Aug	22 Aug	Does he stand by his statement in relation to the Provincial Growth Fund, "But we're well over the thousand-mark", and what reports has he received that allow him to make that statement?

Written Parliamentary Questions

Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 29842 (2019)	Chris Bishop	20 Aug	22 Aug	Does he stand by his statement in relation to NEETs, "We are dramatically improving that figure", and what reports has he received, listed by title and date, that allow him to make that statement?
PQ 29981 (2019)	Chris Bishop	20 Aug	22 Aug	How much did the video mentioned in the July wrap-up Provincial Growth Fund email cost to produce?
PQ 29980 (2019)	Chris Bishop	20 Aug	22 Aug	How many people have viewed the video mentioned in the July wrap-up Provincial Growth Fund email

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Appendix 6 – Proactive Release

Documents for Proactive Release			
Name / Document Type	Quantity	Due for release	Status
Applications	257	From 8 August	Various
Funding Agreements	257	From 8 August	Various
Independent Advisory Panel Meeting Papers	2 document sets	From 8 August	Collation
Regional Economic Development Ministers Meeting Papers	3 document sets	From 8 August	Collation
Regional Economic Development Weekly Reports	5	From 8 August	At Minister's Office

Documents Released This Week	
Tracking Number	Request
3510 18-19	Regional Economic Development Weekly Report for week ending 17 May 2019
3511 18-19	Regional Economic Development Weekly Report for week ending 24 May 2019
3735 18-19	Regional Economic Development Weekly Report for week ending 31 May 2019
3800 18-19	Regional Economic Development Weekly Report for week ending 7 June 2019
3895 18-19	Regional Economic Development Weekly Report for week ending 14 June 2019
4034 18-19	Regional Economic Development Weekly Report for week ending 28 June 2019