

COVER SHEET

1. Stewart Island / Rakiura Economic Development Plan	For: Approval
<p>Background & context:</p> <p>Applicant Organisation:</p> <ul style="list-style-type: none"> - Southland District Council <p>Location:</p> <ul style="list-style-type: none"> - Southland, Stewart Island / Rakiura <p>Proposal:</p> <ul style="list-style-type: none"> - Engage capability to lead strategic development and planning for Stewart Island/Rakiura, so that the Island, in partnership with local, regional and central government, iwi and other strategic partners, can proactively plan its economic future. <p>Funding Sought:</p> <ul style="list-style-type: none"> - Total project cost: \$Commercial Information - PGF Funding requested: \$Commercial Information - Commercial Information <p>Note: PDU recommendation is to reduce project length to 2 years, with production of strategic plan due in year one. This will improve co-funding ratio.</p> <p>Background:</p> <p>Stewart Island currently has not got a strategic plan of or its economic future with an ageing population and reliance on a couple of small sectors. Given this, the Council and key stakeholders think it is necessary that a strategic plan is developed and delivered as soon as possible.</p> <p>The outputs will be:</p> <ul style="list-style-type: none"> - to proactively develop relationships: - Develop strategic plans that address the challenges being faced - Foster growth and development by supporting initiatives and enterprises - Ensure local linkages to maximise opportunities for the island. 	<p>Recommendation(s):</p> <p>We recommend that the IAP/ SRO:</p> <ol style="list-style-type: none"> Commercial Information Note PDU recommendation is to reduce the project term to two years, and provide funding of \$367,500 Approve funding of \$367,500 as a grant, over two years from the PGF fund towards the Project, subject to the applicant agreeing to the following conditions: <ul style="list-style-type: none"> • Reducing the term of Commercial Information from four years to be two years. Or keeping the term four years and the last two years being funded solely by Commercial Information • The capability procured being acceptable to the PDU

<p>The project will contribute to regional economic development goals by investigating unique marine ventures, maximising the Southland District visitor experience and exploring new and sustainable businesses, job creation and employment.</p> <p>This project is strongly supported by the region and even more so on Stewart Island/Rakiura.</p> <p>This aligns with other projects on the island including tourism development, predator free Rakiura, renewable and sustainable power supply, wharf development and aquaculture development off Stewart Island.</p> <p>While Stewart Island only has 381 permanent residents, visitors numbers are close to 40,000 per year with these all coming through the wider Southland region (Invercargill/Bluff). This role will be critical to the success of Stewart Island and the wider Southland region, aligning with the Southland Regional Development Plan and its goal of doubling tourism revenue to \$^{Comm} by 2025.</p>		
PGF criteria that this proposal supports:		
PGF Criteria	Assessment Commentary	Rating (1✓ to 5✓)
Link with fund and government outcomes		
Creates permanent jobs	<ul style="list-style-type: none"> Greater alignment of plans and actions across the island will likely result in more effective utilisation and coordination going forward. 	✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> Building relationships across the community and driving the development of initiatives will have benefit. Over 230 islanders (of 380 residents) participated in feedback on what the economic future of the island was. This role was identified in this process as critical for the success and future of the island. 	✓✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> Development of a strategic economic development plan should lead on to better results. 	✓✓✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> Development of a strategic economic development plan should lead on to better results. 	✓✓✓
Mitigation of climate change effects	<ul style="list-style-type: none"> Development of a strategic economic development plan should lead on to better results. 	✓✓✓

Additionality		
Adding value by building on what is already there	<ul style="list-style-type: none"> Identified linkage to current plans within the region and coordination of local activities. Currently no coordination function. Position will work closely local residents, ratepayers, local groups and agencies, regional (Southland District Council, Venture Southland, Environment Southland) and central government (MBIE, MPI, DOC), iwi and other key agencies to progress economic and community goals and aspirations. 	✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> Better alignment or coordination of local plans likely to produce better effect in the region. 	✓✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<ul style="list-style-type: none"> Aligns with the priorities of the region and island through creation of a lower level plan. 	✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> Application is from Southland District Council, has been endorsed by CE's Forum and has strong local support. 	✓✓✓✓
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> Proposal is for a project manager describes establishing governance/management framework around them. Suggest <small>Co merc</small> is involved with the recruitment process. 	✓✓✓
Risk management approach	<ul style="list-style-type: none"> Some good risks identified potential capacity/capability risks in terms of the available resources. 	✓✓✓
Future ownership / operational management	<ul style="list-style-type: none"> N/A 	
The purpose of this briefing is to consider recommending/ declining PGF funds to the:		
Risks Issues:		
<ul style="list-style-type: none"> The Project Manager role will need to be based on the island, this may cause recruitment challenges. Central government will work closely with the Council on this. 		
Eligibility points of note:		
<ul style="list-style-type: none"> <i>Due diligence</i>:- Full due diligence is not required as the applicant is a local authority. <i>Conflict(s) of interest</i>:- Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further. <i>Illegal Activity</i>:- Based on the application information provided and feedback from other agencies there is no indication that the applicant or project has been involved in, or associated with illegal activity. <i>Alignment with Regional development plans</i>:-all activity under this project will aligned with exiting region 		

<p>wide plans</p> <ul style="list-style-type: none"> • <i>Commercial funding availability:-</i> Given the nature of the project which is to fund a local project manager, access to commercial funding is not considered a feasible option. 										
Consultation undertaken or implications:										
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	DOC –Supportive	
Supporting proposal:										
Yes										
Appendices:										
Yes - Applications and supporting letters are as annexes										
Sponsor(s):										
N/A										
Manager/Author of paper:										
Privacy of natural persons / Michael Hiscox, Investment Team										

PROACTIVELY RELEASED