

Subject	Minutes of the SRO meeting held at MBIE offices in Stout Street on Thursday 28 February 2019, 8:00am-11:00am
Senior Regional Officials Present	Al Morrison (Chairperson), Kathy Mansell, Kay Read, Di Grennell, Karen Adair, Carl Crafar, Apryll Parata, Ben Dalton (from 8:50am)
Senior Regional Official as observer	Bryan Wilson
In attendance	Marama Edwards, Karyn Stillwell, David van der Zouwe, Jane Frances, Hannah Buchanan, Kate Riddell, Paul Swallow, Dipankar Ganguly, Nick Hough, David Broome, Brendan Quinlivan, Thomas Perenara, Hannah Buchanan, Ward Tuite, Hilary Pearse, Susan Baas, Rohan MacMahon, Ged Hiscoke, Eliot Linforth-Hall, Yen-Ting Liu, Jason Hall, Matt Chisnall, Monica Butler & Glynis Mussen
Apologies	Karl Cummins & Robert Pigou

1. Meeting Administration

Reference #	SRO 28/02/2019/01
Commentary:	<p>1.1 Introduction</p> <ul style="list-style-type: none"> Ben Dalton delayed until approximately 9am Al Morrison acting as Chair Person <p>Minutes of September 2018 SRO decision on CREDS Project Manager (Canterbury and Otago), item number 27/09/2018/15</p> <ul style="list-style-type: none"> Approved SRO decision is for PGF funding of \$Commercial Info with funding available until 31 December 2020. SROs agreed that the funding period was extended from 31 March 2020 to 31 December 2020, and the funding for the project from \$Commercial Info to \$175,000 to cover this extended period. SRO's approved for the minutes to be changed to reflect the correct amount of \$175,000. <p>Minutes of November 2018 SRO decision on Tairawhiti Economic Action Plan, item number 22/11/2018/04</p> <ul style="list-style-type: none"> Approved SRO decision is for PGF funding of \$84,000. SROs agreed this is an administrative error and the amount of funding approved was \$Commercial Info as per the recommendation in the PDU cover sheet. SROs approved for minutes to be changed to \$Commercial Info subject to confirmation the applicant has been advised of this amount.
	<p>1.2 Apologies</p> <p>Apologies were received for Karl Cummins and Robert Pigou.</p>
	<p>1.3 Conflicts of interest</p> <p>No standing conflicts of interests were registered, conflicts with specific proposals are captured within the body of the minutes.</p>

1.4 Ratification of minutes from 24th January 2019 SRO meeting

The SROs approved the minutes from the 24 January 2019 meeting subject to three changes:

- Word “unanimously” to be removed from all investment proposals. SRO decisions are made by consensus and SROs accept collective responsibility for them.
- 3.11 - Academy for retention of Wāhine Maori (ref SRO 24/01/2019/13)
Sentence to be added:
“SRO’s agreed to approving this proposal after a detailed discussion noting that it could set a precedent”.
- 3.8 - Waiorua Bay Lodge Development (ref SRO 24/01/2019/10)
Note - since the 24 January 2019 meeting the amount of funding has been reduced from \$Commercial Information, which is made up by a \$Commercial Information

Commercial Information

2. Noting and Discussion Papers

2.1 He Poutama Rangatahi Factsheet

Reference # SRO 28/02/2019/02

- Commentary:
- Kate Riddell discussed the He Poutama Rangatahi (HPR) factsheet which provides clarification on the HPR proposals which are a subset of the applications for the Te Ara Mahi funding.
 - HPR focuses specifically on rangatahi NEET aged 15-24 who are most at risk of long-term unemployment.
 - Commercial Information. It has been operating for one year and funding is now positioned under Te Ara Mahi until the end of this financial year.
 - The future of HPR and where the programme will sit will be known in the next few months.
 - The SROs acknowledged and thanked Kate Riddell for her outstanding leadership and work undertaken at the PDU.

2.2 Immigration Consultation

Reference# SRO 28/02/2019/03

- Ged Hiscoke discussed the public consultation underway on a new approach to employer-assisted work visas and regional work force planning.
- The SROs noted the paper as read and asked for the following points to be taken into account as part of the consultation process:
 - pressure on housing;
 - regional variations and existing workforce skills; and
 - linking up with RIPE.

2.3 Regional Digital Hubs

Reference# SRO 28/02/2019/04

- Commentary:
- Rohan MacMahon discussed the proposed regional digital hubs which is a relatively new concept and focused on improving business capability in the regions.
 - These hubs will provide people with digital connectivity access to Wi-Fi, and provide business training and potentially drive more business within a region.
 - Regions have points of low connectivity to Wi-Fi/broadband.
 - Between one and three regional digital hubs are to be opened in each surge region with the first region being Tai Tokerau. Currently also engaged with stakeholders in the Hawke’s Bay region.
 - Rohan asked SROs to provide ideas of where in surge regions hubs could be established.

2.4 SRO Terms of Reference	
Reference #	SRO 28/02/2019/05
Commentary:	<ul style="list-style-type: none"> • Susan Baas updated the SROs on governance arrangements including: <ul style="list-style-type: none"> ○ Terms of Reference (ToR) <ul style="list-style-type: none"> ▪ The SRO ToR to be formally ratified. ▪ SROs discussed the ToR which incorporates the recommended changes from the SRO meeting in August 2018 and a paragraph setting out the role of SROs in supporting decision-making Ministers make robust decisions in relation to Te Ara Mahi investments. SROs agreed with the ToR dated February 2019. ○ Other formal documents to be provided to the SROs are: <ul style="list-style-type: none"> ▪ formal appointment letters; and ▪ draft MoU between the SRO, PDU (host agency), and home agency.
2.5 Te Ara Mahi Monthly Update	
Reference #	SRO 28/02/2019/06
Commentary	<ul style="list-style-type: none"> • Hannah Buchanan briefed the panel on the purpose of the Te Ara Mahi (TAM) update. • The paper provides information on the amount and regional distribution of both allocated TAM funding and proposals for TAM funding that are currently under consideration. • The report was requested at the previous SRO meeting on 24 January 2019 and will be provided to SROs at the monthly meeting • Nominally \$12m has been allocated for each region. Depending on the number of applications received and approved in each region the level of funding in each region could vary. More funding can be applied through Cabinet pending the success of TAM. • The SROs noted the report and requested it be backdated to include previous applications. • SRO's thanked Hannah for her work on Te Ara Mahi. <p><i>Action: TAM monthly update to include backdated approved applications.</i></p>
3. Investment Proposals	
Te Ara Mahi proposals under \$1million for SRO decision	
3.1 Quality Rooding and Services Growing Employment	
Reference #	SRO 28/02/2019/07
Discussion	<ul style="list-style-type: none"> • SRO's approved \$60,000 in principle at the October 2018 meeting. • No further approval required.
3.2 Otago Southland Construction Workforce Modelling Project Otago and Southland	
Reference #	SRO 28/02/2019/08
Discussion	<ul style="list-style-type: none"> • SRO's approved up to \$250,000 towards the Construction Workforce Modelling Project for Otago and Southland with the following conditions: <ul style="list-style-type: none"> ○ different applicant name with MSD being the project lead; and ○ due diligence. • The proposal aligns with the PGF Te Ara Mahi criteria. • The project will work to build on and develop current construction workforce training programmes in the region. It will provide local construction firms the means to train and upskill new jobseekers.

3.3 Te Waimana Kaaku Mobile Workforce Project	
Reference #	SRO 28/02/2019/09
Discussion	<ul style="list-style-type: none"> • Application is for \$^{Commercial Inform} grant. • The matter was referred for consideration to MSD and TPK, pending SRO receipt of a full proposal by the end March if possible.
Commercial Information - declined project	
Te Ara Mahi (He Poutama Rangatahi) proposals under \$1million	
3.5 Tautua Limited	
Reference #	SRO 28/02/2019/11
Discussion	<ul style="list-style-type: none"> • SROs approved \$320,000 towards the Tautua Limited Project which is focussed on working with Pasifika youth. • This programme will target ^{Comm} rangatahi into sustainable employment over two years. • The project has been endorsed by the Matariki Skills and Employment Sub-Group.
Te Ara Mahi Proposals between \$1million - \$10 million	
3.6 Te Koru Education and Employment Initiative	
Reference #	SRO 28/02/2019/12
Discussion	<ul style="list-style-type: none"> • SROs recommended the approval of \$^{Commercial Information} for the Te Koru Education and Employment Initiative. • The initial programme will involve ^{Commerc} participants over a two year period; with it anticipated ^{Commerc} participants will have been placed in employment by the end of the two years. • The programme has been developed in partnership with Commercial Information which has committed to providing permanent, sustainable employment for 30-50 applicants per annum.
Commercial Information - declined project	
Commercial Information - declined project	

Commercial Information - declined project

3.9 Te Apiti Te Whenua o nga Atua

Reference #	SRO 28/02/2019/15
	<ul style="list-style-type: none">• SROs approved \$100,000 grant for the Te Apiti Te Whenua o nga Atua project subject to PDU conditions.• SROs noted this is not a feasibility study but a business case. PDU to update cover sheet accordingly.• The project has strong alignment with regional priorities and full support of local government stakeholders.

Commercial Information - declined project

Commercial Information - declined project

Commercial Information - declined project

Commercial Information - declined project

Commercial Information - declined project

3.14 Ashburton Second Urban Bridge

Reference # SRO 28/02/2019/20

- Discussion
- SROs approved a grant of \$94,250 from the PGF fund for the Ashburton Second Urban Bridge detailed business case subject to the understanding that this does not guarantee PGF funding support for the construction phase of the project unless continued PGF criteria alignment is demonstrated.
 - The project is supported by NZTA and is a top regional roading priority due to the population growth within the region.

3.15 Hastings Eastside Masterplan

Reference # SRO 28/02/2019/21

- Discussion
- SROs approved up to \$600,000 grant from the PGF towards the elements of the Hastings Eastside Masterplan that target productivity potential and deliver jobs subject to PDU conditions.
 - The original application was for PGF funding of \$^{Commercial Information} but this has been reduced to allow for a more balanced co contribution from the Hastings District Council.
 - The project accelerates an Eastside Masterplan to unlock opportunities in the Hastings Eastside area thus advancing the preparation of an area which has the potential to create jobs.

Commercial Information - declined project

3.17 New Zealand School of Applied Bio-Diversity Project

Reference # SRO 28/02/2019/23

- Discussion
- SROs approved \$95,000 from the PGF fund for the New Zealand School of Applied Bio-Diversity Project.
 - The proposal is feasibility study funding to assess the viability of establishing a bio-diversity research and teaching institute based in Taranaki.

3.18 New Plymouth Airport Runway Extension Feasibility Study

Reference # SRO 28/02/2019/24

- Discussion
- SROs deferred this proposal until the airport positioning paper has been provided to Ministers.

Commercial Information - declined project

Commercial Information - declined project

3.20 Executive Summary of Investment Proposals Projects seeking decisions from SROs	
Reference #	SRO 28/02/2019/26
Discussion	<ul style="list-style-type: none"> Paper noted.

4. General Business

Reference #	SRO 28/02/2019/27
Discussion	<ul style="list-style-type: none"> PGF Future <p>Jane Frances provided the SROs with an update on the current status of the fund and the future focus. Ministers are having a strategy session next month on this. Feedback from this session will be provided to SROs</p> PGF Assistance for Portfolio Management/Programme Support <p>Andrew Beaufort provided a paper updating SROs following decisions made by RED Ministers on PGF Assistance for Portfolio Management/Programme Support.</p> <p>On 28th January 2019 RED Ministers agreed to approve up to \$5.6 million from the PGF to provide up to \$200,000 per year for two years for a regional EDA or regional bodies for their PGF portfolio management.</p> <p>The paper and recommendations were noted by SROs.</p> Clarification on Item in November 2018 Minutes <p>Due to meeting closing and complexity of item, David Broome to email this item to SROs for clarification/approval.</p>