

COVER SHEET

<h3>1. Northland Regional Council Water Storage and Use Project Planning PGF Application</h3>	<p>For: Approval</p>
<p>Background & context:</p>	<p>Recommendation:</p>
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Northland Regional Council (NRC) <p>Location:</p> <ul style="list-style-type: none"> Northland (Mid North, Kaipara) <p>Proposal:</p> <ul style="list-style-type: none"> A resource to carry out project management, planning, application preparation, procurement and stakeholder engagement as a precursor to a full prefeasibility phase for the Northland sustainable water storage project. <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$<small>Commercial Inform</small>. PGF funding (grant): \$65,000. <p>Background:</p> <ul style="list-style-type: none"> Sustainable water use is a key component of the Northland Regional Economic Development Plan. To date NRC has carried out a strategic and scoping study in relation to water use. NRC is seeking funding for a resource to prepare for the next phase (Prefeasibility). This will include ensuring that the project is aligned with the Fund's criteria (including in respect of environmental sustainability / enhancement). 	<p>We recommend that the SROs:</p> <ol style="list-style-type: none"> Discuss the proposal. Note that entity due diligence has not been carried out as the Applicant is a local authority. Note the project has been assessed by the PDU as aligned with PGF funding criteria categories including: economic development, additionality, regional stakeholder support, and management & governance, and being in a surge region. Note that the Minister of Regional Economic Development, Minister for Economic Development and the Minister for Agriculture met on 19 June and confirmed support in principle to continue to explore water storage opportunities in Northland. Note the PGF is being asked to supply \$65,000, which is <small>Commercial</small>% of the funding required for this phase Note that the phase of the project builds on the earlier strategic and scoping study, and will be followed by the prefeasibility study. Approve allocation of \$65,000 from the PGF to the proposal.

The purpose of this briefing is to consider recommending PGF funds to the Northland Regional Council Water Storage and Use Project Planning.

Alignment to PGF criteria:

Increased Economic Benefit

The earlier scoping study suggested that the sustainable water storage and use in Northland has significant potential to contribute to productivity and economic growth.

Additionality

The PGF has approved a small grant to the guardians of Lake Omapere, which is a potential storage site to gather data and develop options. NRC are fully aware of this, and are engaging with the guardians. The outputs from this piece of work will be a useful input into the Prefeasibility Study.

Alignment with regional plans/ Stakeholder support

Sustainable water storage and use is a key component of the Northland Regional Economic Development Plan. Other local authorities have been consulted and are supportive of this initiative. They will be actively participating. Iwi / hapu were engaged at a high level as part of the earlier studies, and will be a key focus going forward.

Management and Governance

As a local authority the application has appropriate management structures. Other local authorities will be involved. MBIE and MPI will provide support.

Risks Issues:

Obtaining the right capability to carry out this project is the key risk. MBIE and MPI will be involved in the procurement.

Eligibility points of note:

- *Due diligence*:- Entity due diligence has not been carried out as the applicant is a local authority.
- *Conflict(s) of interest*:- Based on the information provided no conflict of interest is evident.
- *Illegal Activity*:- 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.
- *Commercial funding availability*:- Given the nature of the project and its early stage of development, 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	N/A
Supporting proposal:									
Yes									
Appendices:									
Yes – <small>Commercial Information</small>									
Sponsor(s):									
N/A									

Manager/Author of paper:

Richard Westbury, Investment Team

PROACTIVELY RELEASED