

SRO Meeting 28 June 2018

Subject	Minutes of the SRO meeting held at Vodafone House, Lambton Quay on Thursday 28 June 2018, 2pm – 5pm
Senior Regional Officials:	Ben Dalton, Di Grennell, Al Morrison, Bruce Parkes, Carl Crafar
In attendance:	Nigel Bickle, Robert Pigou, Kate Kuska (Secretariat)
Attendees:	Nick Hough, Mark Feary, Eliot Linforth-Hall, Nick Willis, David van der Zouwe, Mark Patterson, Mike Shaffrey, Abby Cheeseman
Apologies:	Helen Wyn, Routh Bound, Paul Stocks

1. Report back on SRO Model and General Business

Reference #	SRO 28/06/2018/01
Commentary:	<p><i>PDU Update</i></p> <ul style="list-style-type: none"> Nigel provided an update to the SRO's on the commitments from the PGF to date (supported by a financial dashboard) and advised the current key areas of focus for the PDU. Focus areas are around advancing the Investment Statement, and to develop guidelines around what success looks like with Ministers. The PDU are currently developing significant packages out of the regions alongside targeted engagement programs to better inform the regions on the fund and how to access it. Work is progressing to further major initiatives involving commercial / private sector parties <p><i>SRO Model</i></p> <ul style="list-style-type: none"> Discussion around the current SRO model; it is acknowledged that some regions require more support than others which may be difficult to provide from within the current SRO engagement model. Looking to move the new SRO model toward one SRO per region. It is acknowledged that the current time commitment required by the SRO's to fulfil this role is intensive and as such, there is an opportunity to recompose the current arrangement. A new working model will be developed alongside the SRO's to best meet the needs of regions. <p>Carl reflected on some arrangements around the SRO model to date;</p> <ul style="list-style-type: none"> SRO's should see all applications submitted for their respective areas A meeting plan for the rest of the calendar year will be developed with the assistance of the Secretariat – noted that Friday morning appears favourable It is helpful having the proposal information sent as early as possible in order to review Confirming the role of local governance groups Further information on the role of the IAP requested

Proposals recommended for approval

2. Dunedin waterfront proposal

Reference #	SRO 28/06/2018/02
Discussion	<p>Dunedin Waterfront Project – Approved</p> <ul style="list-style-type: none"> - Project proposal was re-presented to the SRO group with a recommendation to approve from the PDU. The previous proposal was declined. - In light of responses to SRO queries raised at the initial submission, Dunedin City Council has provided further information. Specifically; (1) funding sought, which is ^{Comm}% of the total project value, not ^{Comm}%. (2) the funding is not for a “vision document” but for a feasibility study and alignment of the proposal to strategic priorities of the region was made clear. - Based on this updated information, the SRO’s agree to approve the application to the PGF for the amount of funding sought.

3. East Coast / Tairāwhiti

Reference #	SRO 28/06/2018/03
Discussion	<p>Far East Saw Mill – Approved</p> <ul style="list-style-type: none"> - Agree to approve Far East Saw Mill application - Approved a loan to the amount of \$500k sought by applicant. Terms to be negotiated by PDU Investment team. <p>Manaia SAFE Forestry School Pilot Project – Approved with condition</p> <ul style="list-style-type: none"> - Applicant has resubmitted application after garnering further support from the community and other key stakeholders - SRO’s acknowledge there are health and safety risks associated with this programme, which the SRO’s believe must be mitigated with due diligence and QA. - Subject to (1) satisfactory results being received from completion of due diligence on training provider and (2) MPI confirming the training, QA processes and Health & Safety checks are in place, funding is approved. <p>Tairāwhiti Railway Tourism Feasibility – Approved with condition</p> <p><i>The PDU received two applications to undertake feasibility studies on restoring the Gisborne/Wairoa rail line. SRO’s agreed these should be considered jointly and approved funding subject to;</i></p> <ul style="list-style-type: none"> - Funding sought ^{Commercial Information} \$450k - Scope of project to be clarified and confirmed, NZTA to be involved in confirming scope and setting a timeframe for return of feasibility studies and consideration of additionality factors - Demonstration of a clear process to determine project costs associated with the feasibility study <p>Action: Report back at the next SRO meeting</p> <p>NZ Macadamia Industry Development Project – Approved with condition</p> <ul style="list-style-type: none"> - Approval given for funding sought, subject to the following; <ol style="list-style-type: none"> 1. Training portion of the request is funded by way of grant (^{\$Commercial}) 2. Remainder of applicant’s request is approved by way of loan (^{\$Commercial})

4. Taranaki

Reference #	SRO 28/06/2018/04
Commentary:	<p>Hiringa Energy Ltd – Approved</p> <ul style="list-style-type: none"> - SRO’s note the funding sought is for a feasibility study for a pre-commercial entity. - This proposal is important in the context of the Just Transition programme of work

	- Funding sought (\$950k) approved by way of grant
	<p>Industrial Park Feasibility Study – South Taranaki – Defer with suggestions to gain approval</p> <p>- SRO's suggest that the application for funding must be unanimously endorsed and submitted by the entire Governance group in order for funding to be approved.</p> <p>- The SRO's also suggest that this proposal should form part of the wider Taranaki's regional action plan</p>
	<p>General Manager Transitional Economy – Taranaki (no paper) – Approved with condition</p> <p>- Request approved subject to the following information being provided;</p> <ul style="list-style-type: none"> - further details on the project and the Transitional Economy Manager's role in that project; - further details on how the funding will be used; - details as to whether some initial funding is required to scope up the project; - details as to why three years funding is required; and - details as to how the Transitional Economy Manager will be appointed.

5. West Coast

Reference #	SRO 28/06/2018/05
Commentary:	<p>KiwiRail - Approved</p> <p>- Funding of full amount sought by the applicant is approved based on the proposal's alignment to PGF criteria, particular around the Tier 3 investment statement, as well as the alignment to the regional tourism strategy.</p> <p>- SRO's note that there is currently work in progress to produce a "future of rail" review, with stages of review being presented to Minister's over the next few months which will also assist in informing this feasibility study.</p> <p>- MOT to work alongside Kiwirail over the course of the feasibility study</p>
	<p>Upgrade and Development of Westport Port & Port of Greymouth – Approved jointly</p> <p>- Funding amount by way of grant, approved to the applicant</p> <p>- Funding approved on the condition that the Westport Port and Greymouth Port feasibility studies are combined with a cap of \$125k placed on funds granted.</p> <p>- MOT to manage terms of scope</p>
	<p>Greymouth Master Plan – Partially approved on condition</p> <p>- Based on the SRO's opinion that the council should be jointly funding this initiative, it is agreed to fund <small>Comm</small>% of the amount sought by the applicant</p> <p>- Funding of \$125k approved, on the assumption that the area council will contribute the remaining \$<small>Commercial</small> to complete project funding</p>
	<p>Punakaiki Masterplan (additional \$30k) - Departmental funding - Approved</p> <p>- Application approved by way of grant</p>

6. Northland

Reference #	SRO 28/06/2018/06
Commentary	<p>Project to Establish the Employer Support Package for Northland – Approved</p> <p>- Application approved</p> <p>- SRO's acknowledge that the majority of work needs to be done at the employer level and expect that employers will work with bodies like MSD and TEC to encourage best use of funds granted.</p>

<p>Waitangi Mountain Bike Park – Approved</p> <ul style="list-style-type: none"> - SRO's agree to approve funding sought by applicant - Action for the PDU to investigate previous funding made available for the Waitangi Mountain Bike Park project <p>NB: For future applications, PDU asked to provide details of any other Government funding for proposals</p>
<p>Northland Regional Council Water Storage and Use Project planning – Approved</p> <ul style="list-style-type: none"> - SRO's agree to make ^{Comm}% of funding available as sought by the applicant - Payment is by way of grant
<p>Tai Tokerau Northland Economic Action Plan Portfolio Management – Approved on condition</p> <ul style="list-style-type: none"> - Funding amount made available is capped at \$200k toward supporting the administration and execution of action plans - The SRO's expressed a desire to set this as the precedent for further requests for funding other region's Project and Program Management type roles

7. Hawke's Bay

Reference #	SRO 28/06/2018/07
Commentary:	<p>Napier National Aquarium of NZ (NANZ) – Business Case – Approved</p> <ul style="list-style-type: none"> - Agree to fund applicant amount of \$350k - SRO's note there has been some creep with the capital cost forecast for this project and anticipate that the ^{Comm}% of full project funding indicated may increase <p>Wairoa Capability Support: Business Case Development and Feasibility support for Wairoa - Approved</p> <ul style="list-style-type: none"> - Agree to fund \$250k sought by applicant

8. Southland

Reference #	SRO 28/06/2018/08
Commentary:	<p>Rakiura Stewart Island Wind Power – Departmental funding – Approved</p> <ul style="list-style-type: none"> - Agree to fund total amount sought by applicant

9. National

Reference #	SRO 28/06/2018/09
Commentary:	<p>Building capability in the Provinces – Approved on condition</p> <ul style="list-style-type: none"> - SRO's agree to approve total funding support sought by the applicant subject to the following; <ul style="list-style-type: none"> - Part of the capability building must focus on building "cultural capability" (not just professional capability), with consideration given for curriculum around Maori development - Commitment in writing from councils to send their employees and those that need the training, to these training initiatives - Assurance from the applicant that the correct checks and balances are in place for the preparation of these courses, technical capability must be assured

Proposals recommended for decline

10. National

Commercial Information - declined project

11. Waikato

Commercial Information - declined project

12. West Coast

Commercial Information - declined project

PROACTIVELY RELEASED