

## COVER SHEET

<b>2.14 QRS Training Facility Business Case Application</b>	<b>For: Approve</b>	
<b>Background &amp; context:</b>	<b>Recommendation(s):</b>	
<p><b>Applicant Organisation:</b></p> <ul style="list-style-type: none"> <li>Quality Roding and Services (Wairoa) Limited (QRS) (a 100% subsidiary of Wairoa District Council (WDC))</li> </ul> <p><b>Location:</b></p> <ul style="list-style-type: none"> <li>Wairoa, Hawkes Bay (surge region)</li> </ul> <p><b>Proposal:</b></p> <ul style="list-style-type: none"> <li>Prepare a feasibility study and business case for a civil contracting training facility</li> </ul> <p><b>Funding Sought:</b></p> <ul style="list-style-type: none"> <li>Total project cost: \$<sup>Commercial Inform</sup></li> <li>PGF funding requested: \$60,000 <sup>Comm</sup>% co-funding, <sup>Commercial Infor</sup>)</li> </ul> <p><b>Background:</b></p> <ol style="list-style-type: none"> <li>QRS is a 100% subsidiary of the Wairoa District Council and operates a civil contracting business</li> <li>Wairoa is a deprived part of the Hawkes Bay, with high unemployment and a population base that is over 55% Maori.</li> <li>QRS would like to develop a training facility, that would be available to all civil contractors. It would provide training to the unemployed and school leavers, as well as up-skilling training for those already in the industry</li> <li>It aligns with the Hawkes Bay and the Wairoa Economic Development Plans, and is supported by stakeholders including NZTA, TPK, Ngati Pahauwera, Tautau Tatau and MSD.</li> </ol>	<p><b>We recommend that the SROs:</b></p> <ol style="list-style-type: none"> <li><b>Discuss</b> the project</li> <li><b>Note</b> that QRS / WDC is providing <sup>Comm</sup>% co-funding (<sup>Commercial Inform</sup>)</li> <li><b>Note</b> that the project is located in Wairoa, a deprived part of the Hawkes Bay, with high unemployment and a population base that is over 55% Maori.</li> <li><b>Note</b> subject to the outcome of the business case, further PGF funding is likely to be sought.</li> <li><b>Note</b> that NZTA and MSD support the project.</li> <li><b>Approve</b> \$60,000 as a grant from the PGF fund towards the Project subject to the Head of the PDU Investments Team being comfortable with the final scope and choice of consultant.</li> </ol>	
<b>PGF criteria that this proposal supports:</b>		
<b>PGF Criteria</b>	<b>Assessment Commentary</b>	<b>Rating</b>

		(1✓ to 5✓)
<b>Link with fund and government outcomes</b>		
Creates permanent jobs	<ul style="list-style-type: none"> <li>Core objective is to provide permanent jobs</li> </ul>	✓✓✓✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> <li>By providing pathways to employment, should deliver significant benefit to the community</li> </ul>	✓✓✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> <li>Not directly, but should provide pathways to employment for Maori</li> </ul>	✓✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> <li>N/A</li> </ul>	
Mitigation of climate change effects	<ul style="list-style-type: none"> <li>N/A</li> </ul>	
<b>Additionality</b>		
Adding value by building on what is already there	<ul style="list-style-type: none"> <li>Building on existing capability that QRS has in this sector.</li> </ul>	✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> <li>Underlying project is expected to boost productivity by supporting the up-skilling of civil contractor labour.</li> </ul>	
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	<ul style="list-style-type: none"> <li>Aligns strongly with the Hawkes Bay and Wairoa Economic Development plans.</li> </ul>	✓✓✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> <li>Supported by stakeholders including NZTA, TPK, Ngati Pahauwera, Tautau Tatau and MSD.</li> </ul>	✓✓✓
<b>Governance, risk management and project execution</b>		
Robust project management and governance systems	<ul style="list-style-type: none"> <li>QRS and Wairoa District Council have appropriate governance and management systems.</li> </ul>	✓✓✓
Risk management approach	<ul style="list-style-type: none"> <li>QRS and Wairoa District Council have appropriate governance and management systems.</li> </ul>	✓✓✓
Future ownership / operational management	<ul style="list-style-type: none"> <li>Will be considered as part of the business case.</li> </ul>	N/A
<b>The purpose of this briefing is to consider recommending/ declining PGF funds to the:</b>		

**Risks Issues:****Eligibility points of note:**

- *Due diligence*:- Full due diligence is not required as the Applicant is a 100% subsidiary of a local authority..
- *Conflict(s) of interest*:- Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further.
- *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.
- *Alignment with Regional development plans*:- aligns strongly.
- *Commercial funding availability*:- Wairoa District Council, and its subsidiary QRS have limited discretionary funding available to support a project such as this.

**Consultation undertaken or implications:**

<b>Legal</b>	N/A	<b>HR</b>	N/A	<b>Finance</b>	N/A	<b>MBIE policy</b>	N/A	<b>Other</b>	NZTA, MSD
<b>Supporting proposal:</b>		Yes							
<b>Appendices:</b>		Yes - Application as annex							
<b>Sponsor(s):</b>		N/A							
<b>Manager/Author of paper:</b>		Privacy of natural persons, Investment Team							

PROACTIVELY RELEASED