

COVER SHEET

2.18 Centre of Digital Excellence (CODE) business case Project PGF Application		For: Approval
Background & context:		Recommendation(s):
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Dunedin City Council <p>Location:</p> <ul style="list-style-type: none"> Dunedin <p>Proposal:</p> <ul style="list-style-type: none"> The creation of the Centre of Digital Excellence (CODE) business case and PGF application. <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$<small>Commercial Inform</small> PGF Funding: \$95,000 <p>Background:</p> <p>a) The proposal relates to the funding of a business case that will define the scope and details of the creation of a CODE in Dunedin.</p> <p>b) The CODE in Dunedin is a project that is backed by central government in their manifesto and has been allocated \$10m of funding from the PGF. In order for this 10m of funding to be released a business case must first be developed.</p>		<p>We recommend that the SRO:</p> <p>a) Consider the application from the Dunedin City Council.</p> <p>b) Note the PDU investment team has assessed the application and conclude there is modest, alignment with the criteria of the PGF.</p> <p>c) Note that the project is a governmental priority and has been agreed as such in the government manifesto.</p> <p>d) Approve \$95,000 from the PGF fund towards the Centre of Digital Excellence business case proposal.</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"> The administration of the project will likely create some additional jobs. However, this is detail that is to be addressed in the business case. In addition, if the project is successful then it has the possibility to help businesses develop and create additional jobs downstream. Again this impact is not assessable 	✓

	without further information provided from the business case.	
Delivers benefit to the community	<ul style="list-style-type: none"> The creation of a centre that helps train individuals and nurture start-up businesses has the potential to deliver significant flow on benefits to the community. However, the true benefit of this project has not yet been quantified. 	✓✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> There is no discussion of Māori asset utilisation in the application. 	✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> There is no discussion of sustainability goals in the application. 	✓
Mitigation of climate change effects	<ul style="list-style-type: none"> There is no discussion of climate change mitigation in the application. 	✓
Additionality		
Adding value by building on what is already there	<ul style="list-style-type: none"> This project would work with existing start-ups to help them gain the skills needed to develop and succeed. By providing training opportunities to individuals via the University of Otago it will also add to the capabilities and offerings of the University. 	✓✓✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> Because this has the potential to help business set up and succeed in Dunedin there is the potential for flow on effects in the wider region. 	✓✓✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<ul style="list-style-type: none"> The application for this project does not expressly state that this is a regional priority. However, it has a strong level of support from a number of large regional players. 	✓✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> This proposal has evidence of strong support from the Dunedin City Council, local District Councils, the University of Otago, and the Otago Polytechnic. 	✓✓✓✓✓
Governance, risk management and project execution		
Robust project management and governance systems	<ul style="list-style-type: none"> An experienced steering group containing representatives from a number of regional and national stakeholders provides the project with a strong governance structure. 	✓✓✓✓
Risk management approach	<ul style="list-style-type: none"> The application discusses the key risks of the project and their ranking. This shows that there has been discussion and thought put into identifying and understanding the application's risks. 	✓✓✓✓
Future ownership / operational management	<ul style="list-style-type: none"> To be determined in the business case. 	✓
The purpose of this briefing is to consider recommending PGF funds to the Centre of Digital Excellence (CODE)		

business case:									
Risks Issues:									
<ul style="list-style-type: none"> - Risks associated with this project are mitigated by the robust governance structure (steering group) in place. - In addition, as this project is a priority for the government, outlined in the Manifesto, \$10m of funding has already been agreed upon. This mitigates the risk of the proposal as this funding has to be provided to the proposal regardless of the success of the business case. 									
Eligibility points of note:									
<ul style="list-style-type: none"> • Due diligence: Companies office search completed. No other due diligence is to be completed. • 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: there is broad alignment with regional development plans in that it potentially provides a catalyst for economic growth and employment in the region. • Commercial funding availability: Due to the nature of the project commercial funding is likely not possible as a viable way of funding this project. As a result, access to commercial funding for this proposal is not considered a feasible option. 									
Consultation undertaken or implications:									
Legal	N/A	HR	N/A	Finance	N/A	MBIE policy	N/A	Other	
Supporting proposal:									
Yes									
Appendices:									
N/A									
Sponsor(s):									
N/A									
Manager/Author of paper:									
Privacy of natural persons , Investment Team									