

COVER SHEET

1. Bay of Connections Portfolio Review Project PGF Application	For: Approval
Background & context:	Recommendation:
<p>Applicant Organisation:</p> <ul style="list-style-type: none"> Bay of Plenty Regional Council <p>Location:</p> <ul style="list-style-type: none"> Bay of Plenty (BOP) <p>Proposal:</p> <ul style="list-style-type: none"> The initial proposal was to carry out a review of the Bay of Connections (BOC) portfolio, including the Regional Growth Programme and supporting Action Plan. The PDU has reshaped the proposal to align it with PGF criteria The revised proposal would require the BOP Regional Council to undertake the work required to create a Regional Growth Program (RGP). The PGF Funding could be used, as required, to progress elements of the RGP that relate to the PGF and that align with the PGF criteria. <p>Funding Sought:</p> <ul style="list-style-type: none"> Total project value: \$<small>Commercial Information</small> PGF Funding: \$60,000 <p>Background:</p> <ul style="list-style-type: none"> BOC is the regional growth strategy for the wider Bay of Plenty, with a vision of creating a prosperous region supported by sustainable sectors. The BOP Regional Council manages and facilitates the implementation of the BOC portfolio. This includes oversight of sector groups, PGF related matters, and relationship management with central and local 	<p>We recommend that the SROs:</p> <ol style="list-style-type: none"> Discuss Bay of Connections Portfolio Review Express Application Note The project is located in a surge region (Bay of Plenty) Note The application has been assessed by the PDU and is considered to align with the objectives of the PGF Note BOC review is considered timely in light of the PGF and government's regional focus Note Ministers Jones and Mahuta will be attending the BOC Annual Forum on 3 August 2018 Support the recommendation to Approve \$60,000 from the PGF fund towards the Bay of Connection Portfolio Review project subject to: <ol style="list-style-type: none"> BOP Regional Council undertaking the work required to create a Regional Growth Program; and Noting the PGF Funding will be used, as required, to progress elements that relate to the PGF and that align with the PGF criteria.

<p>government agencies for regional development.</p> <ul style="list-style-type: none"> • BOC has been in partnership with government agencies through the development and implementation of the Regional Growth Programme, and now the PGF. • The BOC portfolio is strongly linked with government priorities, key stakeholders and industries across the region. 		
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 key driver for BOC is to help lift the productivity potential of the region, with an overall goal of increased jobs. 	✓✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> • Effective strategies will deliver community benefits so resourcing can be targeted to priority initiatives to deliver benefits to the community. 	✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> • Maori land utilization and He Mauri Ohooho (Maori economic development) are two of the key sector strategies for BOC in addition to Maori projects in other BOC sectors. 	✓✓✓
Enhanced sustainability of natural assets	<ul style="list-style-type: none"> • Aquaculture, energy and forestry are key sectors for BOC. 	✓✓✓
Mitigation of climate change effects	<ul style="list-style-type: none"> • Freight logistics is a key sector for BOC that have a transport (CO2) focus. 	✓✓✓
Additionality		
Adding value by building on what is already there	<ul style="list-style-type: none"> • This application does not cover activities already funded in the region. The review will ensure the BOC portfolio remains relevant to the region and its key sectors. 	✓✓
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> • By ensuring that key stakeholders remain connected and working together for the benefit of the region. 	✓✓✓✓
Connected to regional stakeholders and frameworks		
Alignment with regional priorities	<ul style="list-style-type: none"> • BOC is the regional framework that brings EDA's, Iwi, Sectors, Local 	✓✓✓✓✓

	<p>Government and Central Government together to focus on the regional priorities.</p> <ul style="list-style-type: none"> Aligns with the BOP Regional Council's Long Term Plan 2018-2028. 								
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> The BOC Governance Group consisting of EDA's, Iwi, Sectors, Local Government and Central Government have endorsed this portfolio review. Project management support from the BOP Regional Council. 	✓✓✓✓✓							
Governance, risk management and project execution									
Robust project management and governance systems	<ul style="list-style-type: none"> Project management and governance teams are in place. Central Government is represented on both the Governance Group and management Group. 	✓✓✓							
Risk management approach	<ul style="list-style-type: none"> Identified key risks, their likelihood and mitigation. 	✓✓✓							
Future ownership / operational management	<ul style="list-style-type: none"> N/A 								
The purpose of this briefing is to consider recommending PGF funds to the Bay of Connections Portfolio Review project									
<p>Risks Issues:</p> <ul style="list-style-type: none"> Stakeholders do not engage in the process – it can be mitigated by ensuring good lead time for regional consultation, socialising the upcoming review for several months, and having support from ministers. The review of the portfolio is part of the BOC forum on 3 August - Ministers Jones and Mahuta are expected to attend. Time line slippage – it can be mitigated by having a strong project management framework and team in place to deliver the project by end of November 2018. <p>Eligibility points of note:</p> <ul style="list-style-type: none"> <i>Due diligence</i>:- Full due diligence is to be completed. It is a condition of approval that due diligence is to the satisfaction of the Head of PDU Investment team. <i>Conflict(s) of interest</i>:- Based on the information provided no conflict of interest is evident noting that full due diligence will inform this item further. <i>Illegal Activity</i>:- Based on the application information provided there is no indication that the applicant or project has been involved in, or associated with illegal activity. <i>Alignment with Regional development plans</i>:- Aligns with the Regional Economic Action Plan. <i>Commercial funding availability</i>:- Given the nature of the project which is to review BOC portfolio, 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 - Application is annexed
Sponsor(s):	N/A
Manager/Author of paper:	DG Investment Team

PROACTIVELY RELEASED