



## 2.15 OTAGO REGIONAL ECONOMIC DEVELOPMENT (ORED) PORTFOLIO ADVISORS

PGF Application		For: Approval	
<b>Applicant:</b>	Dunedin City Council (DCC)	<b>Pipedrive ID #</b>	Commercial
<b>Entity Type:</b>	Local Authority	<b>PGF Funding Sought:</b>	\$400,000
<b>Region</b>	Otago	<b>Total Project Value:</b>	\$ Commercial Inform
<b>Tier:</b>	1 - Regional	<b>Co-contribution:</b>	\$ Commercial Information
<b>Sector:</b>	Regional Projects	<b>Funding Structure:</b>	Grant

**We recommend that SROs:**

- a) **Approve** \$400,000 (\$ Commercial per year for two years) from the PGF fund towards ORED part time portfolio advisors and Commercial FTE coordinator roles because PGF funding will support the portfolio management of regionally relevant economic development activities across Otago region, subject to:
  - The applicant providing details of employment contracts of roles funded by the PGF.
- b) **Note** this project strongly aligns with PGF and regional objectives.
- c) **Note** this funding request is part of the agreed PGF allocation for regions undertaking EDA work.
- d) **Note** grant funding is the proposed funding structure for EDAs to work alongside the PGF in the development of regional projects.
- e) **Note** the PGF has previously approved grant funding of \$ Commercial Inform towards the implementation of the Wairarapa Economic Development Strategy Action Plan and Accelerate25 in Manawatu/ Whanganui which are similar in nature this application.
- f) **Note** PDU had discussions with DCC on whether these three roles will be filled as DCC employees or contractors. Irrespective of DCC’s decision, PDU will ensure that these roles are remunerated at similar level to other regions who have received PGF funding for similar purposes.

**Proposal:**

To fund two fixed term part-time roles for managing a portfolio of regionally relevant economic development activities across Otago. This roles would be responsible for assessing the feasibility of projects, access to funding if appropriate, and providing additional capacity for councils and partners to collaborate on cross-district projects. The roles will be supported by a part time coordinator resource, and report into Otago Economic Development Managers.

The roles will:

- Work with partners specifically, Ngai Tahu and local Rūnanga, in addition to other regional stakeholders regarding regional economic development opportunities.
- Develop and manage the PGF portfolio, including fielding enquiries, advising applicants, tracking applications and reporting on results.
- Maintain strong programme and project management disciplines and reporting frameworks.
- Provide and maintain robust and collaborative stakeholder engagement and oversee a communications plan.

- Support project managers to achieve milestones and complete projects including encouraging collaboration and cooperation between agencies/projects/work streams and across work streams where needed.
  - Support Otago councils to qualify pipeline projects for addition to the PGF Action Plan.
- These **Commercial Information** will develop and maintain effective working relationships with senior managers, project teams and managers, local Rūnanga, third-party service providers and external agencies. They will also provide strategic alignment, overview and scrutiny, ensuring wider policy and strategic fit.
- Commercial Information** **Commercial** FTE) **Commercial Information** is also proposed as part of the proposal to provide administrative support and help coordinate activities between the Otago Council Economic Development Managers and PGF Advisors

### Assessment against the PGF criteria:

#### Eligibility Criteria

This application is eligible for PGF funding.

#### Productivity Potential

The **Commercial Information** and **Commercial** FTE **Commercial Information** will help enable the development and successful delivery of proposals identified as part of the PGF and themes under the ORED framework. Those proposals, if successful, would improve region's productivity.

#### Policy objectives and regional priorities

These positions would liaise directly with Economic Development Managers and be guided by the Regional Framework they have created. One would be hosted by Enterprise Dunedin while the other would be hosted by Central Otago District Council - this allows them to be connected on the ground with a local EDA, and to benefit from the strategic overview of the Otago EDA group.

PGF Criteria	Assessment Commentary	Rating (0✓ to 5✓)
<b>Link with fund and government outcomes</b>		
Creates permanent jobs	<ul style="list-style-type: none"> <li>• This proposal would support regional economic development projects which would create employment opportunities in the region.</li> </ul>	✓✓
Delivers benefit to the community	<ul style="list-style-type: none"> <li>• Increase in economic development activities would benefit local communities.</li> </ul>	✓✓
Increased utilisation and returns of Maori asset base	<ul style="list-style-type: none"> <li>• N/A</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	<ul style="list-style-type: none"> <li>• The relationships and management of the PGF</li> </ul>	✓✓✓✓

is already there	applicant portfolio need to be picked up to ensure stakeholders and projects are well managed. By putting these roles in place, it allows ORED agencies to be connected but not overloaded and helps manage expectations of applicants.	
Acts as a catalyst for productivity potential in the region	<ul style="list-style-type: none"> <li>The <b>Commercial Information</b> and <b>Commercial Information</b> FTE <b>Commercial Information</b> will help enable the development and successful delivery of proposals identified as part of the PGF and themes under the ORED framework. Those proposals, if successful, would improve region's productivity.</li> </ul>	✓✓✓✓
<b>Connected to regional stakeholders and frameworks</b>		
Alignment with regional priorities	<ul style="list-style-type: none"> <li>These positions would liaise directly with economic development managers and be guided by the Regional Framework they have created.</li> </ul>	✓✓
Support from local governance groups (inc. Councils, Iwi/Hapu)	<ul style="list-style-type: none"> <li>Applicant has engaged with Ngāi Tahu.</li> </ul>	✓✓
<b>Governance, risk management and project execution</b>		
Robust project management and governance systems	<ul style="list-style-type: none"> <li>The funding will be administered by Enterprise Dunedin and the part time portfolio advisors will be directly responsible day to day to their host organisations.</li> <li>Reporting will be consolidated and provided to the regional Economic Development Managers meets who, in turn, report to the Otago Council Chief Executive Forum.</li> </ul>	✓✓✓✓
Risk management approach	<ul style="list-style-type: none"> <li>Risks are identified with mitigations.</li> </ul>	✓✓
Future ownership / operational management	<ul style="list-style-type: none"> <li>N/A</li> </ul>	
<b>Analysis of the benefits and costs</b>		
The key benefit of this proposal is that Otago region will be better resourced to support regional economic development activities.		
<b>Financial Analysis</b>		
N/A		
<b>Funding Arrangements</b>		
A grant of \$200,000 per year for two years.		

<b>Due Diligence and Ownership</b>			
The PDU works with DIA to assess risk around local authorities and we have not found any key risks.			
<b>Risk Assessment</b>			
The key risks to the PDU and proposed mitigations of this investment are as follows:			
Type of risk	Risk description	Mitigations	Risk Rating L/M/H
Person risk	DCC may find it difficult to recruit suitable candidates.	Advertise widely and also identify potential people directly who have economic development experience	Medium
<b>Consultation undertaken or implications:</b>			
N/A			
<b>Supporting proposal:</b>	Yes		
<b>Appendices:</b>	Yes -- Applications and supporting letters are as annexes		
<b>Author of paper:</b>	DG, Investment Team		

PROACTIVELY RELEASED