

Minutes – Regional Economic Development delegated Ministers meeting, 29 January 2019, 8.30-9.30am

Item		Decision	Comment and action
1	Digital Connectivity	Approved	<p>Ministers were very supportive of the programme and were interested in seeing Marae connectivity available throughout New Zealand. Ministers directed officials to explore what role the Māori radio network could play in delivering training and support to Marae, noting the review of the Māori radio network that is underway</p> <p>Action - Explore a role for Māori Radio Network in delivering digital connectivity to marae</p>
2	Water Storage	Noted	<p>Ministers discussed projects that are to be progressed and reiterated that they:</p> <ul style="list-style-type: none"> • Should be smaller scale, community level infrastructure that is consistent with the Government's environmental objectives • Will not progress projects from the CIIL work programme, although the PGF can assist communities that had put forward these projects to find other solutions to their water issues. <p>Ministers asked the PDU to ensure that proposals that are brought forward by Māori applicants will benefit those applicants, rather than other parties in the region that are not parties to the application.</p> <p>Ministers noted about the need for applicants to be clear about the end purpose of their projects.</p> <p>Action – Officials note Ministers' comments</p>
3	Kaipara Transport Package	Approved	<p>Ministers were comfortable with the proposal while noting that they expected to see an 'enabling plan' for the region.</p> <p>Ministers asked officials to report back on more concrete proposals for growth, based on the investment in enabling infrastructure.</p> <p>Recommendation added:</p> <ul style="list-style-type: none"> • direct officials to report back on the growth opportunities that will be enabled by the investment in infrastructure
4	Te Ara Mahi Proposals for Review		<p>As this was the first set of Te Ara Mahi applications that Ministers have received, they noted the issues they would like information on for future decisions:</p> <ul style="list-style-type: none"> • How many people will be on the programme? • How many people are expected to receive work following participation in these projects? • What are realistic targets for employment rates following participation in the programmes? • What are the outcomes sought by the programme? • Who else is involved in funding the programmes?
	First Choice Employment Services	Approved	
	Te Kotahitanga e Mahi Kaha Trust	Approved	
	Ministry of Pacific Peoples	Approved	

			<ul style="list-style-type: none"> • Has due diligence on trusts been undertaken and what provisions has the PDU put in place to ensure good governance around delivery? <p>Ministers discussed how such programmes will fit with the Government’s wider employment work programme, as a new approach to cross-agency work that will inform the wider sector review, and the fit with a Budget bid from the Minister of Employment.</p> <p>Action points</p> <ul style="list-style-type: none"> • Amend material to be provided to RED Ministers to address the issues above • Work with applicants to ensure they have access to commercial governance expertise • Minister Jackson to report back on the outcomes of employment and skills programmes in due course.
<p>PGF Proposals for Review</p>			
<p>Commercial Information - Declined Project</p> <div style="background-color: #cccccc; padding: 10px; text-align: center;"> <h2>Commercial Information - Declined Project</h2> </div>			
<p>Wilson Heavy Machinery Operatory Training Centres</p>	<p>Approved</p>		
<p>Kupe Waka Centre</p>	<p>Approved</p>	<p>Ministers approved, subject to adding requirements that a person with commercial experience be involved in the delivery of the project and that an engineering assessment be undertaken. Minister Twyford noted NZTA’s advice that PDU should engage with local government and NZTA on the proposal regarding any potential transport challenges, and that an engineering assessment should be completed to understand the transport implications. He also asked that the potential cost escalation to be noted.</p> <p>Recommendations added:</p> <ul style="list-style-type: none"> i) PDU identify a person with commercial experience to be involved in the project 	

			j) Applicant undertake engineering assessment with costs to be accommodated within the \$4.6 million
	Northland Soft Berry Fruit	Approved	Ministers approved the application, noting that the Holdco paper would need to be brought forward to Cabinet in a timely manner to accommodate the equity investment. Ministers noted that the applicant would need to identify how they will get the workers locally rather than through the RSE scheme. Recommendation added: - HoldCo arrangement being progressed in parallel
	Te Waiariki Ngawha Springs	Approved	
	Sustainable Minerals Extraction	Approved in principle	As above, Ministers approved the application in principle, subject to the final form of the investment coming back to Ministers for sign off. Ministers sought further information on the applicant, Geo40 and other parties Action - PDU to report back to RED Ministers on the final form (in terms of loan/equity split) and provide RED Ministers with due diligence information on Geo 40
	Te Kaha Development Project	Approved	Ministers approved the application and directed officials to: <ul style="list-style-type: none"> ensure that the proposal would empower Māori, not other landowners in the region that are not party to the application and ensure that projects are supported with governance expertise through the establishment phase Action – PDU to address the concern raised by Ministers about beneficiaries from the application and to ensure the applicants receive governance support through the establishment phase
	Reporoa Full-Scale Demonstration Biogas Project	Approved in principle	Ministers approved in principle, subject to the PDU reporting back on the final shape and form of the funding (loan/equity split) once it has determined the best arrangements for the deal structure. Action - PDU to report back to RED Ministers on the final form (in terms of loan/equity split)
	Commercial Information - Deferred Project		Commercial Information - Deferred Project
	Commercial Information - Declined Project		
5	Whangarei Tourism		

	Whangarei Rolling Ball Clock	Approved	
	Camera Obscura	Approved	
	Riverside Hotel & Entertainment Precinct	Approved	
	Commercial Information - Declined Application [REDACTED]		
6	Commercial Informa [REDACTED]	Agree to refer proposal to Cabinet	Ministers agreed to refer the proposal to Cabinet. They agreed IAP should review the paper before it goes to Cabinet.
7	PGF funding to assist economic development agencies' short term PGF portfolio management capacity	Approved	
8	Other general business Commercial Information - Declined Project [REDACTED]		
	Commercial Information - Declined Project		
	Monitoring and Evaluation		Minister Twyford was interested in what work has been done in the monitoring and evaluation space – he asked that Ministers be informed on what has been put in place, what works and what doesn't, what we are learning. Action point – an item on Monitoring and Evaluation to be added to the next RED Ministers meeting
	Round robin decisions		Ministers agreed to receive a set of papers for decision by round robin before mid-February. These papers will allow decisions on applications considered by Ministers where they raised issues for officials to follow up, where issues have arisen through the contracting process, applications that are relevant to upcoming announcements and Te Ara Mahi applications that were not quite ready for decision in January. Officials anticipate that the round robin papers will likely cover: Tier 1: <ul style="list-style-type: none"> Te Kaha People Development

			<ul style="list-style-type: none">• Hokonui Highway <p>Tier 2:</p> <ul style="list-style-type: none">• Commercial Information - Declined Application• Commercial Information• Sustainable Mineral Extraction• Reporoa Full-Scale Demonstration Biogas Project• Commercial Information - Deferred Project <p>Tier 3:</p> <ul style="list-style-type: none">• Northland Digital Hubs• Gisborne Airport
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PROACTIVELY RELEASED