

REGIONAL ECONOMIC DEVELOPMENT MINISTERS

Actions and decisions – as at 3 August 2018

1.1 Action items

Item	Action	Who	By when	Status update
2/7/18	Create a cover page for PGF proposals	PDU	13 August	Complete
2/7/18	<i>28th Maori Battalion</i> National Trust to provide a written statement that it can meet additional costs	PDU	13 August	Underway
2/7/18	<i>LINZ Regional Elevation Data proposal</i> <ul style="list-style-type: none"> Consult Regional Councils and Territorial Authorities Assess the counterfactual to the proposal 	PDU	13 August	Complete
2/7/18	Develop a model for fair allocation of the PGF and review this in one year	PDU	3 September	Underway
2/7/18	Identify priorities for firm-specific investments that would support co-investment with the private sector that would not otherwise occur and which contribute to the PGF objectives	PDU	3 September	Underway
2/7/18	Design a commercial entity, specifying mandate, funding and decision making	PDU	3 September	Underway
2/7/18	Include transport funding principles into the Investment Statement	PDU/Ministry of Transport	31 July 2018	Complete
28/5/18	Minister Jones requested for Grant Berghan (MPI) to be across the ownership matter of the three wharves.	PDU	2 July	Underway
2/5/18	Develop an alternative proposal for Opotoki that builds off its comparative advantage	PDU	December 2018	Underway.

1.2 Decisions – 2 July 2018

Item	Decisions	Comments
<p>Investment Statement</p>	<p>Ministers agreed to the following:</p> <ul style="list-style-type: none"> i. the scope and content of the Investment Statement. ii. that TAs and provincial towns with high NEETs, low median incomes and a decreasing number of businesses are also priorities for the PGF. iii. that Kapiti Coast be eligible for PGF. iv. that Helensville and Wellsford are not eligible for PGF. v. that officials develop a model for a fair allocation of the PGF and report back to RED Ministers by 3 September 2018. vi. that co-contribution criteria for commercial applications should be: <ul style="list-style-type: none"> o For grants: wherever relevant, match existing criteria and PGF contribution capped at ^{Comm} per cent o For debt or equity investments: default is PGF maximum contribution for ^{Comm} per cent (exceptions by negotiation and by reference to PGF priorities). vii. that officials to identify priorities for firm-specific investments that would support co-investment with the private sector that would not otherwise occur and which contribute to the PGF objectives and report back to RED Ministers by 3 September 2018. viii. that officials design a commercial entity, specifying mandate, funding and decision making and report back to RED Ministers by 3 September 2018. ix. that PGF will consider investments where the application: <ul style="list-style-type: none"> o will not be funded within the primary government programme o clearly contributes to PGF objectives o demonstrates net benefits (added: "including verified third party support"). 	<p>Ministers noted that:</p> <ul style="list-style-type: none"> • Kapiti, though an urban centre in close proximity to Wellington, is seen as a gateway to regional investment, in the same way as Hamilton and Tauranga are. • all of Auckland is excluded • the PGF allocation is to be reviewed in one year • PGF could be utilised to help New Zealand companies to do more.
<p>Proposals – PGF</p>	<p>Ministers agreed to fund the 28th Maori Battalion project in Northland - \$13.991 million.</p> <p>Ministers agreed to fund the Cook’s Landing restoration in Tairāwhiti - \$1.630 million.</p> <p>Ministers agreed to fund the Te Hiku Sports Hub in Northland with a \$3.0 million grant.</p> <p>Commercial Information - Declined Application</p> <p>Commercial Information - Declined Application</p>	<p>Commercial Information</p> <p>Commercial Information - Declined Application</p>

Proposals – reforestation	Ministers deferred a decision on the following: <ul style="list-style-type: none"> • Commercial Information - Declined Application • Te Waihora restoration • Punakaiki Coastal restoration. 	
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1.3 Decisions – 28 May 2018

Item	Decisions	Comments
1 – Proposals for review	<p><i>Northland package</i></p> <p>Ministers agreed to the following investments :</p> <ol style="list-style-type: none"> 1. \$7.514 million in the Howard League Unlicensed Drivers licence programme. 2. \$6.25 million in the Twin Coast Discovery Route 3. \$6.65 million in the Trees That Count project 4. \$1.89 million in the Ngāti Hine ^{Commercial} Hectare Mānuka planting and training project. <p>Ministers also agreed to establish a multi-category appropriation in Vote Transport for Tuawhenua Provincial Growth Fund transport.</p>	<p><i>Twin Coast</i></p> <ul style="list-style-type: none"> • Ministers suggested a single business case rather than seven separate business cases. • Ministers directed officials to adopt a business case format that would enable potential economic development to be incorporated. • Ministry of Transport informed Ministers it would be ^{Commercial Information} before implementation phase.
	<p><i>Matariki Tu Rakau</i></p> <p>Ministers agreed to fund \$ ^{Commercial Information} towards the Matariki Tu Rākau Programme from the Provincial Growth Fund, to allow for the planting of up ^{Commercial Information} seedlings at locations across the country</p>	<p>Ministers requested an implementation plan and execution. Officials confirmed this would occur.</p>
	<p><i>Three Wharves</i></p> <p>Ministers agreed that the Provincial Development Unit prepares full investment agreements, by way of a grant, for the three wharves to a value of up to \$ ^{Commercial Information} and executing the agreements</p>	<p>Officials confirmed the project can be initiated following Ministers agreement to prepare the investment agreements.</p>

<p>2 – Investment Statement</p>	<p><i>Investment Statement</i></p> <p>Ministers provided direction on the geographic scope of the Fund and agreed:</p> <ul style="list-style-type: none"> • Porirua, Upper Hutt, Lower Hutt are excluded • Wairarapa is included • Kapiti is on the margins • South Auckland is excluded • Helensville, Wellsford are marginal • Urban centres (e.g. Hamilton, Tauranga City) are included based on their role of supporting the region • Christchurch – areas outside are included Selwyn, Hurunui. <p>Ministers agreed to the sector priorities and emphasised value over volume.</p>	<p>Ministers made the following comments:</p> <ul style="list-style-type: none"> • Regional Action plan should be updated and align with the Statement • Allocation of the Fund would be developed over time and requested that officials provide indicative updates • Ministers support the intention that all surge regions receive a fair allocation • The Fund should not operate on a first come, first serve basis • There needs to be a focus on the long term sustainability of capability investments • The development of skills that relate to the Future of Work was encouraged • Funding instruments, MBIE's balance sheet is suitable in the interim, however, there is a need for a vehicle.
<p>4 - SRO decisions</p>	<p>N/A</p>	<p>Ministers discussed the proposals and the SRO operating model.</p>

1.4 Decisions – 2 May 2018

Item	Decisions	Comments
<p>Bay of Islands Airport</p>	<p>Ministers agreed to the proposal</p>	<p>Officials directed to review all airport applications to PGF based on their merits and note the cross-regional consideration of all regional airports underway.</p>
<p>Opotiki</p>	<p>Minister's noted the advice from officials and the Independent Advisory Panel</p>	<p>Ministers asked the PDU to come up with something better by December 2018, where the region can build off natural advantages.</p>
<p>Ruapehu Alpine Lifts</p>	<p>Ministers agreed to the proposal</p>	