

Regional Economic Development

Weekly Report

27 – 31 January 2020

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabuteau

Under-Secretary to the Minister for Regional Economic
Development



PROVINCIAL
DEVELOPMENT
UNIT

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1. Dashboard updates

1.1 Proposals received by PDU (as at 26 January 2020)

New proposals received in week ending 26 January 2020	4
Total proposals received to 26 January 2020	1,512

* Includes applications and expressions of interest

1.2 Progress of proposals received by PDU (as at 26 January 2020)

Stage	Count*
Awaiting assessment	163
Being assessed	123
Unsuccessful	780
Approved	446
Total received	1,512

* These include all proposals that have come through the Provincial Development Unit's application and decision-making process. Application numbers may differ from project numbers as multiple applications may result in a single project or vice versa.

1.3 Headline PGF Numbers as at 31 December 2019 (monthly)

Total PGF funding committed	Total funding contracted	Total value of funding paid to date
\$2,885.5m	\$1,182.5m	\$406.9m

1.4 Job numbers as at 31 December 2019 (monthly)

Number of people employed in PGF-supported projects	2,352
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* Based on information provided by funding recipients on contracted projects.

2. Upcoming announcements

Date	Region	Projects being announced	Additional information
30 January	Northland	KiwiRail announcement of North Auckland line part 2, Whangarei	Kiwi Rail led
30 January	Dargaville	Northland Water Storage announcements	
30 January	Dargaville	Pontoon Opening	
1 February	Kaikohe	Whenua Māori announcement, Te Kotahitanga e Mahi Kaha Trust, Kaikohe	
5 February	Waitangi	Opening of the new the museum that commemorates and honours the proud record of Māori in New Zealand's armed services	

3. Communications activities

Date	Region	Media projects	Additional information
w/c 30 Jan	National	Digital Connectivity release	tbc by Minister's Office
w/c 30 Jan	n/a	Website stories on recent announcements in Wairarapa, Kaikoura, Waipukurau, Wairoa and Tokoroa.	
w/c 30 Jan	n/a	Website story and social media on graduation of first NZ Rafting trainees.	
6 March	Rotorua	QE Health/ Waiariki (tbc)	Under-Secretary announcing

4. Priority updates

Project name	Description/ update
Waitangi February 2020	The organisation of a series of Provincial Growth Fund (PGF) events in the days leading up to Waitangi Day 2020 is progressing well. The events include the North Auckland rail line announcement in Whangarei on Thursday 30 January; water announcements in Dargaville on Friday 31 January; joint PDU and Te Puni Kōkiri (TPK) Whenua Māori announcements in Kaikohe on Sunday 2 February; a small dinner on Tuesday 4 February for the widows and some descendants of the men who served in the 28th Māori Battalion; and the opening of the Māori Battalion Museum at the Treaty grounds on Wednesday 5 February.

5. Delivery of projects update

5.1 Top priority projects of interest

Project name	Description/ update
Commercial Information	
Twin Coast Discovery Route	<p>In June 2018, the Ministers for Tourism and Transport jointly announced PGF funding of \$6.2 million for a package of business cases to investigate improvements to the Twin Coast Discovery Routes.</p> <p>The SH11 and SH12 (Rawene to Katui) Twin Coast Discovery Business Cases have recently been completed and disseminated to local Councils for review. Local authorities will use these to develop their own plans and strategies. Because there are many owners of the activities identified in the business cases, a regional approach to development is strongly recommended. The documents will be published on the New Zealand Transport Agency's website early this year.</p> <p>Amount: \$6.250m Region: Northland Status: Contracted</p>
Dannevirke Rail Hub – Evaluation	<p>Commercial Information</p> <p>KiwiRail will lead the rail hub design and consent requirements and the Council will lead the roading impact assessment. Commercial Information</p> <p>Amount: \$Commercial Informa Region: Manawatū Status: Contracted (evaluation)</p>

Nelson Artificial Intelligence Institute (NAII)	Members of the Nelson Artificial Intelligence Institute (NAII) visited Chile to discuss the opportunity Artificial Intelligence can provide to the aquaculture sector. Commercial Information a leading aquaculture company, will be able to detect, in real time, the presence (or lack thereof) of Alexandrium catenella in part thanks to the work of NAII. Alexandrium catenella is a microalga which produces toxins that cause paralytic shellfish poisoning and is a cause of red tide. Detecting Alexandrium catenella allows scientists to reduce the risk of poisoning for the aquaculture industry.
	Amount: \$3.400m Region: Te Taihū Status: Contracted
Omeo Technology	Commercial Information [Redacted]
	Amount: \$2.500m Region: Kāpiti Status: Contracted

5.2 Other projects

Project name	Description/ update
Wairarapa Community Water Storage	The recipient has obtained commitments of \$ Commercial Information in co-funding and is working on options for transporting the water.
	Amount: \$800,000 Region: Wairarapa Status: Contracted
The Food Factory	The recipient has appointed a General Manager and a private blessing of the facility occurred on Friday 24 January 2020 before tenants started to move in. A number of Iwi members and other invited guests attended the blessing. An official opening event is planned for March.
	Amount: \$778,000 Region: Te Taihū Status: Contracted
Buller District Regional Digital Hub	The contract for this project was executed on Commercial Information . All pre-conditions have been met and the programme of work has been received along with the first payment request. A meeting was held between the recipient and PDU Officials this week in Westport to discuss the project commencement.
	Amount: \$400,000 Region: West Coast Status: Contracted
Te Taihū Portfolio Managers	Interviews for the two Portfolio Manager positions in Nelson and Tasman/Marlborough are well underway with a strong pool of potential candidates. PDU's Regional Advisor is on the selection panel for these roles.
	Amount: \$400,000 Region: Te Taihū Status: Contracted
Kupe Waka Centre	Commercial Information [Redacted]
	[Redacted]
	[Redacted]
	[Redacted]
	[Redacted]
	[Redacted]

	Amount: \$383,064 Region: Northland Status: Contracted
Technical Study for The Whale Trail	The North Canterbury Transport Infrastructure Recovery (NCTIR) programme now controls [redacted] kilometres of the proposed Whale Trail route. This part of the route, from Picton to Kaikoura, is currently on hold due to concerns from iwi which are currently being discussed. This has received significant media attention.
	Amount: \$322,000 Region: Te Taihuhu Status: Contracted
Commercial Information	

5.3 Te Ara Mahi (TAM)/He Poutama Rangatahi (HPR) updates

The Development Hub – Initiate Programme (Te Ara Mahi)	<p>In June 2019, The Development Hub (TDH) received a PGF grant of \$780,434 to expand its Initiate programme.</p> <p>This programme focuses on helping wāhine, many of whom have had troubled backgrounds with histories of drug issues and unstable relationships. Initiate provides a hand up, and proven practical support to overcome barriers to education, employment or training opportunities. It provides tailored training and support to help candidates to develop their strengths and the foundation skills they need for employment. The provision of ongoing support while in employment also means that individuals are more likely to stay on track and keep working towards their goals as well as staying in work or training.</p> <p>Of the [redacted] wāhine enrolled in this round of the programme, [redacted] completed it. Within this group, [redacted] ([redacted]%) were placed into further employment or training (the original target was [redacted]). Of the [redacted] who enrolled in the course, [redacted] identified as Māori, and [redacted] had gang affiliations. This round of the programme finished in December 2019.</p> <p>Commercial Information</p> <p>[redacted]</p> <p>[redacted]</p> <p>[redacted]</p> <p>[redacted]</p>
	Amount: \$780,434 Region: Hawke's Bay Status: Project complete

<p>First Choice – Te Koru Drug & Alcohol, Education & Employment Initiative (Te Ara Mahi)</p>	<p>First Choice Employment Services were awarded a PGF grant of \$1.1 million (over <small>Commercial Information</small>) in June 2019 to deliver the Te Koru Education and Employment Education Initiative. This is an evidence-based pre-employment programme involving individual assessments, counselling, and interactive and multi-layered education interventions designed to change critical thinking.</p> <p>Their most recent quarterly report covers the period up to <small>Commercial Information</small> and indicates that, of <small>Comme</small> people being helped to date, <small>Comme</small> have moved into either employment or further education, with <small>Comme</small> of those having identified as having substance abuse issues.</p> <p><small>Commercial Information</small></p> <p>Amount: \$1,100,000 Region: Tairāwhiti Status: Contracted</p>
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6. Policy Updates

6.1 Policy

Upper North Island Supply Chain Strategy
<p>The Ministry of Transport, the Treasury, and the Provincial Development Unit continue to progress this work in accordance with the work programme agreed by Cabinet.</p> <p>Following Ministers' latest direction, an initial assessment of alternative locations for the Ports of Auckland freight port will be provided at the end of February. This will be based on available information and aims to determine whether any options can be taken off the table.</p>
<p>Contact: Isabel Poulson, Manager Strategy and Policy, <small>Privacy of natural persons</small></p>

6.2 PGFL

PGFL
<p>PGFL Directors are meeting with the PDU on 3 February 2020. The PDU will soon send you and the Minister of Finance (as shareholders on PGFL) a briefing seeking approval to the subscription agreement for PGFL. Agreeing the Subscription Agreement is the first step to enable the Company to be capitalised via equity so that it can be funded to meet their obligations under investment agreements that will be transferred to them. Following the approval of the Subscription Agreement, the PGFL Board will be able to make their first call on capital to receive funding.</p>
<p>Contact: Levi Rona, Senior Policy Advisor, Strategy and Policy, <small>Privacy of natural persons</small></p>

Appendix 1 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date sent
2030 19-20	28 January 2020 RED Ministers meeting pack	RED	David van der Zouwe	27 Jan

Appendix 2 – Upcoming Cabinet Papers, Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Event Briefing: West Coast 7 Feb USEC visit	USEC	Kate Styles	<small>Commercial Information</small>

PROACTIVELY RELEASED

Appendix 3 – Official Information Act requests

Ministerial OIA

Tracking Number	Name	Date received	Due to Minister's Office	Due to request or	Status	Request
OIA357	Privacy of natural persons	4 Oct	16 Oct	23 Oct	Gathering Information	I refer to written question 30980 (2019). Under the official information act could I please request copies of the following papers
OIA399					21 Jan	Copies of reports listed in 38188, 38187 and 38186

Departmental OIA

Tracking Number	Name	Date received	Due to Minister's Office	Due to requestor	Status	Request
1920-0428	Privacy of natural persons	9 Sep	15 Oct	22 Oct	Drafting	All correspondence and material between Eastland Community Trust, Provincial Growth Unit and the Minister relating to the Wood Cluster Centre of Excellence between 1 January 2019 and 1 September 2019.
1920-0227		13 Aug	1 Nov	8 Nov	Gathering Information	Ruapehu Alpine Lifts - questions
1920-0707		31 Oct	21 Nov	28 Nov	Gathering Information	Information relating to PGF investment in Dunedin creative digital industry.

Departmental OIA

Tracking Number	Name	Date received	Due to Minister's Office	Due to requestor	Status	Request
1920-0713	Privacy of natural persons	31 Oct	17 Jan	24 Jan	Gathering Information	Copies of all emails, letters and other correspondence between MBIE and/or Provincial Growth Fund officials and Regional Economic Development Minister Shane Jones and/or staff from his office, the Dunedin City Council (staff or elected), or any other project partners, relating to Dunedin's waterfront development plan.
1920-0737		6 Nov	27 Nov	31 Jan	Gathering Information	How much money has been spent on consultants as part of the Provincial Growth Fund investment?
1920-0745		7 Nov	28 Nov	5 Dec	Gathering Information	Documents relating to the Waioura Trust application for grants relating to Kapiti Island or any other application to the PGF relating to Kapiti Island.
1920-0891		2 Dec	13 Jan	21 Jan	Gathering Information	Projects funded by the PGF that are over budget and want more funding
1920-0894		3 Dec	16 Jan	22 Jan	Scoping	Commercial Information - Declined Application
1920-0910		4 Dec	16 Jan	23 Jan	Scoping	BECA report produced relating to development at Opotiki Harbour
1920-1027		16 Dec	4 Feb	4 Feb	Review	Commercial Information
1920-0901		16 Dec	11 Mar	18 Mar	Drafting	Documents relating to the following grant of PGF funding
1920-1030		24 Dec	13 Feb	13-Feb	Drafting	All docs sent to the Minister in relation to that estimates 10'000 jobs
1920-1091		17 Jan	10 Feb	17-Feb	Scoping	Documents relating to reinstatement of the former Southener train service

Appendix 4 – Ministerial Correspondence

Ministerial Correspondence

Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ3578	Privacy of natural persons		23 Jan	Commercial Information [REDACTED]
SJ3432			10 Feb	Commercial Information [REDACTED]
SJ3649			21 Feb	Think big project for the bottom of the South Island

PROACTIVELY RELEASED

Appendix 5 – Parliamentary Questions

Written Parliamentary Questions				
Tracking Number	From	Date received	Due to Office	Question

PROACTIVELY RELEASED

Appendix 6 – Proactive Release

Documents for Proactive Release			
Name / Document Type	Quantity	Due for release	Status
Cabinet Papers	2	Commercial Information	Minister's Office
	1		On Hold
Regional Economic Development Weekly Reports	16		On Hold
Applications	206		Various
Funding Agreements	220		Various
Regional Economic Development Ministers Meeting Papers	169		Review
Position Papers	0		N/A
Senior Regional Officials Meeting Papers	236		Various
Independent Advisory Panel Meeting Papers	114		Various
Business Cases / Feasibility Studies	3		Sign-out

PROACTIVELY RELEASED

Documents Released/Schedule for Release This Week

Tracking #	Title of Document

PROACTIVELY RELEASED