

Regional Economic Development

Weekly Report

9 – 13 September 2019

To: Hon Shane Jones
Minister for Regional Economic Development

Fletcher Tabuteau
Under-Secretary to the Minister for Regional Economic
Development



IN-CONFIDENCE

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1. Dashboard updates

1.1 Status of applications as at 11 September 2019

New projects this week	12
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1.2 Headline Numbers as at 31 July 2019 (monthly)

Total PGF funding committed	Total funding contracted	Total value of funding paid to date
\$2,425.08m	\$1,075.10m	\$247.83m

1.3 Job numbers as at 31 May 2019 (quarterly)

Number of jobs created	1,023
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1.4 Progress of applications and EOI as at 31 July 2019 (monthly)

Stage	Count*
EOI / Application received	177
Being processed	137
Unsuccessful	579
Approved	281
Total	1,174

* Approved projects also includes out of process projects that are managed by other PGF agencies. Application numbers and project numbers may differ, as an application may result in multiple projects.

2. Upcoming announcements

Date	Location of announcement	Projects being announced	Additional information
23 Sep	Hawkes Bay	<ul style="list-style-type: none"> Hawke's Bay Food Innovation Hub Apollo Foods Aseptic Turners and Growers - Te Ara Mahi (TAM) Ngāti Pahauwera Whenua Māori 	USEC only

3. Communications activities

Date	Region	Media projects	Additional information
13 Sept	Northland	He Poutama Taitamariki - He Poutama Rangatahi (HPR)	Northland Age Maori TV
13 Sept	Multiple	Recess planning: Minister and USEC programme of announcements and visits	October recess
16 Sept	West Coast	Media release on dredging	
16 Sept	Northland	Waitangi planning : Provincial Development Unit (PDU) programme of events	
17 Sept	Kāpiti / Wairarapa	Story for website and social media on the potential benefits of the Dark Skies project	
17 Sept	Wairoa	The Limery - Final Country Calendar (CC) pitch	Working on story for last two months. CC has sent producer to the Limery.
17 Sept	Manawatū-Whanganui	Media release - Work ready passports	Reviewing
18 Sept	Southland	Media release - Building capacity	
18 Sept	Hawkes Bay	Investigating possibility for a story on employment programmes for drug/alcohol users	
21 Sept	Northland	Media Release - Rolling Ball Clock	Feature item
21 Sept	East Coast / Tairāwhiti	Investigating story on the potential of the Riverland project funded by TAM	
28 Sept	East Coast / Tairāwhiti	Tairāwhiti Roads media in Gisborne Herald, Social, story on Grow regions website and internal MBIE story	In Gisborne Herald

4. Schedule of recent and upcoming recommendations

4.1 Summary of projects considered at 12 September 2019 Independent Advisory Panel (IAP) meeting

Approve	Discuss	Decline
Project title	Description	
Wairarapa Community Water Storage Scheme		
	Pre-construction of water storage (and associated distribution) infrastructure at the Commercial Information in the Wairarapa region to achieve environmental objectives and provide security of water supply to industry and primary sector, to support the development of, and transition to more sustainable primary sector activity.	
	Amount Sought: \$ Commercial Inform Region: Kāpiti / Wairarapa	
Commercial Information - Withdrawn Application		
	[Redacted]	
[Redacted]		
	Commercial Information - Declined Application	
	[Redacted]	
	[Redacted]	
	[Redacted]	
	[Redacted]	
	[Redacted]	
Hanmer Springs Tourism Package		
	Funding for the expansion of the existing Hanmer Springs Thermal Pools and Spa, the construction of a Fly-Line to take riders 850 metres down Conical Hill at Hanmer Springs, and the construction of a “world-class” day spa (the Chisholm Spa) at the former Queen Mary Hospital site in Hanmer Springs.	
	The PDU recommends discussion of providing a grant on key costs, such as hiring a suitable Project Manager and completing a project plan to assist Hanmer District Council in accelerating the projects to realise the benefits that align with Provincial Growth Fund (PGF) objectives.	
	Amount Sought: \$1.10m Region: Canterbury	
Kaikōura Marine Development Programme		
	For the redevelopment of the Wakatu Quay and South Bay Business Case. The two projects follow from feasibility studies the PGF previously funded to identify potential projects in Kaikoura that will drive long-term economic development opportunities going forth from the recovery phase.	
	Amount Sought: \$10.88m Region: Canterbury	

<p>Kingfish Recirculating Aquaculture System</p>	<p>To construct a ^{Commercial} tonne pa recirculating aquaculture system (RAS) unit at the National Institute of Water and Atmospheric Research's (NIWA) site at Ruakaka, Northland. This project will enable NIWA to demonstrate the economic and technical feasibility of the RAS to grow yellow tailed kingfish to market size.</p>
	<p>Amount Sought: \$6.00m Region: Northland</p>
<p>[Redacted]</p>	<p>Commercial Information - Declined Application [Redacted]</p>
<p>[Redacted]</p>	<p>Commercial Information - Declined Application [Redacted]</p>
<p>[Redacted]</p>	<p>Commercial Information - Declined Application [Redacted]</p>
<p>[Redacted]</p>	<p>Commercial Information - Declined Application [Redacted]</p>

		Commercial Information - Withdrawn Application

5. Delivery of projects update

5.1 Top priority projects of interest

Project name	Amount	Description/ update
Wilson Heavy Engineering	\$4.351m	PDU officials had a successful meeting with the recipient and their lawyer and are now awaiting further information from Wilsons' lawyer to progress loan negotiations. Officials expect to receive this information by the end of the week. If the information is favourable, and meets the loan criteria, the PDU expects to finalise the contracts by the end of Commercial Information .
		Region: Northland Status: With Legal
Te Hiku Sports Hub	\$3.00m	Regional Economic Development (RED) Ministers are currently considering a variation to the conditions precedent of the \$3 million contract. If this is approved, this will enable \$Commercial Information to be released into the local economy immediately. This will bring forward the project by approximately seven months, therefore building can commence Commercial Information .
		Region: Northland Status: With applicant
Ashburton Second Urban Bridge Detailed Business Case	\$94,250	The detailed business case for this project is due for completion by Commercial Information . The recipient has advised that the completion date will now be Commercial Information to allow for Ashburton District Council to update its Walking and Cycling Strategy, complete preliminary geotechnical investigations and develop the business case as required by NZTA.
		Region: Canterbury Status: Contracted

5.2 Other projects

Project name	Amount	Description/ update
Tairāwhiti Economic Action Plan Refresh	\$49,000	The draft action plan refresh was received by PDU officials on 11 September 2019. The Economic Development Agency plans to have this refresh signed off at the <small>Commercial Information</small> Tairāwhiti Economic Action Plan meeting, after which a final submission will be given to the PDU.
		Region: Tairāwhiti Status: Contracted
Regional Action Plan Programme Manager	\$90,000	The final report for this Programme Manager project has been received. The final payment is currently being processed, after which the contract will be complete.
		Region: Tairāwhiti Status: Contracted
Port Taranaki Business Case	\$252,000	The final business case for this project has been received. <small>Commercial Information</small>
		Region: Top of the South Status: Contracted
Technical Study for the Whale Trail	\$322,000	There is a community hui planned to take place within the next two weeks to give the community an update on the proposed trail. By holding a hui the recipient hopes to ensure that the community are kept informed and will continue to support the project.
		Region: Top of the South Status: Contracted
National Driver Training Centre	\$ <small>Commercial Information</small> m	<small>Commercial Information</small>
		Region: Manawatū-Whanganui Status: Contracted

5.3 Te Ara Mahi / He Poutama Rangatahi Projects

Project name	Amount	Description/ update
He Poutama Taitamariki - He Poutama Rangatahi (HPR)	\$2.500m	On 12 September 2019, the He Poutama Taitamariki programme was announced as a finalist in the State Services Commission's Spirit of Service Awards. This project is a joint MBIE / Ministry of Social Development (MSD) HPR project in Northland, which has received new funding from the PGF. A focus of the delivery of the initiative is how HPR principles have been applied to enable an innovative project to be scaled and directed at non-MSD clients. Since October 2018 He Poutama Taitamariki has helped <small>Commercial Info</small> taitamariki gain skills to help them find work, with more than <small>Commercial</small> of them moving into meaningful employment, and a further <small>Commercial</small> into study.
		Region: Northland Status: Contracted
Te Ara Mahi (TAM) Applications	Various	Recent assessments show a high level of demand in the regions for skills and employment development. As at 10 September 2019, there are well over <small>Commercial</small> TAM or HPR applications lodged with the PDU, or under development in the regions, with approximately <small>Comme</small> proposals being prepared for the SRO meeting on 26 September 2019.
		Region: Various Status: Applications received

5.4 Major upcoming project milestones

Project name	Description/ update
Transforming Te Apiti into a Major Tourism Destination	The project is on track and the recipient is working on the final report and study now. They will have it ready for submission to the PDU this Friday.
Apollo Foods Aseptic Manufacturing Feasibility Study and Business Case	PDU officials conducted a site visit on 26 August. The business case is being drafted and is expected to be submitted by <small>Commercial Informati</small> [REDACTED]

6. Policy update

6.1 PGF Limited

You, the Minister of Finance and the Minister of Revenue have agreed to a draft Cabinet paper that relates to the Orders in Council to add PGF Limited to Schedule 4A of the Public Finance Act 1989 and Schedule 35 of the Income Tax Act 2007. This paper has been circulated for Ministerial consultation ahead of lodging to Cabinet for consideration at Cabinet Legislation Committee on 24 September 2019.

Contact:	Isabel Poulson, Manager Strategy and Policy, 04 897 5364
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Appendix 1 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date sent
0631 19-20	Event Briefing: Meeting with Mayor Shattock 17 September 2019	Jones	Kate Styles	10 Sep
0679 19-20	RED Ministers meeting pack	RED Ministers	David van der Zouwe	10 Sep
0687 19-20	Stewart Island Wind Power	Jones	David van der Zouwe	11 Sep
0792 19-20	Event Briefing: Federation of Māori Authorities Master Class, Nelson 26 September 2019	Jones USEC	Nicki Sutherland	12 Sep

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

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Event Briefing: Meeting with Far North Holdings 17 October 2019	Jones Little	Nicki Sutherland	Commercial Information
TBC	Event Briefing: Meeting re Whakatane Harbour	Jones	Nicki Sutherland	
TBC	Event Briefing: Maori Legal, Business and Government Forum	Jones	Ben Dalton	
TBC	Event Briefing: Hawke's Bay announcement event	Jones	Nicki Sutherland	
TBC	Event Briefing: Waitangi Schedule	Jones	Fiona Cassidy	
TBC	Event Briefing: Te Waka 'One Year On'	Jones	Nicki Sutherland	

Appendix 3 – Official Information Act requests

Ministerial OIA						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA326	Privacy of natural persons	26 Aug	13 Sep	20 Sep	Drafting	Under the OIA I seek copies of all documents/ reports/ briefings received by you and your office since 1 May 2019 relating to the number of jobs created by or through the PGF.
OIA330	Privacy of natural persons	26 Aug	13 Sep	20 Sep	Drafting	Under the OIA I seek copies of all emails held by your office relating to your possible or potential participation in a photo shoot on a boat, filmed by a drone. I also seek copies of all documents held by your office relating to this.
OIA334	Privacy of natural persons	4 Sep	20 Sep	27 Sep	Gathering Information	A list of the briefings and reports the Minister has received from the Ministry of Business, Innovation and Employment between August 1, 2019 and August 31, 2019.
OIA338	Privacy of natural persons	4 Sep	20 Sep	27 Sep	Gathering Information	I request a copy of this Cabinet Committee Paper please 31/07 - DEV: Provincial Growth Fund: March – June 2019 Report.
OIA342	Privacy of natural persons	6 Sep	26 Sep	3 Oct	Allocation	Could you please provide me copies of all documents you have received in relation to the decision to invest \$94.8 million into upgrading the North Auckland Line
OIA343	Privacy of natural persons	13 Sep	30 Sep	7 Oct	Allocation	I request all briefings/reports/aide memoires received by your and your office relating to the recently announced \$94.8 million investment to maintain and improve the North Auckland Line between Swanson and Whangarei.

Departmental OIAs						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1790	Privacy of natural persons	30 May	15 Jul	19 Jul	With Minister's Office	I have now re-read the Cabinet papers publicly released about the Provincial Growth Fund. I can find no reference to the exclusion of Porirua City or more generally, metropolitan Wellington. I would therefore request the Cabinet reference and associated minute. I would also like advice provided by officials that support this Government position - specifically the policy rationale. I do this under the Official Information Act. It may be that I simply haven't accessed the right Cabinet papers but I would appreciate a link to the appropriate records.

Departmental OIAs						
1920-0167	Privacy of natural persons	2 Aug	2 Oct	9 Oct	Gathering Information	<p>The following information in relation to the SWEP (Road Transport Sector):</p> <ol style="list-style-type: none"> 1. Copies of any advice provided to the Minister, or similar internal documents, recommending this programme should proceed. Please include any expectations of the programme in terms of sustainable employment outcomes. 2. The date the programme was formally launched. 3. The number of participants that have taken part in the programme to date by geographical region, (Northland, Auckland, Waikato, Bay of Plenty, Hawkes Bay, Manawatu, Wellington, Nelson/Marlborough, Canterbury, West Coast, Otago and Southland) 4. The number of programme participants that have gained full time employment (30-hours or more per week) in the industry as a direct result of taking part in the programme. 5. The number of programme participants, who having gained full time employment in the industry and were still working the industry 3-months after commencing their employment. 6. The cost of the programme to date to MBIE. 7. The number of hours MBIE staff have incurred in relation to the establishment, and ongoing maintenance of the programme. (Please also advise if the dollar value of these hours is included in the overall cost of the programme to MBIE to date.) 8. Copies of any updates of the programme provided to the Minister, or extracts from any wider reports, provided that report the progress of the programme to the Minister.

1920-0227	Privacy of natural persons	20 Aug	4 Oct	8 Oct	Gathering Information	A number of questions relating to Ruapehu Alpine Lifts.
1920-0247		20 Aug	4 Sep	11 Sep	Consultation (note received for Min Jackson)	Under the Official Information Act, I request all held information including; Expression of Interests, the funding application and it's supporting documents i.e. Letters of Support, all project planning documents, and all held correspondence between MBIE and all parties related to the Secondary School Employer Partnership (SSEP) project which was funded \$449,300 through Te Ara Mahi fund announced 14 August 2019 by Hon Shane Jones.
1920-0250		20 Aug	4 Sep	11 Sep	Consultation (note received for Min Jackson)	Under the Official Information Act, I request all held information including; expression of interests (EOI), funding application and it's supporting documents i.e. letters of support, all project planning/program documents, and all held correspondence between MBIE and all parties related to following projects announced on 15 August 2019: NGEN Room (He Puna Marama Trust) \$990,000 Life Talk (Kamo Driving School) \$396,000 He Poutama Taitamariki \$2.5 million (HPT) Thank you MBIE.
1920-0269		21 Aug	9 Sep	16 Sep	Gathering Information	Under the OIA I seek copies of all emails held by the Ministry relating to the Minister for Regional Development's participation in a photo shoot on a boat, filmed by a drone. I also seek copies of all documents held by the Ministry relating to this.

1920-0374	Privacy of natural persons	4 Sep	20 Sep	27 Sep	Gathering Information	<p>I have a query about a Provincial Growth Fund payment that I would like to be treated under the terms of the Official Information Act. The all programmes funding PDF says \$Commercial Information has been allocated to "Commercial Information". Does this funding refer to the loan/payment to Commercial Information, announced in July? If so, can you please explain the discrepancy between the \$Commercial Information figure and the \$Commercial million figure reported in July? If the Commercial Information " item does not refer to Commercial Information, to what programme does it refer? And which item in the PDF covers the Commercial Information payment?</p>
1920-0372	Privacy of natural persons	4 Sep	20 Sep	27 Sep	Gathering Information	<p>We are requesting all information pertaining to the Commercial Info and the Commercial Information within the last two years:</p> <ul style="list-style-type: none"> • inward and outward correspondence • inward and outward emails • any agreements • funding applications • approved funding • payments for projects • payments made to representatives of the Ngāti Hau Trust Board • memorandum of understanding or memorandum of agreement etc. • everything that has been sent and received to email addresses (withheld).

1920-0395	Privacy of natural persons	6 Sep	24 Sep	1 Oct	Allocation	I seek a copy of all e-mails, letters and file notes from 9.45am on 13 August 2019 to 3 September 2019 that the Gisborne District Council and the Provincial Development Unit have received/compiled in relation to the TEAP Steering Committee, Te Aitanga a Mahaki, the protest outside the Gisborne District Council on 22 August 2019 and all e-mails that refer to any of those issues and/or Privacy of natural persons .
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Appendix 4 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2522	Privacy of natural persons	24 Jun	15 Aug	Kawakawa Rail River Foreshore / Commercial Information
SJ2588		3 Jul	ON HOLD	Hawkes Bay Regional Water Security Programme PGF application
SJ2803		29 Jul	20 Aug	Singapore Trash Video
SJ2806		29 Jul	20 Aug	University of Maryland Accelerated Mass / Moananui
SJ2849		2 Aug	23 Aug	Oji Fibre Solutions signs MoU with Licella- iQ Renew to investigate new plastic recycling technology
SJ2869		9 Aug	30 Aug	Northland Biocoal Project
SJ2870		9 Aug	30 Aug	Closing of meat waste facilities in the regions
SJ2892		14 Aug	4 Sep	Flax Fiber / NZ Wool
SJ2906		21 Aug	6 Sep	Commercial Information - Withdrawn Expression of Interest
SJ2944		6 Sep	20 Sep	Conflicts of interest of government agencies
SJ2942		6 Sep	20 Sep	The Kauri Museum at Matakohe
SJ2937		6 Sep	20 Sep	Provincial Growth Fund - self-funding
SJ2932		6 Sep	20 Sep	NAX application to PGF - Letter of Support.
SJ2931		6 Sep	20 Sep	Invercargill receives \$19.5 million funding boost from Provincial Growth Fund 1 NEWS NOW TVNZ

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2945	Privacy of natural persons	11 Sep	25 Sep	MGM Modules
SJ2961		11 Sep	25 Sep	Pita Street Developments
SJ2967		11 Sep	25 Sep	Commercial Information [REDACTED]
SJ2965		11 Sep	25 Sep	Solar Panel manufacture in New Zealand
SJ2958		11 Sep	25 Sep	Port Taranaki PGF Application - MFA Letter of Support
SJ2975		13 Sep	26 Sep	Ōpōtiki Harbour Transformation Funding Decision
SJ2980		13 Sep	26 Sep	Kerikeri Airport opportunity
SJ2983		13 Sep	26 Sep	Commercial Information - Unsupported Expression of Interest
SJ2984		13 Sep	26 Sep	Funding for Family Support Services Kaiwaka/Mangawhai Inc.
SJ2985		13 Sep	26 Sep	Port Taranaki PGF Application
SJ2987		13 Sep	26 Sep	UNESCO World Heritage Status
SJ2931		13 Sep	26 Sep	Sustainable Future for NZ
SJ2996		13 Sep	26 Sep	Potential Application
SJ3009		13 Sep	26 Sep	Maori opportunity to create business in Kaeo. Northland
SJ3010		13 Sep	26 Sep	K.I.A Initiative
SJ3028		13 Sep	26 Sep	PGF Application Waste to Energy in Partnerships with Councils and Government

Appendix 5 – Parliamentary Questions

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

Appendix 6 – Proactive Release

Documents for Proactive Release			
Name / Document Type	Quantity	Due for release	Status
Applications	257	Commercial Information	Various
Funding Agreements	257		Various
Independent Advisory Panel Meeting Papers	2 document sets		Collation
Regional Economic Development Ministers Meeting Papers	3 document sets		Collation
Regional Economic Development Weekly Reports	5		At Minister's Office
Skills Position Paper	1		At Minister's Office

Documents Released This Week	
Tracking Number	Request
DEV-19-SUB-0201	June 2019 DEV Report Back
DEV-19-MIN-0201	June 2019 DEV Report Back Cabinet Minute