EVALUATION OF THE PROVINCIAL GROWTH FUND

ALLEN+CLARKE

ABOUT ALLEN + CLARKE

Allen and Clarke Regulatory and Policy Specialists Ltd (*Allen + Clarke*) is a consultancy that specialises in research and evaluation; policy; business change and optimisation; and governance, secretariat and programme support services. Founded in 2001, the company is led by two Managing Partners, Matthew Allen and Paul Houliston, who share ownership with six senior staff. We have approximately 80 other personnel working across three practice areas including policy and regulation, optimisation and delivery, and evaluation and research supported by our corporate services team. We have offices in Wellington, New Zealand and Melbourne, Australia.

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GLOSSARY

Term	Definition
CI	Confidence Interval
CIP	Crown Infrastructure Partners
EDA	Economic Development Agency
EOI	Expressions of Interest
IAP	Independent Advisory Panel
KEQs	Key evaluation questions
LEED	Linked employer-employee data
MBIE	Ministry for Business Innovation & Employment
MPI	Ministry for Primary Industries
MOT	Ministry of Transport (Te Manatū Waka)
MSD	Ministry of Social Development
NEET	Not in employment, education or training
NZTA	New Zealand Transport Agency (Waka Kotahi)
PGF	Provincial Growth Fund
PDU	Provincial Development Unit, now known as Kānoa - Regional Economic Development & Investment Unit
RED	Regional Economic Development
SRO	Senior Regional Officials
TPK	Te Puni Kōkiri

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EXECUTIVE SUMMARY

About the Provincial Growth Fund

The Provincial Growth Fund (PGF) was established in late 2017 to invest $1 billion per annum over three years in projects that were intended to raise the productivity potential of regional New Zealand.[1] The PGF was particularly targeted towards towns and sub-regions that are "less affluent"[2] and where there are pockets of above average unemployment and of people not in employment, education or training (NEETs), as well as low productivity performance. Māori are also strongly represented in these areas. The six PGF 'surge' regions were: Tai Tokerau (Northland); Te Moana-a-Toi (Bay of Plenty); Tairāwhiti (East Coast); Te Matau-a-Māui (Hawke's Bay); Manawatū-Whanganui, including Horowhenua; and the Te Tai Poutini (West Coast).

The PGF involved the following three types of investment.

- Smaller regional economic development (RED) projects, feasibility studies, and capability building initiatives. This included youth employment pathways which were designed to lift work readiness of rangatahi in some priority regions.

- Sector and industry development targeted at priority and/or high value economic opportunities with a greater commercial component.

- Larger infrastructure projects that would enable regions to be well-connected to other regions and within regions. This included rail, road, and digital communications.

The PGF is administered by the Provincial Development Unit (PDU), a business unit in the Ministry of Business Innovation and Employment (MBIE)[3]. A key aspect of the PGF design was the establishment of Memoranda of Understanding (MOU) with seven government agencies. This partnering arrangement was intended to ensure PGF activities were coordinated and effective where multiple agencies were involved. Key design features of the PGF initiative included:

- PDU and partner agencies working with tangata whenua, regions, and individuals to identify opportunities for investment and to support applications

- development of a robust and consistent assessment process

- provision of good and timely advice on applications to decision makers on whether to fund proposals

- effective contract management of funded projects.

About the evaluation

In January 2021, *Allen + Clarke* was commissioned to undertake an independent evaluation of the PGF in response to a Cabinet decision[4]. Outcomes sought by the PGF are long term and are not expected to be realised for some years after projects have been implemented. Thus, the evaluation sought to understand how the PGF operates and how it contributes to regional

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[1] Provincial Growth Fund brochure, 'Powering up Aotearoa – New Zealand's Regions'

[2] Provincial Development Unit, 'Investment Statement for the Provincial Growth Fund', p.8

[3] In May 2021 the PDU changed its name to Kānoa – Regional Economic Development and Investment Unit (REDIU)

[4] February 2018. Cabinet paper 'Operational design of the Tuawhenua Provincial Growth Fund', Rec. #32.

outcomes by identifying early markers of success and opportunities in relation to how the PGF can better achieve its outcomes.

The evaluation included all applicants[5] and PGF projects funded from its inception in December 2017 to 31 March 2020.[6] During this period, over 560 applications were approved with final figures for these applications as at March 2021 showing $2.295 million approved funding, 8,416 jobs created[7], and 7,027 Māori training participants. Data on progress of projects had a cut-off date of 31 March 2021. Data relating to the funding of One Billion Trees projects were in scope (and are included in the section on 'Outputs'). However, the evaluation did not include a specific focus on the One Billion Trees programme as it is the subject of a separate evaluation.[8]

The performance of the PGF was evaluated against two key evaluation questions:

1. How well is the design and approach being actioned to maximise the changes needed to achieve the desired impacts?

2. How valuable are the early outcomes of the PGF approach to regional communities, Māori and Government?

The evaluation employed mixed methods for data collection. This included a survey of applicants (funded and non-funded), survey of regional stakeholders, interviews in three locations (Kaikohe, Ōpōtiki, and Buller), interviews with national stakeholders, analysis of administrative data and a review of policy and operational documents.

The evidence from these data were compared against agreed criteria to reach evaluative judgements about the performance of the PGF. These criteria focused on six domains: collaboration, pre-application, decision making, contracting and client management, outputs, and early outcomes. In agreement with MBIE, where the evidence identified components of PGF performance that were not working well for Māori, a domain could not achieve a rating higher than 'consolidating'. The evaluators took the median of individual ratings for each domain to reach overall evaluative judgements for the key evaluation questions: PGF design and approach, and outputs and early outcomes.

Limitations of the evaluation

The evaluation was completed within a tight timeframe and budget. Data were gathered and analysed between 22 March and 12 May 2021. Given the sheer scale of the PGF, the complexity of the investments and their associated objectives, data collection and analysis were scaled to what was feasible in the available time. It was not possible to include a focus on emergent outcomes as they relate to all the PGF objectives. Thus, the evaluation does not include outcomes related to climate change and environmental sustainability.

The economic analysis was limited to descriptive methods. More generally, outcomes sought by the PGF are long-term and are not expected to be realised for some years after the PGF has been fully allocated and projects have been fully implemented. The evaluators suggest there

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[5] Funded and non-funded applicants.

[6] Approximately $600 million (i.e., 20%) of PGF funding was reprioritised in response to COVID-19. In May 2020, Cabinet approved new outcomes and investment principles for projects funded under this reset. The different objectives for these projects meant that much of the evaluation criteria identified for this evaluation would not be relevant.

[7] This figure potentially includes part-time employees, contractors and trades people amongst others.

[8] Te Uru Rākau (2021). One Billion Trees Fund: 24 Month Monitoring and Evaluation Report.

is value in conducting a data analysis feasibility assessment and econometric analysis to evaluate the longer-term performance of the PGF.

Further, it was not possible to achieve analytical saturation for all involved in the PGF (e.g., PDU, partner agencies, regional stakeholders, applicants) or for all demographics (e.g., Māori, Pacific peoples, others) so tough decisions needed to be made about which voices would be clearly heard and represented. Under-resourced communities were deliberately targeted as they represent populations with the greatest need; this inevitably meant communities with significant Māori populations were well represented in the qualitative data.

Taking the above caveats into account, consistent themes did emerge from the evidence that was gathered through the interviews, survey, and administrative data.

Evaluative assessment of PGF design and approach

Overall, the PGF design and approach is assessed as *consolidating*[9]. A summary of evidence for each domain included in the assessment follows.

Collaboration: rated as *effective*[10].

The PDU and partner agencies engaged effectively with most funded applicants. Te Puni Kōkiri (TPK) played a crucial role in supporting good engagement with tangata whenua. A key driver behind successful collaboration was a shared desired to effect positive change through the PGF.

Positive pre-existing relationships supported good collaboration. Key benefits of collaboration included developing closer working relationships on the basis of which input from central government on the direction of projects was more likely to be viewed positively. Where there were ongoing issues and tensions in regions, pre-existing relationships provided little benefit. In these instances, while the PDU and Senior Regional Officials (SROs) attempted to bring parties together, there is little indication that this has led to lasting change for the better.

Pre-application: rated as *consolidating.*

Overall, most regional stakeholders considered their needs, strengths, and unique circumstances were taken into account. The PGF policy emphasis on achieving economic benefits at times conflicted with tangata whenua concerns about intergenerational environmental sustainability and natural resource management.

In some instances, an approach led by central government was appropriate because of the scale and size of a project, such as investing in large infrastructure. However, this approach could create tensions due to a lack of alignment with local and regional priorities.

At a regional level, regions which did not have well developed strategic plans were more likely to experience difficulties in uniting and agreeing on priorities. While PDU staff and SROs altered their approach to working in such regions over time, their efforts could not address underpinning issues. For example, some regional stakeholders considered their regional economic development agencies or similar organisations continued to be ineffective.

Applicants' experiences of accessing the support they needed was mixed and there was significant variation between the experiences of funded and non-funded applicants. Applicants who had pre-existing relationships at national or regional level were better placed

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[9] Evidence of fair performance; quite a few weaknesses – some may be quite serious, but they are not deal breakers.

[10] Evidence of reasonably good performance overall; includes a few slight weaknesses.

to access the resources and the expert advice they needed. However, their experience of the quality of the support provided by the PDU and partner agencies was variable. Furthermore, the frequency and speed of perceived changes to the PGF's focus areas had a negative impact on some applications.

Decision-making: rated as *consolidating.*

While the PDU worked effectively with some partner agencies in the preparation of advice, a few partner agencies considered that this collaboration had not worked well, or found it patchy. One common issue, by those partner agencies who considered collaboration had not worked well, was that partner agencies' technical advice was not adequately reflected in the advice prepared for decision-makers. A possible explanation is that the PGF was intended to disrupt[11] typical government processes. This created tensions caused by shortening timeframes as well as limiting some advice, given that Ministers already had clear objectives.

The robustness of advice provided to decision-makers improved over time. As part of the assessment process, the PDU's inquiries in terms of projects' sustainability had a positive impact on their eventual shape.

Given the evolving nature of the PGF, the provision of advice to decision-makers on the spread of investment was challenging. Most stakeholders and applicants indicated that the right projects were selected. However, some held the view that there was too much of a top-down focus or involvement. Communicating decisions needed to be better, especially in terms of timeliness and consistency. Also, greater consideration needed to be given to the contexts within which tangata whenua operate. Tight timeframes to respond to queries from the PDU created difficulties for tangata whenua who often relied on whānau working on projects in a voluntary capacity.

Contracting and client management: rated as *consolidating.*

Most funded applicants found communication and advice from PDU staff, during the contracting process and project delivery, to be effective. Key factors that contributed to these positive experiences included effective communication, experiencing the contracts as concise and easy to follow, and PDU staff adopting a solutions-focused approach to addressing issues when they arose.

Where funded applicants such as community organisations have experienced difficulties in contracting and project management, this offers valuable learning. These include the benefit of PDU regional offices proactively resourcing and supporting organisations to identify potential risks and mitigation strategies.

Almost all applicants considered the reporting process to be poor, although some applicants believed it improved over time. Furthermore, some applicants considered the measures of success were too narrowly defined. This offers learning for the future.

While some funded applicants had positive experiences of drawing down funds, others found the process stressful. Key issues with drawing down funds included delays in the process and inadequate communication and advice. Such issues were a source of significant stress for some funded applicants.

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[11] The word 'disrupt' was used by multiple stakeholders in describing how the PGF fast-tracked the application process and emphasised bottom-up regional voices and priorities in all decision making.

Evaluative assessment of outputs and early outcomes

Outputs and early outcomes are assessed, overall, as *effective*. A summary of evidence relating to these two domains is included below.

Outputs: rated as *effective*.

The evidence indicates PGF funding was allocated in line with the PGF objectives, and emphasis on investing in the six surge regions occurred. In addition, while most projects have progressed as expected against key milestones, progress of infrastructure-related projects has been slower as at March 2021. To some extent this is expected given the size and complexity of these projects.

A key finding is that most PGF projects are on track as at March 2021. While COVID-19 has negatively impacted most projects, the effect was generally minor. While not directly attributable to the PGF, a positive indication of the PGF's early success is that some surge regions experienced strong economic performance over the period that PGF was implemented. Importantly, in the midst of a pandemic, the PGF has contributed to increasing optimism within communities.

Early outcomes: rated as *effective*.

The evaluative focus was on identifying early markers of success in relation to jobs and sustained economic development, social inclusion and participation, and Māori economic development.

Administrative data confirm that the PGF is creating jobs. A barrier to creating more local jobs has been a lack of available skilled labour. As at end March 2021, more than 8,400 jobs had been created. These jobs included businesses or individuals engaged in developing or administering PGF projects.

A key objective of the PGF was to support a range of Māori economic development projects in the regions. Where projects are underway, there is clear evidence of whenua Māori being utilised more productively, new business created, existing businesses further developed, rangatahi in training or newly employed, and marae being digitally connected. In all three locations visited by the evaluators there was excitement about new opportunities and a sense of optimism for the future. As well as economic benefits, the social, and environmental benefits of PGF were palpable in the interviews with many tangata whenua. This investment is critical to supporting the Māori economy and asset base for future generations, as well as building the social, cultural, and spiritual wellbeing of tangata whenua.

The evaluation also identified that some tangata whenua were challenged, and at times distressed, by what they perceived as economic agendas that did not consider other equally important values, such as health and wellbeing of natural resources. Further, there was evidence that the PGF could unintentionally reinforce existing inequities, for example some groups being shut out of opportunities offered by water infrastructure improvements, as the pricing structure privileged existing wealthy landowners.

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[12] *Image credit: Father and Son on bike trail boardwalk Photographer – Jules Anderson*

More time is needed to fully assess the contribution of the PGF to regional gross domestic product (GDP). Of particular concern is the type of data currently being collected by the PDU. Many applicants and other stakeholders indicated that the way in which success is currently measured is too narrow. More consideration needs to be given to how broader benefits can be captured and what information needs to be collected.

How the PGF can better achieve its outcomes

To guide improvements to PDU's management of PGF and for future programme development, the following lessons have been identified. The PDU should consider:

- sustaining and extending existing central and regional government relationships to support tangata whenua and other organisations to get investment ready

- at the pre-application phase, supporting organisations to scope the full costs associated with implementing a project

- supporting ongoing capability development of funded applicants, particularly with project management

- additional support to lift the capability of regional economic development agencies, where required

- implementing a simple and accessible reporting system for external use

- measuring what is important, including anchoring the PGF and other similar initiatives in holistic wellbeing frameworks such as He Ara Wairoa

- assigning specific allocations to different types of investments when implementing future investment programmes

- preparing now to evaluate the long-term impact of PGF.

1. INTRODUCTION

1.1. About the Provincial Growth Fund

The Provincial Growth Fund (PGF) was established in late 2017 to invest $1 billion per annum over three years in projects that were intended to raise the productivity potential of regional New Zealand.[13] Priority was given to six 'surge' regions in which Māori are strongly represented[14]: Tai Tokerau (Northland); Te Moana-a-Toi (Bay of Plenty); Tairāwhiti (East Coast); Te Matau-a-Māui (Hawke's Bay); Manawatū-Whanganui, including Horowhenua and the Te Tai Poutini (West Coast). The metropolitan areas of Auckland, Wellington, and Christchurch were excluded.

Figure 1: Geographical distribution of PGF funded projects approved to 31 March 2021

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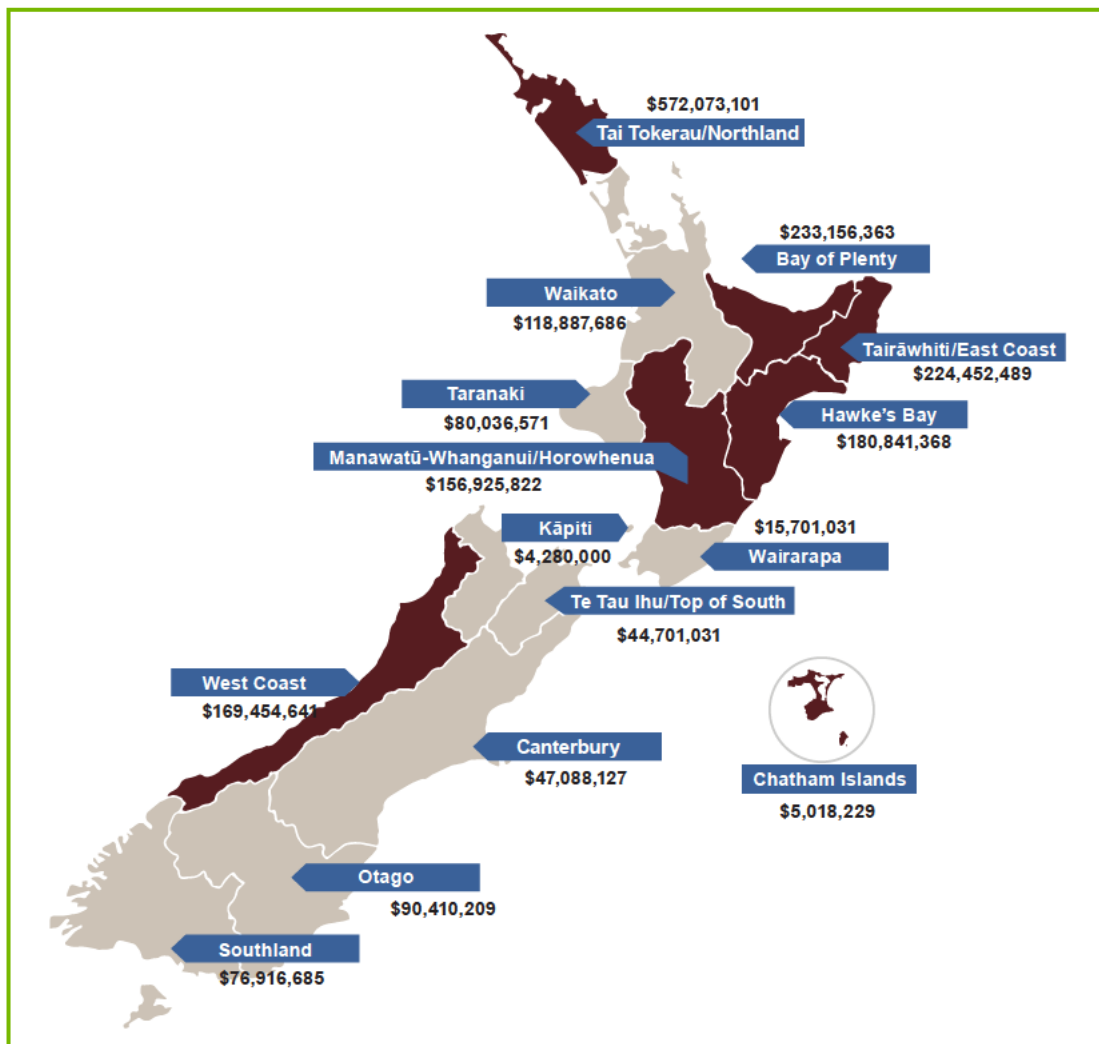
[13] Provincial Growth Fund brochure, 'Powering up Aotearoa – New Zealand's Regions'

[14] Investment statement for the Provincial Growth Fund, PDU.

The PGF had several features that contribute to it being 'complicated', a term used to describe interventions that have multiple components[15]. Four of these features are introduced in this section. The first feature relates to regional differences. Funding was prioritised for six 'surge' regions. Priorities determined which partner agencies were involved in a region; and existing networks influenced how people interacted. Some regions had stronger economic development agencies than others.

Secondly, the PGF had multiple objectives that centred around:

a) **Regional projects and capability:** smaller economic development projects, feasibility studies, and capability building. It was anticipated that a range of existing smaller scale projects could make a positive economic impact with support from this investment tier. Funded projects included He Poutama Rangatahi/Youth Employment Pathways which is designed to lift work-readiness of rangatahi in some of the priority regions. This investment tier aimed to build on the strengths of the Regional Growth Programme. [16]

b) **Sector and industry development:** initiatives encompassed sector and industry developments specific to the regions and either explored new options for economic growth or sought to improve existing industry (e.g. the One Billion trees programme, [17][18] tourism, manufacturing, and primary industries).

c) **Enabling infrastructure:** these were projects that would enable regions to be well-connected to locations within their own regions as well as to other regions, from an economic and social perspective, including rail, road, and communications. To be eligible for PGF funding, infrastructure initiatives needed to demonstrate how they would contribute to lifting the economic productivity and the number of jobs in a region, beyond what could already be achieved through existing infrastructure. [19]

Thirdly, allocation amounts differed by sector and type of project. The largest allocations[20] were for KiwiRail ($300 million), Tairawhiti Roads ($135 million), Te Uru Rakau ($484 million including operational funding), HPR/TAM ($162 million), whenua Māori and digital connectivity ($100 million), and tourism infrastructure ($75 million). Smaller allocations were assigned to energy and waste ($40 million), historical sites ($20 million) and economic development agencies ($5.6 million).

Finally, different government agencies were involved in its implementation. The PGF was administered by the Provincial Development Unit (PDU) which was expected to work closely with a number of 'partner' agencies to ensure PGF activities were coordinated and effective.

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[15] Rogers, PJ 2008, 'Using programme theory to evaluate complicated and complex aspects of interventions', Evaluation, vol. 14, no. 1.

[16] Cabinet paper 'The Provincial Growth Fund' (2017). The Regional Growth Programme began in 2014. It supported the development of regionally-led Regional Economic Action Plans aimed at realising each participating region's best economic development opportunities. It was expected that many of the early PGF initiatives would come from these plans.

[17] https://www.mpi.govt.nz/forestry/funding-tree-planting-research/one-billion-trees-programme/

[18] The One Billion Trees programme was established in 2017 and is delivered by Te Uru Rākau, a branded business unit within the Ministry for Primary Industries (MPI)

[19] Cabinet paper 'The Provincial Growth Fund' (2017).

[20] Drawn from PGF Monthly Dashboard 31 March 2020

Some of these partner agencies received PGF funding for the purposes of providing advice and other support; and some agencies managed PGF funding contracts.

Funded partner agencies included:

- Department of Conservation (DoC)
- Ministry for Primary Industries (MPI)
- Te Manatū Waka / Ministry of Transport (MoT)
- Te Puni Kōkiri (TPK)
- Waka Kotahi / New Zealand Transport Agency.

Delivery partner agencies included:

- Crown Infrastructure Partners (CIP)
- KiwiRail
- MoT
- Treasury
- Waka Kotahi.

An Independent Advisory Panel (IAP) was also established by Cabinet to support the evaluation of PGF applications. Panel members had skills in commercial, industry, public policy and sector-specific knowledge where relevant. The IAP had a number of functions. These included:

- providing independent and objective advice to the Minister for Regional Economic Development on applications for larger sector projects
- bringing commercial expertise to assist with the assessment of business cases
- providing advice on the overall investment portfolio and risks
- assisting the PDU to assess and refine processes and tools to support applicants with making proposals, and helping decision makers to assess proposals.

Each of the regions had a Senior Regional Official (SRO) who acted as the single representative for government at the regional governance level. They were responsible for advocating for a region and coordinating government support[21]. An overview of Crown parties and their decision-making sign-off limits, the IAP, along with different types of applicants, is included in Figure 2.

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[21] Cabinet paper 'The Provincial Growth Fund' (2017).

Figure 2: Key stakeholders involved in PGF funding processes
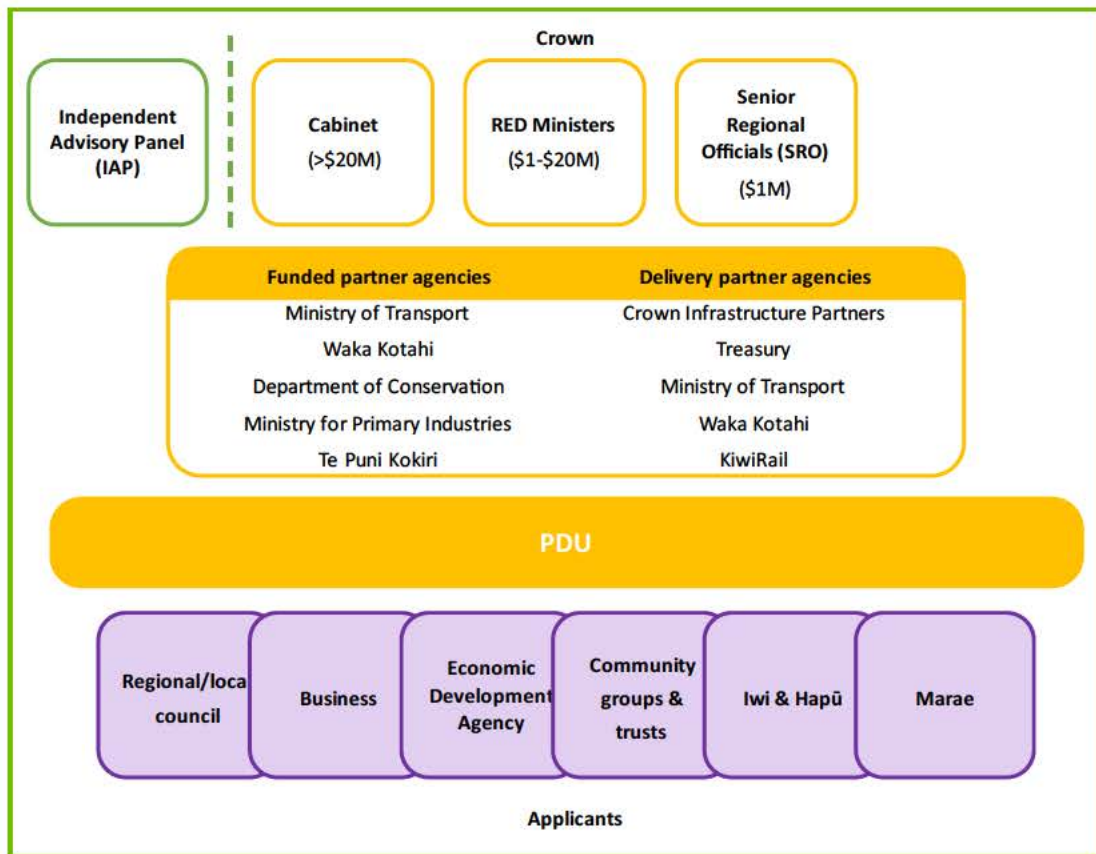
An intervention logic depicting the high-level intentions of the PGF's operation, outputs and outcomes is included in Appendix 1.

2. OVERVIEW OF THE EVALUATION APPROACH

2.1. Our approach

In January 2021, Allen + Clarke was commissioned to undertake an independent evaluation of the PGF in response to a Cabinet decision[22]. The evaluation sought to understand how the PGF operates and how it contributes to regional outcomes by identifying early markers of success and opportunities in relation to how the PGF can better achieve its outcomes.

2.1.1 Evaluation scope

The evaluation included all applicants[23] and PGF projects funded from its inception in December 2017 to 31 March 2020.[24] Post this date the remaining PGF funding (approximately 20% of the fund) was reprioritised in response to COVID-19.

Data on progress of projects had a cut-off date of 31 March 2021. Data relating to the funding of One Billion Trees projects were in scope (and are included in the section on 'outputs'). However, the evaluation did not include a specific focus on the One Billion Trees programme as it was the subject of a separate evaluation.[25]

It was outside of the scope of this evaluation to undertake any econometric analysis.

2.1.2 Key evaluation questions

The evaluation was guided by two key evaluation questions (KEQs) developed by MBIE and agreed to by the cross-agency Evaluation Governance Group:

1.   How well is the PGF's design and approach being actioned to maximise the changes needed to achieve the desired impacts?

2.   How valuable are the early outcomes of the PGF approach to regional communities, Māori, and Government?

2.1.3 Evaluation criteria

Evaluation criteria are the agreed aspects of performance that were the focus of each KEQ. The criteria provide an explicit basis against which overall judgements about the PGF's design, approach and the value of its early outcomes can be made. The criteria were informed by:

- a 2018 Cabinet paper[26]

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[22] February 2018. Cabinet paper 'Operational design of the Tuawhenua Provincial Growth Fund', Rec. #32.

[23] Funded and non-funded applicants.

[24] Approximately $600 million (i.e., 20%) of PGF funding was reprioritised in response to COVID-19. In May 2020, Cabinet approved new outcomes and investment principles for projects funded under this reset. The different objectives for these projects meant that much of the evaluation criteria identified for this evaluation would not be relevant.

[25] Te Uru Rākau (2021). One Billion Trees Fund: 24 Month Monitoring and Evaluation Report.

[26] Cabinet paper (2018). Further decisions on the Provincial Growth Fund.

- a draft PGF evaluation plan[27]

- refinements made by MBIE prior to *Allen + Clarke* being commissioned. The intervention logic and criteria are included in Appendix 1: Evaluation approach.

2.1.4 Data collection methods

The evaluation applied a multi-methods approach as described below.

- Qualitative interviews were conducted with a total of 29 national stakeholders between February and March 2021. Interviews were held with government agency staff (28) and an IAP member. The interviews were held face-to-face or online. These interviews provided contextual information about the PGF; informed decisions about the location of place-based interviews; and informed a national level perspective on the KEQs.

- The evaluation needed to understand the value of early outcomes of the PGF approach to regional communities, Māori, and the Government. The evaluators also wanted to explore the interaction between projects. To do this, the evaluation approach included place-based interviews in three locations. The selection of interviewees was based on maximum variation, i.e., divergence across types of projects, inter-connectedness of projects, and geographic location. Kaikohe, Ōpōtiki, and Buller were selected on the basis that they provided a mixture of whenua Māori, infrastructure and tourism related projects. In each location interviews were held with funded and non-funded applicants as well as staff of regionally based PDU and regional and local government agencies. These interviews (in total, 32) enabled the evaluators to explore in more depth the relationship between a community's priorities and how these were addressed through the PGF. To protect the identity of interviewees, findings have not been written up by location.

- Two online surveys were conducted. The first survey targeted applicants to the PGF, both funded (n=325) and non-funded (n=416) of whom 48% responded. The second survey was for regional stakeholders (final n=184), including PDU staff, representatives of iwi/hapū, the economic development agency, central government and partner agencies (Te Puni Kōkiri, Department of Conservation, Ministry of Transport, Ministry for Primary Industry, New Zealand Transport Agency, Crown Infrastructure Partners), PDU Principal and Senior Regional advisors, and regional/district councils. Both surveys were intended to gain a perspective across regions of how the PGF has operated and the value of its outputs and derived outcomes.

- Administrative data on applications received on or before 31 March 2020 (n=1838) was examined, including those that had been submitted for a formal decision by SROs, RED Ministers or Cabinet. The 'PGF Monthly Dashboard' report for March 2020 was used for allocation figures. For digital infrastructure data the 'Digital Connectivity Quarterly Report' for 31 March 2021 was reported. All other data used were created as custom SAS queries by PDF as required using cleaned data from March 2021; this does mean that some figures may not match reporting from 2020 (e.g. $ approved, contracted and paid). This data informed the analysis of PGF funded projects across

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[27] The original evaluation plan was commissioned by MBIE in 2020. Refinements to the draft evaluation plan were subsequently made by MBIE to incorporate feedback from a cross agency Evaluation Governance Group, cross agency Evaluation Advisory Group and MBIE. Further refinements were documented in the final evaluation plan (published in March 2021).

regions, tiers and sectors. Economic and productivity data sourced from Statistics NZ were analysed to identify any change in Not-in Employment, Education or Training (NEET) numbers and productivity by quarter for each region.

- A scan of relevant policy, operational and Cabinet papers (grey literature) provided contextual information about the PGF as well as information about the progress of selected infrastructure projects.

Use of multiple methods enabled the evaluators to capture a more complete and contextual understanding of PGF from multiple perspectives and across different contexts. At the analysis stage, the different data sources were in 'dialogue' with each other, with a view to identifying similarities and any differences between them. In the evaluation report, where findings converged the source of the data is not explicitly identified; where findings relate to a specific data source (e.g. place-based interviews) this is noted.

The evaluation approach was underpinned by the application of Te Tiriti o Waitangi which recognises crown partnerships with tangata whenua as guaranteed under Article two, and equity and equitable outcomes guaranteed by Article three "oritenga", and the role of the kawanatanga under Article one. The evaluation methodology was also underpinned by the application of key tikanga Māori principles to operationalise a Kaupapa Māori approach (Māori focused, collective impact, transformative). Three tikanga Māori principles – mahi tahi, manaaki, and whanaungatanga – guided the evaluators' engagement across the course of the evaluation. The evaluators engaged with kaitiaki in two of the locations visited. Kaitiaki were actively involved in and supported the evaluators' engagement with tangata whenua, helping them navigate the regional relationships. This approach ensured that the findings accurately reflected broader tangata whenua perspectives from within their rohe.

Two sense-making sessions were held. The first was with national PDU staff and the second with regional PDU staff. Each session provided an opportunity for participants to provide additional context and feedback on the key evaluation findings.

An overview of methods, participants, and rationale is provided in Table 1 below. A detailed explanation of the methodology is included in Appendix 1: Evaluation approach.

Table 1: Data sources and response rates

Method	Samples	Rationale
Interviews	PDU and partner agency staff. *Final n=19*	Scoping interviews, conducted to provide contextual information and inform decisions about the location of place-based interviews.
	PDU and partner agency staff, IAP. *Final n=10*	Gain a national perspective on PGF design and implementation and value of early outcomes.
	Applicants • Funded • Non-funded • Stakeholder • Regionally based PDU and partner agency staff *Final n=32*	Understand the experiences and perspectives of applicants and other regional stakeholders, within the context of three place-based communities with specific needs and strengths.

Surveys	Applicant survey Population n=741[28] Final n=365, 49% response rate • *Funded n=182, 56% response rate* • *Non-funded n=150, 36% response rate* • *Self-identified as Māori n=62, 21% response rate (non-Māori n=235)*	Gain a perspective across regions of how PGF has operated and the value of PGF.
	Regional stakeholders. *Final n=184, 72% response rate*	
Administrative data	Discrete PGF proposals approved, declined, pre-decision, or submitted as at 31 March 2020. *Final n=1853*	Provide information about budget allocation and progress of PGF funded projects across regions, tiers, and sectors.
Economic & productivity data	• Linked employer-employee data (LEED) • Not in employment, education or training (NEET) rates • Gross domestic product (GDP) data	Inform an analysis of change in NEETS and GDP for each region.
Document scan	• PGF reporting from partner agencies • PGF operational and policy document • Cabinet papers	Provide background information about the design and approach of PGF.

2.1.5 Sample frame

The data collection approach combines administrative and survey data for the entire PGF, interviews with national and regional stakeholders, and a deep dive into the experiences of applicants and stakeholders in three communities (see Table 1). The deliberate clustering of applicants and stakeholders in the three communities reflects the limited resources and short timeframe available for the evaluation.

The evaluation's breadth is given by the use of administrative and survey data, allowing estimates of the prevalence of outcomes and experiences, while the richness of experience was given by interviews and focus groups held at multiple levels of the PGF. Administrative data contain data on all PGF projects within the evaluation scope, but were limited in terms of usefulness. Survey data, on the other hand, provided more targeted responses which, although they related directly to the evaluation, did not capture data about all applicants and stakeholders (response rates were 49% for applicants and 72% for stakeholders). The

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[28] Drawn from PDU administrative dataset. All applicants with valid email address as at 27 April 2021. Unadjusted for applicants on holiday, changes in staff (i.e., original applicant unavailable), applicants asking to be removed from survey email list, etc.

relatively high response rates in the survey gave the evaluators confidence in total sample prevalence estimates, but less so for sub-group analyses (e.g., only 44 applicants identified as Māori). The in-depth interviews provided detailed information for the evaluation that cannot be captured by numerical methods, such as context, experiential responses, and unexpected or unlooked for outcomes and experiences.

Given the resource intensive nature of interviews and focus groups, it is impossible to achieve analytical saturation for all involved in the PGF (i.e., PDU, partner agencies, regional stakeholders, applicants) or for all demographics (i.e., Māori, Pacific peoples, others) so pragmatic decisions needed to be made about which voices would be clearly heard and represented – this decision was made using a weighted priority system (see final evaluation plan[29]).

A strength of this evaluation is that under-resourced communities were deliberately targeted, as they represent populations with the greatest need. This inevitably meant communities with significant Māori populations were well represented in the qualitative data. It should be noted that there was a much smaller population of government stakeholders (e.g., PDU, partner agencies, advisory roles) so a more complete understanding of officials' views and experiences of the PGF was achieved.

2.2.   Limitations to the evaluation

The evaluation had to be completed within a tight timeframe and budget. Qualitative and quantitative data were gathered and analysed between 22 March and 12 May 2021. Given the sheer scale of the PGF, the complexity of the investments and their associated objectives, not all criteria that were outlined in the original PGF evaluation plan could be addressed in depth. It was not possible to include a focus on emergent outcomes as they relate to all the PGF objectives. Thus, the evaluation does not include outcomes related to climate change and environmental sustainability.

In terms of data collection methods, qualitative interviews at regional and national levels were scaled to what was possible within the short timeframe of six weeks.. The PDU and partner agencies also provided the evaluators with a significant amount of administrative data, the comprehensive analysis of which was constrained by the evaluation's timeframe. Due to the limitations of a PDU administrative data primarily designed for project and contract management the evaluators could not rely on administrative data to assess detailed project progress, although a subjective assessment of the project status using the PDU PRAG[30] system (Purple, Green, Amber, Red) was available as at March 2021.

The economic analysis was limited to descriptive methods. The impact of PGF projects to regional economies is not expected to be seen for some years after PGF projects have been implemented. However we suggest there is value in conducting a data analysis feasibility assessment and econometric analysis to evaluate the longer-term performance of the PGF.

However, taking the above caveats into account, consistent themes emerged from the evidence gathered through the interviews, survey, and administrative data.

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[29] https://www.mbie.govt.nz/dmsdocument/14474-evaluation-of-the-provincial-growth-fund-12-march-2021.

[30] Purple =Exceeding expectations; Green=Meeting expectations; Amber=Some concerns/risks; Red=Serious concerns/risks

3. FINDINGS

The evaluation findings are structured in six sections. The first four sections focus on the PGF's design and approach (KEQ 1):

The remaining two sections discuss the outputs and early outcomes (KEQ 2):

3.1.   Collaboration

Criteria

A key factor in the PGF's design and approach was the establishment of enduring relationships between central government, local government, applicants, and iwi.[31] This section examines the extent to which:

- central government worked well with local government, applicants, and iwi

- the PGF contributed to the creation of stronger connections between regional government agencies and their communities

- the PDU and partner agencies engaged and partnered with Māori in the regions, including ensuring that funded projects aligned with the development aspirations of target groups as defined by applicants

- tangata whenua believed their values and views were acknowledged and respected.

Collaboration explored the following relationships:

- between Wellington PDU and the partner agencies

- between Wellington PDU and partner agencies with local government, and applicants including tangata whenua

- between regional stakeholders (such as councils and economic development agencies), and applicants including tangata whenua.

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[31] The report distinguishes between applicants, stakeholders, and partner agencies. In reality, there are overlaps between all of these (e.g., iwi, council can be both applicant and stakeholder), and between stakeholders and regional partner agencies (e.g., DOC, LTNZ).

Assessment

> Overall, the evaluators have rated this aspect of the PGF as effective. This means there is evidence of reasonably good performance with only a few slight weaknesses or inconsistencies.

Summary of key findings

The evidence indicates that the PDU and partner agencies collaborated positively with most funded applicants. TPK played a crucial role in supporting good engagement with local tangata whenua. A key driver behind successful collaboration was a shared desire to effect positive change through the PGF.

Positive pre-existing relationships supported good collaboration. Key benefits of collaboration included developing closer working relationships, on the basis of which input from central government on the direction of projects was more likely to be viewed positively. However, if there were ongoing issues and tensions in regions, pre-existing relationships provided little benefit. While PDU and SROs attempted to bring parties together, there is little indication this has led to lasting change for the better.

One of the PGF's benefits was that most stakeholders and applicants, who had previously never engaged with each other, formed new relationships. The development of networks supported the sharing of skills and knowledge, created an opportunity for people to work together towards a common goal, and were often conduits for accessing training and support.

While most stakeholders believed their capability for working with regional stakeholders on regional economic development priorities had been improved, multiple PGF projects occurring at the same time stretched local communities' capability and capacity. In addition, the short delivery timeframes made capability-building challenging. Some local government agencies temporarily supplemented their capacity and capability through fixed-term contracts.

Tangata whenua reported overall that their values and views were acknowledged by partner agencies and the PDU, and informed the basis of the Provincial Growth Fund applied for. However, some tangata whenua reported frustration in some areas where staff changes within crown agencies impacted on the continuity of service provision and advice received from PDU and partner agencies.

3.1.1 PDU and partner agencies generally worked well with regional stakeholders and applicants

Data from the applicant survey (Table 2) show that most funded applicants, including tangata whenua, agreed that PDU and partner agencies collaborated well with them. Underpinning factors that may have supported these affirming experiences were the clarity of roles and high levels of collaboration between the PGF and stakeholders, both at national and regional levels. Data from the stakeholder survey show 87% (n=136) of stakeholders agreed they had a clear role in relation to the PGF.

Table 2: Applicants' experience of engaging with PDU and partner agencies (Applicant survey)

Applicant survey question	Funded		Non-funded	
	All applicants	Māori	All applicants	Māori
PDU engaged collaboratively …				
No. applicants agreed	115 of 135 (85%)	25 of 30 (83%)	15 of 90 (17%)	4 of 13 (31%)
No. applicants disagreed	5 of 135 (4%)	1 of 30 (3%)	66 of 90 (73%)	8 of 13 (62%)
Partner agencies engaged collaboratively …				
No. applicants agreed	99 of 126 (79%)	22 of 29 (76%)	15 of 56 (27%)	3 of 9 (33%)
No. applicants disagreed	7 of 126 (6%)	3 of 29 (10%)	20 of 56 (36%)	3 of 9 (33%)

Evidence drawn from national stakeholder and place-based interviews also indicated that some funded applicants had positive experiences of the PDU working with them, and that, in some regions, government agencies effectively worked together at a regional level to support applicants.

TPK played a crucial role in engaging with iwi and hapū. The results of the applicants' survey indicate that 39% (n=52) of Māori applicants engaged with TPK. The types of support TPK provided included direct engagement with some applicants, introducing partner agencies to key hapū and iwi representatives, and ensuring tikanga was observed appropriately. For example, one applicant described how TPK's support during the development of a PGF proposal made the process much quicker.

The place-based interviews indicated that a key driver behind the collaboration between the PDU and partner agencies with regional stakeholders and applicants was a shared desire to effect change through the PGF. Some decision-makers looked to use their influence to make a lasting difference. For stakeholders this was particularly relevant when they had a direct connection with the region they were representing and/or based in. Discussions with PDU indicated that both the PDU Principal and Senior Regional Advisors and SROs were employed to be strong advocates for their regions.

Most non-funded applicants, by contrast, (including Māori) disagreed that the PDU had engaged collaboratively with them. Furthermore, approximately one third disagreed that partner agencies had collaborated at all (Table 2). Key issues included experiencing a centrally driven approach which did not match regional priorities (see section 3.2.1), insufficient support to establish effective collaboration at a district level, and challenges with engaging PDU staff. For example, one non-funded applicant characterised the difficulties encountered when trying to engage the PDU as follows:

> *… all engagement was initiated by me and I felt there was little interest in our application from the outset by PGF staff…*

3.1.2 PDU effectively built on positive pre-existing relationships to enable good collaboration

The place-based interviews indicated that most regional stakeholders (community organisations, iwi, territorial authorities, private businesses) and partner agencies had established relationships prior to the initiation of the PGF. Positive pre-existing relationships facilitated effective collaboration: a key benefit of these relationships was that there was already a shared understanding of each other's core values and a level of trust.

Evidence from the place-based interviews suggests that applicants with such pre-existing relationships found it easier to access advice about the PGF and to find out about opportunities to obtain support from the PDU or partner agencies. This made the process of preparing funding applications and delivering projects easier. In a few instances, individuals with pre-existing relationships were directly approached by the PDU and/or partner agencies to apply for funding. By example, one regional stakeholder explained:

> " *[We] had a portfolio of projects consented and ready to go... [We were] asked to work some of them up [as PGF applications].* "

In at least three regions, the PGF created an incentive for partner agencies to develop closer collaborative working relationships at a regional level. For example, in one region a range of regional stakeholders had co-located and worked together to source ideas. This had involved staff from agencies such as PDU, TPK, MSD, MPI, tertiary education, and DOC. These stakeholders had developed a better understanding of each other's activities and were continuing to work together across the region.

Evidence from the place-based interviews indicated that a key benefit of effective collaboration was that the PDU, partner agencies and Regional Economic Development (RED) Ministers' support of applicants contributed to successful applications that aligned with regional aspirations. In a few instances, collaboration involved PDU and/or partner agencies engaging in co-design with applicants. For example, one funded applicant explained:

> " *So that was the first experience I've had of co-designing with a funder where the context of the community was the basis and the foundation of the proposal so that was a good thing, a positive thing.* "

If there were ongoing issues and tensions between organisations, or if there was a low level of trust between them, their pre-existing relationships prior to the PGF were not evidently advantageous. National stakeholder and place-based interviews indicate that in the regions PDU staff and SROs did attempt to address some relationship tensions. Typically, this involved facilitation and bringing the different parties together. While this may have led to regional stakeholders and/or applicants working together, there is little to no evidence that this engagement was effective in helping to resolve such dynamics in the longer-term.

Place-based interviews indicated that in one region, historically poor engagement and often strained relationships between regional entities (such as territorial authorities), local iwi and hapū impacted the implementation of the PGF. For example, despite genuine attempts by PDU staff to bring people and organisations together, hapū and iwi reported negative experiences of engaging with regional stakeholders and similar projects in the same town competing with each other. For example, one applicant stated:

> " *[T]he council came in, they set up shop, connected it to their economic arm. They have the stakeholder share in the [infrastructure]. The benefit is going to our council. For the freehold Māori part that was connected to that funding [PGF] has been parked up ... Now seeing the fruits going to other industries and piecemeal wins for Māori.* "

Such situations create divisions and risks in terms of a project achieving its maximum potential and successfully meeting its goals.

3.1.3 Most stakeholders and applicants formed new relationships as a result of the PGF

Data from the stakeholder survey (Figure 3) shows about half of stakeholders generated new relationships with other regional stakeholders. Similarly, between 40 to 60 percent of applicants (Figure 4) generally developed relationships with government agencies, local communities, iwi, hapū, their council, and/or local economic development agency. Importantly, more than half of stakeholders and funded applicants reported developing new relationships with iwi or hapū. While the data indicates most stakeholders and applicants developed new relationships with PDU staff, this result is to be expected given the PDU did not exist prior to the establishment of the PGF.

Figure 3: Developed new relationships due to the PGF (Stakeholder survey)
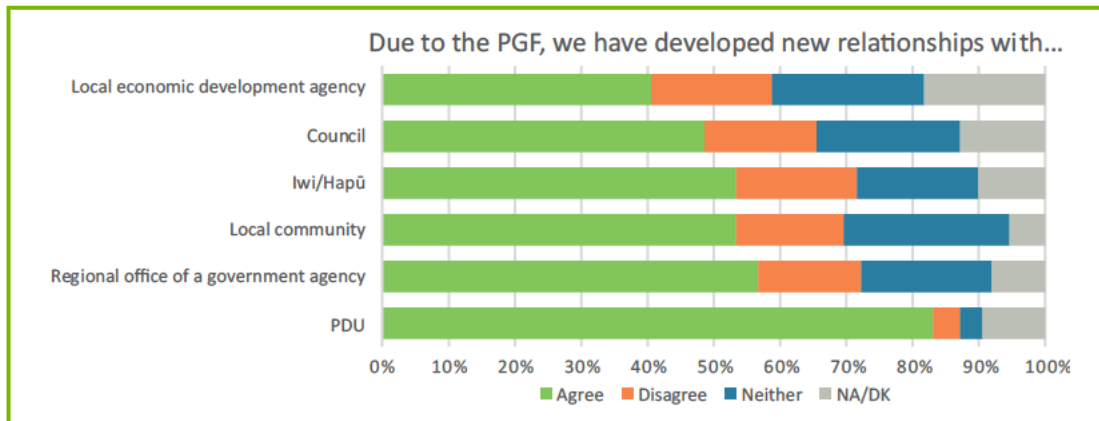
Figure 4: Applicants developed new relationships due to the PGF (Applicant survey)
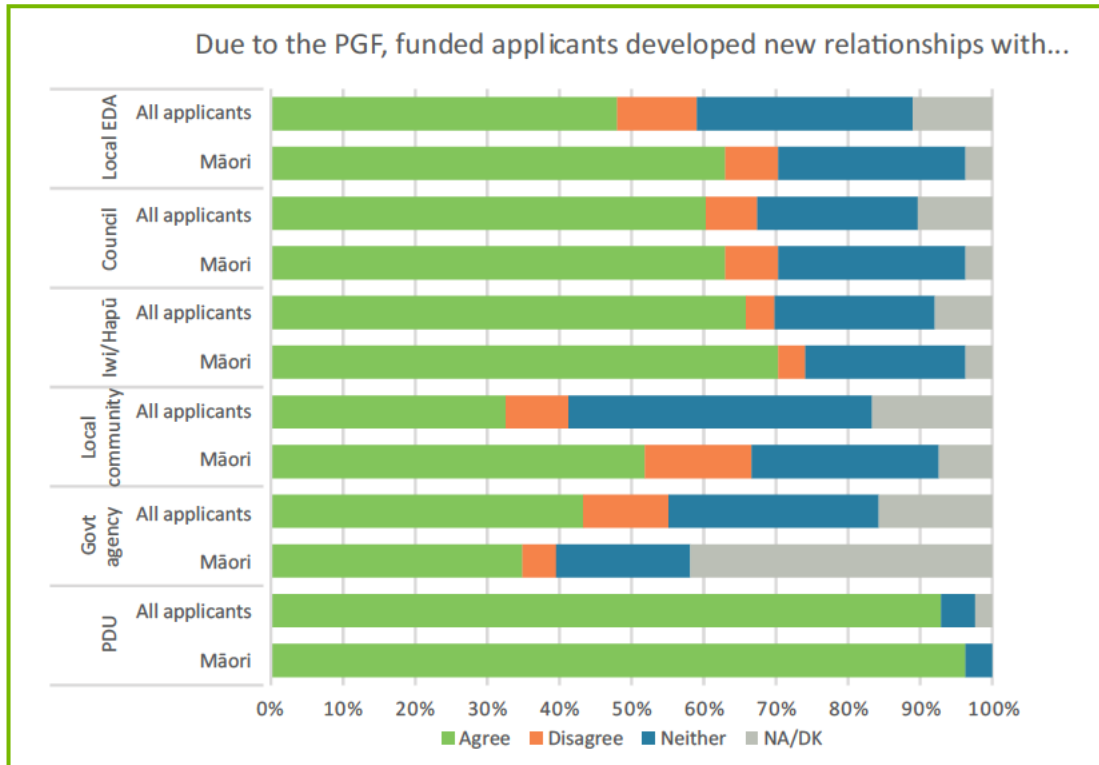
The place-based interviews suggest that new and improved relationships brought about a range of benefits. For stakeholders in some regions such benefits included the sharing of skills and knowledge between the PDU, partner agencies, and other regional stakeholders. Having well developed networks enabled stakeholders to address issues as soon as they emerged. For example, one national stakeholder explained:

> " *The role was to remove obstacles to economic development. If you look at my phone you'll see contacts from judges, mayors, council CE, private enterprise CE, village leaders, policeman ... The positive side is when things are going wrong, I can ring people up and say: you guys aren't delivering.* "

For tangata whenua the PGF created an opportunity to form relationships around common goals or aspirations for the future which helped to galvanise people. For example, one applicant explained:

> " *There's a commitment to the common future and that requires a facilitation of everyone's values being worked out together. We're all closer together. Previously [we'd] wave to each other on the street. Now, we've been meeting once a week – when COVID kicked in we stopped, then realised we could use Zoom.* "

In the place-based interviews, applicants indicated their new relationships were important conduits for accessing training programmes and available support. Many of them considered this to have contributed to the success of their application. One applicant reported that PDU staff had managed "*a lot of difficult politics*" on their behalf, helping to develop a proposal which attracted significant political attention. This evidence suggests that applicants who did not develop these relationships experienced more stress and challenges both in preparing their applications and accessing support.

TPK played an important role in helping make these connections for tangata whenua. As a crown agency they were responsive to the holistic needs of applicants; providing information and connection to resources internally. For example, governance training, or facilitating relationships between tangata whenua and other crown agencies.

3.1.4   PDU and partner agencies generally engaged well with tangata whenua

Evidence from the applicant survey (Table 3) shows most funded Māori applicants believed PGF funded projects were aligned with their development aspirations and that Māori values were considered and acknowledged. While about a third of non-funded Māori applicants agreed that Māori values were considered and acknowledged, almost half of non-funded Māori applicants disagreed that PGF projects aligned with their aspirations and that Māori values were considered and acknowledged (see the following page).[32]

[32] Caution should be applied when interpreting the responses of non-funded Māori, as the small sample size means that the findings may not be particularly representative.

Table 3: Extent to which applicants agree ... (Applicant survey)

Applicant survey questions	Agreed		Disagreed	
	Funded Māori applicants (n=30)	Non-funded Māori applicants (n=13)	Funded Māori applicants (n=30)	Non-funded Māori applicants (n=13)
Extent to which applicants agree PGF projects aligned with their aspirations	23 of 30 (77%)	3 of 13 (23%)	4 of 30 (13%)	6 of 13 (46%)
Extent to which applicants agree Māori values were considered and acknowledged	25 of 30 (83%)	5 of 13 (38%)	3 of 30 (10%)	6 of 13 (46%)

As explained in section 3.1.3, TPK played a key role in supporting PDU engagement with tangata whenua. The benefits of this support are reflected in the high number of funded Māori applicants and the almost even split in agreement for non-funded Māori applicants who agreed their values were considered and acknowledged.

The evidence indicates that PDU and partner agency staff had generally engaged effectively with tangata whenua. For example, one applicant explained:

> (E)veryone knows what they need to do on the coast when it comes to iwi side of things. PDU has been amazing and they get it

The national stakeholder and place-based interviews supported the survey results. This included tangata whenua providing examples of how PDU and partner agency staff had followed appropriate tikanga when engaging with them. Additionally, there was evidence of agencies building relationships with tangata whenua to support the development of Māori land. For example, one regional stakeholder explained:

> There is lots of Māori-owned land ... They [tangata whenua] have desire and drive to get things done but no way [prior to PGF] to fund it. With PDU coming in, we are helping connect them to agencies and grab different funding – [we're] all here to make sure Māori organisations and trusts are successful.

In some instances, these relationships led to projects in which entities such as regional councils, local hapū, and iwi collaborated in a combined effort. Figure 5 is an example of such a project.

Figure 5: Construction of tunnel houses for horticulture

Some tangata whenua reported frustration in some areas where staff changes within crown agencies impacted on the continuity of service provision and advice received from PDU and partner agencies. This contributed to issues with engagement and inconsistent guidance.

> " *We had TPK more than MPI for communication – PDU was there for project and relationship management – there wasn't a big team when we started and now it's shrunk down – so [the] number of relationship managers we've had hasn't been that good and they're just flagging and bringing someone else on – so it would be important to have the team with capacity built in.* "

> " *My experience? We were passed around 12 different people. We were asked to rewrite the application three times. Only ever met with us once. Never provided any guidance. Turned us down because tourism wasn't a focus. wasted a whole year. Hōhā!!* "

3.1.5 PGF has supported improved capability for working with regional stakeholders

Data from the stakeholder survey (Figure 6) indicated that most (30 of 39) stakeholders believed that, as a result of the PGF, their organisation improved its capability in terms of working with regional stakeholders on regional economic development priorities. Three stakeholders disagreed with this statement in the survey.

Figure 6: My organisation has improved capability for working with regional stakeholders on regional economic priorities as a result of the PGF (Stakeholder survey)

■ Agree ■ Disagree ■ Neither agree nor disagree ■ Not applicable
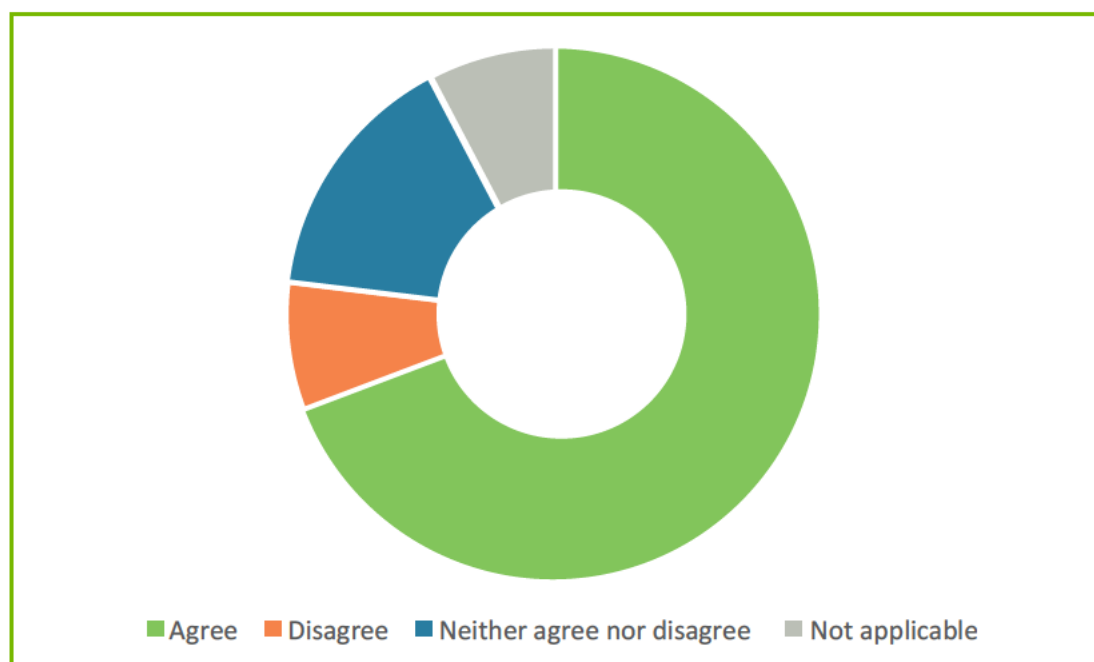
While the evidence suggests that capability at a regional level improved, it was challenging for some communities to meet the capability and capacity requirements generated by multiple PGF projects occurring at the same time.

Even where community members had the necessary skills and experience, there was insufficient resourcing within the budgets of some projects for them to undertake the necessary tasks. One contributing factor was also the short timeframes associated with the PGF: this meant that many applicants did not have sufficient time to adequately consider key

costs at the application stage. This problem was particularly evident for costs associated with project management (see section 3.4.3 for more). For example, one applicant noted:

> 66 [What] I didn't really cater for in the budget was capacity and capability that the trust needed – I was putting in long hours for the trust – we added a bit into the lottery application to support the trust to work with the project manager – each trust has differing levels of capability. 99

Furthermore, while on-the-job training did occur, time pressures associated with the PGF often constrained available support for the development of new skills: firstly, the people with the necessary capacity were under pressure to deliver; and secondly, it takes time to develop skills and to come up to speed. These two factors combined made it difficult to create the space and time necessary for engaging in capability-building at a community level within such short timeframes to deliver projects.

Further, evidence from the place-based interviews indicated that to build capability and capacity within local government temporary fixed-term contracts were sometimes also used. One applicant stated:

> 66 We usually only deal with 50 resource consents a year but this year we've already done 75 in nine months so we're doubling. We don't really want to go out to consultants because they charge us a fortune which either we pass on to the applicant who can't really afford the cost, or the rate payer picks up the difference. So we went to TPK and said if you fund us we can pay the posts and the roles and so that's what we've done. 99

3.2. Pre-application

Criteria

Central to the design of the PGF was that development is regionally driven. This section examines:

- the extent to which regional stakeholders believed their needs, strengths, and circumstances were understood and considered by central government
- whether applicants had access to the resources they needed to develop proposals
- whether communication was clear and consistent between Wellington PDU and the regions.

Assessment

> Overall, the evaluators have rated this aspect of the PGF as consolidating. This means there is evidence of fair performance with quite a few weaknesses. Some of these weaknesses relate to the experiences of tangata whenua in developing applications.

Summary of key findings

The experience of the application process varied across regional stakeholders and applicants. Most regional stakeholders considered their needs, strengths, and unique circumstances were taken into account. The PGF policy emphasis on achieving economic benefits at times

conflicted with tangata whenua concerns about intergenerational environmental sustainability and natural resource management.

In some instances, an approach led by central government was appropriate because of the scale and size of a project, such as investment in large infrastructure. However, this approach could create tensions due to a lack of alignment with local and regional priorities.

At a regional level, regions which did not have well developed strategic plans were more likely to experience difficulties in uniting and agreeing on priorities. While PDU staff and SROs altered their approach to working in some regions over time, their efforts could not address underpinning issues. For example, some regional stakeholders considered their regional economic development agencies or similar organisations continued to be ineffective.

Applicants' experiences of accessing the support they needed was mixed with significant variation between the experiences of funded and non-funded applicants. About half of funded applicants, and less than a quarter of non-funded applicants said they had gained new skills and capabilities. Applicants who had pre-existing relationships at a national or regional level were better placed to access the resources and the expert advice they needed. Their experience of the quality of that support provided by the PDU and partner agencies was variable. Furthermore, the frequency and speed of perceived changes to the PGF's priorities had a negative impact on some applications.

3.2.1 Regional stakeholders had mixed experiences of having their needs, strengths, and unique circumstances understood

Data from the stakeholder survey (Figure 7) showed that 58% (n=149) of regional stakeholders agreed that their region's circumstances had been considered in the design of the PGF.

Figure 7: My region's circumstances have been considered in the design of the PGF (Stakeholder survey)

Agree ■ Disagree ■ Neither agree nor disagree ■ Not applicable
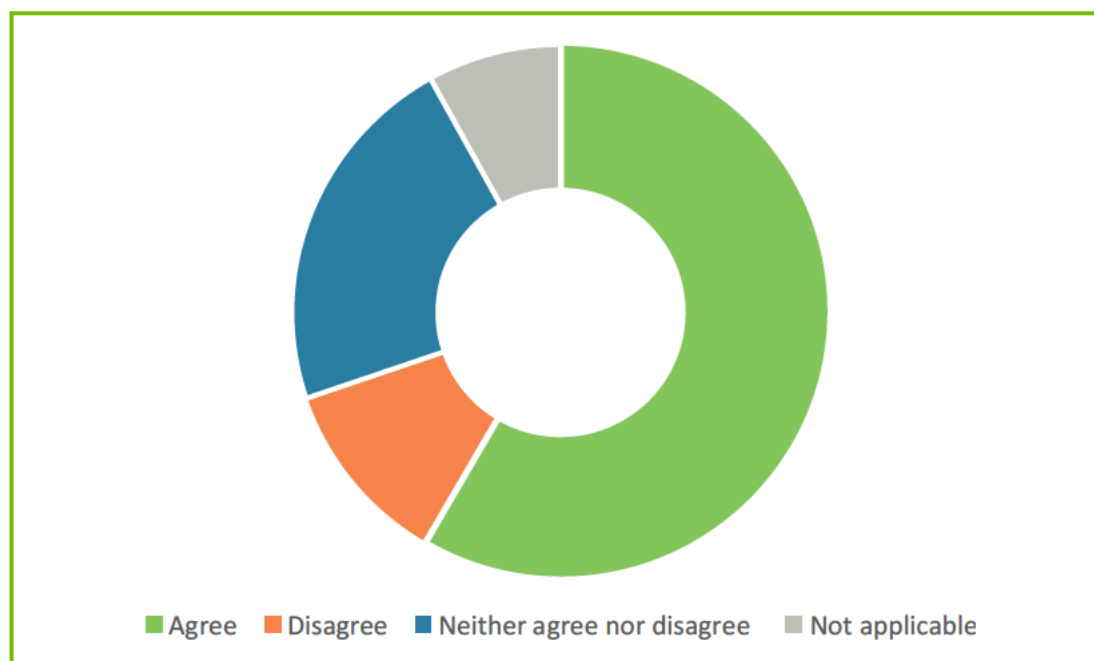
However, 11% (n=149) of regional stakeholders disagreed, stating, among other things, late entry into the PGF and not being a surge region as reasons. Evidence from the stakeholder survey and place-based interviews indicated lack of regional alignment with the PGF criteria

also made it more difficult for some regions to adopt a coordinated approach. For example, one stakeholder commented:

> " *I believe the region had strategic plans that … could have been included in PGF criteria [but weren't] – rather [it was] a lolly scramble approach that saw everyone race to put something together to uplift funding. Our region was slow in uptake and therefore may not have benefited as much as it could have.* "

Regions with effective economic development agencies were better placed to engage with the PGF

The evidence indicated that regions with effective economic development agencies (or equivalent) were more likely to have well developed strategic plans.[33] This pre-existing strategic direction placed them in a better position to unite as a region and to prioritise projects more effectively. As a result, they were well placed to take advantage of the opportunities the PGF presented.

Many ideas for projects had been generated from 'grassroots' initiatives with exploratory work undertaken prior to the PGF. In these situations, the PGF was considered timely and offered an opportunity to undertake the next step(s) in these projects. For example, one applicant explained:

> " *For once, a programme of investment that started bottom up … [The] first grant came from the government to allow us to start working up a plan, talk with clients, [create] original drawings. Identified a few tenants. PGF came along, [and we] made another application for Stage 2 – the Business plan… [We needed X amount] for roads and assistance with infrastructure - takes it from farm paddock to roaded, serviced sites.* "

Regions that did not have an effective regional economic development agency (or equivalent) were at a distinct disadvantage. Evidence from the place-based interviews showed that these regions did not always have an effective regional development strategy and were not well connected with regional stakeholders. These factors acted as barriers to developing a co-ordinated approach at a regional level, which was necessary for optimising PGF related opportunities. In one region, local PDU staff and the SRO altered their approach: this included facilitating discussions between regional stakeholders to reach an agreement on regional priorities. While the evidence suggests that this approach had a positive impact, the degree to which it worked depended on a few hardworking, motivated regional stakeholders who helped mitigate weaknesses in their local EDA. However, there was a consistent view across these stakeholders that weaknesses in the EDA remained.

A valuable learning for the future is that a one-size fits all approach to improving the capacity and capability of some EDAs (or equivalent) will not work; some regions are likely to need more support than others.

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[33] These plans were developed through previous government programmes such as the Regional Economic Growth Programme.

Views on central government and Ministers' influence on developing applications depended on alignment with regional priorities

As discussed in section 3.2.1, place-based interviews indicated that, in some instances, the involvement of central government and/or Ministers in supporting priorities or the development of applications was viewed positively. Two key factors were:

- good alignment of priorities between central government/Ministers and the region

- the scale and size of a project, such as large infrastructure, were beyond what a region or local territorial authority could manage alone.

For example, the development of Ōpōtiki harbour (Figure 8), while primarily regionally driven was also shaped by central government. This engagement was needed as the long-term maintenance and depreciation costs were beyond what a regional council could manage.

Figure 8: Regionally based large infrastructure projects

While the intent of the PGF involved both centrally driven (top-down) and locally driven (bottom-up) initiatives, in some instances, central government and Ministerial engagement was not viewed positively. Key factors included a lack of alignment in priorities between central government/Ministers and a region, and/or poor relationships. To address these issues, in some instances, national stakeholders had been approached to work with a region, or regions, as an SRO. As stated earlier, the SRO role included managing relationships and helping facilitate 'win-win' situations for both applicants and central government. For example, one national stakeholder explained:

> *[the] regions wanted to drive it [PGF applications] but no one was listening, and things were breaking down. People were opting out; hence I was sent in [as a SRO to manage the relationships].*

While it appears that the SRO role has been largely effective in managing relationships, the evidence indicated that in some regions there is no evidence that in the longer-term relationship issues will have been effectively addressed.

Furthermore, in some instances central government engagement created challenges for some local hapū and iwi due to a misalignment between the emphasis of the PGF criteria on economic outcomes and Māori aspirations, including broader wellbeing or hauora. As a result, while support provided by PDU staff may have been welcomed, it did not leave local hapū and iwi in a win-win situation. For example, the focus of a project for one hapū was environmental and related primarily to improving the quality of local water. Given the emphasis on economic outcomes, the PDU placed conditions on their application to allow irrigation. While the hapū concerned were not opposed to using the water in this way, their aspirations and stewardship

role meant that they wanted the health of their roto (lake) to be addressed first. A further tension arose in relation to the concern that the irrigation scheme would not be accessible to other local hapū and Māori organisations.

3.2.2 Pre-existing relationships facilitated applicants' access to resources and support

Results from the applicant survey (Table 4) indicated that most funded applicants had access to the resources they needed and experienced communication and advice from the PDU as clear, timely, and/or comprehensive. By contrast, most non-funded applicants reported not having had access to the support they needed and encountered issues with the PDU's communication and advice. Data from the stakeholder survey confirm these mixed results with 50% (n=148) agreeing that applicants had access to the resources and expert advice they needed.

In addition, evidence from the stakeholder survey and place-based interviews suggests that having positive pre-existing relationships with regional and national stakeholders made it easier for applicants to access support (see section 3.1.3 for more information about the benefits of pre-existing relationships). For example, one funded applicant explained:

> " *People who haven't benefitted from the PGF didn't know how to. You had to know someone, honestly. We are all connected even through grassroots people. You had to know someone.* "

Table 4: Applicants' experience of receiving the support they needed (Applicant survey)

Applicant survey questions[34]	Agreed		Disagreed	
	Funded (n=135)	Non-Funded (n=91)	Funded (n=135)	Non-Funded (n=91)
I had access to the resources I needed to complete and submit my application	85%	46%	6%	29%
I gained new skills or capabilities	47%	22%	13%	50%
Communication from the PDU was:				
Clear	81%	42%	5%	31%
Timely	68%	16%	9%	50%
Consistent	55%	21%	21%	39%
Comprehensive	63%	10%	12%	50%
Advice from the PDU was:				
Clear	83%	37%	3%	29%
Timely	67%	13%	7%	46%
Consistent	53%	20%	19%	36%
Comprehensive	67%	10%	8%	47%

Evidence from the place-based interviews confirmed these results. Most funded applicants who received support from the PDU to apply spoke positively about their experiences. This included support with developing business cases, advice on aspects of the application form,

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[34] The agreed and disagreed rows for funded/non-funded do not add to 100% as don't know and N/A responses were not included.

exploring investment and/or funding options, and the PDU leading discussions on the sustainability of a project. For example, one applicant noted

> " *We came across an investment guy from Wellington [PDU]. He and I had a very good discussion about how the project could be sustainable. He came up with the option of the council effectively underwriting it; he talked the right language and asked the right questions.* "

That said, evidence from the applicant survey, the stakeholder survey and the place-based interviews indicated that some applicants did not receive the support they needed. Key issues for both funded and non-funded applicants included inconsistent communication and advice, lack of timeliness and responsiveness from the PDU, and variability in the quality of advice provided. For example, while some applicants were advised to seek funding to cover project management costs, others were not. Also, some stakeholders and funded applicants believed issues they had experienced during the delivery of projects would have been avoided if better advice had been provided at the pre-application stage.

Furthermore, the variability of advice was a source of frustration for some hapū and iwi who experienced a gap between their aspirations and the approaches and the PGF. One frustration was the lack of opportunity in adopting a collaborative approach to developing applications:

> " *On the side of co-investment into a community plan with iwi at the centre, I'd say there's still a long way to go. So, with MBIE we went down the track of getting a collaborative proposal into a community plan … [The plan] got all the way down to Wellington and [PDU staff] said we can't fund into a collective plan; we can only fund individual organisations. So, all the work we'd done, the elbows just went down again and the organisations ended up competing again...* "

Based on the evidence collected, it is not possible to determine the impacts that these different experiences had on application success rates. There was limited evidence suggesting that the quality of proposals prepared by applicants who had not received adequate support was compromised.

Finally, there were questions about the longer-term effectiveness of the support available to applicants: less than half of funded applicants, and less than a quarter of non-funded applicants (Table 4) indicated that they had gained new skills and capabilities through the pre-application process.

Direct support provided by some partner agencies was viewed positively

Under MOU arrangements partner agencies shared their expertise to help shape applications. At the preapplication stage this occurred in two forms. In the first, partner agencies advised the PDU on the value and feasibility of applications. This involved partner agencies applying their specialist knowledge before applications were submitted to determine whether projects were high value or whether there were issues with the application.

In the second, some partner agencies shared their expertise directly with an applicant. Of note is the key role TPK played as a crown agency in working with tangata whenua to identify opportunities for development and to apply for PGF funding. In the two years prior to the PGF, as part of whenua Māori initiatives, TPK had worked with tangata whenua to mobilise them in exploring development opportunities to improve utilisation of their land. As a result, several whenua Māori projects were investment ready. Place-based interviews indicated that TPK effectively worked with the tangata whenua involved to apply for PGF funding to progress these projects.

In addition, TPK used their networks to promote the PGF and support applications more broadly. By example, one applicant explained:

> 66 *[We] developed a relationship with TPK, [who] brought in consultants and experts to talk to us land block owners. [They] said we believe you can work together.* 99

This type of input was often a catalyst for generating the ideas that then formed the basis for PGF applications. Although applicants indicated that this kind of support made a real difference for many whānau and hapū, applicants, it is not possible on the basis of available evidence to assess its overall effectiveness and impact in terms of application success rates.

Some funded applicants had used independent organisations to develop their applications

Evidence from the place-based interviews indicated that a range of support was sought from independent organisations. This included applicants commissioning external organisations to prepare business cases or the application form and seeking help to fill knowledge gaps. In most instances, these experiences were viewed positively. This included attributing success of the application to these organisations' input. By example, one applicant shared the following:

> 66 *... our company paid for [a consultant to prepare our application]. We were given advice to use them [the consultant], or it was suggested to us. I contributed a lot, but it was finessed by them ... the lady I worked with provided a very good process and a professional document. It just went through [the application process] first time, we weren't asked for more information.* 99

3.2.3 Shifts in PGF priorities over time were not adequately communicated to applicants

Experience of the PGF funding criteria differed between funded and non-funded applicants. Data from the applicant survey (Figure 9) shows 72% (n=135) of funded applicants agreed the criteria were clear and 65% agreed the criteria were comprehensive. By contrast 52% (n=91) of non-funded applicants agreed criteria were clear and 30% agreed the criteria were comprehensive. These results reflect differences between funded and non-funded applicants' access to support in completing their applications (see section 3.2.2, results from the applicant survey (Table 4)).

Figure 9: Criteria for funding were clear and comprehensive during the application process (Applicant survey)
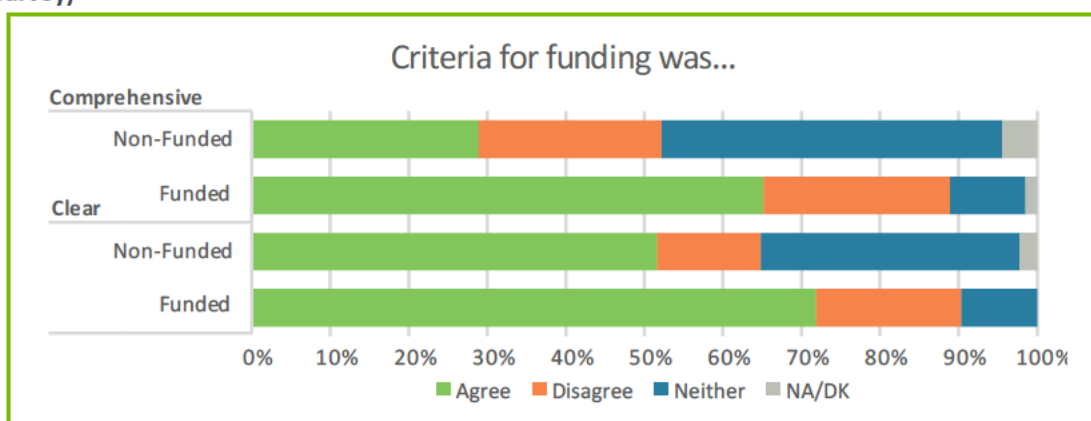
Furthermore, evidence from both surveys, national and place-based interviews indicated that the priorities of the PGF changed frequently. According to PDU staff, the core criteria did not change rather the priorities changed in response to changes in Ministerial priorities and lessons learned. Changes in priorities were considered to have generated a "certain degree of frustration"; in part this frustration was probably fuelled by a lack of effective communication from the PDU about why the priorities had changed.

Despite this, across the different evidence sources, the perception that the criteria constantly or suddenly changed was prevalent among regional stakeholders and applicants. It was also clear that these changes in priorities impacted negatively on some applications. For example, some applicants needed to rewrite applications to meet and reflect the change in priorities or submitted applications which had merit at the time they were prepared but were then made invalid. These types of experiences had resourcing and cost implications for applicants.

In addition, the evidence indicated that some regions which engaged later with the fund missed out on opportunities. For example, one applicant explained:

> 66 *Criteria kept changing, never settled down. There were things on the table for the North Island that were being taken off the table for the South Island.* 99

3.3. Decision-making

Criteria

To support the decision-making process, PDU and partner agencies needed to work together to provide timely and robust advice. This section examines the:

- extent to which the timeliness, quality, and robustness of the provided assessment and advice supported decision makers sufficiently to make decisions on individual proposals and to ensure the spread of investment across sectors, regions, tiers, risk, and Māori

- extent to which PDU and partner agencies collaborated in the preparation of advice for decision-makers to ensure they were adequately supported to make decisions

- clarity and consistency of communication between the Wellington PDU and the regions with regard to decision-making.

Assessment

Overall, the evaluators have rated this aspect of the PGF as consolidating. This means there is evidence of fair performance with quite a few weaknesses. Some of these weaknesses relate to the experiences of tangata whenua in the decision-making process.

Summary of key findings

While the PDU effectively worked with some partner agencies in the preparation of advice, a few partner agencies considered that this collaboration had not worked well or found it patchy. One common issue, by those partner agencies who considered collaboration had not worked well, was that partner agencies' technical advice was not adequately reflected in the advice prepared for decision-makers. A possible explanation is that the PGF was intended to

disrupt[35] typical government processes. This created tensions caused by shortening timeframes as well as limiting some advice, given that Ministers already had clear objectives.

The evidence suggests that the robustness of advice provided to decision-makers improved over time and the sustainability of projects was, in general, adequately considered. In some instances, as part of the assessment process, the PDU's inquiries in terms of projects' sustainability had a positive impact on their eventual shape.

Given the evolving nature of the PGF, the provision of advice to decision-makers on the spread of investment was challenging. Most stakeholders and applicants indicated nonetheless that the right projects were selected. However, some held the view that there was too much top-down involvement.

Communicating decisions to applicants needed to be better, especially in terms of timeliness and consistency. Also, PDU and partner agencies needed to give more consideration to the contexts within which tangata whenua operate. For some tangata whenua, tight timeframes to respond to queries from the PDU created difficulties as they were relying on the goodwill of whānau working on projects in a voluntary capacity.

3.3.1 Approximately half of partner agencies reported positive experiences of collaborating with the PDU in preparing advice

Discussions with PDU staff indicated that they considered the approach to preparing advice with input from partner agencies had worked well. For example, when agencies had different perspectives, the PDU shared its own advice as well as the advice of partner agencies with decisions-makers, especially RED Ministers and Cabinet. From the PDU's perspective, the strength of their approach meant that they rarely experienced people raising unexpected issues at the last minute in decision-making forums.

However, evidence from the stakeholder survey and national interviews indicated that partner agencies' experience of collaborating with the PDU was mixed. This is illustrated in the findings of the stakeholder survey (Figure 10), in which approximately half (n=13) of partner agencies agreed that PDU staff adequately considered and responded to their advice.

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[35] The word 'disrupt' was used by multiple stakeholders in describing how the PGF fast-tracked the application process and emphasised bottom-up regional voices and priorities in all decision making.

Figure 10: PDU adequately considered/responded to my advice (Stakeholder survey)
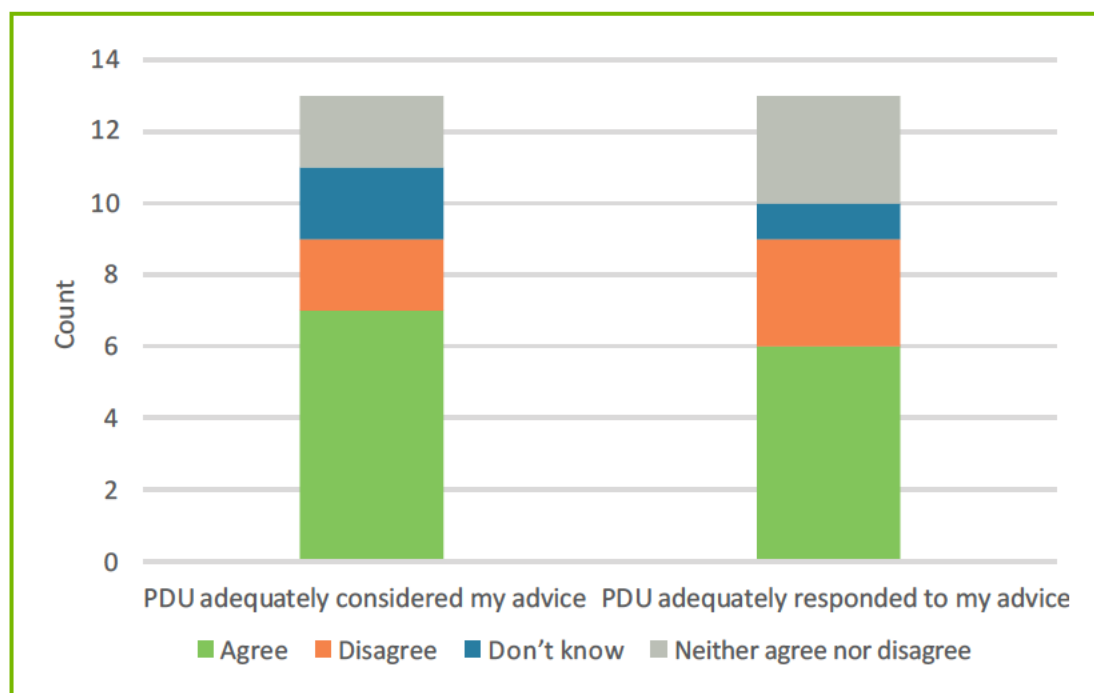
Positive experiences of the collaboration between the PDU and partner agencies included sentiments that some partner agencies' roles in the PGF process were valued. For example, one partner agency stated:

> " *PDU relied on us to engage on Māori economic development. In [one region] we felt like an equal partner with PDU, [it] felt [as if] we were a critical partner, [and] we invested a lot of resource.* "

By way of contrast, a few partner agencies indicated that collaborating with the PDU while preparing advice had not worked well, or that it was patchy: that is, in some instances, collaborating with the PDU generally worked well, but there were isolated occasions when it did not. A common issue was the perception that PDU staff did not adequately incorporate the partner agency's technical advice into the advice they provided to decision-makers. For example, two national stakeholders described instances where they had received advice papers without appendices. These appendices would have held information that was pertinent to the partner agencies. From the perspective of partner agencies, this omission led to decisions being made without the PDU having effectively engaged with them.

One potential explanation for the differences in the perspectives of stakeholder survey respondents is that the purpose of the PGF was to disrupt government processes and timeframes. PDU staff acknowledged that this created tensions, reducing the timeframes within which to prepare advice and placing limitations on the nature of the advice, given that Ministers already had clear objectives. However, it is not clear from the evidence if some of the issues experienced in collaborations between the PDU and partner agencies can be directly attributed to the PGF's fast-tracking of processes or the pace at which the PGF was establishing internal procedures.

3.3.2   Processes around reviewing potential projects improved over time

A key aspect of providing decision-makers with good quality and robust advice involved undertaking due diligence[36] and project review. When establishing the PGF, Cabinet determined that they expected "the right level of due diligence over potential investments to ensure their probity and effectiveness in achieving the Government's goals."[37] This condition was accompanied by the caveat that due diligence processes should not unnecessarily slow the progress of initiatives when the speed of delivery was critical to achieving economic development objectives. This balance between due diligence and pace exemplified the PDU approach.

Evidence drawn from a few national stakeholder interviews suggests that, in the early stages, PDU project reviews and due diligence could have been more thorough. One national stakeholder expressed a concern that applications which reached the SRO decision-making table had not met the Government's due diligence expectations. However, interviews with SROs suggests that robust discussions were held as part of the decision-making process which addressed such issues.

Evidence from some national stakeholder interviews and the formative evaluation[38] indicated that the quality of due diligence and information prepared by the PDU improved over time. For example, one national stakeholder explained:

> " *… after 3 years … the quality of the investment proposal, due diligence, reference check, industry template background, the quality of the work, was as high as I've seen in the commercial sector in my professional career. And that commercial unit within PDU grew month on month in terms of the quality of the information.* "

Furthermore, for projects over one million dollars, the Independent Advisory Panel (IAP) provided separate independent advice to RED Ministers and Cabinet. A member of the IAP described the process as including completing separate due diligence checks and assessing project proposals in their entirety. An assessment of the PGF Advisory Governance model[39] rated the quality of advice provided by the IAP as high. Key findings from this assessment concluded that the IAP provided advice which was apolitical, focused on the objectives of the PGF, and took a long-term New Zealand perspective.

3.3.3   Generally, the viability of projects was adequately considered

Evidence from the applicant survey[40], national stakeholder and place-based interviews indicated that long-term viability of projects (e.g. that businesses grow and deliver on outcomes) had been effectively considered. However, there were concerns about the viability

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[36] Due diligence was used by stakeholders in a broad sense to cover project review and contractual activities including conducting background checks and developing business cases.

[37] Cabinet Paper, December 2017, para. 33

[38] MBIE (2020). Provincial Growth Fund Formative Evaluation (November 2020). The Evidence and Insights Branch of MBIE undertook a formative evaluation of the PGF between July and September 2020. The purpose of the evaluation was to provide some early insights on the operation of the PGF.

[39] Final MBIE PGF Advisory Governance model assessment 20.11.20

[40] Results from the applicant survey showed 89% (n=127) agreed that the benefits of their projects would continue once PGF funding had ended. While 6% disagreed with this statement, and another 5% of funded applicants responded that they did not know if their projects would continue once PGF funding has ended.

of some individual projects, particularly in relation to the investment in some infrastructure projects as well as some health- and social-based projects.

Concerns were raised in relation to the viability of some infrastructure projects, be they large centrally driven projects or smaller community-based projects. The potential burden of ongoing maintenance costs for government or local communities was highlighted in particular. In the case of large infrastructure projects, the PDU indicated that viability was a key consideration and involved working with partner agencies, such as Waka Kotahi (NZTA) and Te Manatū Waka (MOT), to obtain assurance about the relevant parties' ability to manage ongoing maintenance. The PDU had also taken into consideration broader Government plans, such as the Government's rail plan.[41]

Indications from the place-based interviews are that some applicants undertook additional commercial assessment to address concerns about the viability of their projects. In some instances, this process was instigated by PDU staff who sought reassurance that a given project would be viable once completed. Indications were that when PDU did test a project for its potential viability, this process was beneficial and helped shape the project. For example, one applicant observed:

> " *We've done [a] really detailed financial analysis for a commercial operating model including with [named iwi] who will be involved, to give ourselves confidence that this can self-support and become a thriving asset.* "

A few applicants, however, queried whether adequate consideration had been given to the viability of their proposed projects. Occasionally, viability considerations only arose after PGF funding had been awarded. For example, one applicant explained that they had put in a PGF application for developing a community innovation centre. However, despite being awarded funding, this recipient organisation decided not to proceed with the project because of potential risks associated with the ongoing maintenance costs that the investment would entail.

In addition, there were questions about investing in education or training related projects which would require further Government funding in the future to continue. It was argued that many of these projects should have been funded by the relevant government agency rather than through the PGF. However, discussions with the PDU suggest that there was not a shared understanding between them and other national stakeholders about the intent of the PGF. One of the purposes of the PGF was programmes for rangatahi to become employment-ready. Examples included rangatahi, who in addition to acquiring work-based skills, also needed support to develop the basic life skills necessary to sustain a job. At the time of our evaluation, the future of some of these projects remains unclear due to uncertainties about continued funding.

3.3.4 While providing advice on the spread of investment was challenging, indications are that overall the right projects were selected

The evidence indicates that there are a range of factors that contributed to the difficulty in providing advice to help ensure a good balance of investments. These factors included the:

- volume of work

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[41] The Government's rail plan outlines its long-term vision and priorities for New Zealand's national rail network until 2030. The first rail network programme was approved by the Transport Minister in June 2021.

- limited timeframes for assessing applications

- structure of the PGF which changed as Ministers determined new allocations [42]

- requirement to make funding decisions about applications in real time as they came through the application portal.

Evidence from the stakeholder survey shows that 73% (n=149) of stakeholders agreed the funded projects aligned with regional priorities. Similarly, evidence from across national stakeholders and place-based interviews confirmed these results, broadly agreeing that, in general, the right projects had been selected. For example, one national stakeholder said:

> " *I can go from the North to South, East to West – fantastic examples of efforts and industries that have benefited from PGF funding and all the right things and will become enduring business model as a result of it and will become self-funding. Therefore - have the right things been funded? I'd probably say about 75% have.* "

In addition, while the PGF generally operated without specific allocations for different types of investment or foci (such as surge regions or investment tier), PDU staff explained that they had sought to meet Ministerial expectations by actively seeking a good spread of applications across the different sectors, regions, tiers, and Māori development. The funding distribution is discussed in section 3.5, Outputs.

3.3.5 Communication of decisions made was not good enough

Discussions with PDU staff indicate that processing the high level of applicant submissions from the start of the PGF was challenging. To address this challenge PDU staff initially focused on processing those applications which would most likely be successful. Figure 11 shows the cumulative count of applications and decisions up to March 2020. While the gap between the total number of applications/EOIs and decisions made (approvals and declines) seems concerning, a large number of applications were excluded early as they did not meet the funding criteria, were withdrawn by the applicant, or the assessment process (i.e. due diligence was followed).

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[42] Sinclair, L. (2020). Final PGF Advisory Governance Model Assessment.

Figure 11: Cumulative count of applications received up to March 2020 (PDU administrative data)
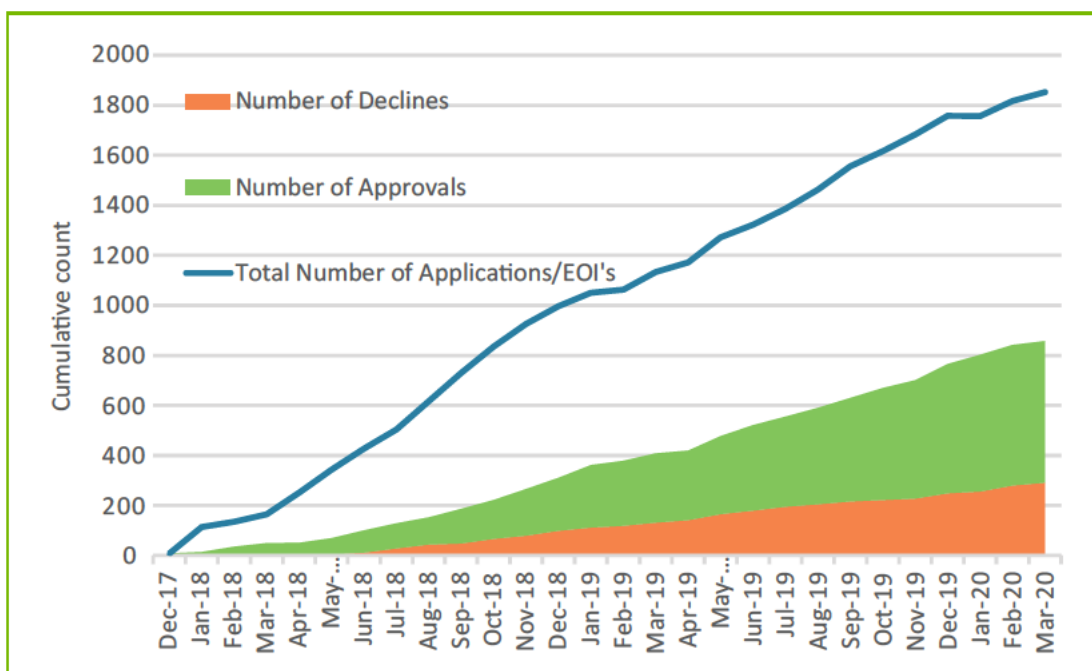
Evidence from both surveys and place-based interviews indicate that the PDU's communication with applicants during the assessment phase was not effective. Results from both the applicant and stakeholder surveys (Table 5) shows experiences of PDU's communication in terms of it being clear, timely and/or comprehensive was mixed (with funded applicants generally agreeing and non-funded disagreeing, and stakeholders agreeing that it was clear but neither timely nor comprehensive). Most respondents disagreed that the PDU's communication was consistent.

Table 5: Communication from the PDU was … during decision-making (Applicant and Stakeholder surveys)

Survey questions	Agreed			Disagreed		
	Funded (n=134)	Non-Funded (n=90)	Stakeholder (n=134)	Funded (n=134)	Non-Funded (n=90)	Stakeholder (n=134)
Communication from the PDU (about decisions) was:						
Clear	71%	32%	64%	7%	41%	13%
Timely	52%	12%	48%	18%	54%	25%
Consistent	25%	25%	38%	16%	40%	27%
Comprehensive	60%	10%	48%	8%	53%	19%

In responses to the applicant survey and place-based interviews, applicants described a range of issues relating to the PDU's communications during the assessment phase. These issues included uncertainty about the location of their applications in the assessment pipeline, unclear timeframes for decisions, significant delays in receiving decline letters and unclear reasons for declining an application. In a few instances, delays in communicating decline decisions led to applicants missing out on opportunities to apply for alternative funding.

Furthermore, requests for responses from the PDU within tight timeframes created difficulties for some tangata whenua applicants. This is in part because they often relied on the goodwill of whānau whose input into applications was not paid. This suggests that, in some instances, the PDU gave inadequate consideration to the contexts within which tangata whenua operate. For example, one applicant explained:

> " [It was] very difficult for iwi who were reliant on the goodwill of whānau for some [parts] of the application and weren't always able to pivot as quickly as PGF wanted ... [it] really only improved when we received confirmation that we had been given approval for our project. We were more annoyed that the process up to the approval stage was extremely painful for us as an iwi. "

To speed up the decision-making process, a few regional stakeholders sought direct Ministerial support. While some funded applicants perceived this approach as successful, PDU staff indicated that all projects (regardless of potential Ministerial involvement) were subjected to a rigorous assessment process.

Place-based interviews indicate that a few applicants experienced the process as timely with clear timeframes and also as being relatively straightforward. In a few instances, public occasions such as Waitangi Day celebrations were perceived as contributing to rapid funding decisions. For example, one applicant commented:

> " The showcase was October – and November to have the application in to meet December deadline – they probably wanted to showcase them at the Waitangi. "

While another explained:

> " [It was a] very timely process. It wasn't like you were put through the mincer then it goes quiet for a year. So put through the bids, that went in, you were given a timeframe around decisions and they were kept, so I can only speak positively about the process. "

Figure 12: Bike trail. Image Credit: Nomad Audio & Video

3.4.   Contracting and client management

Criteria

An important aspect of the success of PGF projects involved the PDU effectively communicating and providing good advice to funded applicants during contract and project delivery. This section examines:

- the extent to which applicants had a positive experience of the contracting process
- whether funded applicants experienced PDU staff as providing the necessary communication, advice and oversight to support the successful delivery of projects.

Assessment

> Overall, the evaluators have rated this aspect of the PGF as consolidating. This means there is evidence of fair performance with quite a few weaknesses. Some of these weaknesses relate to the contracting process and support provided to tangata whenua.

Summary of key findings

The evidence indicates most funded applicants found communication and advice from PDU staff during both the contracting process, and project delivery, to be effective. Key factors that contributed to these positive experiences included effective communication, experiencing the contracts as concise and easy to follow, and PDU staff adopting a solutions-focused approach to addressing issues when they arose.

The PDU is to be commended for taking some great steps towards sincere attempts at collaboration within the regions. However, there were some difficulties experienced by some tangata whenua in contracting and client management, which provide valuable learnings. This includes the need to invest more resources in PDU regional offices to build capacity and capability.

However, there was a need for greater support for project management and governance. In particular, funded applicants with little prior experience of central government processes and/or projects of this scale would have benefitted from such support. The lack of project management capability meant such applicants tended to experience additional challenges, stress and increased workloads which was typically addressed through voluntary efforts and work.

Place-based interviews indicate almost all applicants considered the reporting process was poor, although some applicants believed it improved over time. Furthermore, some applicants considered the measures of success were too narrow.

While some funded applicants had positive experiences of drawing down funds, others found the process stressful. Key issues with drawing down funds included delays in the process and inadequate communication and advice. Such issues were a source of significant stress for some funded applicants.

3.4.1 Most applicants had a positive experience of the contracting process

Data from the applicant survey (Figure 13) indicated most funded applicants (n=127) agreed that, during the contracting process, communication from the PDU was clear, timely, consistent and comprehensive. Less than 10% of funded applicants disagreed.

Figure 13: Communication from PDU during the contracting process was clear, timely, consistent and/or comprehensive (Applicant survey)
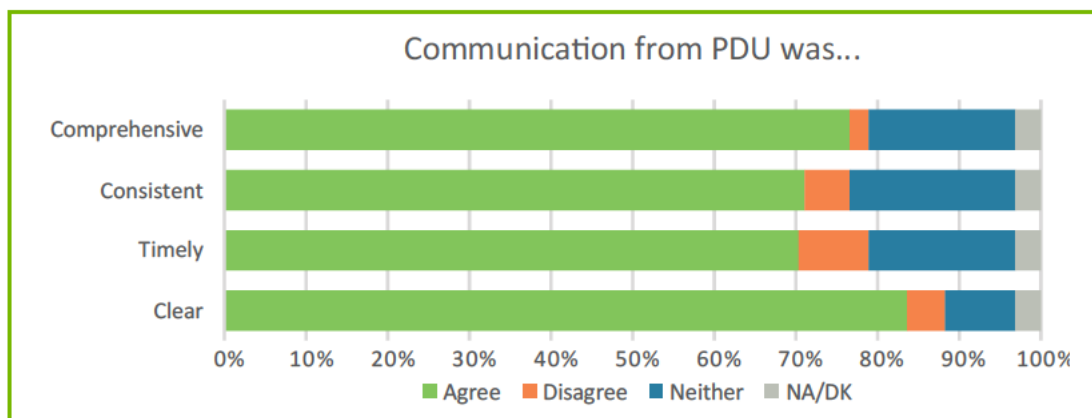
Place-based interviews indicate that two key factors contributed to a positive experience of the contracting process. These were:

- PDU staff adhering to agreed timeframes and working well with applicants
- contracts were well laid out, concise, easy to follow, and contained clear payment schedules.

For example, one applicant explained:

> *You think it's a small thing but it's not. Had to sign a funding agreement (usually a nightmare), ... you could read through and understand ... what you needed to do. Straightforward English. First time I'd seen a simple to the point agreement.*

However, in a few instances applicants reported having negative experiences of the contracting process. Key issues included protracted contract negotiations, finding contracts not fit-for-purpose, and poor communication. For example, one applicant noted:

> *[It was the] worst part of the whole process – PDU did not listen nor trust the information we were providing. [There were] multiple different PDU staff involved throughout the process with no transfer of knowledge between them; so we had to repeat conversations with different people.*

Furthermore, some tangata whenua experienced challenges during negotiations, particularly in relation to the PDU meeting its Te Tiriti obligations and/or incorporating Te Ao Māori perspectives. For example, one tangata whenua applicant explained:

> *The messaging changed through the negotiations, it [kept] bouncing between the two parties and the lawyers a number of times: with different answers, recommendations, advice and questions. We had to keep holding a strong position and re-explaining the position. This [was] as a treaty partner with the Crown. We expect a different relationship and for that to be reflected, acknowledged, understood, and implemented within any contract.*

3.4.2 Most funded applicants experienced effective communication and advice during project delivery

Data from the applicant survey (Figure 14) indicate most applicants (n=127) agreed that communication or advice from the PDU during project delivery was clear, timely, consistent, and/or comprehensive.

Figure 14: Communication or advice from PDU once the project was underway was clear, timely, consistent and/or comprehensive (Applicant survey)

Communication from PDU once project underway was…
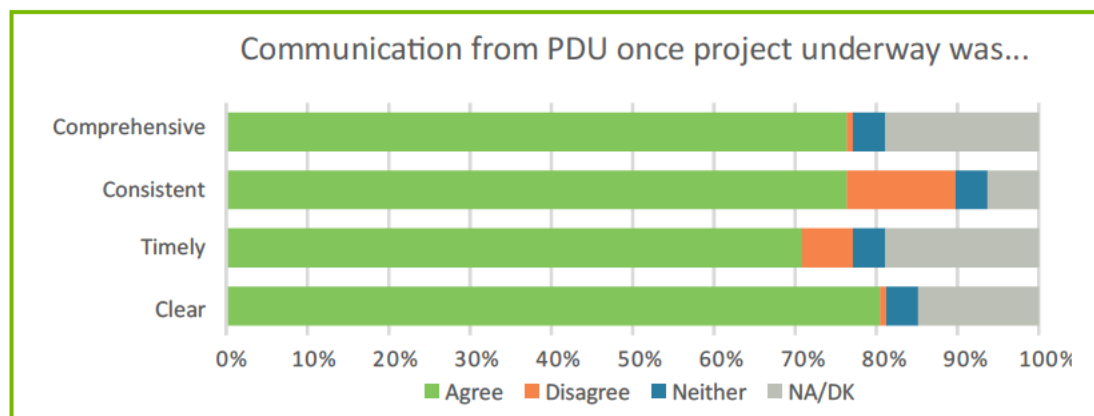
Place-based interviews indicate that regional PDU staff were trusted and well respected. Some contributing factors to positive experiences of engagement with the PDU included that PDU staff were proactive and solutions-focused and they had a good understanding of the community and a willingness to acknowledge mistakes. However, building good rapport with applicants who lacked experience of working with central government can be challenging. For some of these applicants, not knowing how to engage was a source of anxiety. One applicant explained:

> " *[The] sense of relief and achievement is extraordinary – realising it's not us being incapable of achieving what we're supposed to; [it's] just that we don't know how to navigate this space, and [how to] create opportunities to work with MBIE, [to] use their skills.* "

Furthermore, a few funded applicants encountered difficulties in their ongoing engagement with PDU staff. These challenges included a lack of timely communication; finding it difficult to manage relationships with the PDU due to frequent changes in PDU staff; and inadequate help with navigating central government systems, processes, and expectations.

3.4.3 Some applicants needed more support with governance and project management

Good governance and project management are essential vehicles for ensuring projects are delivered well. Place-based interviews suggest some applicants, such as community trusts and tangata whenua, did not receive the support they needed to access or develop good project management and governance capability. This was particularly pertinent to applicants who were inexperienced in delivering larger-scale projects and/or engaging with central government. For these applicants meeting central government's requirements in terms of transparency and accountability was challenging. These findings offer valuable learning, including the benefits of PDU regional offices proactively resourcing and supporting organisations to identify potential risks and mitigation strategies.

Evidence from the place-based interviews indicates that in at least two instances, the lack of both adequate governance and project management capability put the projects at significant risk of non-delivery. While PDU staff were proactive in finding local expertise to address these issues, finding the 'right' people and/or the 'right' approach was time consuming.

More generally, applicants who did not have access to the necessary project management and/or governance capability experienced a range of issues, such as sequencing activities in the wrong order and underestimating workload implications, as well as failing to realise that agreed budgets could be renegotiated and restructured. For example, one applicant explained:

> *Stage one can't be completed until stage two is. So some things have been put in the wrong order. Through engaging with rural experts – [they] passed on information that would have been useful to know some months ago. For example, that budgets are not always set, if you can create a case to shift funds from one stage to another.*

Such issues generated additional work that was often addressed through voluntary hours of working in-kind which sometimes involved substantial amounts of time. In other instances, local experts were employed. However, finding the right external support could be challenging. For example, one applicant explained:

> *PDU makes sure you're meeting contractual obligations, but [we] need assistance on the ground, [we] need more project managers. We found a project manager in our group; [they have] a good relationship with PDU, but we know of others who are struggling with 'what do I tell them; what can't I tell them' ... [We] found good support through a financial service company ... [they] gave us reassurance. While others [external organisations], such as a lawyer cost heaps but gave us nothing ... Other PGF [projects] have also struggled with consultancies soaking up money.*

3.4.4 The reporting process was poor but may have improved over time

Place-based interviews suggest that almost all funded applicants experienced difficulties with reporting. These difficulties included finding the reporting template itself overly complex; the template changing multiple times; the process of completing reporting laborious; and a lack of alignment between the information sought and project progress. In addition, many funded applicants considered that the measures of success, on which reporting was focused were too narrow and that broader social impacts and benefits could not be adequately captured. For example, one applicant said:

> *Reporting – half the things they ask for don't make sense. They are stuck in the way they want the information given back; sometimes that doesn't suit the information you're providing. You have to try to translate what they want into what those outcomes are.*

Despite these difficulties, evidence from the place-based interviews indicated a few funded applicants believed reporting improved over time. For example, the process became easier and more consistent, and the reporting burden was also reduced as a result of changes to the frequency of reporting from monthly to quarterly. In addition, some regional PDU staff supported some funded applicants with the process if it was evident that they did not clearly understand all reporting requirements. For example, one regional stakeholder explained:

> *We need to know that the recipients are using funding appropriately – contract has expectations on reporting. Some [recipients] haven't factored in capacity for the reporting side so sometimes [they are] slack on the reporting side. Sometimes we make it easy and just chat about it and sit down with them through the reporting process – we will lean in when projects need support. It's in our best interest that projects are a success.*

However, it is not clear from the evidence exactly how prevalent the provision of this type of support was and how PDU staff identified funded applicants who needed it.

3.4.5   While some funded applicants had positive experiences of drawing down funds, others found the process stressful

Place-based interviews indicate regional PDU staff played an important role in funded applicants' experiencing the drawing down of funds in a positive way. This role was characterised as accommodating: regional PDU staff worked in a holistic and agile manner, and were willing to help find practical solutions if any issue arose that could prevent the drawing down of funds. For example, one applicant explained:

> *We've had two draw-downs ... [they] have gone very well. They [PDU] asked for more information at the time, just to make sure that we're completing the work, but that hasn't been any concern for us, and the process has gone very well.*

Nonetheless, in some instances, funded applicants had a negative experience of drawing down funds, including delays in receiving payments (despite having provided all the necessary information); slow processes; lack of clarity over the next steps; and inadequate communication and advice. For example, one applicant explained:

> *[Our] finance guys said, 'we need the money [funding] because we're running out of cash'. We [asked PDU] 'where's the money?' and [were told] there's delays with the accounts, but actually it was because there was a form that hadn't been filled in [which] we hadn't been provided with. Once we filled it in we got the money, but it was 16 days' worth of delay.*

Such experiences were a source of significant stress for some applicants.

3.5. Outputs

Criteria

A key output of the PGF is evident alignment between the investment and the fund's objectives. This section examines:

- the extent to which investment was spread across different sectors, regions, tiers, and Māori development

- whether projects progressed in accordance with expectations.

It should be noted that assessing the extent to which the PGF investment was appropriately spread is challenging. A key reason, as noted by the OAG[43] and confirmed by a national stakeholder, is that there was no formalised consideration of what the optimal balance of its distribution might be.

Assessment

> Overall, the evaluators have rated this aspect of the PGF as effective. This means there is evidence of reasonably good performance, with a few slight weaknesses or inconsistencies.

Summary of findings

The evidence indicates that the funding allocations of the PGF were aligned with the intended emphases on the six surge regions and the five objectives.[44] In addition, while most projects have progressed as expected against key milestones, the progress of infrastructure-related projects has been slower as at March 2021. To some extent this was foreseeable given the size and complexity of these projects.

Evidence indicates that COVID-19 negatively impacted most projects, although for most, the impact was minor. In a few instances, COVID-19 carried unexpected benefits, including reductions in some costs and improved collaboration.

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[43] Office of the Auditor-General. (2020). Managing the Provincial Growth Fund, p. 30.

[44] See section 1.1 About the Provincial Growth Fund for more information.

3.5.1 Most of the PGF spend was on high value projects

The administrative data show the total PGF funding approved as at 31 March 2021 was $2.295 million. Most (91%) of this funding (Figure 15) was invested in Tier 2 (sector funding) and Tier 3 (infrastructure) projects. In part, the higher level of investment in both of these tiers reflects the higher value of the projects and especially the scale and size of most Tier 3 infrastructure projects.

Figure 15: PGF funding approved by tier (PDU administrative data)
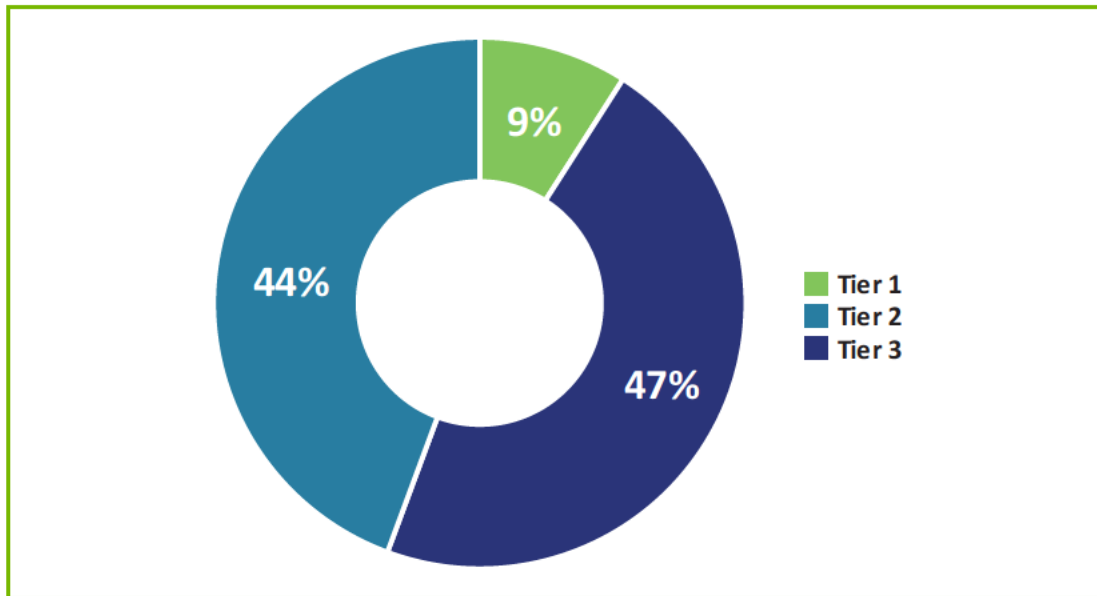
3.5.2 More than half of PGF funding went to infrastructure and forestry projects

Within the broad allocation amounts the Government set, two infrastructure priorities were identified: transport and telecommunications. Of these, rail, roading, ports, and airports comprised 36%, and ICT and digital connectivity 6.3% of PGF investments. In addition, approximately $250 million was invested in the One Billion Trees programme.[45] Figure 16 shows PGF investment by sector from its inception in December 2017 to March 2021.

Figure 16: PGF investment approved by sector (PDU administrative data)

Sector	Amount
Waste / Recycling	$111,864
Food & Beverage	$3,076,572
Capability / Capacity	$3,267,700
Airports	$15,321,775
Mining	$25,995,500
Energy	$31,502,169
Wood Processing	$36,993,685
Aquaculture	$45,904,976
Other	$61,467,866
Regional Projects	$70,851,586
Manufacturing / Engineering	$88,630,500
Water Storage / Management	$94,123,850
Training, Skills & Employment	$118,490,592
Agriculture / Horticulture	$127,344,065
Ports	$128,557,855
ICT & Digital Connectivity	$143,652,536
Road	$252,932,250
Forestry	$259,655,625
Tourism	$362,340,010
Rail	$425,430,000

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[45] This programme can be viewed as key to supporting the PGF objective of climate change and environmental sustainability.

3.5.3 Surge regions were prioritised for funding

An intention of the PGF was to prioritise investment in six surge regions.[46] In keeping with this intention, administrative data show that as at March 2021, 67% of all PGF funding ($1.5 billion) has been allocated to surge regions (Figure 17).

Figure 17: PGF investment approved by region (PDU administrative data)
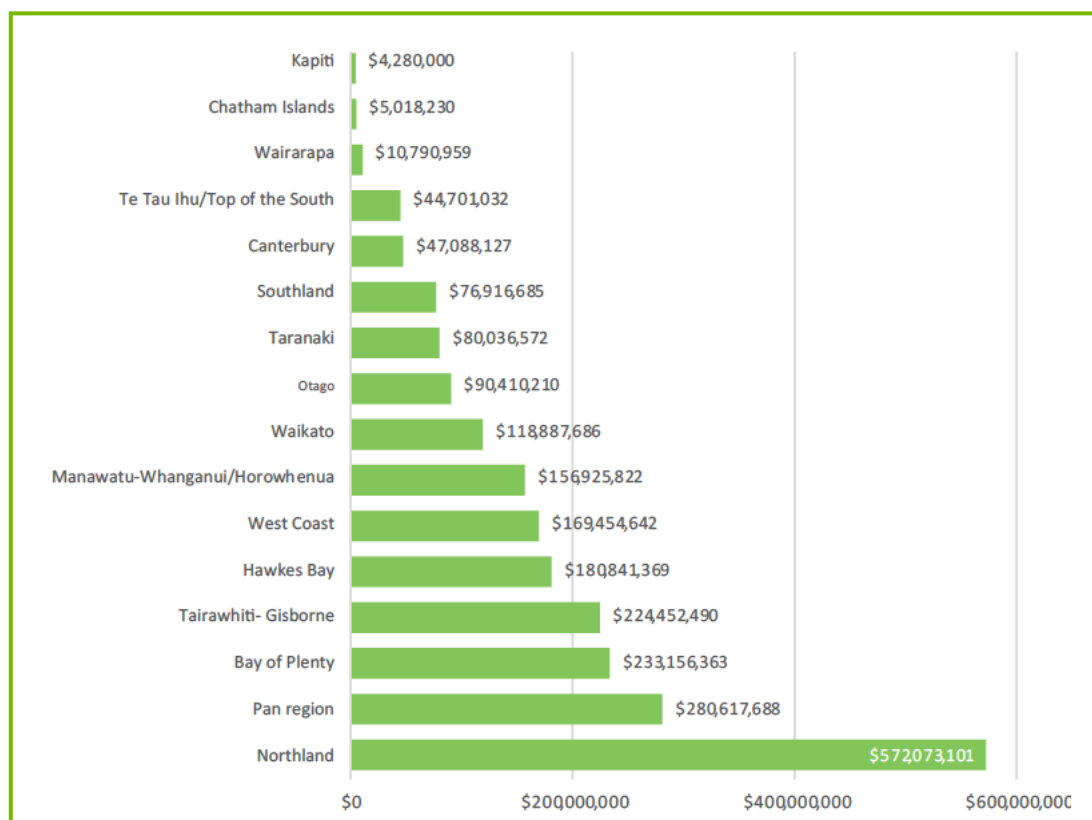
More broadly, 12% of PGF funding ($281 million) has been allocated to pan-regional projects, such as the One Billion Trees programme.

3.5.4 Māori economic development accounted for 17% of the PGF fund

The total approved and allocated investment in direct Māori economic development[47] was $386 million as at 30 March 2021. This accounts for 17% of approved PGF funding and included a range of projects, for example:

- whenua Māori which aimed to support Māori landowners to develop their land and accounts for 10% of direct Māori economic development

- mārae digital connectivity with more than 402 rural marae connected to broadband and 362 installed as at March 2021[48]

- development of historic sites of national importance

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[46] See section 1.1 for more information about the six surge regions.

[47] PDU defined direct Māori economic development as projects that are delivered by or in partnership with Māori groups or entities, or through projects where Tangata Whenua or Māori their assets area a primary focus for the service or infrastructure development.

[48] Compiled from Provincial Growth Fund Digital Connectivity Reports

- Te Ara Mahi or HPR training programmes, where applicants were Māori entities or had partnered with other Māori entities.

3.5.5 Most PGF projects are on track

Applicant survey results indicate that, as at March 2021, most (23 of 30) applicants considered their projects were progressing in accordance with the milestones and timeframes specified in their contracts. This finding aligns with PDU's monitoring of managed projects which uses the PRAG status system.[49] These data show that, as at March 2021, 86% of projects had progressed on time or were exceeding expectations. Figure 18 shows that progress has been similar across the different tiers.

Figure 18: Project status using PRAG system (PDU administrative data)
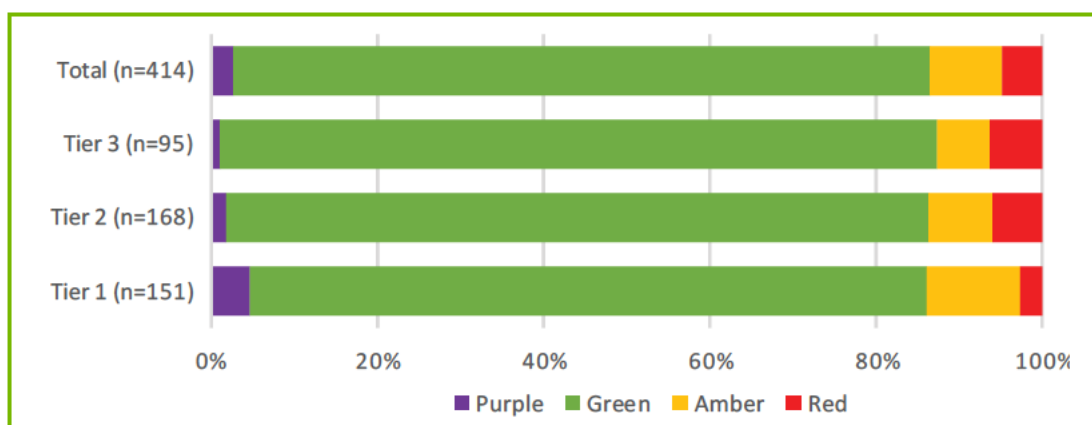
In addition, the administrative data shows that as at March 2021, the digital connectivity programme was progressing well. For example, the rural broadband initiative covered 74% of 62,626 eligible rural households and businesses, and 35% of the 168 tourism sites and 60% of the 1,406km in the Mobile Black Spot programme were connected. The main cause of any delay in the digital connectivity programme were supply issues arising from shipping delays and COVID-19.

Across the surge regions, variation in progress for the rural broadband initiative (Figure 19) was reasonably even with Te Tai Poutini having the slowest progress at 60%, and Te Tai Tokerau the most advanced at 87%. For the mobile blackspot programme variation in progress was far more varied both within and across the regions. For example, Tairawhiti had 25% of identified tourism related coverage completed, but 74% of highway related mobile blackspot coverage completed. While Waiariki had 89% of identified tourism related coverage completed and 55% of highway related mobile blackspot coverage completed. Te Tai Poutini had 42% of both tourism and highway-related blackspot coverage completed.

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[49] Purple projects are those that are exceeding delivery expectations; green are on track; those rated amber or red highlight downstream risks.

Figure 19: Progress for digital connectivity programme (Administrative data) as at March 2021.
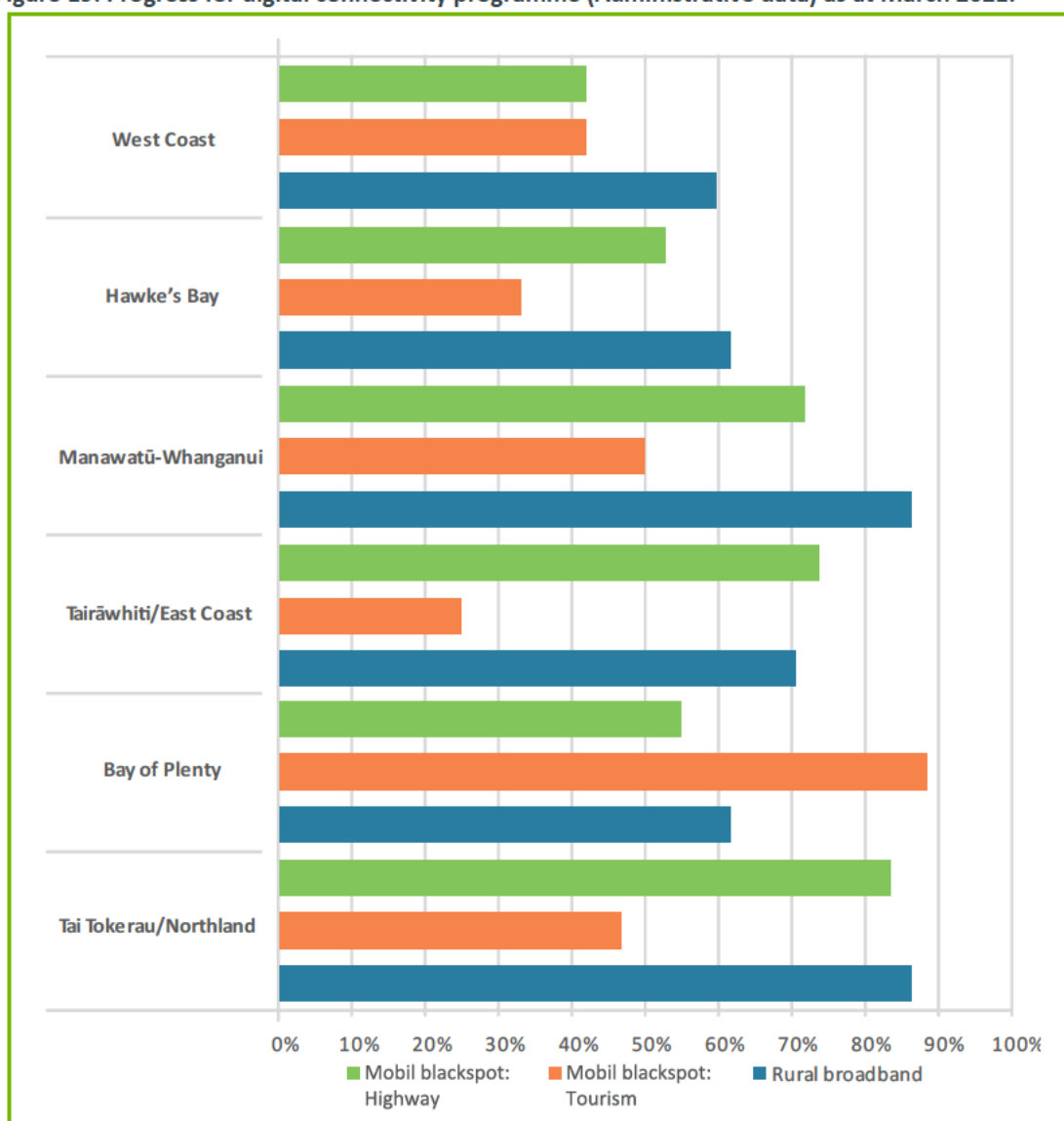
Further, the administrative data shows as at March 2020, almost $59 million of the PGF had been approved for freight and distribution hubs. This included $40 million for the Central North Island Regional Growth Hub. Due to the COVID-19 reset, of the total $59 million, $4 million was repurposed, reducing the allocated funding to $55 million. As at end March 2021, all of the allocated funding had been contracted and just over $8 million had been paid out.

With regard to infrastructure-related projects[50], progress has been similar to that for the entire PGF. Based on the latest PDU data[51], as at end March 2020 $2.1 billion had been approved for all PGF projects with 94% approved and 44% paid out by March 2021. For infrastructure-related projects, $983 million had been approved[52], with 92% of this contracted and 48% paid as at March 2021. This suggests that the PGF is meeting its targets

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[50] This refers to rail, roads, ports, water storage, ICT and digital connectivity, and airports.

[51] This data was accessed in September 2021.

[52] This figure of $983 million will differ from that in PDU reporting from that period, for example the Monthly Dashboard report March 2020.

of identifying and funding 'bricks and mortar' in the regions. This is commendable given the sheer scale and complexity of many of these projects.

To understand the progress of some infrastructure projects in greater depth, an additional analysis of the project status of 25 roading and rail projects was undertaken.[53] As at the end of April 2021, all but six of the 25 roading and rail projects were progressing as planned. (Table 6) sets out the documented reasons for delays: the primary causes of the delays were property acquisition and issues associated with funding.

Table 6: Reasons documented for delays in projects

No. and type of project	Reasons for project delay
Roading (n=18)	Four projects delayed: waiting for property acquisition (1); waiting for consents (1); project scope and funding is under review (2)
Rail (n=7)	Two projects delayed: waiting for property acquisition (1); awaiting funding decision (1)

It was not possible to undertake a useful analysis of the difference between contracted deliverable dates and dates recorded as completed. The administrative data was not collected for evaluation purposes, but rather for project and contract management purposes. This is reflected in how a deliverable in the system getting checked off does not show the date the deliverable was actually completed, but includes normal internal processes of invoice submission, sign out and payment processes, etc. Additional lags could also occur both on the applicants' side due to busyness and bottlenecks in the reporting systems (i.e., via email), alongside delays within the PDU as they processed large volumes of complex information and finalised decisions on any arising contract changes.

3.5.6 While COVID-19 impacted negatively most projects, generally this impact was not significant

Data from the applicant survey show that 66% (n=127) of applicants' projects were negatively affected by COVID-19. Of those projects, most of them (73%) reported a moderate or major impact. Key reasons for COVID-19 having a moderate or major impact included the following:

- projects, such as the building of roads, had to reschedule activities until later in the year as some work can only occur during the drier months
- significant delays ensued engaging specialist staff based overseas as a result of travel restrictions.

A further 32% of applicants reported their project was either not impacted by the pandemic (17%) or that their project was impacted in a positive way (16%)[54]. Where projects were not impacted, key reasons included either that staff were categorised as essential workers (so were able to keep working), or the stage of the project involved office-based work, such as the design phase in infrastructure projects, for example.

To minimise the impact of COVID-19, some applicants adopted a proactive and flexible approach to their project management. This proactive approach included seeking (and receiving) permission from the PDU to alter the order of project milestones in such a way as to allow projects to proceed or to continue. In one instance, an applicant was able to future

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[53] The data came from reports provided to PDU by funded applicants

[54] Two percent of respondents said they did not know if their project had been impacted by COVID-19.

proof project progress by obtaining approval from the PDU to order equipment a year before it is required.

Unexpected benefits or outcomes included cost reductions that occurred during lockdown, or adopting a more collaborative approach between regional stakeholders, applicants and stakeholders. One example included a whenua Māori who was able to "*buy [livestock] at a good price*" due to a drop in livestock costs during lockdown.

3.6.   Outcomes

Criteria

While outcomes sought by the PGF are long-term and are not expected to be realised for some years after the PGF has been fully allocated, and projects have been fully implemented, this section examines early signs of success. This involves assessing:

- whether there is early evidence of the desired benefits emerging

- whether community members are more hopeful for their region's future as result of being involved in projects funded through the PGF

- the extent to which short-term outcomes indicate that funded projects are on track to achieve their medium and long-term outcomes.

It should be noted that, given the breadth of PGF funded projects and the scope of evaluation, the evaluators did not examine outcomes achieved by individual projects. Furthermore, due to the sheer scale of the PGF, the complexity of the investments and their associated objectives, it was not possible to include a focus on project outcomes as they relate to all PGF objectives within the available time. Rather, the evaluators' focus has been on identifying early markers of success in relation to employment and sustained economic development, social inclusion and participation, and Māori development.

Assessment

> Overall, the evaluators have rated this aspect of the PGF as effective. This means there is evidence of reasonably good performance, with a few slight weaknesses or inconsistencies.

Summary of key findings

While noting that many PGF projects have yet to be completed, the evidence indicates that most applicants and stakeholders believe that the desired benefits are emerging.

Administrative data confirm the PGF is creating jobs across all funded PGF projects (including Te Uru Rākau) with PGF funded projects directly employing 77% of the 10,971 jobs expected as at March 2021. A lack of available skilled labour is a barrier to creating more local jobs. The evidence indicates that the PGF is contributing to sustainable economic development. Te Tai Poutini (West Coast) was the only surge region that had experienced a decrease in GDP, attributed mainly to a significant fall in a range of key industries for the region.

Overall, the PGF is contributing to increased optimism in communities. A sense of optimism was particularly evident if it was clearly visible and tangible that projects were underway in the region. In addition, the combination of training programmes for rangatahi, whenua Māori

investment, and broader PGF funding were bringing a range of benefits for tangata whenua. These benefits include those of an economic, environmental, social, and spiritual nature. However, in one region, some tangata whenua expressed scepticism about projects that did not tangibly address or resolve existing inequities for their people and whenua.

Furthermore, the evidence indicates that a minority of applicants did not feel more optimistic about their region's future than before the PGF. Insufficient information about the progress of projects and their emergent outcomes was cited as a particular reason for this lack of an optimistic outlook, as were concerns about the viability of some projects.

3.6.1 PGF is creating local job opportunities

A key focus and objective of the PGF was to support increased employment, with a focus on creating more skilled jobs. The expectation was that increased employment opportunities would emerge particularly in regions where unemployment is high and where there are significant social challenges. Once completed, PGF projects are expected to create nearly 11,000 new jobs.[55]

Administrative data shows that PGF is creating jobs with 8,416 jobs reported as being created up to March 2021. These jobs included businesses or individuals engaged in constructing or administering PGF projects. Place-based interviews indicated regional stakeholders and funded applicants were committed to using local businesses and workers where possible. For example, one funded applicant commented:

> " *With all the jobs, the focus is on local contractors. The [steel fabrication] is being done by the guy across the road … It's immense in terms of jobs.* "

However, a barrier to creating local jobs has been a local scarcity of available skilled labour. Place-based interviews indicate that this was sometimes solved through upskilling contractors. For example, in one instance, a funded applicant contracted a local company to lead a project with support from a multinational company [with a subsidiary in the region]. Such an option was not viable in other cases because specialist skill sets specific to a particular industry or infrastructure project were required. One applicant explained:

> " *The specific skills have been hard to find [in the district]. The team on site has done a great job to this point. … We haven't got a deep pool of people to choose from. We don't want to have to go to Australia, [but] for key positions we will.* "

3.6.2 In most surge regions, indications are that the PGF is contributing to sustainable economic development

Although it is too early to assess the contribution of the PGF to regional GDP, some regions have reported steady economic performances over the 2018 to 2020 period. For example, data from Statistics New Zealand show that, in 2020, the GDP for Te Tai Tokerau (Northland) increased 4.6%[56]. Over the same period, Te Moana-a-Toi (Bay of Plenty), along with Nelson Tasman, had the highest GDP increase at 6.1%. This increase was well above the national average of 5.4%. Only Te Tai Poutini (West Coast) had a decrease in GDP by 1.4% over 2020.

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[55] At this stage, it will not be possible to generate a detailed breakdown of jobs by sector. This is due to limitations in the data report to the PDU with 64% of expected new jobs categorised generically in the administrative data as 'Provincial Growth Fund'.

[56] https://www.stats.govt.nz/information-releases/regional-gross-domestic-product-year-ended-march-2020#northland

This decrease was driven by a significant fall in fishing, mining, electricity, gas, water, and waste management services.

Place-based interviews indicate that there are mixed levels of optimism about the extent to which PGF projects could lead to economic growth over time. This was particularly the case in Te Tai Poutini where some regional stakeholders and funded applicants were very positive about the region's economic growth trajectory. For example, one regional stakeholder explained:

> " *[PGF] has been a roaring success. We're demonstrating that the small capital investment that we asked for is attracting private business in [to the district]. Some of those private businesses are starting to come on stream … we've got people moving here from the cities … the housing market is booming. People are moving here, purchasing land and wanting to build houses because they can see the employment opportunities.* "

However, other regional stakeholders and funded applicants in Te Tai Poutini were more circumspect about the impact of PGF. From their perspective, the region needed investment in significant industry and should be enabled to take advantage of the region's natural resources.

3.6.3   Social inclusion and participation

Investment in the development of people in regions was a priority for PGF, notably through increased employment and improved career prospects[57]. In total $118 million of PGF funding was allocated to two training programmes: Te Ara Mahi[58] (TAM) and He Poutama Rangatahi (HPR)[59]. From 2019 through to the end of March 2021, more than 4,100 rangatahi participated in TAM[60] and 2,907 in HPR. Figure 20 shows participation in the two programmes by region. Surge regions accounted for 50% of participants on the programmes.

Administrative data show, as at March 2021, that 461 TAM participants were engaged in paid work following the TAM programme. It should be noted that immediate employment is only one type of outcome expected from TAM projects. Some TAM initiatives focus on upskilling, such as obtaining drivers licences, or providing information to young people, for example about the world of work and links to employers. For rangatahi currently participating in the HPR programme employment opportunities were yet to be realised at 31 March 2021.

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[57] Provincial Development Unit, 'Investment Statement for the Provincial Growth Fund'

[58] TAM is an employment, skills, and capability work programme that seeks to assist local people into local jobs. While it has a focus on people not in employment, education, or training (NEET), it is not limited to supporting that group alone.

[59] The objective of HPR is to support rangatahi, aged 15-24, who are most at risk of long-term unemployment and who are categorised as NEET. HPR funds community driven programmes that work with young people who face multiple barriers to employment and training, and who may need more support than standard government training programmes are able to provide, or who may not be eligible to access them.

[60] Participation in TAM took some time to build, as projects could start only once funding was approved.

Figure 20: Participation in HPR and TAM programmes per region (PDU administrative data)

Region	HPR	TAM
Tai Tokerau/Northland	2064	118
Waikato	58	1434
Bay of Plenty	297	896
Southland		688
Hawke's Bay	176	380
Tairawhiti/East Coast	227	302
Multi-region	13	135
Manawatu-Whanganui/Horowhenua		89
Wairarapa	72	
West Coast		42
National		23
Otago		7
Canterbury		6
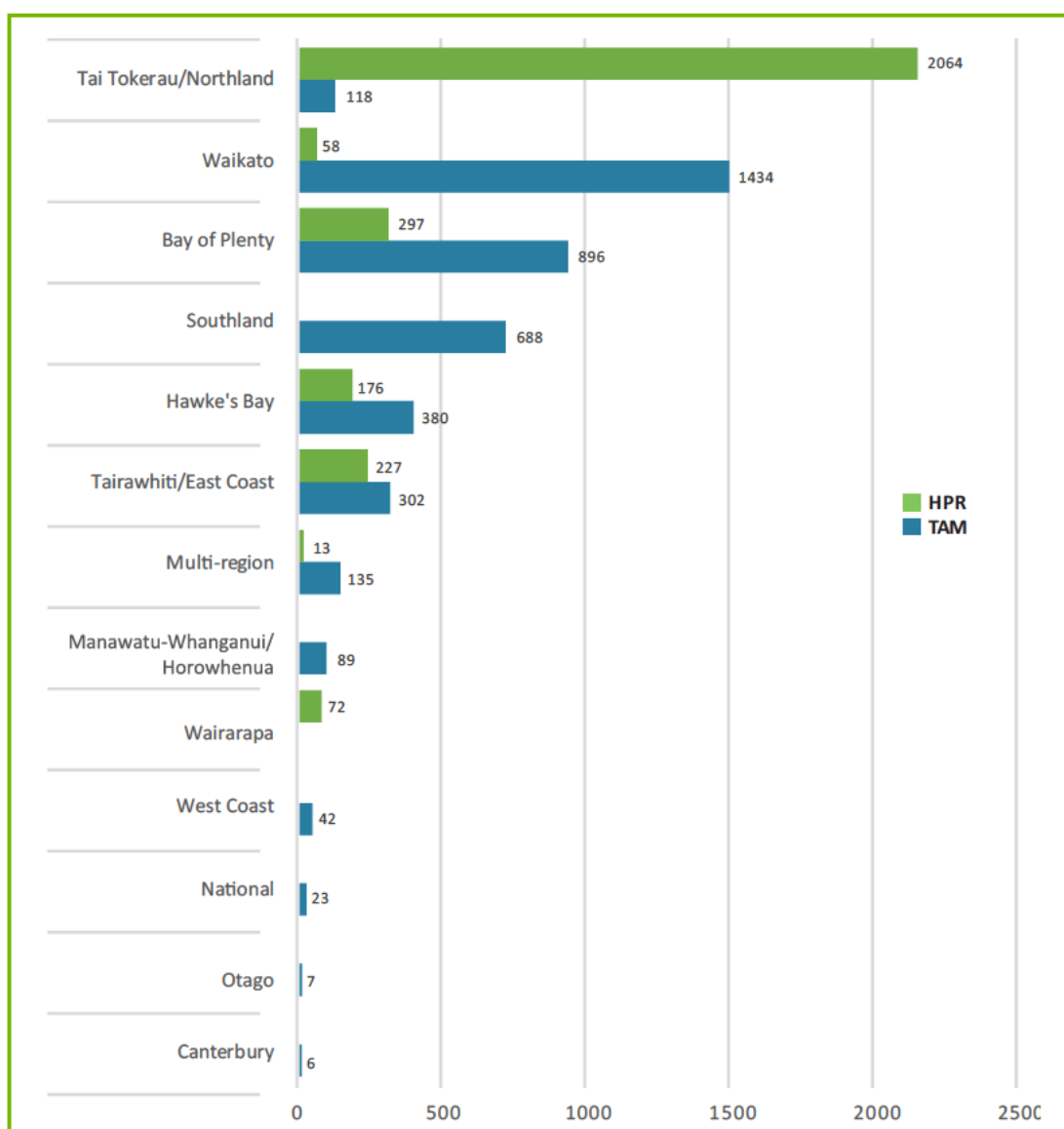
Furthermore, the target group for HPR are rangatahi who have little or no qualifications and job experience, and face multiple barriers to employment (which include there being very few job opportunities in their communities). In particular, national stakeholder and place-based interviews indicated that it can take a significant period of time to help get these rangatahi back into education, training or employment. For example, one applicant explained the challenges they had encountered engaging rangatahi in a PGF funded whenua Māori project:

> *You're teaching them how to get up in the morning; holding them to account, teaching them a work ethic, bringing them to work, teaching them skills. All my energy which should be focused on [the project] is involved in making sure someone gets out of bed, and helping them communicate, or feel safe enough to tell you something – they have to go to a tangi or something horrific has happened at home ... They are not perfect; a lot of healing has to happen.*

Place-based interviews suggest the increased opportunities for training and employment is contributing to improved community spirit. This is reflected in a sense of excitement and hopefulness, including the potential for rangatahi to continue living locally. Of particular

significance for tangata whenua were the opportunities for rangatahi that included generating and promoting better paid work, internships, and work experience. One applicant noted:

> *[Rangatahi] recognise there's a lot more opportunities available to them than what was available to their parents and grandparents. Because we're into four generations of unemployment here.*

Another applicant explained how PGF funded projects were creating opportunities for better paid work:

> *We said [to our rangatahi], look this is what's coming ... [The project] will need managerial positions. A couple [of rangatahi] came forward and we said: this is what you need to do." The iwi is paying for their education, and they will finish at the end of 2022 and are expected to immediately take up positions at the new enterprise.*

3.6.4 Māori development

Key focuses of Māori development were utilisation of whenua Māori and improving marae connectivity. The evidence suggests that PGF funding is contributing to improved environmental, social, spiritual, and economic wellbeing for tangata whenua.

Figure 21: PGF funded redevelopment (Photo credit: Due North).

Data from the applicant survey shows that almost all (13 of 14) of tangata whenua applicants agreed their land was being utilised more productively as a result of the PGF. In the place-based interviews, many tangata whenua provided examples of horticulture and dairy farm projects that were underway. One project, a hot springs complex (Figure 21) was near completion when the evaluation was being conducted.

Administrative data indicate that when whenua Māori projects have been completed, approximately 154 jobs will have been created. Place-based interviews indicate that the combination of training programmes for rangatahi (see 3.6.3), whenua Māori investment, and broader PGF funding were creating broader employment opportunities. For example, one funded applicant explained the difference for tangata whenua:

> " *[PGF] has touched so many … the whole community, through farming, sporting, innovation, employment, training, horticulture, partnerships … It's not all about infrastructure. Having got [young people] work ready, other companies in the area are coming forward and saying – we're looking for five or six people.* "

Furthermore, for many tangata whenua the investment in whenua Māori is bringing broader wellbeing benefits through creating opportunities for them to strengthen their connections with whenua Māori. These opportunities have included enabling access to land that was landlocked, and the investment creating an impetus to leave city life and return home.

For example, one funded applicant explained that until 2020 they had never been on their whenua. Their parents had moved from the district before they were born and over the intervening years their whenua had become landlocked. PGF funding had been used to create an easement onto the property and to develop a horticulture business on the whenua. In addition to economic benefits, access was described as bringing both social and spiritual benefits.

While one regional stakeholder viewed whānau returning home positively, they expressed concerns that there was a risk of overcrowding due to limited availability of housing in some locations.

The second key area of investment in Māori development was the roll out of Māori digital connectivity by providing access to fast broadband. A key component of this initiative is the connection of marae to the internet, especially high-speed broadband. By the end of March 2021, 48% (402 of 840 eligible) marae had been connected. One national stakeholder indicated that TPK had played a pivotal role in the success of this programme of work. The contribution of TPK had included contributing to the development of a pilot programme to help address initial concerns about how fast broadband would work as well as helping them access marae. The national stakeholder explained:

> " *TPK assisted with relationships with kaumatua. They were a really good partner … TPK opened the door into marae, [then they] handed over connectivity activities to SPARK and local providers, TPK managed to keep all those people connected to the marae they are serving. TPK gave us tikanga of the marae, [it's] not the same for every marae.* "

Limited evidence indicates that the improved connectivity for marae had benefitted the broader community, including schools, kura, and community that surrounds a marae. For example, the national stakeholder went on to explain:

> " *Marae were able to connect with diaspora easily; people could attend online tangi and marae meetings. [Fast internet] has given kura and rural schools a significant lift. During COVID, community members could access social and health services without having to travel into town.* "

3.6.5 PGF is contributing to increased optimism in the community

Data from the applicant survey (Figure 22) indicated 83% (n=127) of applicants believed that their community could see value of their project and 68% (n=127) agreed their community felt more optimistic about the future because of these projects. Similarly, 23 of 27 (85%) of

tangata whenua applicants agreed their community could see the value of their project and 20 of 27 (74%) agreed their community felt more optimistic about the future[61].

Figure 22: Value of the PGF and increased optimism due to PGF (Applicant survey)
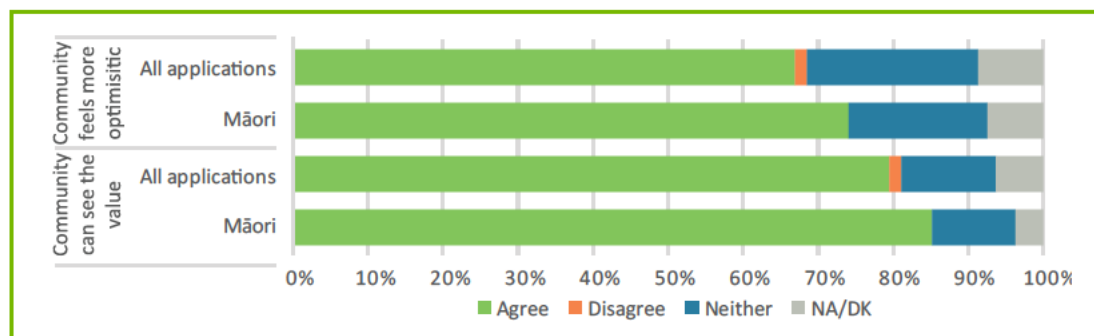
National stakeholder and place-based interviews indicate that while there were regional differences in the impact of the PGF on communities, a sense of 'optimism' was prevalent. This sense of optimism was particularly apparent when people saw tangible evidence of projects, even if they were in development. One funded applicant explained:

> *There had been four attempts over the last 15 years [to progress certain projects]. I explained what we were trying to do and they looked me in the eye and said 'whatever, we've heard it all before. You all turn up down here promising big things and its never gone anywhere'. In November... the Prime Minister came to [town] and said, 'this is real, here's the money'. And even then, I still don't believe people thought it was going to happen. These things don't happen overnight, and it wasn't until recently... [Now people say] 'Wow, this is really happening! So it's those ... tangible milestones to show it's real, no longer hot air, rhetoric.*

While the evidence indicates that tangata whenua felt more optimistic about the future (see sections 3.6.3 and 3.6.4), in one region some tangata whenua expressed scepticism about projects that did not address inequities for their people or whenua.

Furthermore, evidence from the applicant survey and place-based interviews indicate a minority of applicants did not agree that their community could see the value of projects or that they felt more optimistic about the future. Key reasons for not agreeing with these statements included that insufficient information had been provided about the progress of projects and emergent outcomes, that some population groups had benefitted and not others, and that certain projects would not be sustainable in the future. These findings reinforce the importance of communicating progress about projects and addressing any issues associated with sustainability early.

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[61] Caution should be applied when interpreting the responses of non-funded Māori, as the small sample size means that the findings may not be particularly representative.

4. EVALUATIVE ASSESSMENT AND LESSONS LEARNED

In this section the evaluators provide an overall assessment of:

- the PGF design and approach
- the value of early outcomes of the PGF approach to regional communities, tangata whenua, and Government.

The evaluators also provide examples of lessons learned that could better support PGF-type initiatives to achieve more valuable and sustained impact in the regions.

The evaluators calculated the median of individual ratings to arrive at the two overall evaluative assessments[62]. These are outlined in (Table 7).

Table 7: Overall evaluative assessment ratings

KEQ 1: How well is the PGF design and approach been actioned to maximise the changes needed to achieve the desired impact?		
Component	**Rating**	**Overall rating**
Collaboration	Effective / 3	Consolidating / 2
Pre-application	Consolidating / 2	
Decision-making	Consolidating / 2	
Contracting and client management	Consolidating / 2	
KEQ 2: How valuable are the early outcomes of the PGF approach to regional communities, Māori, and the Government?		
Outputs	Effective / 3	Effective / 3
Outcomes	Effective / 3	

4.1. Assessment of the PGF design and approach

The assessment of the PGF design and approach focused on two key aspects. Firstly, support structures, such as **collaboration** between government, regional and private sector entities, and secondly the activities that these support structures were expected to assist. These activities are summarised as follows:

- **Pre-application.** This included how effectively government officials worked with tangata whenua, regions, and individuals to identify opportunities for investment, and the support provided to applicants to submit applications.
- **Decision-making.** This included the extent to which PDU and partner agencies collaborated in the preparation of advice for decision-makers to ensure they were adequately supported to make informed and balanced decisions; and also the timeliness, quality and robustness of advice and clarity and consistency of communication with regions.

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[62] Highly effective=4; Effective=3; Consolidating=2; Marginal=1; Not effective=0.

- **Contracting and client management.** This included how effectively PDU managed the contracting process, and provided funded applicants with the necessary communication, advice and oversight to support the successful delivery of projects.

Overall, the PGF design and approach has been assessed as *consolidating* (Table 7). In the sections below some key findings are discussed and some examples of lessons learned are provided.

Sustain and extend existing relationships

There was evidence of some outstanding collaboration between regional stakeholders, central government, tangata whenua, and the private sector. Many of these groups had relationships prior to the PGF. For example, in the regions there was evidence of PDU and partner agency staff having intergenerational connections to their communities, and often working with each other in different roles over time. Many individuals had a good understanding of the historical context of their communities. They used their existing networks and connections to promote the PGF to prospective applicants and to channel much needed investment into their respective regions. Harnessing these existing relationships contributed to a strong support base for implementing PGF activities.

These collaborations and networks worked well for applicants 'in the know'. Well-connected applicants were better positioned to find out about, and access support and advice from government organisations to develop successful applications. However, it is likely there are other groups or organisations that could benefit from regional investment opportunities. The evaluators recommend that the PDU develop strategies for reaching out to tangata whenua and to other organisations who may benefit from future regional development opportunities such as the PGF. Such an approach is critical for addressing persistent inequities and to ensure regions are able to reach their full potential.

The costs associated with implementing projects needs to be fully scoped

A key learning from the evaluation is the planning required to develop a solid business case and application. Where applicants were rushed, they sometimes did not consider the full costs or timeframe required to successfully implement their projects, or the costs associated with ongoing maintenance. This then led to additional pressure and stress for funded applicants. There needs to be time for applicants to have all the necessary conversations to ensure their projects are adequately scoped and costed.

Support ongoing capability development

Many regional organisations said they had gained additional skills and capabilities as a result of implementing PGF funded projects. However, there are two areas where strengthening advice and support that is provided would be beneficial.

The first area relates to supporting existing PGF projects. There is evidence that some organisations have struggled to effectively manage their projects. Reaching out for support can be difficult. The place-based interviews showed some individuals do not know what support they need or what they can access. Others persevered under enormous pressure to make sure their project was a success and were often too embarrassed to ask for help. Regionally based officials have a valued role in linking funded applicants to support. This is particularly important for organisations that do not have ready access to consultants. Not having this support creates a risk that some individuals will burn out and their projects subsequently failing. Such findings emphasise the importance of proactively reaching out to connect groups with existing resources and support. Providing additional financial support

for project management may also alleviate the burden being experienced by some PGF project staff.

The second area where the PDU could strengthen its support relates to working with regional economic development agencies. While strengthening capability of regional economic development agencies was core to the PGF design, in some cases at least, this has not resulted in increased capability. Further consideration needs to be given to how the PDU can best work with regional economic development agencies to fulfil this aim.

Measure what is important

A key objective of the PGF was to support a range of Māori economic development projects in the regions. Where projects are underway, there is clear evidence of whenua Māori being utilised more productively, new business created, existing businesses further developed, rangatahi in training or newly employed, and marae being digitally connected. In all three locations visited by the evaluators there was excitement about new opportunities and a sense of optimism for the future. As well as economic benefits, the social, and environmental benefits of PGF were palpable in the interviews with many tangata whenua. This investment is critical to supporting the Māori economy and asset base for future generations, as well as building the health and wellbeing of tangata whenua.

The evaluation also identified that some tangata whenua were challenged, and at times distressed, by what they perceived as economic agendas that did not consider other equally important values. Furthermore, there was some evidence that the PGF could unintentionally reinforce existing inequities.

These findings point to the need to anchor PGF-type initiatives in a holistic wellbeing framework. One such framework worth considering is He Ara Wairoa[63]. Adopting this wellbeing framework would ensure Te Taiao (environment), Te Ira Tangata (relationships), and Wairua (values, beliefs, and practices) are central to the design and implementation of initiatives such as PGF, as well as ongoing reporting of outcomes that matter.

Good information supports evidence-based decision-making. Over the course of the PGF, PDU staff have adapted and refined measures at all stages of the PGF application, contract management, and contracted outcomes. What has been done well are the:

- collecting allocation figures (e.g., proposal status, contracted, amount paid)
- using a traffic light system for funded project status (PRAG)
- capturing decision moments (date and individual or body responsible).

However, there are a range of issues with outcome measures. As noted above, the current outcome measures do not capture what is important for tangata whenua. Further, current outcome measures such as 'jobs created' are not adequately defined; and there is a lack of specificity around who is expected to benefit from the PGF. For example, sector categories do not currently map to International Organisation for Standardization (ISO) industry standards. The analysis of the administrative data also identified multiple and cumulative lags in collecting and entering key information such as 'scope changes' and 'project reporting'. This reflects that the administrative data system was not designed to monitor outcomes, and thus is not sufficient for ongoing assessment of outcomes.

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[63] https://www.treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/he-ara-waiora

The combined effect of these issues is that the evaluators had significant issues with analysing the application process, project management efficiencies, and project outcomes. It is recommended that the PDU implement:

- better descriptors of the community(s) involved

- ISO standards for the project sector

- a wellbeing framework to better define project outcomes (e.g., environment, relationships, cultural practices, health, and economic wellbeing)

- a succinct set of wellbeing indicators at all stages to track and manage health and wellbeing for all involved (applicants, stakeholders, and PDU)

- a simple and accessible reporting system for external use.

4.2. Assessment of the value of early outcomes of the PGF approach to regional communities, Māori and the Government

The assessment of outputs and early outcomes of the PGF approach to regional communities, Māori, and the Government focused on two domains: outputs and early outcomes. The assessment considered the following.

- **Outputs.** This included the extent to which the PGF investment was spread across different sectors, regions, tiers, and Māori development; and whether projects have progressed in accordance with expectations.

- **Early outcomes.** This included early evidence that desired benefits are emerging; whether community members were more hopeful for the future of their region as a result of involvement in funded PGF projects; and the extent to which short term outcomes indicate that funded projects are on track to achieve the medium- and longer-term outcomes.

Overall, PGF outputs and early outcomes have been assessed as effective (Table 7).

Most projects have progressed as expected against key milestones. While COVID-19 has negatively impacted most projects, the effect was generally minor. A positive indication of PGF's early success is some surge regions have experienced strong economic performances over the period that PGF was implemented. Importantly, during the pandemic the PGF has contributed to increased optimism within communities.

In the sections below some key findings are discussed and examples of lessons learned are provided.

Broad funding allocations worked well for PGF but could be strengthened

While the PGF operated without specific allocations for surge regions or investment tier, evidence indicates that PGF funding was generally allocated in line with the PGF objectives with an emphasis on investing in the six surge regions. While allocations for infrastructure, historical sites, and economic development were on track as at March 2020, some allocations had lower amounts, in particular, waste, whenua Māori, HPR/TAM, and energy. Overall PDU actively sought a good spread of applications across the different types of investment. An indication that this worked well is that most regional stakeholders agreed that the funded projects aligned with regional priorities. To further strengthen the alignment of outputs to investment objectives, the PDU could consider assigning specific allocations to different types of investment when implementing future investment initiatives.

Plan now to evaluate the long-term impact of PGF

Further time is needed to fully assess the contribution of the PGF to regional GDP. Of particular concern is the type of data currently being collected by the PDU (as discussed above). We suggest there is value in conducting a data analysis feasibility assessment and econometric analysis to evaluate the longer-term performance of the PGF.

APPENDIX 1: EVALUATION APPROACH

This section outlines the evaluation methodology. This was guided by a final evaluation plan[64] that was signed off by MBIE.

Tikanga Māori principles underpinned the evaluation

The evaluation methodology was underpinned by the three articles of Te Tiriti o Waitangi and key tikanga Māori principles to operationalise a Kaupapa Māori approach (Māori focused, collective impact, transformative). Three tikanga Māori principles – mahi tahi, manaaki and whanaungatanga – guided the evaluators' engagement across the course of the evaluation.

Engaging with Māori

The impact of the PGF on Māori development and aspirations was an essential component of this evaluation. As such, it is vital that Māori voices and perspectives were effectively represented throughout the evaluation process. Two members of the evaluation team and the project sponsor are whakapapa Māori and brought their understanding and experience of te Ao Māori to the engagement of stakeholders and applicants, fieldwork, and analysis of the PGF.

Recognising the rangatiratanga of iwi and hapū, the evaluators sought the assistance of local kaitiaki to help navigate each individual rohe (area) and ensure that all tikanga and kawa were upheld. The evaluators worked with PDU regional advisors to identify and introduce them to kaitiaki (male and female from each region) to support, guide, and advise the evaluation team as they engaged with their community. Kaitiaki were identified to work with the evaluators in Kaikohe and Ōpōtiki, while in Buller the evaluators engaged with a key Māori stakeholder who regional stakeholders identified as having an excellent oversight of the PGF as it related to their hapu.

To recognise their expert roles, kaitiaki were remunerated as senior consultants for their time spent with the evaluators. Their involvement in the evaluation was negotiated with them but included supporting the evaluators' engagement with iwi, helping ensure Te Tiriti o Waitangi was adhered to and that the findings reflected not only their own but their broader hapū and iwi perspectives.

While it was anticipated that the kaitiaki would participate in the preliminary analysis of their community findings, there was insufficient time within the scope of the evaluation for this step. All kaitiaki were involved in reviewing the draft evaluation report alongside other *Allen + Clarke* team members.

Ethical conduct of the evaluation

The evaluation involved access to confidential and sensitive information. As such, it was designed, conducted, and reported in a manner that respects the rights and privacy of those affected by and contributing to the evaluation.

Five principles were upheld by all involved in this evaluation. They draw on the Australasian Evaluation Society's Code of Ethics, Guidelines for Ethical Conduct of Evaluations[65] and the

[64] https://www.mbie.govt.nz/dmsdocument/14474-evaluation-of-the-provincial-growth-fund-12-march-2021

[65] https://aes.asn.au/ethical-guidelines

Aotearoa New Zealand Evaluation Association's Evaluation Standards for Aotearoa New Zealand. These are set out below.[66]

- Respectful, meaningful relationships are built, nurtured, and maintained over time. Engagement between commissioners, evaluators, participants, and users is negotiated, respectful of differences, mutually beneficial and occurs in culturally appropriate ways.

- Kindness, respect, humanity, and reciprocity are extended to all involved. Care is taken to ensure that the dignity of everyone is enhanced. Indigenous and other cultural worldviews, concepts and protocols are valued. Cultural sensitivity, safety and inclusion occur.

- The methodology and methods are culturally responsive and appropriate for the context, and 'fit for purpose. Evaluation findings, judgments and conclusions are credible, trustworthy, and contextually and culturally meaningful.

- Information gathered from Māori participants (whānau, Māori businesses or organisations, mana whenua, hapū, and iwi) is their property and will only be used with their permission.

- The evaluation is well-managed and undertaken by people with the appropriate professional, contextual and cultural competencies. The evaluation is planned, designed, and implemented to ensure use, and produces information that is useful.

The specific ethical issues that were addressed in the evaluation are set out below.

- **Informed consent:** participants were informed of the purpose of the evaluation and how their information will be used. Informed consent was obtained from all participants in the evaluation.

- **Anonymity:** data was anonymised, and the evaluators did not request any identifying information, and any data sets provided to PDU/MBIE will be aggregated. Data from the place-based interviews was not reported by location, to protect the identity of respondents.

- **Relationships and trust:** to inform learning, the evaluation sought information about what went wrong as well as successes. The relationships and trust between participants and the evaluators was important to obtaining a true representation of the PGF.

- **Tikanga:** Group interviews were implemented with appropriate tikanga, including koha.

- **Storage and transfer of information:** data are kept in a secure location.

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[66] ANZEA. (2015). Evaluation Standards for Aotearoa New Zealand. Retrieved from
https://www.anzea.org.nz/app/uploads/2019/04/ANZEA-Superu-Evaluation-standards-final-020415.pdf

Data collection and analysis

This section outlines the methods used to collect and analyse data on PGF performance and outcomes, and the approach to assessing the evidence against agreed criteria. An overview is included in Figure 23.

Figure 23: Overview of evaluation data collection methods and rationale

	Participants and data sources		Rationale for inclusion
Case studies	**Three place-based case studies** Interviews • 32 interviews across three regions, including funded and non-funded applicants; regionally-based Partner Agencies; councils; iwi/hapū; Trusts, business/private sector Document Review and secondary data • Regional Strategy and/or Economic Plan(s); (Latest) CIP Report(s) • PGF Application(s); Progress Reports (for Funded Projects) • Analysis of PGF projects from Pipedrive		Depth: Understanding the value of early outcomes through the lens of a community where people live and work
Interviews	**National stakeholders** • 10 stakeholder interviews and 19 scoping interviews • PDU and MBIE more generally • the national offices of Partner Agencies, such as TPK, NZTA, DoC, MoT, MPI		Depth: Gain a national perspective on PGF design and implementation and the value of early outcomes
Surveys	**Regional stakeholders** 184 respondents Across all 15 regions	**PGF applicants** Funded Non-funded 182 150	Breadth: gain a regional perspective on PGF design and implementation and the value of early outcomes.
Secondary data	**Analyse the datasets** • PipeDrive • Outcome Indicators Dashboard • PDU Payment data • PDU Monthly Reports • CIP Reports • Linked employer-employee data (LEED)		To provide budget allocation information by region/tier/sector and complement findings from the survey and provide contextual information about who is gaining value from PGF.

Contextual information

A range of information was collected to inform a broader understanding of the context in which PGF has been implemented. This information has been grouped into seven elements (Table 8**Error! Reference source not found.**) that were used to guide the design of specific data collection tools and inform the analysis.

Table 8: Contextual elements for guiding data collection and analysis

Contextual element	Focus
Individual	• Key individuals who have engaged with PGF (applicants, non-applicants; national, regional, and local stakeholders)
Collective	• Relationships between central government and regional organisations • Relationships between partner agencies • Relationships within region • Applicant profile (Māori, local government, other government agency, private sector, community trust)
Non human	• Surge or non-surge region • PGF project stage (in progress, closed) • Design and implementation of PGF (what was intended/what has occurred in practice) • PGF funding tiers
Political/economic	• Treaty relationship (settled, non-settled) in sites • Central government regional economic development initiatives & strategies that have informed the PGF (e.g., Business Growth Agenda, Regional Growth Programme) • Current labour market • Other large scale/government interventions
Social cultural	Interview sites only: • Rohe boundary • Regional priorities • Areas of deprivation
Temporal	Interview sites only: • Historical, seasonal crises e.g., floods/water shortages, other natural disasters • Remoteness • Regional strengths (e.g., access to national parks, existing infrastructure such as ports, railway, geothermal activity) • All areas: • COVID-19 impact on PGF projects (innovations and challenges)
Spatial	Interview sites only: • Neighbouring regions/infrastructure (new or existing) • Linkages between PGF funded projects in site or connected to site

Intervention logic

The intervention logic captured the intentions of the PGF's operation, outputs, and outcomes.

Provincial Growth Fund Intervention Logic Model
The logic explains the intended mechanisms (funded projects and support structures), and the resulting intended outcomes for recipients.
The evaluative criteria (refer to the PGF evaluation plan) provides detail on what will be covered in the evaluation scope.

Long Term Outcomes (5+ years) (out of scope of evaluation)

Increased regional economic output, greater economic activity in the sectors where the PGF has invested, and in related sectors.
Enhanced utilisation and returns for Māori from their assets.
Increased productivity, with stronger growth in higher productivity businesses in the sectors invested in (and related sectors).
Increased employment (and reduced unemployment) and wages, in general, and for Māori particularly.
Lower rates of young people not in employment, education and training, and a reduced proportion of this group being Māori.
Improved digital communications (e.g. a reduced "digital divide").
Improved resilience and sustainability of transport infrastructure, supporting improved connections within and between regions (e.g. reduced travel times, increased throughput of passengers and freight).
Contribute to mitigating or adapting to climate change.
More investments that ensure sustainable use of regions' natural assets.
Enhance wellbeing, within and/or between regions.

Medium Term Outcomes (3 to 5 years) (out of scope of evaluation)

Central and regional collaboration continues and strengthens	Supply chains are improved	Firm and sector specific productivity and added value increases	People, particularly Māori and youth are connected to more and better job opportunities.
Regional communities are better off	Enhanced regional connectivity (digital, road, rail, ports and wharfs)	Early signs of environmental improvements (forestry)	Māori land productivity grows [PGF projects only]
Regions have improved economic development capability	Impact of tourism demand is managed	Increased opportunities in forestry and related services.	Investment opportunities are taken up
	Community and environmental resilience is improved		Regional communities are more attractive as a place to live and do business
	More people are connected		

Short Term Outcomes (1-2 years) Following investment. What is intended to be different as a result of the intervention? For whom? What will be changed or improved in the first one to two years

Partnering activity between regional players, and with the private sector strengthens. Local economies stimulated. Greater investment interest from private sector following early government investments (flow on effects). Improved capability of Government to engage with regional partners and Māori. Barriers to creating economic activity for local communities and business are removed or reduced. Funded projects align with existing regional priorities (for example Māori development strategies). Regions' unique circumstances and comparative advantage is leveraged	Infrastructure build underway. Enhanced regional connectivity (digital). Construction of water storage facilities	Firms implement new processes, new technologies, employ and train different skill sets. Physical capital (buildings, kit) is increased for firms. People are employed to plant trees in right place for right purpose. Increased activity, innovation, and greater employment in sectors	More people, particularly Māori and youth are now employment ready, have increased skills and experience. Some barriers (e.g. funding) for Māori to realise potential on Māori land are removed. The pool of feasible regional investment opportunities grows, paving the way for potential investment. Confidence and attitudes in local centre improves

Longer term outcomes may be less attributable to the PGF (see assumptions)

Outputs Are the products of the activities that reach people (individuals, groups, agencies) who participate or who are the recipients of the intervention

Partnering activity between regional players, and with the private sector. Government engagement with regional partners and Māori. Applicants are more informed about the PGF and regional economic development opportunities. Government is more informed about what regions need and regional economic development priorities.	Transport infrastructure (road, rail, port and hub) projects receive funding. Tourist infrastructure (e.g carparks) receive funding. Digital infrastructure receives funding. Regions water storage needs are assessed and funded	Firms receive funding to improve productivity. 1BT: Labour, nurseries, innovation etc receive funding. Co-funding is leveraged. Primary, manufacturing, service and emerging sectors receive funding	Employment and training programmes (including for NEETS). Investment in underutilised Whenua Māori. Feasibility Studies and Business Cases completed. Regional, cultural asset investments e.g. museums, theatres, cultural attractions. Co-funding is leveraged as appropriate

Outcome Streams

Collaboration (how people behave to support regional economic development capability)	Enabling Infrastructure	Sector Investment	Regions, Projects and Capability

Activities *Activities are "what we do and what we offer"*

Pre-Application PDU and partner agencies work with Māori, regions, and individuals to identify opportunities for investment. PDU and partner agencies support applicants to submit applications to be made. PDU and partner agencies work with applicants to help ensure the purpose of the fund is understood. PDU match applicants to appropriate funding sources	**Application and assessment** Robust and consistent assessment by PDU (working with other government agencies) to assess the merit of, capability and likelihood of the project to deliver outcomes and value for money before approving funding	**Advice** Good and timely advice on applications by the PDU to decision makers on whether to fund proposals. Optimising spread of investments. Investment strategies for particular sectors	**Contracting and management** PDU negotiates clear contracted commitments for recipients. PDU effectively managing and supporting the delivery of milestones and reporting requirements. PDU ensuring appropriate use of funding. And a clear view of likelihood of expenditure, in order to inform future decisions around design and whether or not to continue funding.

Support structures created
Partnerships between government, regional players and private sector
Applicants and recipients are supported by PGF officials (PDU or partner agencies) to enable projects to be successful
Capability (of applicants/recipients) supported and lifted across all phases of activity
PGF officials work with applicants to understand their unique strengths, needs and circumstances

Inputs Inputs are the resources and contributions made to create the activities

- Fund pool of $1B per year, including operational fund for PDU
- Appropriate and effective investment strategy, policies and procedures developed and adapted
- Appropriate and effective governance mechanisms and relationships (such as decision making bodies and cross agency groups) between central government, PDU and the regions established
- PDU staff with the right capability and capacity

Purpose

- To support productive, sustainable and inclusive growth and to achieve the lift in productivity potential in the regions through:
  - Increased jobs and sustainable economic development
  - Increased social inclusion and participation
  - Māori development
  - Environmental sustainability and help in addressing climate change
  - Increased resilience

Assumption

- A key barrier to potential regional and economic benefits is lack of funding and a faster, targeted investment and new operating approach is needed.
- Other barriers such as regulation are addressed through other mechanisms.
- Government understands and considers the needs, strengths and unique circumstance in the region so the right mix of investment and support occurs to achieve the intended result
- PGF investment will be additional to, and build on, existing activity.

Crosswalk of evaluation criteria and data sources

Evaluation criteria are the agreed aspects of performance that were the focus of each KEQ. The criteria provided an explicit basis against which overall judgements about the PGF's design, approach, and the value of its early outcomes could be made. The criteria were informed by

- a 2018 Cabinet paper[67];
- a draft PGF evaluation plan that included the intervention logic; and
- refinements made by MBIE prior to *Allen + Clarke* being commissioned.

The following table provides an overview of the data sources used to gather information against the evaluation criteria.

Legend: Source of data

AS	**Applicant survey**
SS	Stakeholder survey
CS	Case study
NSI	National stakeholder interview
AD	Administrative data

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[67] Cabinet paper (2018). Further decisions on the Provincial Growth Fund.

KEQ 1: How well is the design and approach being actioned to maximise the changes needed to achieve the desired impacts?			AS	SS	CS	NSI	AD
Domain[68]	**Evaluative Criteria**	**Sub Evaluative Criteria**					
Enabling enduring relationships, collaboration and capacity building at all stages	1. Regional stakeholders. Central govt works well with local govt, applicants and iwi.	a. There is clarity about roles of both the government and regions in terms of engagement.		x	x	x	
		b. PDU and partner agencies have influenced improved collaboration between local government, applicants, and iwi.	x	x	x	x	
		c. Government supports, collaborates, and partners with the regions, and the engagement is beyond Regional Councils/District Councils and includes industry sectors and other key community stakeholders.		x	x	x	
		d. Extent to which applicants believe communication with PDU and partners is transparent.	x		x		
		e. Engagement and partnering are occurring between government agencies.		x		x	
		f. PDU and partner agencies have improved ongoing capability to engage with regional partners.		x	x	x	
	2. Working well together is supporting identification of investment opportunities, high quality proposals, and successful progress of funded projects.	a. Regional stakeholders (communities, local govt and iwi) believe that their needs, strengths, and unique circumstances are understood and considered by central government.		x	x		
		b. Funded projects align with govt development priorities and regional priorities.		x	x	x	

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[68] For more information see the Intervention Logic.

Evaluation of the Provincial Growth Fund

KEQ 1: How well is the design and approach being actioned to maximise the changes needed to achieve the desired impacts?			AS	SS	CS	NSI	AD
	3. Applicants: Capability is lifted	a. Applicants have access to the resources they need to develop proposals.	x		x		
	4. Iwi: The PDU and partner agencies are engaging and partnering with Māori in the regions ensuring that funded projects align with development aspirations of the target group as defined by the applicant.		x		x		
	5. Iwi: Sound relationships between PDU, partner agencies and applicants are formed and/or strengthened.		x	x	x		
	6. Māori believe that their values and views are valued and acknowledged.		x		x		
	7. People who live in the community are engaging in a meaningful way with the issues that are going on around them.				x		
	8. Creation of much stronger connections between regional government agencies and the community.		x		x		
	9. Clear and consistent communication between Wellington PDU and the regions regarding criteria and funding decisions.		x			x	
Assessment and advice	10. PDU and partner agencies are collaborating efficiently and effectively to provide advice.			x		x	

KEQ 1: How well is the design and approach being actioned to maximise the changes needed to achieve the desired impacts?		AS	SS	CS	NSI	AD
Assessment and advice	11. The timeliness, quality and robustness of assessment and advice provided means decision makers are sufficiently supported to make decisions on individual proposals and to ensure the spread of investment across sectors, regions, tiers, risk and Māori					x	x
Contracting	12. Applicants have a positive experience* of the contracting process. Positive experience could include timeliness, completeness, clarity and consistency of information provided and requested		x		x		
Client management	13. Recipients report clear and timely advice, support, and communications from the PDU to help ensure successful delivery of projects.		x		x		
Policy	14. Funding approvals and funded projects are locally led with support from central government.			x	x	x	
	15. Sufficient regionally based capacity to support sustained regional economic growth. In practice this means:	a. Ongoing communication between partner agencies, community, and other regional stakeholders such as EDAs and councils		x	x		
		b. Capacity to seek out opportunities for strategic investment that will make a difference, not just 'low hanging' fruit.		x	x		
		c. Increased funding for dedicated roles in EDAs and councils.		x	x		

Domain	Evaluative Criteria	Sub Evaluative Criteria	AS	SS	CS	NSI	AD
KEQ 2: How valuable are the early outcomes of the PGF approach to regional communities, Māori and Government?							
Outputs Funding allocation	1. Investment aligns with the objectives of the PGF	a. Investment is spread appropriately across sectors, regions, tiers, Māori.				x	x
		b. PGF funding is not duplicating other government funding.				x	
		c. Examples of non-crown co-funding are evident on projects that align with PGF objectives.			x		
Regions/Projects /Capability	2. Funded project conditions are on track: progress against deliverables.				x		x
	3. More people, including Māori and youth, are employment ready and more confident about joining the workforce				?	x	x
	4. More people have gained further work skills.				?	x	
	5. Benefits for Māori whenua	a. Māori landowners consider that prior underutilised Māori land is beginning to be utilised.	x		x		
		b. Māori landowners feel they have the tools and resources to unlock the potential to realise land potential.			x		
	6. Emerging evidence of feasibility studies being funded to go to the next stage or other related investment options are emerging.			x		x	
Sector investment	7. Funded project conditions are on track: progress against deliverables.				x		x

KEQ 2: How valuable are the early outcomes of the PGF approach to regional communities, Māori and Government?			AS	SS	CS	NSI	AD
	8. Organisations report seeing the benefits they set out in their application beginning to be achieved, including improved productivity.		x		x		
	9. Direct grants and joint ventures incentivise planting, and partnerships reduce barriers to planting.						x
	10. Trees are successfully planted in line with annual planting estimates.						x
Enabling infrastructure	11. Funded project conditions are on track: progress against deliverables.						x
	12. PGF funding helps to enable:	a. Digital connectivity - Fibre laid.					x
		b. More marae are connected and there is positive impact of this for Māori and regional communities			x		x
		c. Gaps in broadband and mobile coverage are increasingly addressed.			x		x
		d. Increase in digital hubs					x
		e. Improved key routes for business, the general public and tourists					x
		f. New freight and distribution hubs are being established.					x
		g. PGF funding accelerates investment in infrastructure to enable regional economic development.					x
Community/region wide	13. Value of the approved funding is visible to regional stakeholders and recipients, e.g:	c. More people including Māori and youth are engaged in employment.	x	x	x		x

KEQ 2: How valuable are the early outcomes of the PGF approach to regional communities, Māori and Government?		AS	SS	CS	NSI	AD
	14. Community members say they are more hopeful for the future of their region as a result of involvement in funded PGF projects (note the impacts of COVID need to be taken into account)		x	x	x	
Progress toward (medium & longer term outcomes)	15. The extent to which outputs and short-term outcomes indicate that funded projects are on track to achieve the medium and long term outcomes.					x
	16. Stakeholders consider the approach and implementation of the PGF process is likely to be feasible and sustainable in the long term.		x	x	x	x

Interviews

The evaluation included face-to-face and video- interviews with a range of stakeholders at national, regional, and local levels. The purpose of these interviews was to collect in-depth information on the design and implementation of the PGF (KEQ 1) and early outcomes (KEQ 2).

Interview guides were tailored to the stakeholder groups to ensure coverage of relevant topic areas and were finalised with input from MBIE. All potential respondents were provided with an information sheet outlining the purpose of the evaluation and the process for informed consent and use of data.

An overview of the interviews conducted is provided below (Table 9).

Table 9: Key stakeholder interviews

	Stakeholder description			
Scoping interviews	PDU/Partner agencies	19		
National stakeholders	PDU, MPI, TPK, New Zealand Transport Agency (NZTA), and Ministry of Transport (MOT), IAP	10		
Regional and locally based stakeholders		**Kaikohe**	**Ōpōtiki**	**Buller**
	Iwi/hapū (funded and non-funded applicants)	5	3	1
	Other funded and non-funded applicants Community participants e.g., business leaders, community organisations	2	2	5
	PDU/Partner agencies	1	1	4
	Council	2	3	2

Place-based interviews

The evaluation needed to understand the value of early outcomes of the PGF approach to regional communities, Māori, and the Government. The evaluators also wanted to explore the interaction between projects. To do this, the evaluation approach included place-based interviews in three[69] locations.

The selection of the final sites considered location, the nature of the projects (e.g., number, type, value), and project stage; ensuring there was a selection of project types and representation of the diverse Māori and non-Māori population, economic/business profiles, and socio-economic characteristics of New Zealand.

As current Māori economic activities and wellbeing initiatives reflect key drivers such as te Tiriti o Waitangi settlement progress, and hapū level coordination and resourcing, the evaluators 'zoomed' into projects occurring within iwi boundaries (rohe) within each region. This iwi rohe focus did not mean a 'hard' project boundary however, projects that fell outside of this boundary but were part of a natural cluster of projects were still included. Further nuancing of the site selection occurred after consultation with senior PDU and partner agency regional staff.

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[69] The number of case studies was determined by the evaluation budget.

There was unanimous agreement by key informants[70] that one of the case studies be in Northland due to its diversity, size, maturity, and level of funding received. Several other regions were proposed as fitting the criteria as outlined in Table 10. They were Bay of Plenty and Hawkes Bay, Otago, Southland, and the West Coast.

The key informant interviews and rapid analysis of the PDU data were used to determine which communities were included as case studies in Phase two. These within-region communities were dependent on the nature of the region and the mix of projects.

To support the compressed timeframe[71] for the evaluation, the selection of sites followed a pragmatic convergence method. This was achieved through the following steps:

1) Selecting potential regions based on early discussions with key PDU personnel in the evaluation inception meeting.

2) Asking key informants their perspective of the proposed regions and identifying additional regions where they did not agree.

3) Considering each proposed region against the set of criteria and converting to a score (high, moderate, low), where:

   a) Project count is the number of projects dedicated to that region (i.e., exclude multi-region projects)

   b) Focus areas contained key areas of focus as identified in the key stakeholder interviews: whenua Māori, Marae, infrastructure, tourism, aquaculture, transition economy (e.g., away from sunset industries like oil or coal), and big infrastructure projects (e.g., port development, Tier 3 investment)

   c) The proportion of PDU and partner agency staff who supported this region when asked during the key informant interviews. Responses were converted to a score: high (full agreement across key informants) = 3; moderate (pros and cons identified with a particular region) = 2; low (do not believe this is a good region) = 1

   d) Deprivation based on the NZ Deprivation 2018 decile score.

4) Consultation with senior PDU staff to identify natural clusters of projects at a community level. Administrative data was used to characterise the communities within each region.

5) The short-list of five regions was discussed at an evaluation project management meeting attended by staff from MBIE, PDU, and Allen + Clarke. This discussion also focused on specific rohe/locations to include, based on geographical clustering of project types and economically vulnerability of the community. Three locations were selected: Te Tai Tokerau (Kaikohe), Te Moana a Toi te Huatahi (Ōpōtiki), and Te Tai Poutini (Buller).

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[70] National and regional stakeholders from the PDU and partner agencies who were interviewed or participated in a meeting with the evaluators as part of developing the final evaluation plan.

[71] The compressed timeframe for the evaluation was due to COVID-19.

Table 10: Criteria Scoring for selecting regions for place-based interviews

	Region	Project count	Focus areas	Stakeholder preference	Deprivation [72]	Total
1	Te Tai Tokerau Northland[73]	419: High (3)	High (3): Whenua Māori, Marae, infrastructure, tourism	High (3)	7 (3)	12
2	Toi-te-Huatahi Bay of Plenty[74]	258: Moderate (2)	High (3): Whenua Māori, Marae, infrastructure, tourism	Low (2)	6 (2)	9
	Te Matau-a-Māui Hawkes Bay	223: Moderate (2)	High (3): Whenua Māori, Marae, infrastructure, tourism	Moderate (2)	6 (2)	9
3	Murihiku Southland	110: Low (1)	Moderate (2): Aquaculture, big infrastructure, transition, Marae	Moderate (2)	6 (2)	7
	Te Tai Poutini West Coast	109: Low (1)	Moderate (2): Tourism, transition	Low (2)	7 (3)	8

The place-based interviews enabled a deeper understanding of a community's priorities and how these were being addressed (or not) through PGF funded projects. The evaluators' focus was not on individual projects, but on understanding the connection between projects and their collective impact.

The evaluators spent on average four days in each location and included interviews with:

- funded and non-funded applicants
- PDU staff
- relevant government agencies
- local and regional council
- iwi.

Each interview took around an hour to complete with some hui taking approximately two hours. Some respondents were not available when the evaluators were in the community and agreed to be interviewed at a later time via videoconference.

The interviews reached saturation as key themes revealed themselves to be common across all three regions (e.g., the importance of relationships), and regionally specific stories were also found from multiple interviewees, respondents, and stakeholders (e.g., trust).

There was a likelihood that PGF funded projects, individuals and organisations would be identifiable if written up as separate cases in the evaluation report. For this reason, each site

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[72] Population weighted average of NZ Deprivation 2018 decile score and converted to a rating where 5=1, 6=2, and 7=3.

[73] Kaipara to Kaikohe region is favoured by key informants interviewed in Phase one. Our next step was to look at Pipedrive data to narrow the location.

[74] Ōpōtiki is a potential location identified by key informants as it includes a variety of investments, infrastructure projects and a community that has a high level of deprivation.

was analysed separately, then considered alongside other data sources to inform evaluative judgements against the evaluation criteria.

Interview notes were uploaded into NVivo Pro software. The notes were coded and themes and sub themes identified. Respondent characteristics were also uploaded. This allowed the analysis to be conducted in a variety of ways. For example, experiences and perspectives can be analysed from the perspective of partner agencies, applicants, iwi and by region.

Applicant and Regional stakeholder surveys

Two online surveys were undertaken to provide a regional-level perspective of PGF to capture data from PGF applicants (referred to as the 'applicant survey') and regional stakeholders (referred to as the 'stakeholder survey'). The full detail of the applicant survey and stakeholder survey can be viewed in Appendix 2.

Applicant survey

The applicant survey targeted all applicants who had PGF funding approved ('funded applicants'[75]) or were not successful with their PGF application ('non-funded applicants'[76]) as of 31 March 2020[77]. For comparison purposes, the survey included contextual questions common to the two groups of interest. These included their experience about the PGF submitting process and the extent to which criteria were sufficiently flexible to enable applicants to respond to the region's priorities. Survey responses informed a range of criteria as outlined in Appendix 2. Table 11 outlines which criteria were addressed by funded and non-funded applicants.

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[75] As at 30 March 2020 approximately 570 proposals had been successful (numbers to be confirmed by PDU.)

[76] As at 30 March 2020 approximately 1272 proposals had either been withdrawn, were not successful or were still pending decisions.

[77] Based on the following Pipedrive variables: 'Deal - Stage', 'Deal - 3. Approved Date', 'Deal - 3. Date of Withdrawal / Unsupported Letter Delivery', and 'Deal - 3. Declined Date'.

Table 11: Applicant survey

KEQ	Link to evaluative criteria	Funded applicants	Non-funded applicants
KEQ 1	Experience of the application process, including whether applicants say they had access to the resources they needed to develop proposals	x	X
	PDU and partner agencies have influenced improved collaboration between local government, applicants and iwi	x	X
	Capacity is lifted	x	X
	Communication with PDU was clear, timely, consistent, comprehensive	x	X
	Extent to which criteria were sufficiently flexible to enable applicants to respond to region's priorities.	x	X
	Extent to which Māori applicants believe their views are valued and acknowledged	x	X
	Clear, consistent, timely, and comprehensive communication between Wellington PDU and regions regarding criteria and funding decisions	x	X
	Extent to which applicants believe communication with PDU and partners is transparent.	x	X
	Creation of much stronger connections between regional government agencies and the community.	x	
	Sound relationships between PDU, partner agencies and applicants are formed and/or strengthened	x	
KEQ 2	Value of approved funding is visible to communities	x	
	Community members say they are more hopeful for the future of their region as a result of involvement in funded PGF projects (14) Note: we will include a question about the impact of COVID-19 that will provide context for responses to this area of inquiry.	x	
	Non-funded projects proceed regardless of PGF, i.e., with funding from elsewhere? *(No direct alignment with evaluation criteria)*		X

PGF applicants were identified from the PDU's administrative database (Pipedrive). Two datasets were created from applicants within the scope of this evaluation (up to and including 31 March 2020). An Excel spreadsheet for PDU to use in disseminating the survey to applicants and a second containing the survey ID, contextual variables to track response rates while the survey was live and as part of the statistical analysis.

Table 12 below shows the total of 971 records of emails from the Pipedrive that were identified. The evaluators checked for duplication records and consequently removed them from the lists. This was because they wanted to maximise the response rate, but prevent

someone from completing the survey multiple times. Some typos were detected and where possible, the evaluators corrected them.

The pre-notification letter was sent out by the PDU team to 760 applicants (Table 12**Error! Reference source not found.**; see Appendix 3 for full details of the letter). Of these, the evaluators received bounce back due to:

- an incorrect email address or the recipient had resigned or retired

- the recipient being out of office (e.g., on annual leave, or on parental leave).)

The evaluators updated the email lists for those who were out of office for an extended period and who provided alternative emails.

As a result, a total of 744 survey invitations were sent to the updated list of applicants via the LimeSurvey platform (Wikimedia Foundation, 2021). The invitation reiterated the purposes of the study, stated that participation in the survey implies consent, assured anonymity, and provided the weblink leading to the survey (see Appendix 2 for details). Two reminder letters were sent out (see Appendix 2 for details). To ensure that participants received the survey link, another email was sent to ask them to check their junk mail. During the data collecting period, participants had the opportunity to raise any questions or concerns regarding the evaluation projects.

Table 12: Applicant survey activities

	Number
Valid emails from Pipedrive	971
Duplicate – removed	211
Survey pre-notification letter sent	760
Bounce back – undeliverable or delivery failure, no longer with the company (e.g., resigned, or retired)	12
Survey link sent (760-12)	748
Asked to remove from the survey list or refused to participate	7
Out of scope e.g., as they never applied for the fund	2
On extended leave e.g., on holiday	30
Total number of potential respondents (748-7-2-30)	709

Stakeholder survey

The stakeholder survey targeted PDU staff, partner agencies, iwi, and other regional stakeholders. PDU staff in each region provided the evaluators with a list of key stakeholders to be invited to participate in the regional stakeholder survey. As with the applicant survey, before a web link was sent to the regional stakeholders, MBIE sent a pre-notification email to stakeholders providing information about the purpose of the study, a statement that participation in the survey implies consent, and assurance of anonymity.

The evaluators then used the survey platform (LimeSurvey) to send an introduction email to reiterate the purpose of the study, ask that they forward the email to others in government who have been part of the PGF, and provide a clickable weblink leading to the survey. It is common that the email from LimeSurvey is identified as junk mail due to security settings. Therefore, another email was sent asking people to check their junk mail.

Three reminder emails were sent. During the data collection period, participants had the opportunity to raise question or concerns regarding the evaluation projects. Table 13 below presents the numbers of emails that were sent to stakeholders. It also details the number of bounce back emails, unsubscribe, and refused to participate.

Table 13: Stakeholder survey activities

	Number
Email lists received from MBIE	296
Removed because duplicate	2
Pre-notification letter sent (296-294)	294
Bounce back — undeliverable or delivery failure	9
Deceased	1
Survey invitation sent (294-9-1)	284
Bounce back — undeliverable or delivery failure	12
On extended leave e.g., on holiday	13
Un-subscribe or refused to participate	4
Total number of potential respondents (284-12-13-4)	255

Achieved response rate

Table 14 presents the response rates for the applicant survey and stakeholder survey, 51% and 72% respectively. These rates were relatively high compared to the average response rate observed from a recent meta-analysis of 43% (Burgard, Bošnjak, & Wedderhoff, 2020).

Table 14: Achieved response rate

	Applicant	Stakeholder
Total number of potential respondents	709	255
Respondents	365	184
Non-respondents	352	71
Response rate	51.48%	72.16%

Table 15 shows that both surveys took under 20 minutes on average to complete, with 308 full responses of 365 total for the applicant survey and 146 full responses of 184 for the stakeholder survey.

Table 15: Response characteristics

Response	Applicant	Stakeholder
Full response	308	146
Partial response	57	38
Total response	365	184
Average time used	18 minutes and 4 seconds	17 minutes and 18 seconds
Median time used	15 minutes and 20 seconds	14 minutes and 23 seconds

Data preparation plan

To support a good response rate for both surveys, potential respondents were informed about the purpose of the survey and the evaluators' approach to ensuring anonymity. In addition, the evaluators sent a reminder once a week over the four-week period.

Surveys tend to achieve the best response rates when the survey questionnaire is concise.[78] The evaluators wanted the base survey to take no longer than 20 minutes to complete. Use of advanced survey logic enabled question sets to be targeted to the diverse types of respondents. This means that the survey length was marginally longer for a small proportion of respondents. To boost response rates in the applicant survey, an incentive with one prize draw was used.[79]

The survey questionnaire was scripted into an online survey platform. The survey was piloted with a range of staff from Allen + Clarke and the PDU who bring a diverse array of skills and critique, including survey questionnaire design; included testing whether the correct questions are being asked, whether the questions are easily understood, checking the flow of the questionnaire, and obtaining an indication of the time required to complete the survey. The survey design was provided to the Ministry for feedback.

Any information collected in the survey that could be used to identify individuals was anonymised to ensure confidentiality. Before the analysis commenced, the evaluation team completed the following three steps.

1) Undertaking data verification and cleaning to ensure that the range of responses are valid, and that data is coded accurately and consistently.

2) Establishing a data dictionary and recording of variables where required. This included completing information to define each variable, such as variable names, descriptive variable labels, type of variable, and value labels. Some recoding of variables was done when response categories are grouped, to ensure the results are meaningful.

3) Constructing scales and multiple item variables.

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[78] Rolstad, S., Adler, J., & Rydén, A. (2011). Response burden and questionnaire length: is shorter better? A review and meta-analysis. Value in Health, 14(8), 1101-1108.

[79] Winners of the prize draw can select from one of the following: a set of Bose wireless noise-cancelling headphones, an iPad Pro 10.5-inch display with 64G, or a $1000 supermarket voucher.

Survey data analysis plan

Stata statistical software was used to conduct the analysis of both surveys. Descriptive statistics were calculated including percentages and 95 percent Confidence Intervals (95% CIs).

The percentages are estimates of the proportion of the target groups that have a particular characteristic. Tables also include the number of participants who reported each of the different responses for a given question and the total number of participants who answered the item excluding those who refused to answer a particular question or who responded with 'don't know'. The number of participants answering each question will be varied because of the questionnaire's routing nature, and the inclusion of 'refused' and 'don't know' options.

The 95% CIs indicate the estimated precision by providing an interval in which the true proportion is likely to lie. The wider the confidence interval is an indication of a less precise estimate. Data in the report text is rounded to the nearest whole number. Numbers were rounded to one decimal place in tables and graphs. This means that percentages may not add precisely to 100%. Meanwhile, multiple responses have been allowed, and percentages can total to more than 100%.

Administrative data

Administrative data was used to complement findings from primary data collection through surveys and interviews. The advantages of using administrative datasets include the comprehensiveness, large sample size, and a more extended period, which is sometimes challenging to achieve financially through any survey method. They could be used to provide data on applicants who may not respond to the survey.

Despite the advantages, greater caution and care are required to use secondary data as it is often not purpose-designed to address questions under investigation. The disadvantages are related to the reliability of data (e.g., administrative systems are reliant on input from multiple people), the lack of adequate control variables, the lack of any documentation and information about the quality of the data. There is no data dictionary. It is therefore important that data parameters do not change from year to year so comparisons can be made. Definitions within PDU have changed over time due to operational purposes. For the evaluation, data definitions are those used as of 31 March 2020.

Secondary data analysis was through data collected by the PDU, often for monitoring purposes (referred to as 'administrative data'), as well as relevant PGF documents. These are outlined in Table 16**Error! Reference source not found.**.

Table 16: Administrative data sources and assessment

Data source	Description	Focus of analysis
Pipedrive	Contains information on the PGF approved projects and other projects e.g., approved date, approved by, email address of applicants	• Identify whether applicants received PGF funding. • Job numbers.
PDU payment	Contains information of approved projects, i.e., payment amount; project stage; due date; and completed date	• Funded projects conditions are on track (achieved progress against planned progress).
PDU reporting data	Contains track records of the process of approved projects e.g., contract signed date, contract start date, contract end date, and funding committed.	• Output allocation - investment is spread appropriately across sectors, regions, tiers, Māori.
Outcome indicator dashboard	The outcome indicators collected by various organisations such as Stats NZ, MOT, NZTA e.g., GDP economic activity, Māori assets - employee share, productivity, employment, and NEET rate.	• Number of the labour force. participation by Māori and youth. • Number trained (NEETs and others). • Number considered employable (NEETs and other). • Numbers subsequently employed for 6 months or more (NEETs and other).
CIP reports	There are 12 Crown Infrastructure Partners (CIP) monthly reports: one report from Dec 2019, and 11 reports from the period of February to December 2020. These are word documents which provide an update for the following programmes: Marae, Regional Digital Hubs and Digital Literacy Training, and West Coast/Milford Fibre Links.	• Digital connectivity i.e., amount of fibre laid, number of business able to be connected and quality of connection. • Number of Marae connected and quality of connection. • The coverage of broadband and mobile. • Number of digital hubs.
Annual linked employer-employee data (LEED)	This is available in infoshare from Stats NZ. It provides person-level statistics for the March year about New Zealanders' interaction with the labour market and their income sources.	• Number of jobs for each quarter by region. • Mean earning – new hires. • Mean earning – continue.

Other secondary data the evaluation drew on included official documents relevant to the PGF. These provided contextual information and insights into KEQ 1 and 2.

Sense Checking

Key findings were presented at two sense-making workshops with PDU staff: one with national staff and a second with regional staff. A key purpose of these workshops was to enable early shared understanding of the findings and to incorporate PDU knowledge into the analysis.

The workshops were facilitated by the co-lead evaluators. They explored key evaluation areas such as:

- **Emerging findings, by key themes:** Are these findings valid? Do they reflect the real-world experiences of stakeholders?

- **Interpretation and insights:** How significant are the findings? Did we interpret the findings correctly? Which findings/data sources are more important?

Synthesis and evaluative assessment

The analysis was informed by the criteria that defined core domains of PGF performance that aligned with:

- PGF design and approach
  - Collaboration
  - Pre-application
  - Decision-making
  - Contracting and client management
- Early outcomes
  - Outputs
  - Outcomes.

After analysing the individual data sets (i.e., administrative data, regional stakeholder and applicant surveys, national interviews and place-based interviews) the team came together to synthesise the analysis against the six domains. This was done over a three-day workshop with all team members.

With an initiative as complex as the PGF, it is difficult to provide cut and dried evaluative judgements. Rather, the evaluators' intention was to provide defensible answers to the key evaluation questions. A generic rubric (see Table 17) enabled the evaluators to eyeball the analysis across data sources and assign a rating for each domain. With agreement from MBIE, where the evidence identified aspects of PGF performance that were not working well for Māori, a domain could not achieve a rating higher than 'consolidating/2'.

The evaluators calculated the median of individual ratings to arrive at overall evaluative assessments about the performance of the PGF[80]. These are defined in Table 17.

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[80] Highly effective=4; Effective=3; Consolidating=2; Marginal=1; Not effective=0.

Table 17: Generic rubric for assigning performance ratings

Rating	Alignment of evidence to rating
Highly effective (4)	Evidence of very good to excellent performance on this aspect of PGF; no weaknesses of any real consequence.
Effective (3)	Evidence of reasonably good performance overall; includes a few slight weaknesses.
Consolidating (2)	Evidence of fair performance; quite a few weaknesses – some may be quite serious, but they are not deal breakers. A bar has been set here: If the evidence indicates there are weaknesses related to PGF performance for Māori, then the rating cannot be assigned that is higher than 'consolidating'.
Marginal (1)	Evidence of emerging performance. Evidence is patchy or not clear overall. This may be because it cannot be seen yet (that is, has not yet had time to emerge) rather than the performance being unsatisfactory.
Not effective (0)	Evidence of unsatisfactory performance. There are serious weaknesses across the board or on crucial aspects that are considered deal breakers.

APPENDIX 2: SURVEY DOCUMENTS

Applicant survey

Below is a copy of the pre-notification letter MBIE sent to applicants to notify them about the survey.

Pre-notification for the applicant survey

Tēnā koe

I am contacting you to ask you to participate in an online survey about the Provincial Growth Fund (PGF).

We are conducting the survey as part of an evaluation of the PGF. The objectives of the evaluation are to understand how the PGF has operated, how projects are progressing to date and provide insights on how future programmes like the PGF might best achieve their intended outcomes.

This survey is for people who applied for funding from the PGF, and who have either received funding or were not successful with their application. The information collected will provide valuable insights for PGF agencies and across Government.

In the next few days, you will receive an email with a survey link from Allen + Clarke (an independent research service) who are contracted by the Ministry of Business, Innovation & Employment (MBIE) to carry out the survey.

The survey will take about 15 minutes to complete and I would really appreciate your participation, however it is voluntary. Having your perspectives and views in the survey information will add a great deal of value to the evaluation.

If you respond to the survey, the information you provide will be confidential and used for research purposes only. Results will be summarised and anonymised. We will not use your name and any other identifying information in any reports.

Ngā mihi nui

Privacy of natural persons

GENERAL MANAGER, STRATEGY, PLANNING AND PERFORMANCE
Provincial Development Unit
Ministry of Business, Innovation & Employment

Invitation letter

Below is a copy of the invitation letter used to invite applicants to participate in the survey.

Tell us about the Provincial Growth Fund experience and you could win a prize worth up to $1000

Following the email from [name] (Provincial Development Unit) sent to you a few days ago, we are inviting you to participate in a short survey of the Provincial Growth Fund (PGF).

The survey is part of an independent evaluation of the PGF being undertaken by Allen + Clarke.

While you may have been involved in other government funding, we are interested in your experiences about the PGF specifically. Your contribution will help us to identify opportunities for how the PGF and similar interventions can better achieve their outcomes.

The survey should take only 20 minutes, and your responses are completely anonymous. You can take the survey once, but you can edit your responses until the survey is closed on **Friday, 23 April 2021.**

Please click on the link button below and complete the survey online - **we'll then put you in the draw to win either an iPad Pro 10.5-inch display with 64G or a $1000 supermarket voucher.**

The survey is confidential, and your identity will be protected. We will ensure that any data or reports will not identify you personally or your organisation. If you have any questions about the survey, please email [name] at [email address].

Click here to do the survey:

{SURVEYURL}

We really appreciate your input.

Ngā mihi nui,

Evaluation of the Provincial Growth Fund Team

Reminder letter

Below is a copy of the reminder letter that was shared with applicants to encourage them to participate in the survey.

Tell us about the Provincial Growth Fund experience and you could win a prize worth up to $1000

Tēnā koe {FIRSTNAME},

This is a friendly reminder to complete a short survey about the Provincial Growth Fund (PGF) undertaken by Allen + Clarke. The purposes of the evaluation are to understand how the fund operates and contributes to regional outcomes. Your contribution will help the Provincial Development Unit (PDU) identify opportunities for how the PGF and similar interventions can better achieve their effects.

The survey should take only 20 minutes, and your responses are completely anonymous. You can take the survey once, but you can edit your responses until the survey is closed on **Friday, 23 April 2021.**

Please click on the link button below and complete the survey online - **we'll then put you in the draw to win either an iPad Pro 10.5-inch display with 64G or a $1000 supermarket voucher.**

The survey is confidential, and your identity will be protected. We will ensure that any data or reports will not identify you personally or your organisation. If you have any questions about the survey, please email [name] at [email address]

Click here to do the survey:

{SURVEYURL}

We really appreciate your input.

Ngā mihi nui,

Evaluation of the Provincial Growth Fund Team

Evaluation of the Provincial Growth Fund

Stakeholder Survey

ALLEN+CLARKE

Introduction

Tēnā koe

You are invited to complete this survey to let us know your experiences with the Provincial Growth Fund (PGF). A few points to note:

- Completing the survey is voluntary.

- This link is unique to you.

- By completing the survey, you are giving your consent to participate in evaluating the PGF.

- This will take about 15 minutes.

- Questions marked with an asterisk (*) are required: you will be unable to proceed until you answer the question.

- If you want to change any of your answers, use the 'Previous' button at the bottom of the survey. Please DO NOT use the back button on your web browser; otherwise, you will lose the content of your answers.

- Your answers will be submitted at the end when you click the "Submit" button.

MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT HĪKINA WHAKATUTUKI   **ALLEN+CLARKE**

About you

Which organisation do you represent or work for?

1. Partner agencies: Te Puni Kōkiri (TPK), Department of Conservation (DOC), Ministry of Transport (MOT), Ministry of Primary Industry[81] (MPI), New Zealand Transport Agency (NZTA); Crown Infrastructure Partners (CIP)

2. Provincial Development Unit Regional advisors
3. Iwi/hapū
4. Other government agency
5. Regional or district council
6. Economic Development Agency (EDA)
7. Other_____

If Q1 = 1, go to Q2, then continue to Q3
If Q1 = 2-7 skip to Q3, then continue to Q4

Were you in a PGF funded role?

1. Yes
2. No
3. Not sure

[81] The correct name for this agency is Ministry for Primary Industries. It is very unlikely that this error (use of 'of' rather than 'for' will have affected respondents' understanding of the questions).

What was your position (or role) when dealing with Provincial Development Unit-funding applications (Multiple responses allowed)?

1. Advisory
2. Application project manager
3. Contract project manager
4. Administration
5. Other_____

Thinking about the PGF projects you were involved in, please select which region(s) they were located in? (Multiple responses allowed).

1. Nationwide

2. Northland / Te Tai Tokerau

3. Waikato

4. Bay of Plenty / Te Moana-a-Toi

5. Hawke's Bay / Te Matau-a-Māui

6. East Coast / Tairāwhiti

7. Taranaki

8. Kāpiti-Wairarapa

9. Manawatu-Whanganui

10. Top of the South Island/ Te Tau Ihu

11. Canterbury / Waitaha

12. West Coast / Te Tai Poutini

13. Otago / Otakou

14. Southland / Murihiku

15. Chatham Islands / Wharekauri

If Q1 = 1, go to Q5, then continue to Q6
If Q1 = 2-7, skip to Q8, then continue to Q9

Questions for: Partner agencies

Do you agree or disagree with the following statements?	Agree	Somewhat agree	Disagree	Don't know	NA	KEQ
The Provincial Development Unit adequately considered my advice on applications	1	2	3	99	98	1.1e
The Provincial Development Unit adequately responded to my advice on applications	1	2	3	99	98	1.1e

> If any of Q5 – Q6 = 3, go to Q7, then continue to Q8
> If any of Q5 – Q6 ≠ 3, skip to Q8, then continue to Q9

Please tell us a bit more about why you disagreed.

_____

_____

Questions for: Everyone

Do you agree or disagree with the following statements?	Agree	Neither agree nor disagree	Disagree	Don't know	NA	KEQ
I have a clear idea of my role in relation to the PGF	1	2	3	99	98	1.1a
The Provincial Development Unit has enabled collaboration between the organisation involved in regional economic development in my region (e.g., local governments, iwi, business)	1	2	3	99	98	1.1b 1.1c

> If any of Q8 - Q9 = 3 go to Q10 then If Q1 = 1 or 2, go to Q11, then continue to Q12 OR If Q1 = 2-7 skip to Q13, then continue to Q14
>
> If any of Q8 - Q9 ≠ 3 skip to Q11 then continue to Q12 then If Q1 = 1 or 2, go to Q11, then continue to Q12 OR If Q1 = 2-7 skip to Q13, then continue to Q14

Please tell us a bit more about why you disagreed.

_____

_____

Questions for: Partner agencies and Provincial Development Unit

Do you agree or disagree with the following statements?	Agree	Neither agree nor disagree	Disagree	Don't know	NA	KEQ
My organisation has improved capability for working with regional stakeholders on regional economic development priorities as a result of the PGF	1	2	3	99	98	1.5b

If Q11 = 3, go to Q12, then continue to Q13
If Q11 ≠ 3, skip to Q13, then continue to Q14

Please tell us a bit more about why you disagreed.

Questions for: Everyone

Do you agree or disagree with the following statements?	Agree	Neither agree nor disagree	Disagree	Don't know	NA	KEQ
My region's circumstances have been considered in the design of the PGF	1	2	3	99	98	1.2a
PGF funded projects align with my region's economic development priorities	1	2	3	99	98	1.2b

If any of Q13 – Q14 = 3, go to Q15, then continue to Q16
If any of Q13 – Q14 ≠ 3, skip to Q16, then continue to Q17

Please tell us a bit more about why you disagreed.

Questions for: **Everyone**

When developing PGF proposals, do you agree or disagree with the following statements?	Agree	Neither agree nor disagree	Disagree	Don't know	NA	KEQ
Applicants had access to the resources they needed when developing their proposals	1	2	3	99	98	1.3a
Applicants had access to the expert advice they needed	1	2	3	99	98	1.3a

> If any of Q16 – Q17 = 3, go to Q18, then continue to Q19
> If any of Q16 – Q17 ≠ 3, skip to Q19, then continue to Q20

Please tell us a bit more about why you disagreed.

_____

_____

Questions for: **Everyone**

Do you agree or disagree with the following statements? Due to the PGF, we have developed new relationships with:	Agree	Neither agree nor disagree	Disagree	Don't know	NA	KEQ
The Provincial Development Unit	1	2	3	99	98	1.1e
The regional office of a Central Government agency e.g., DOC, TPK	1	2	3	99	98	1.5
Our local community	1	2	3	99	98	1.8
Iwi/hapū	1	2	3	99	98	
The regional or district council in our region	1	2	3	99	98	
The local Economic Development Agency	1	2	3	99	98	

Questions for: **Everyone**

Do you agree or disagree with the following statements? Communication from the Provincial Development Unit about PGF funding criteria was…	Agree	Neither agree nor disagree	Disagree	Don't know	Not applicable	KEQ
Clear: I understood what it said	1	2	3	99	98	1.12
Timely: I got it when I needed it	1	2	3	99	98	1.12
Consistent: The messaging didn't change	1	2	3	99	98	1.12
Comprehensive: I got everything I needed	1	2	3	99	98	1.12

> If any of Q20 = 3, go to Q21, then continue to Q22
> If any of Q20 ≠ 3, skip to Q22, then continue to Q23

Please tell us a bit more about why you disagreed.

_____

_____

Questions for: **Everyone**

Do you agree or disagree with the following statements? Communication from the Provincial Development Unit about PGF funding decisions was…	Agree	Neither agree nor disagree	Disagree	Don't know	Not applicable	KEQ
Clear: I understood what it said	1	2	3	99	98	1.12
Timely: I got it when I needed it	1	2	3	99	98	1.12
Consistent: The messaging didn't change	1	2	3	99	98	1.12
Comprehensive: I got everything I needed	1	2	3	99	98	1.12

> If any of Q22 = 3, go to Q23, then continue to Q24
> If any of Q22 ≠ 3, skip to Q24, then continue to Q25

Please tell us a bit more about why you disagreed.

_____

_____

Questions for: **Everyone**

For the following statements, do you agree, or disagree?	Agree	Neither agree nor disagree	Disagree	Don't know	Not applicable	KEQ
PGF funded projects are starting to have a positive impact on our community	1	2	3	99	98	2.14
Due to PGF, I believe that my community feels more optimistic about the future	1	2	3	99	98	2.14

If any of Q24 – Q25= 3, go to Q26, otherwise go to Q27
If any of Q24 – Q25 ≠ 3, skip to Q27, then continue to Q28

Please tell us a bit more about why you disagreed.

_____

_____

Questions for: **Everyone**

Have there been any unexpected outcomes because of PGF funding?

1. Yes, positively

2. Yes, negatively

3. No

4. Don't know

If Q27= 1 or 2, go to Q28, then continue to Q29
If Q27= 3 or 99, skip to Q29, then continue to Q30

Please tell us a bit more about the unexpected outcomes because of PGF funding.

_____

_____

Questions for: **Everyone**

2. Do you agree or disagree with the following statement? The design of the PGF should be applied to government funding programmes in the future (KEQ 2.16).

    1. Agree

    2. Neither agree nor disagree

    3. Disagree

    99 Don't know

    98 NA

3. Please tell us a bit more about why you disagreed.

    _____

    _____

4. Please list three aspects of the PGF you would like to see <u>continued</u>.

    1. _____

    2. _____

    3. _____

5. Please list three aspects of the PGF you would like to see <u>improved</u>.

    1. _____

    2. _____

    3. _____

6. Finally, please provide any further comments about the PGF in the space below.

    _____
    _____
    _____

End message

Thank you for taking the time to complete this survey. We value the information you have provided. Your responses will contribute to the evaluation of the PGF. In line with the data sovereignty principle outlined in the Te Mana Raraunga (2021), all data collected for this survey are kept in New Zealand.

Nāku, nā

APPENDIX 3: INTERVIEW AND PLACE-BASED DOCUMENTS

Email invitation

Tēnā koe [name]

Allen + Clarke is undertaking an independent evaluation of the Provincial Growth Fund (PGF) for the Ministry of Business, Innovation and Employment (MBIE). The purposes of the evaluation are to provide information on how the PGF has operated and is contributing to regional outcomes, to identify early markers of success, and to provide advice on how programmes like the PGF might better achieve the intended outcomes.

An important part of the evaluation includes meeting with PGF fund applicants and stakeholders in three communities, one of which is [name]. We are visiting [place] over [dates] and invite you to participate in a face-to-face interview with Privacy of natural persons and Privacy of natural pe from the evaluation team.

We have attached an information sheet with more information about the evaluation and are happy to answer any questions you may have (see contacts below).

If you are happy to participate in an interview can you please reply to myself (Privacy of natural) this week to arrange a time that works for you? If you are not available over the time we're in [place] we are happy to schedule a zoom interview on another date.

Privacy of natural persons

[Phone]

[Email address]

Privacy of natural persons

[Phone]

[Email address]

Information sheet and consent form

Evaluation of the Provincial Growth Fund

Information about the evaluation, and informed consent

This evaluation is being carried out by Allen + Clarke for the Ministry of Business, Innovation and Employment (MBIE). We invite you to take part in the evaluation because you have had an important role in the Provincial Growth Fund (PGF), either as a PGF applicant or through an organisation that is integral to the PGF. Please read the information below and ask any questions you have before deciding whether to take part.

What is the evaluation about?

MBIE is seeking to understand 1) how the PGF has operated, 2) how projects are progressing to date and 3) to provide insights on how future programmes like the PGF might best achieve their intended outcomes. This evaluation will occur between March-June 2021.

While you may have been involved in other government funding, we are interested in your experiences in relation to only the PGF.

What is involved for those taking part?

If you agree to participate in this evaluation, we will invite you to an interview with our evaluators, for up to an hour.

Interviews will either be conducted face-to-face (or through a teleconferencing platform such as Zoom if you are not available during the days we are in your community).

Do I have to take part in the evaluation?

You do not have to take part in the evaluation. You may stop the interview at any time, and the information you have given us will be deleted. If you choose to participate and then change your mind later, you can pull out by contacting us up to one week after our interview.

How will your information be used?

Your feedback will provide information for the Provincial Development Unit (PDU) and other partner agencies on how future programmes like the PGF might best achieve their intended outcomes. An evaluation report will be provided to Government in mid-2021.

How will my privacy be protected?

We will be writing a report based on the information we collect through this evaluation. We will not attribute information to any individual by name.

The information from your interview will be stored securely and remain confidential to the evaluation team. Your personal information will not be shared with anyone else. This information will be kept securely at Allen + Clarke for 10 years. It will then be destroyed.

Who can answer my questions about the evaluation?

If you are involved in an interview, you will be meeting with members of the evaluation team. You can ask them any questions you have about the evaluation. You can also contact the Project Manager, Privacy of natural persons [Phone] [Email address], or Privacy of natural persons from MBIE's Evidence and Insights Branch: [Email address].

You will be given a copy of this document to keep.

Allen + Clarke is a corporate member of the Aotearoa New Zealand Evaluation Association (ANZEA); and all of our Evaluation + Research Practice staff also belong to the Australian Evaluation Society (AES). Through these organisations Allen + Clarke is expected to follow high standards. If you would like more information about these standards, the booklet *Guidelines for the Ethical Conduct of Evaluations* is available at www.aes.asn.au. We are ethically obliged to advise our client if we become aware of certain situations, such as someone being in danger, or corruption.

Statement of consent: I agree to take part in the evaluation

Please select the boxes below, as appropriate:

☐ The purpose and nature of this evaluation has been explained to me and I have had the opportunity to ask questions.

☐ I understand that my interview will be audio recorded and notes might be taken. These will be used to ensure the accuracy of information collected. This information will be stored securely and will only be accessible by the evaluation team.

☐ I understand that my personal details are confidential and will not be disclosed to anyone outside of the evaluation team.

☐ I understand that under the Privacy Act, I have the right to request any information held about myself.

☐ I understand that my participation in this evaluation will have no impact on any current or future dealings with MBIE or the PDU.

☐ I agree to the use of images created during the meeting being included in the analysis and report. We undertake to: (1) clearly signal when we are taking images that may be used; and (2) use the images only in the analyses and reporting of the PGF evaluation.

☐ I understand that information I provide will not identify me

☐ I consent to take part in the evaluation.

Signature _____ Date _____

Printed name _____

Funded place-based interview guide

Project Name

Date and time

Participants

Lead + Note Taker

Kaitiaki (if applicable)

Location

Whanaungatanga

Offer cup of tea/ coffee/ water, Introductions/ mihi. Go through information sheet:

- Summarise purpose & A+C involvement
  - Early indicators of success
  - Explain deep dive into 3 communities
- Anonymity & confidentiality

Get consent form signed, open hui with Karakia (if applicable).

Briefly describe your/your organisation's role in relation to PGF?

Probe: what specific PGF projects have you supported or engaged with?

Relationships, collaboration and capacity building

In relation to PGF, we are interested in your perspective on relationships/collaborations you've had with government agencies at national and regional levels.

Relationships, collaboration and capacity building	App	Govt	Bus	Iwi/ Māori trust	Council	NGO
Who have your key relationships been with? Which agencies?		x	x	x	x	x
Do you believe communication have been open and transparent? (Explain)		x	x	x	x	x
To what extent do you think there is a clarity of roles of both govt and regions in terms of engagement?		x		x	x	
To what extent is engagement and partnering occurring between govt agencies?		x				
To what extent do you think your needs, strengths, unique circumstances are understood and considered by central government?	x		x	x	x	x
To what extent do you think PDU and partner agencies have influenced improved collaboration between local govt, applicants and iwi?	x	x	x	x	x	x
What has worked well and what not so well when working with the PDU?		x	x	x	x	x
What factors may have contributed to how well these relationships worked?		x	x	x	x	x
To what extent do you believe your values and views have been acknowledged by PDU and partner agencies? *Probe response for examples. How has this changed over time? What factors have contributed to this change?*				x		

Role of PDU	App	Govt	Bus	Iwi/ Māori trust	Council	NGO
What strengths do you think the PDU has brought to the implementation and ongoing management of PGF? *Prompt: transparency and flexibility of assessment and advice; timeliness of decisions; ability to learn and improve processes; bringing different stakeholders together; role of specific individuals?*	x	x	x	x	x	x
What, if any, challenges have you experienced with the implementation of the PGF in this location?	x	x	x	x	x	x

Funding allocation	App	Govt	Bus	Iwi/ Māori trust	Council	NGO
How do the funded projects in this community align with regional priorities? Government development priorities?	x	x	x	x	x	
Did you have access to the resources you needed to develop your proposal? (Who helped?)	x					
Apart from PGF did you get funding from other sources? How much (portion)?	x					
Has the PGF enabled you to launch a project that might not otherwise have been funded?	x		x	x	x	x
What has been your experience of the contracting process? (including clarity, consistency of info requested)?	x					

Outcomes	App	Govt	Bus	Iwi/ Māori trust	Council	NGO
Is the project on track?	x					
What, if any, benefits/outcomes/difference have you seen as these projects have got underway in [name of community]? *Prompt: social, cultural, environmental, health related, income, jobs, knowledge and skill development*	x	x	x	x	x	x
Any surprising / unexpected outcomes? *Prompt: Have there been any outcomes from other PGF funded projects that have had an effect of other projects*	x	x	x	x	x	x
What impact has COVID had on PGF projects in this area?	x	x	x	x	x	x
What has been the impact of the PGF funded project/s on Māori? *Probe: employment readiness? Confidence in joining the workforce? Māori land beginning to be utilised? Other? Feeling more hopeful for the region's future? (examples)*				x		

Future focus & conclusion	App	Govt	Bus	Iwi/ Māori trust	Council	NGO
To what extent do you consider the approach and implementation of the PGF process to be feasible and sustainable in the long term? *Probe: what aspects of the PGF process do you think require further thinking? Why?*		x		x	x	
Is there anything else you'd like to share with us in relation to the PGF and learning that should inform how government works with the regions / iwi in the future?	x	x	x	x	x	x

Wrap-ups and thank you

Closing Karakia (if applicable)

Kai (if applicable)

Non-funded place-based interview guide

Project Name

Date and time

Participants

Lead + Note Taker

Location

Whanaungatanga

Offer cup of tea/ coffee/ water, Introductions/ mihi. Go through information sheet:

- Summarise purpose & A+C involvement
  - Early indicators of success
  - Explain deep dive into 3 communities
- Anonymity & confidentiality

Get consent form signed, open hui with Karakia (if applicable).

Briefly describe your/your organisation's role in relation to PGF?

Probe: where did the idea for your project come from?

Relationships, collaboration and capacity building

In relation to PGF, we are interested in your perspective on relationships/collaborations you've had with government agencies at national and regional levels.

Relationships, collaboration and capacity building
To what extent do you think your needs, strengths, unique circumstances were understood and considered by central government?
Did you get support from iwi/other stakeholders (regional or national)?

Application
How did you see your project align with regional priorities?
Did you have access to the resources you needed to develop your proposal? (Who helped?)
Did you get funding from other sources to progress your project?

Future focus & conclusion

To what extent do you consider the approach and implementation of the PGF process to be feasible and sustainable in the long term? *Probe: what aspects of the PGF process do you think require further thinking? Why?*

Is there anything else you'd like to share with us in relation to the PGF and learning that should inform how government works with the regions / iwi in the future?

Wrap-up and thank you

Future focus & conclusion