



28 March 2023

Karla Lee  
CEO  
HB Chamber of Commerce

Dear Karla,

## Variation of Agreement

I refer to:

- the agreement between the Ministry of Business, Innovation and Employment (**MBIE**) and Hawke's Bay Chamber of Commerce (**Recipient**) dated 1 March 2023 relating to an interim business support recovery package for businesses impacted by Cyclone Gabrielle (the **Agreement**); and
- the decision of Cabinet's Extreme Weather Recovery Committee on 14 March 2023 to provide a further \$25 million of funding for business support grants to be delivered by local delivery partners; and
- the decision of Joint Ministers on 19 March 2023 to 24 March 2023.

As a result of those decisions and under clause 12.3 of Schedule 2 of the Agreement, the parties have agreed to vary the Agreement as follows:

1. Clause 3 (Funding) of Schedule 1 of the Agreement is deleted in its entirety and replaced with the following:
  3. **Funding** (clause 2.1, Schedule 2)
    - 3.1 *This Agreement provides funding for a total amount of \$19,105,000 (plus GST, if any), split between:*
      - (a) *\$18,340,800 (plus GST, if any) for a Business Support Grants Programme for distribution of grants to businesses in the Recipient's district. The Business Support Grant Programme's purpose is to support viable businesses within the regional boundaries of Hawke's Bay significantly impacted as a direct result of Cyclone Gabrielle to assist with specific business needs;*
      - (b) *\$764,200 (plus GST, if any) to establish and administer the Business Support Grants Programme (such arrangements to be documented*

*in the operational plan that the Recipient will prepare clause 4 of this Schedule 1 below).*

2. Clause 4.2 of Schedule 1 of the Agreement is deleted in its entirety and replaced with the following:
  - 4.2 *The Recipient will permit applicants to apply for grants multiple times but must ensure that the total amount of all grants made to an applicant:*
    - (a) *does not exceed \$40,000 (plus GST, if any) per business supported;*
    - (b) *is proportionate to the scale of the business, the damage caused and takes account of any other relevant factors.*
3. Clauses 4.3(b) and (c) of Schedule 1 of the Agreement are deleted and replaced with the following clauses (b) and (c):
  - 4.3 *The Recipient must undertake the following Project Tasks to implement the Business Support Grants Programme:*

[.....]

    - (b) *following consideration of the recommendations of the Assessment Panel distribute up to \$19,105,000 (plus GST, if any) of the Funding to successful applicants of grants recommended by the Assessment Panel; and*
    - (c) *the Recipient may use up to \$764,200 (plus GST, if any) to establish and administer the Business Support Grants Programme.*
4. Clause 7.1 of Schedule 1 of the Agreement completion date is amended by deleting 30 June 2023 and replacing it with *30 April 2023*.
5. Clause 8.1 of Schedule 1 of the Agreement is deleted in its entirety and replaced with the following:

*8.1 The Recipient will provide to the Ministry contact in clause 10 of Schedule 1 and in accordance with clause 9 of Schedule 1:*

  - a) *Weekly reports on a day of the week agreed between the Parties; and*
  - b) *A final report within 10 Business Days of the Funding being fully distributed or 30 April 2023, whichever is the earlier.*
6. Clause 9.1 of Schedule 1 of the Agreement is deleted in its entirety and replaced with the following:

*The weekly report must include:*

  - (a) *progress of the Project, including achievement of Project Tasks (if any);*



*(b) delivery metrics, including time taken to process each application, grants approved, businesses supported, funding disbursed;*

*(c) a summary of expenditure to date, actual against budgeted;*

*(d) what businesses were intending on using the funding for;*

*(d) any issues arising or expected to arise with the Project or this Agreement; and*

*(e) any other information requested by the Ministry.*

*The final report must include:*

*(a) a summary of the Project and achievement of Project Tasks including a consolidated summary of the Weekly reports;*

*(b) methodology used for funding distribution including the Assessment Panel's terms of reference, the operational plan implemented in accordance with clause 4.3(a) of Schedule 1, any registered conflicts of interest and how these were managed, and details of mechanisms used to reduce risk of fraud.*

6. Clause 2.2 of Schedule 2 of the Agreement is deleted in its entirety and replaced with the following:

2.2 *The Recipient must provide a valid invoice to the Ministry for all Funding due in the manner set out in the Details. Each invoice must:*

*a. contain taxable supply information, if GST is applicable to the category of Funding being invoiced;;*

*b. be sent directly to the Ministry in PDF format via email to [mbie.invoices@mbie.govt.nz](mailto:mbie.invoices@mbie.govt.nz);*

*c. be copied to the relevant Ministry contact as set out in clause 10 of the Details;*

*d. include sufficient information reasonably required to enable the Ministry to validate the claim for payment including a reference to this Agreement (under which the invoice is issued);*

*e. be clearly and legibly marked to Ministry staff as advised by the Ministry to the Recipient from time to time.*

The variations in this letter are deemed to take effect from the date the Agreement was signed. Except as varied by this letter, all other terms and conditions of the Agreement continue to apply.

Please indicate Hawke's Bay Chamber of Commerce agreement to the variations and other terms set out in this letter by countersigning the **attached** copy and returning it to me by 31 March 2023.

Yours sincerely

Robert Pigou

Deputy Chief Executive and Head of Kānoa – Regional Economic Development and Investment Unit

30 March 2023

Having read the variations and other terms set out in this letter, they are agreed by Hawke's Bay Chamber of Commerce.

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Authorised signatory

Name:

Date: