



COVERSHEET

Minister	Hon Kiri Allan	Portfolio	Regional Development
Title of Cabinet paper	Ruapehu Alpine Lifts Limited (RAL) – Post-Watershed Options and funding for 2023 ski season	Date to be published	18 December 2023

List of documents that have been proactively released

Date	Title	Author
23 June 2023	<i>Ruapehu Alpine Lifts Limited (RAL) – Post-Watershed Options and funding for 2023 ski season</i>	<i>Office of the Minister for Regional Development</i>
26 June 2023	<i>CAB-23-MIN-0276 Ruapehu Alpine Lifts Limited (RAL) – Post-Watershed Options and funding for 2023 ski season</i>	<i>Cabinet Office</i>

Information redacted

YES / NO (please select)

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Some information has been withheld for the reason of confidentiality, negotiations, commercial information, privacy of natural persons, free and frank opinions, legal profession privilege, confidential advice to the Government, and confidential advice entrusted to the Government.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Ruapehu Alpine Lifts Limited (RAL): Post-Watershed Options and Funding for 2023 Ski Season

Portfolio Regional Development

On 26 June 2023, Cabinet:

- 1 **noted** that the Watershed meeting for Ruapehu Alpine Lifts Limited (RAL) was held on 20 June 2023, with no agreement on who would purchase RAL’s assets;
- 2 **noted** that RAL is now in liquidation;
- 3 **noted** that it is not possible for the concession transfer process to be completed in time for the start of the 2023 ski season, and it is likely that this process will take a number of weeks or months;
- 4 **noted** that Ngāti Tūwharetoa has expressed an interest in purchasing the assets of RAL;
- 5 **noted** that Ngāti Tūwharetoa have signalled that the [redacted]
Confidentiality
Confidentiality, Confidential information entrusted to the Government
- 6 **noted** that if Cabinet [redacted]
Confidentiality, Negotiations, Confidential advice to Government
Negotiations
- 7 **agreed** that the [redacted]
Confidentiality
- 8 **agreed** that Kānoa can [redacted]
Confidentiality, Negotiations
- 9 **noted** that the RAL liquidator would be able to operate the facilities for the 2023 ski season, under the existing DOC concessions that the company holds;
- 10 **noted** that officials are confident that the liquidator has the capability and staff to operate the ski fields;

- 11 **noted** that the liquidators will require the availability of a loan of up to \$5 million to meet any operating costs and commitments that are required to be incurred during the ski season (including any necessary forward commitments to preserve the ability to open for a future 2024 season), and to fund payment of both the liquidators' fees and expenses, and payment of outstanding administrators' fees and expenses from the Voluntary Administration trading period, in order to operate the ski fields for the 2023 season;
- 12 **noted** that Kānoa officials recommend this loan proposal be funded through the emerging priorities allocation of the Regional Strategic Partnership Fund, and that this will require further prioritisation within the Fund to meet the final costs of a transaction, beyond that previously agreed by Cabinet [CAB-23-MIN-0227 and CAB-23-MIN-0240];
- 13 **agreed** to approve up to \$5.0 million of loan funding to provide for the operating costs and commitments for the Whakapapa and Tūroa ski fields for the 2023 season (subject to approval from the Minister of Finance under section 65L of the Public Finance Act 1989);
- 14 **authorised** the relevant Appropriation Minister and the Minister of Finance (Joint Ministers) jointly to agree to make further changes to appropriations (including establishment of new appropriations and tagged contingencies if necessary) and related recommendations necessary to give effect to the approach outlined above, if necessary overriding the changes agreed in CAB-23-MIN-0240, but subject to paragraph 16 below;
- 15 **authorised** Joint Ministers to jointly agree, if the approach outlined above gives rise to an expense being recognised in the 2022/23 year and there is not a sufficient level of authority in place to incur this expense, that the additional expense be included in the Appropriations (2022/23 Confirmation and Validation) Bill for validation by Parliament, and in the interim the expense be met by Imprest Supply;
- 16 **noted** that the Minister for Regional Development will report back to Cabinet for confirmation of the final government support and any changes to appropriations needed for the sale of RAL's assets by the liquidator.

Diana Hawker
Acting Secretary of the Cabinet