

Regional Economic Development

Weekly Report

15 April – 19 April 2019

To: Hon Shane Jones

Minister for Regional Economic Development

Fletcher Tabureau

Under-Secretary to the Minister for Regional Economic
Development



PROVINCIAL
DEVELOPMENT
UNIT

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1. Dashboard updates

1.1 Status of applications as at 17 April

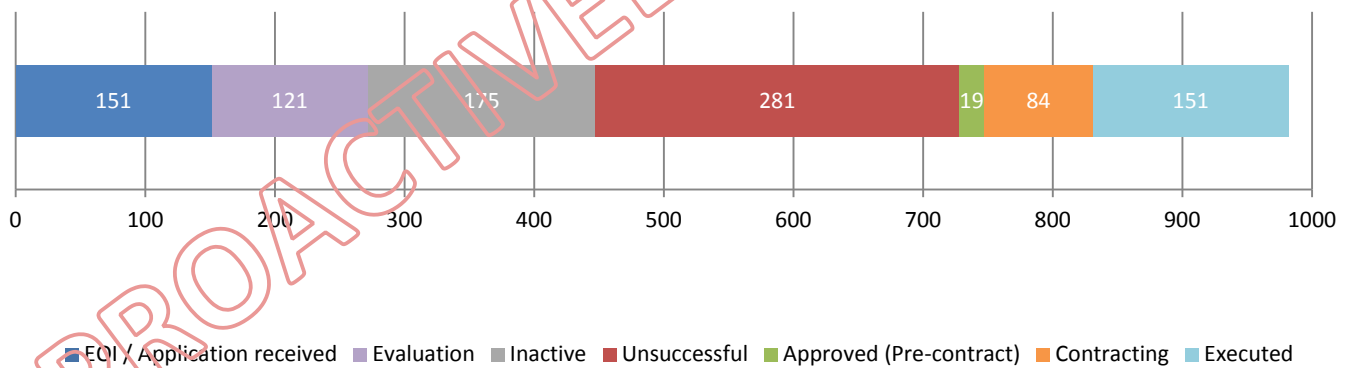
New projects this week	12
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Total number of projects	Expressions of interest (EOI)	Applications
982	368	614

Total funding approved to date	Total funding announced
254 projects for \$682.2m*	189 projects for \$770.7m

* Note this does not include major sector allocations such as, Whenua Maori, 1BT, Transport.

1.2 Progress of applications and EOI as at 17 April



* Please note that the graphic has changed to reflect the number of inactive projects (projects either on hold or withdrawn) that were previously captured in the Evaluation stage. Additionally, Unsupported EOI are now categorised as Unsuccessful, increasing its numbers. Approved projects also includes out of process projects that are managed by other PGF agencies.

2. Regional Updates

2.1 Waikato

PipeDrive update

As of 17 April 2019, 73 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 23 are awaiting assessment
- 4 are being assessed
- 3 are awaiting further information
- 2 are on hold
- 10 have been approved
- 31 have been unsuccessful - declined, withdrawn or are unsupported.

Regional Activity

The review of the Regional Labour Market Strategy has been completed and as a result, Te Waka and the Ministry of Social Development (MSD) have entered into a partnership to implement the strategy. Te Waka will lead the Labour Market Working Group working with MSD along with businesses in the region's priority sectors, to map labour market needs and upskill employees. This will also create a pipeline for Te Ara Mahi (TAM) and He Poutama Rangatahi (HPR) applications.

Smart Waikato has released data showing the impact of Secondary School Employer Partnership (SSEP) programme specifically for Māori students in the region. Data shows that the SSEP programme is making a significant impact on Māori students with 72% of Māori students, compared with 66% of all students, making better future school subject choices. Almost half of the students participating in the programme identify as Māori.

Smart Waikato was recently approved for investment through the TAM programme. The Ministry of Education, alongside the Ministry of Business, Innovation and Employment (MBIE), has been working with Smart Waikato to develop the deliverables and key milestones for this contract. The Ministry of Education and MBIE are also working with another TAM application focused in North Waikato. These projects are complementary and there is potential to announce these projects together.

Commercial Information

Commercial Information - application withdrawn

Te Waka is working on the development of a cultural tourism package which is seen as a game-changer for the region. Te Waka is intending to apply to the PGF for the development of the package. Two large-scale tourism developments, applications for which have already been submitted to the PGF, are included in

the package.

Māori Economic Development

On 5 April, MBIE and Te Humeke Waikato Māori Business Network co-hosted the Waikato Regional Māori Business meeting. There was strong attendance with approximately 80 participants. The purpose of the workshop was to outline funding options available to Māori businesses through MBIE, Te Puni Kōkiri (TPK) and the Ministry for Primary Industries (MPI). A Provincial Development Unit (PDU) official gave a presentation about the PGF which was well received.

On 11 April, PDU officials and the cross-agency Waikato team met to discuss the pipeline of Whenua Māori projects. This was followed by a workshop with around 12 Māori landowners who were seeking advice and support for projects. There was positive feedback regarding the workshop with a request to provide further workshops in the area. This collaborative, cross-agency approach has worked well, with TPK, MPI and MBIE co-facilitating the workshop, culminating in a Taniwha's Den session which was a great success.

A number of key events are occurring in Waikato over the next couple of months:

- Launch of Refreshed Waikato Region Māori Economic Action Plan, Confidential advice to [redacted]
- Māori Tech Showcase, Monday 21 May 2019 in Claudelands
- Launch of Centre for Māori Innovation and Entrepreneurship, Confidential advice to Government [redacted].

Upcoming Announcements

There are no upcoming announcements.

Contact: Nicki Sutherland, Manager Regional Development (North), Privacy of natural persons [redacted]

2.2 Otago

PipeDrive update

As of 17 April 2019, 47 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 8 are awaiting assessment
- 3 are being assessed
- 3 are awaiting further information
- 3 are on hold
- 10 have been approved
- 20 have been unsuccessful - declined, withdrawn or are unsupported

Regional Activity

Three applications have recently been approved for PGF funding and contracts are currently being drafted for: Clutha Gold Cycle Trail - Great Ride, Tuapeka Gold Print Expansion, and Big Daddy Tourism Adventure Park.

PDU officials met with the Otago Regional Economic Development Group about the development of the Otago Regional Strategy, which has been co-funded from the PGF. This is due for completion in May 2019.

PDU officials met with Plaman Global regarding their pending application for additive feed to the PGF.

PDU officials met with the Clutha Community Hub Charitable Trust to discuss the potential for the PGF to support a key redevelopment project in Balclutha. Feasibility work has been completed and the project is currently being tested with the Clutha District Council.

Pisa Alpine Charitable Trust and PDU officials met to discuss a development project in the Wanaka region.

Commercial Information

PDU officials continue to meet with Scott Technology and Farra Engineering on potential PGF applications.

Upcoming Announcements

In the coming months there is the potential for recently approved PGF projects to be grouped into an announcement.

Contact: Kate Styles, Manager Regional Development (Central/ South), Privacy of natural persons

2.3 Bay of Plenty

PipeDrive update

As of 17 April 2019, 101 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 18 are awaiting assessment
- 7 are being assessed
- 10 are awaiting further information
- 8 are on hold
- 26 have been approved
- 32 have been unsuccessful - declined, withdrawn or are unsupported.

Regional Activity

PDU officials travelled to Rotorua to provide further guidance to the cross-agency team in the Bay of Plenty in relation to the Whenua Māori, Regional Connectivity and Te Ara Mahi funds.

On 8 April, PDU officials attended and presented an update to the Regional Growth Leadership Group (RGLG) which was led by Kiritapu Allan (MP) and Sir Michael Cullen. The RGLG includes iwi leaders, mayors and CEOs from across the Eastern Bay of Plenty.

On 12 April, PDU officials attended the quarterly meeting (including mayors and council chairs across the Bay of Plenty) to provide an update on the PGF.

On 10 April, PDU officials visited the Minginui nursery and met with the Ngāti Whare General Manager and her team. This contract is managed by Te Uru Rākau/ Forestry NZ. Discussions with the General Manager were focused on training and development of staff who are working at the nursery. They have indicated that they are ahead of schedule in terms of the number of employees that they have taken on. A number of success stories were shared, in terms of the positive social outcomes that employing people from the village is having both on the individual as well as the community.

Commercial Information

PDU officials met with Toi Economic Development Agency, Priority One and Rotorua Economic Development to discuss the Under-Secretary's letter sent to all economic development agencies. The Bay of Plenty has already exceeded funding allocated for economic development agencies. Officials explained this means there is no further funding available.

The PDU has received the draft labour market business case funded through the PGF and prepared for Priority One by Deloitte. There are a number of findings in the key recommendations which include developing business cases for funding a centralised database, regional labour coordinators as well as regional skills hubs. PDU officials will work with Priority One and the wider team to understand how the

PDU can support this work.

Principal work on the Ōpōtiki Harbour redesign and rock costing has been completed. The project group will review findings from the Eastland Group and assess next steps in the coming month; officials expect a report back in May 2019.

The Whakatōhea Mussel Ōpōtiki Ltd refreshed business case is progressing and will be received in May 2019; there will be a further update to come.

Whakatōhea Māori Trust Board has initiated their project with the sea farm owners in the Whakatōhea moana area. PDU officials will continue to monitor their progress and provide updates.

Contract negotiations continue with the relevant organisations that have had their applications approved.

Risk

Commercial Information

Upcoming Announcements

There are no upcoming announcements.

Contact: Nicki Sutherland, Manager Regional Development (North) - Privacy of natural persons

2.4 Chatham Islands

PipeDrive update

As of 17 April 2019, 6 applications and EOI have been lodged in PipeDrive. The status of those applications is:

- 3 are awaiting assessment
- 1 is awaiting further information
- 1 has been approved
- 1 has been withdrawn.

Regional Activity

PDU is currently assessing the Chatham Islands Tuuta Airport Longer and Stronger application to the PGF. The Regional Economic Development (RED) Ministers can expect an update on the application in time for the 2 May RED Ministers meeting.

Upcoming Announcements

There are no upcoming announcements.

Contact: Kate Styles, Manager Regional Development (Central/ South), Privacy of natural persons

3. Other Updates

3.1 Office of the Auditor General (OAG) announcement

OAG	
<p>The OAG has announced that the Provincial Growth Fund is a focus for them in 2018/19 and beyond, and they intend to carry out two separate but related pieces of work.</p> <p>First, as part of their 2018/19 annual audits of MBIE, MPI and Ministry of Transport (MoT), they will follow up on their prior recommendations and carry out additional work on accounting treatment and key systems and controls.</p> <p>Second, they will conduct an additional and more specific in-depth review of the PDU's role in, and systems and processes for, managing, monitoring and evaluating the Fund across the three main departments (MBIE, MPI and MoT). The additional review is likely to take until October 2019. The PDU are actively supporting the OAG and Audit NZ to scope the additional review, and to carry out both the annual audit and the additional review.</p>	
Contact:	Susan Baas, Manager Risk, Assurance and Governance, PDU, <small>Privacy of natural persons</small>

Appendix 1 – Upcoming Meetings & Events

Meeting / Event	Support
Monday, 22 April 2019	
Tuesday, 23 April 2019	
Wednesday, 24 April 2019	
MBIE Officials meeting	
Thursday, 25 April 2019	
Friday, 26 April 2019	

April

May

- 1 Confidential advice to Government
- 1 MBIE Officials meeting
- 2 USEC NZIER presentation
- 2 RED Ministers meeting

Appendix 2 – Media & Communications Schedule

Media & Communications Schedule		
Date of Event/ Announcement	Activity	MBIE Contact
May Date TBC	Otago Announcement	Mark Patterson
May Date TBC	Pahia Wharf – start of construction, photo opportunity for Minister Jones	Kate Te Morenga

PROACTIVELY RELEASED

Appendix 3 – Completed Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Date delivered
2877 18-19	Minister Jones' Announcements in Gore 29 March 2019	Minister Jones	Kate Styles	12 Apr
3006 18-19	Taranaki Crossing Project Update (Joint with DOC)	Minister Jones	Al Morrison	16 Apr

PROACTIVELY RELEASED

Appendix 4 – Upcoming Cabinet Papers, Briefings, Aides Memoire & Reports

Tracking number	Title	Minister/ USEC	Signed out by	Due Date
TBC	Commercial Information	Minister Jones	Ben Dalton	18 Apr
3245 18-19	Event Briefing for NZIER presentation	USEC	Isabel Poulson	22 Apr
3246 18-19	RED Ministers Meeting papers	RED Ministers	David van der Zouwe	29 Apr

PROACTIVELY RELEASED

Appendix 5 – Official Information Act requests

Ministerial OIAs						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
OIA 258	Privacy of natural persons	15 Apr	25 Apr	02 May	Consultation	Application received by the Provincial Development Unit for the Hundertwasser Art Centre
OIA 262		11 Apr	25 Apr	02 May	Sign off	List of all Briefings and Reports sent to MO between 1/3-31/3/19
OIA264		11 Apr	1 May	8 May	Consultation	Any Status Reports, Briefings or Aide Memoires prepared by MBIE or any crown entity or board it has administration oversight for between 19 December 2018 and 31 January 2019 regarding the respective portfolios and any associated Ministers and Undersecretaries: <ul style="list-style-type: none"> Regional Economic Development

Departmental OIAs						
Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-0275	Privacy of natural persons	23 Aug	1 Nov	15 Feb	Consultation	Items relating to funding Waitangi National Trust since November 2017
1819-0868		30 Nov	15 Mar	22 Mar	Sign out	Copies of papers regarding PGF between 24 Sep to 30 Nov 18

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1236	Privacy of natural persons	20 Feb	13 Mar	Final response 19 Mar	Sent partial response	<p>To whom it may concern, Under section 12 of the Official Information Act 1982, I request the following information in relation to the Minister for Regional Economic Development's interview with 1 News on 20 February 2019:</p> <ul style="list-style-type: none"> • all material provided by MBIE to the Minister for Regional Economic Development and his office in preparation for the interview • all communications between the Minister's office and MBIE officials in relation to the interview • all communications between the Minister's office and MBIE officials in relation to ascertaining the number of jobs created by the Provincial Growth Fund • a list of the 229 projects referenced in the 1 News piece • a breakdown of all 560 jobs that have been created, listed by the name of the project and the number of full time and part time equivalent jobs counted for each o for each job, please include the date in which the job was created and when, if applicable, the job is expected to end • a list of each project that officials contacted to ascertain how many jobs have been created • all correspondence between MBIE officials and each of the project recipients relating to the number of jobs the recipients' project has created • all arithmetic, spreadsheets and source documents used to arrive at the 560 job creation calculation • all communications with Tiff and Robin Holland from the Waitangi Mountain Bike Park

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1175	Privacy of natural persons	10 Feb	29 Mar	25 Apr	Sign out	I request a copy of all aides memoire, memos, reports, briefings and papers produced by the Provincial Development Unit in the period 1 April 2018 to 30 April 2018 (both dates inclusive.)
1819-1260		25 Feb	5 Apr	12 Apr	Drafting	I request a copy of all aides memoire, memos, reports, briefings and papers produced by the Provincial Development Unit in the period 1 May 2018 to 31 May 2018 (both dates inclusive.)

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1276	Privacy of natural persons	26 Feb	16 Apr	23 Apr	Sign out	<p>I am looking for information regarding the approval of funding under the Provincial Growth Fund. It would be ideal to have access to:</p> <ul style="list-style-type: none"> • Any advice given to the government or any minister assessing the risk and benefits of proposals from the Provincial Growth Fund including but not limited to memos, letters, reports and briefing papers; • Any information regarding the process for approving funding, including but not limited to information of who has the mandate to approve the funding and at what levels; • A list of all projects considered for funding in the rounds already made public; and what stage they are currently at; • A list of all approved projects and what investment has to date been made by the Government, through the Provincial Growth Fund; • This should include but not be limited to any assessments of the value of funding these projects, any discussion of the risks and benefits of funding each project, the criteria used to assess them, and any material submitted by the projects in order to assist any decision making; • Any discussion or advice on how the success of the specific projects could be measured or how success of the Provincial Growth Fund could be measured.

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1323	Privacy of natural persons	06 Mar	19 Apr	26 Apr	Consulting	I request a copy of all aides memoire, memos, reports, briefings and papers produced by the Provincial Development Unit in the period 1 June 2018 to 30 June 2018 (both dates inclusive.)

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1447	Privacy of natural persons	02 Apr	26 Apr	3 May	Scoping	<p>With respect, I request the following information under the terms of the Official Information Act 1982, in relation to the paperwork error in relation to the Provincial Growth Fund. Controller, Auditor-General John Ryan reported the Ministry of Business, Innovation and Employment (MBIE) spent public money outside the authority provided by Parliament. It was granted approval to increase the amount of departmental expenditure to administer the Provincial Growth Fund and incurred expenses accordingly. However, a paperwork error meant that authority to spend could not be granted until the paperwork was corrected. The correction was made, and the creation of a new appropriation category approved, in October 2018. But by that time, some money had already been spent on the basis of the August approval but before the proper authority was in place in October. How much money was spent before the error was discovered - and how much in total? What was the money spent on? What was the nature of paperwork mentioned? Please provide detail around what happened. Who made the error? When was it discovered? Has/ will the money be recovered? I'm also requesting all documents, prepared, sent and received by MBIE, in relation to this error and the spending of public money outside the authority provided by Parliament</p>

PROACTIVELY RELEASED

Departmental OIAs

Tracking Number	Name	Date received	Date due to Minister's Office	Date due to requestor	Status	Request
1819-1450	Privacy of natural persons	2 Apr	26 Apr	3 May	Consulting	<p>I request the applications and related decision papers and advice from the Provincial Growth Fund below</p> <ul style="list-style-type: none"> • Ōpōtiki Mussel Farming and Production Facility - Stage 1 & 2 • Accelerating Aquaculture Development in Whakatohea Rohe Moana • Southland Hatchery and Nursery feasibility (Building a Brighter Future for Aquaculture in Southland) • Marine Farming Association Capability Project (Golden Bay Mussel) Capability Assistance to prepare a proposal to develop a feasibility study and business case for a Golden Bay Mussel Sector Infrastructure and Waste Reduction facility in Tasman, Golden Bay.

PROACTIVELY RELEASED

Appendix 6 – Ministerial Correspondence

Ministerial Correspondence				
Tracking Number	Name	Date received	Due to Minister's Office	Subject
SJ2038	Privacy of natural persons	12 Apr	23 Apr	World Series Shearing event funding application to the PGF.

PROACTIVELY RELEASED

Appendix 7 – Parliamentary Questions

Written Parliamentary Questions				
Tracking Number	From	Date received	Due to Minister's Office	Question
PQ 14053 (2019)	Hon Paul Goldsmith	16 Apr	24 Apr	Is the Minister aware of any conflicts of interest relating to Provincial Growth Fund investments that employees within the Provincial Development Unit or members of his office may have?
PQ 14060 (2019)	Hon Paul Goldsmith	16 Apr	24 Apr	Have any members of the Provincial Growth Fund's Independent Advisory Panel communicated with Stan Semenov, any of his employees or representatives of Semenov Group?
PQ 14061 (2019)	Hon Paul Goldsmith	16 Apr	24 Apr	Have any members of the Provincial Growth Fund's Independent Advisory Panel declared any conflicts of interest in relation to Stan Semenov or any of his associated businesses?
PQ 14062 (2019)	Hon Paul Goldsmith	16 Apr	24 Apr	Have any members of the Provincial Growth Fund's Independent Advisory Panel received any gifts, hospitality or koha from Semenov Group or any of its associated businesses; if so, what, when and for what purpose?
PQ 14064 (2019)	Hon Paul Goldsmith	16 Apr	24 Apr	Have any employees (including contractors) working for the Provincial Development Unit received any gifts, hospitality or koha from Semenov Group or any of its associated businesses; if so, what, when and for what purpose?
PQ 14092 (2019)	Hon Paul Goldsmith	16 Apr	24 Apr	What reports, briefings, memos, aides memoire, notes and advice did the Minister receive between 8 April 2019 and 15 April 2019 (both dates inclusive) by title and date?

Oral Parliamentary Questions

Tracking Number	From	Date received	Due to Minister's Office	Question

PROACTIVELY RELEASED

Appendix 8 – Proactive Release

Documents for Proactive Release			
Tracking Number	Name	Due for release	Status
N/A	Senior Regional Official meeting papers	From 11 February 2019	Preparing documents
N/A	Independent Advisory Panel meeting papers	From 11 February 2019	Preparing documents
Multiple	Weekly Reports (1/3, 8/3, 15/3)	From 11 February 2019	Ministerial Consultation
N/A	Cabinet papers <ul style="list-style-type: none"> • PGF West Coast Tourism Investment Package • DEV Report back 	From 1 February 2019	Ministerial Consultation
N/A	Regional Economic Development meeting papers	From 1 February 2019	Ministerial Consultation
N/A	Waitangi announcements <ul style="list-style-type: none"> • Whenua Māori Cabinet paper • Event briefing • Advice on Kaipara announcements • PGF Investment in skills and infrastructure 	From 11 March 2019	Ministerial Consultation

Documents Released This Week		
Tracking Number	Request	Published