



File No. DOIA 1920-0737

Cain Kerehoma
fyi-request-11604-25c95edb@requests.fyi.org.nz

Dear Cain

Thank you for your email of 6 December 2019 requesting the following under the Official Information Act 1982 (the Act):

- 1. How much money has been spent on the big 4 accounting firms (Deloitte, KPMG, PWC and EY) as part of the Provincial Growth Fund investment?*
- 2. How much money has been spent on "consultants" as part of the Provincial Growth Fund investment?*
- 3. How much money has been spent on "consultants" in the Tairāwhiti region as part of the Provincial Growth Fund investment?*

The Provincial Development Unit (PDU) was established in 2018 to administer the Provincial Growth Fund (PGF). Some of the funding is allocated to other agencies to manage. Where your request applies to programmes and projects managed by other agencies, the Ministry of Business, Innovation and Employment's (MBIE) has transferred the request to those agencies. Crown Infrastructure Partners and KiwiRail have provided their data to MBIE and it is included in this response.

The data provided for the PDU relates only to those programme and projects which are managed by the PDU and relates only to costs incurred by MBIE. The PDU does not track funding recipients' use of contractors, consultants or professional advisors.

The figures provided are based on the financial years 2017/18, 2018/19 and part of 2019/20- (July - November 2019).

Provincial Development Unit

Question 1: consultancy spend on the 4 accounting firms (Deloitte, KPMG, PWC and EY) as part of the PGF

The PDU has reported a total of \$163,341 (gst exc) against the accounts of Deloitte, KPMG, PWC and EY. This figure includes payments for staff seconded from these firms to the PDU.

Question 2: total spend on consultants as part of the PGF

The PDU has reported a total of \$1,503,055 (gst exc) for consultants used for PGF work.

Question 3: spend on consultants in the Tairāwhiti region:

The PDU does not record consultancy costing information based on regions. Contractors may be hired to work on a variety of projects or contracted to work on centralised operational projects. I am therefore refusing this part of your request under section 18(d) of the Act, as the information is not held.

Crown Infrastructure Partners (CIP)

CIP have advised that \$126,600 has been spent on consultants in relation to their work on the West Coast Fibre Link Project. CIP is unable to provide a breakdown of this cost in relation to Questions 1 and 3, as their financial data does not identify those specifics.

The Tourism Infrastructure Fund (TIF)

TIF has advised that from June 2018 to December 2019, \$66,064.10 has been spent on consultants in relation to their work on the administration and management of the fund. No consultancy spend has been made against Deloitte, KPMG, PWC or EY and their consultancy spend data does not note any consultants that have been engaged to work within the Tairāwhiti region specifically.

KiwiRail

KiwiRail manages funding for rail projects provided through the PGF. They have provided MBIE with the following figures. These figures are as at 30 November 2019.

Question 1: consultancy spend on the 4 accounting firms (Deloitte, KPMG, PWC and EY) as part of the PGF

Deloitte	\$22,937
PWC	\$33,000

Question 2: total spend on consultants as part of the PGF

KiwiRail advise that they have spent a total of \$4,088,775 on consultants across multiple PGF projects. This includes advisory services, project management, design and other professional services.

Question 3: spend on consultants in the Tairāwhiti region:

The only PGF funded KiwiRail project in the Tairāwhiti region is the reinstatement of the Napier to Wairoa rail line. The consultant spend for that project as at 30 November 2019 was \$144,890.

MBIE's definition of consultant

MBIE uses external resources to deliver outputs where it is cost effective to do so, or when additional expertise not normally found within MBIE is required. Consultants are engaged on a contract for professional advice or information, either directly (self-employed) or through an organisation. Consultants often work offsite, but might be required to work onsite from time to time.

A consultant:

- is a company or individual engaged in a contract for professional advice or information, either directly (self-employed), or through an organisation
- provides expertise in a particular field and can demonstrate relevant skills not readily available from within MBIE
- is engaged to perform a specific piece of work or outcome with a clearly defined scope
- often invoices by project or for delivering certain milestones
- operates independently from MBIE and is responsible for all the resources and managing the risks associated with delivering the piece of work
- generally works offsite, but may be required to work onsite from time to time.

Please refer to the following website for further information on the PGF funding programmes. You may contact the lead agency listed for a particular project, if you wish to request further information:

www.growregions.govt.nz/assets/funding-announcements/all-pgf-programmes-projects.csv

I hope that you find this information useful. You have the right to seek an investigation and review by the Ombudsman of my decision to withhold information relating to this request, in accordance with section 28(3) of the Act. The relevant details can be found at: www.ombudsman.parliament.nz.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Aaron Hape', written in a cursive style.

Aaron Hape

Principal Advisor to the Head of the Provincial Development Unit

Provincial Development Unit