



Farming, Food and Health First
 Innovations to make Whānau better

AgResearch Future Footprint

Date:	19 September 2013	Priority:	Routine
Security Classification:	Commercial In Confidence	Briefing no:	

ACTION SOUGHT		
	Action sought	Deadline
Hon Bill English Minister of Finance	Note that you are scheduled to attend this briefing on 23 September	
Hon Steven Joyce Minister of Science and Innovation	Note the contents of this briefing paper Agree to forward this briefing to the Associate Minister of Finance	

CONTACT FOR TELEPHONE DISCUSSION (IF REQUIRED)			
Name	Position	Telephone	1st contact
Tom Richardson	Chief Executive	07 8346601	

THE FOLLOWING DEPARTMENTS/AGENCIES HAVE SEEN THIS REPORT					
<input type="checkbox"/> MSD	<input type="checkbox"/> NZTE	<input checked="" type="checkbox"/> Treasury	<input checked="" type="checkbox"/> COMU	<input type="checkbox"/> TEC	<input type="checkbox"/> MoE
<input type="checkbox"/> MFAT	<input checked="" type="checkbox"/> DOC	<input type="checkbox"/> MfE	<input type="checkbox"/> MoH	<input type="checkbox"/> TPK	<input checked="" type="checkbox"/> MBIE

Please specify:

- Minister's Office to Complete:
- | | |
|---|--|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments:

Official Information Form

Recommendations

We recommend that you:

a.	Note the briefing papers relevant to the meeting on Monday 23 September.	
b.	Note that Hon Coleman is not attending.	
c.	Agree that a copy of this briefing is forwarded to Hon Coleman, Associate Minister of Finance for his information.	Agree / Disagree

9(2)(a)

Tom Richardson
Chief Executive, AgResearch Limited

Date 19 September 2013

Hon Bill English
Minister of Finance

Date

Hon Steven Joyce
Minister of Science and Innovation

Date

b) Current proposal (30 July 2013) vs Approved Business Case (submitted 31 October 2012)

The current Future Footprint proposal and associated staff locations, under consultation with our staff, was refined further from the approved business case submitted in October 2012. The changes were largely driven by more detailed assessment of the various science synergies that we believe could be achieved from co-location, and the potential additional collaboration opportunities in the developing Hubs - particularly FoodHQ in Palmerston North, and the land-based productivity Lincoln Hub.

The following table shows the changes in our current proposal from the October 2012 business case.

Campus	Total Staff Numbers			Science only		
	Current	Approved Business Case	July Proposal	Current	Approved Business Case	July Proposal
Ruakura	266	104	89			
Grasslands	267	364	296			
Lincoln	116	268	336			
Invermay	113	26	32			
Staff Movements		282	280			

c) Hamilton and Dunedin

Hamilton

The current proposal for Ruakura (Hamilton) has changed slightly from the October business case with 15 fewer roles overall, and would see a continued focus on specific environmental and farm systems regional needs. Science capability retained includes farming systems land and environment, forage science staff (). non-science staff would be retained at Ruakura, mainly in site services and farming roles.

AgResearch is a member of the group actively developing an agricultural Hub concept for the Waikato. The group includes AgResearch, Dairy NZ, Waikato Innovation Park, Hamilton City Council, University of Waikato, WINTEC, NIWA, Landcare Research and Lincoln University. Constructive discussions have occurred and a draft strategic plan is in development (see attached the most recent media coverage on this).

Dunedin

The current proposal for Invermay has changed slightly from the October business case with 6 more roles proposed for the Campus, and would see a continued focus on specific environmental and farm systems regional needs. Science capability retained includes farming systems land and environment science positions . These teams are actively involved with the Regional Councils and the sheep, beef, deer and dairy sectors at a farm system and applied science level. non-science staff would be retained mainly in site services and farming roles.

Despite repeated offers from AgResearch, key Otago stakeholders have not taken up the opportunity of a briefing until 23rd September. AgResearch is meeting Dunedin Mayor Cull and other councillors on Monday 23rd, and will be able to provide a verbal update on this at the Ministers' briefing. We have also arranged a further meeting with Mayor Cull and others on the 9th or 10th October. The purpose of these meetings is to brief them on the AgResearch proposals and also to discuss and understand any "counter proposal" they may have developed.

Although AgResearch has had great success in supporting the Deer Industry, commercial revenues were ^{9(2)(b)(ii)} ^{9(2)(b)(ii)} per annum. In comparison, Beef and Lamb (revenues include government funding via business e.g. Primary Growth Partnerships).

Next Steps

These include the report back requirements due 31st October as per the Minister's letters of 16 April 2013 and 27 June 2013:

- debt and dividend plan
- consideration of alternate forms of finance
- detailed scenario planning re staff risks.

These are on track.

Annexes

- Annex One: Profile of Attendees
Annex Two: Waikato Hub Media Release
Annex Three: Draft Media Release
Annex Four: Funding and University and Regional Councils – comparative data



Andrew McSweeney – Shared Services Director

Andrew McSweeney was appointed to the newly created role of Shared Services Director in August 2011.

Andrew came to AgResearch from PGG Wrightson Limited as Group General Manager of Human Resources and Corporate Services.

Prior to this Andrew held executive positions as General Manager Human Resources for ANZ National Bank, Human Resources Manager for Fujitsu and Head of Human Resources for BNZ.

Andrew will be Acting Chief Executive from 29 September to 21 October whilst Tom Richardson is on annual leave.

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Waikato Hub Media Release

Out of Scope

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AgResearch Research Collaborations and Revenue Sources

Analysis carried out during September 2013

Universities

University	Number of co-publications (by calendar year) 2008-2012	5-year revenue (by financial year ending, \$000s)		
		2009-2013	Avg. pa	Rank
		9(2)(b)(i)		

Notes: Co-publications are as reported by the Scopus database. Revenue values include universities' commercial arms and institutes, and are for research and non-research activities.

Regional Councils

Regional Council	FY2013 revenue, \$000s	5-year revenue, \$000s		5-yr Rank
	FY13	FY09-FY13	Avg. pa	
	9(2)(b)(i)			

Notes: Revenue includes rent and phone charges

9(2)(b)(ii)

Deer

Organisation	FY13 Revenue, \$k	5-year Revenue, \$k	FY13 Rank
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9(2)(b)(ii)

Notes: Some small sources of beef, lamb and deer industry revenue may have been inadvertently omitted from these lists.

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