

## 2.26 Regional Digital Hub in Wairoa

### Evaluation, Cover Sheet and Decision Form

<b>Project:</b>	Regional Digital Hub in Wairoa		<b>FOR:</b> Approve
<b>Applicant:</b>	Wairoa District Council		<b>PDU ID:</b> <input type="text" value="Commercial I"/>
<b>Application type:</b>	Main PGF	<b>(A) Total Project Value:</b>	\$ <input type="text" value="Commercial Informa"/>
<b>Funding type:</b>	Grant	<b>(B) PGF Funding Sought:</b>	\$400,000
<b>Entity Type:</b>	<b>Local Authority</b>	<b>(C) PGF Funding Recommended:</b>	\$400,000
<b>Region:</b>	Bay of Plenty	<b>(D) Applicant Contribution:</b>	\$ <input type="text" value="Commercial Information"/>
<b>Tier:</b>	<b>1 - Regional</b>	<b>(D/A) Co-contribution Rate:</b>	<input type="text" value="Commercial"/> %
<b>Sector:</b>	<b>Digital Connectivity</b>		
<b>Application Summary</b>	Wairoa District Council is seeking funding to establish a regional digital hub in Wairoa to support the uplift of digital capability in the local area. The regional digital hub, to be operated out of the local library on the main street of Wairoa, will address some of the most basic digital connectivity needs at a personal and community level, and provide a facility for corporate and small businesses to network. The Hub will also facilitate digital training classes and workshops.		

## It is recommended that: SROs

Support the PDU recommendation to approve \$400,000 grant from the PGF fund towards a Regional Digital Hub in Wairoa, noting:

- This is in line with the PGF allocated funding for Regional Digital Hubs (RDHs) in that it:
  - Is located in a key service town in a rural area
  - Will provide digital connectivity and create a place for business and community activity
- A regional digital hub will contribute significantly to the uplift of digital capability in Wairoa and nearby areas.

Funding conditions:

- Confirmation of co-funding
- Commitment to fund any shortfall if sponsorship is not adequate
- PDU approval of the final governance structure, expected project deliverables and financials
- **Commercial Information**

Note the Wairoa Revitalisation Project has been approved by RED Ministers which may impact the location of the RDH long-term. WDC has identified a possible alternative site that will not impact the hub's effectiveness in uplifting digital capability in Wairoa and the surrounding rural areas.

## Section A: Assessment against PGF local connectivity investment principles

How does the project demonstrate:

<p>➤ <b>Accessibility:</b> How does the initiative remove or reduce barriers to digital connectivity local communities and businesses currently face, and, promote opportunities associated with digital connectivity.</p>	<p>The RDH will aim to address some of the disparities Wairoa and the wider region experiences as a consequence of the digital divide. The RDH will address digital connectivity needs at a personal and community level as well as providing a facility for corporates and small businesses, thereby promoting improved growth and sustainability of new and existing businesses. The project will benefit the community as a digital hub feeds into the vision for Wairoa to use the library as a 'third place', a place that is not home, work or school but a third environment where people can connect.</p>
<p>➤ <b>Criticality:</b> Is the regional digital hub a critical component for supporting a wider PGF investment in the region? How does the proposal promote wider regional goals?</p>	<p>Wairoa is one of the most isolated towns in NZ and with this geographical isolation comes significant disconnect with the rest of the country. The impact of these geographical challenges can be reduced though the provision of freely available digital services, particularly to local small business. Small businesses will be encouraged to make use of the RDH space, take part in workshops and classes and make use of business mentoring services. The combination of these services will help to facilitate small business incubation and development in Wairoa. Collaboration between businesses will also widen networks (e.g. to businesses in the Hawkes Bay) and consequently provide more opportunities for smaller businesses to learn and grow.</p>

<p>➤ Economically sustainable: Is it likely the regional digital hub will be financially sustainable when PGF funding ends? PGF funding is limited to covering costs (part or full funding) of Regional Digital Hubs for up to 5 years.</p>	<p>The RDH will be governed by WDC, with opportunity to partner [redacted] Commercial Information [redacted] based in Wairoa, focused on transitioning Wairoa's economy utilising creativity and innovation.</p> <p>WDC has factored annual costs in post the first four years and indicated a commitment to sustain the RDH as well as the opportunity to partner with [redacted] Commercial Inform [redacted]</p>
<p>➤ Locally based priorities: What specific needs of the local community does the Regional Digital Hub provide a solution to? How does the Regional Digital Hub intend to achieve this?</p>	<p>The benefits of the Regional Digital Hub will aim to address some of the disparities Wairoa experiences as part of the digital divide. These benefits include: providing accessibility for personal internet use, facilitate small business incubation and development and will benefit the community as a Digital Hub feeds into the vision for Wairoa to use the library as a 'third place'. A 'Third Place' is a place that is not home or work/school but a third environment where people can connect.</p> <p>Initial engagement by the applicant with [redacted] Commercial Information [redacted]</p> <p>[redacted] all of whom the applicant claims are supportive of the concept.</p>

PROACTIVELY RELEASED

### Funding arrangements

Suggest a grant of up to \$400,000 from the PGF fund towards a Regional Digital Hub in Wairoa.

Confirmation of deliverables is to be completed at the contracting stage.

### Conflicts of interest and T&Cs

PDU note DIA's advice on assessing the composition and capability of the Council post results of the local authority elections and will ensure this is completed as part of the ongoing due diligence process prior to the release of funding.

### Due Diligence

Due diligence has been undertaken and no further action is required.

<b>Supporting proposal:</b>	Yes
<b>Appendices:</b>	Yes – Application
<b>Author of paper:</b>	MN, Investment Analyst, PDU Investment Team JH, Investment Director, PDU Investment Team