

3.6 Nga Ara Tipuna – Waipukurau Pa Site Interpretation Project Construction Phase

Evaluation, Cover Sheet and Decision Form

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|-----------------------------|---|-------------------------------------|------------------------|------------------------|
| Project: | Nga Ara Tipuna – Waipukurau Pa Site Interpretation Project Construction Phase | | FOR: | Approval |
| Applicant: | Central Hawke’s Bay District Council | | PDU ID: | Commercial Information |
| Application type: | Main PGF | (A) Total Project Value: | \$ | Commercial Information |
| Funding type: | Grant | (B) PGF Funding Sought: | \$ | Commercial Information |
| Entity Type: | Local Authority | (C) PGF Funding Recommended: | \$ | Commercial Information |
| Region: | Hawkes Bay | (D) Applicant Contribution: | Commercial Information | |
| Tier: | 2 - Sectors | (D/A) Co-contribution Rate: | Comm | % |
| Sector: | Tourism | | | |
| Application summary: | <p>Nga Ara Tipuna is the development of six pa sites in Waipukurau.</p> <p>The applicant seeks funding for the construction of Phases One and Two of Nga Ara Tipuna including creation of carvings, digital storytelling and displays at these six historical pa sites.</p> <p>Phase One of the project focuses on the first pa site (Pukekaihou), the largest development of the six historical pa sites, Commercial Information and Phase Two will involve developing the remaining five pa sites, Commercial Information</p> | | | |

It is recommended that the IAP:

Support the PDU recommendation to approve \$ Commercial Information grant from the PGF towards the Nga Ara Tipuna – Waipukurau Pa Site Interpretation Project Construction Phase:

- Because this project
 - The Business Case suggested that it has potential to create Comm jobs.
 - Is the priority project for the Central Hawke’s Bay District Council and is supported at a regional level.
 - Will be an authentic cultural tourism experience to draw further visitor numbers and increase visitor spend.
 - Will be a physical and digital platform to support the district’s new marketing promotion strategy and link to the overall Hawke’s Bay tourism offering.
 - Aims to act as a catalyst for further cultural tourism related economic opportunities and link with hapu-led tourism initiatives in nearby parts of the district.
 - Aims to enhance the identity of the people in Tamatea and their relationship with the land by establishing a

cultural showcase that shares this knowledge with the rest of the country

- Enhancing identity and increasing visibility of mana whenua in the region, by empowering them to tell their stories on their terms in their words on their traditional lands.

➤ Subject to:

- Evidence of secured co-funding by the applicant against PGF funding.
- **Commercial Information** [REDACTED]
- **Commercial Information** [REDACTED]
- **Commercial Information** [REDACTED]
- Evidence that a portion of PGF funding is resourcing support for hapu to engage with the council on the project.

➤ Note:

- Phase One will involve development of the first pa site (Pukekaihanu) and Phase Two will be for the remaining five pa sites.
- TPK is supportive of the project and financially assisting the applicant and representative hapu members to establish a Trust that will ensure ongoing participation and revenue generation activities.
- DOC is supportive of the project.

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Application description

The applicant Central Hawke's Bay District Council (CHBDC) is seeking funding for the construction Phases One and Two of Nga Ara Tipuna including creation of carvings, digital storytelling and displays at six pa sites. The PGF had previously funded a grant of \$^{Commercial Info} towards a detailed business case for the Nga Ara Tipuna concept that aims to build on the concept of sharing the unique history of hapu in and around the Waipukurau area.

Through a separate assessment project The Applicant received PGF funding to explore Central Hawke's Bay's economic development opportunities in the region, the project was identified as a priority action in both the Business Development and Attraction, and the Tourism focus areas of the Economic Development Action Plan.

This project is a progression from the detailed business case.

This includes the following components:

- Solution definition – schematic drawings, workshops, concept testing, project planning and costings
- Content Development (web, mobile, graphic) – interviews, filming, editing, translations, writing, illustrations
- Developed Design (spatial and graphic) – graphic layouts, spatial drawings, map design, Pou design
- Production and Testing – software development web and mobile
- Install/assembly – shipping, ground preparation including the unplanned upgrade of Hunter Park (Pukekaihou)
- Project Management

Phase One will see signage, physical structures and digital components to support storytelling located at Waipukurau railway station as a wayfinding/information centre for visitors. The same will be placed at Pukekaihou Pa site (first Pa site to be developed – Phase One) in Waipukurau which will be the largest development of the six historical pa sites (refer to the Scope Price attachment for a pictorial explanation of the project).

Phase Two will involve the development of the remaining five pa sites (Te Waipukurau, Kaimanawa, Kaitoroa, Ruatangaroa, and Moana-i-rokia).

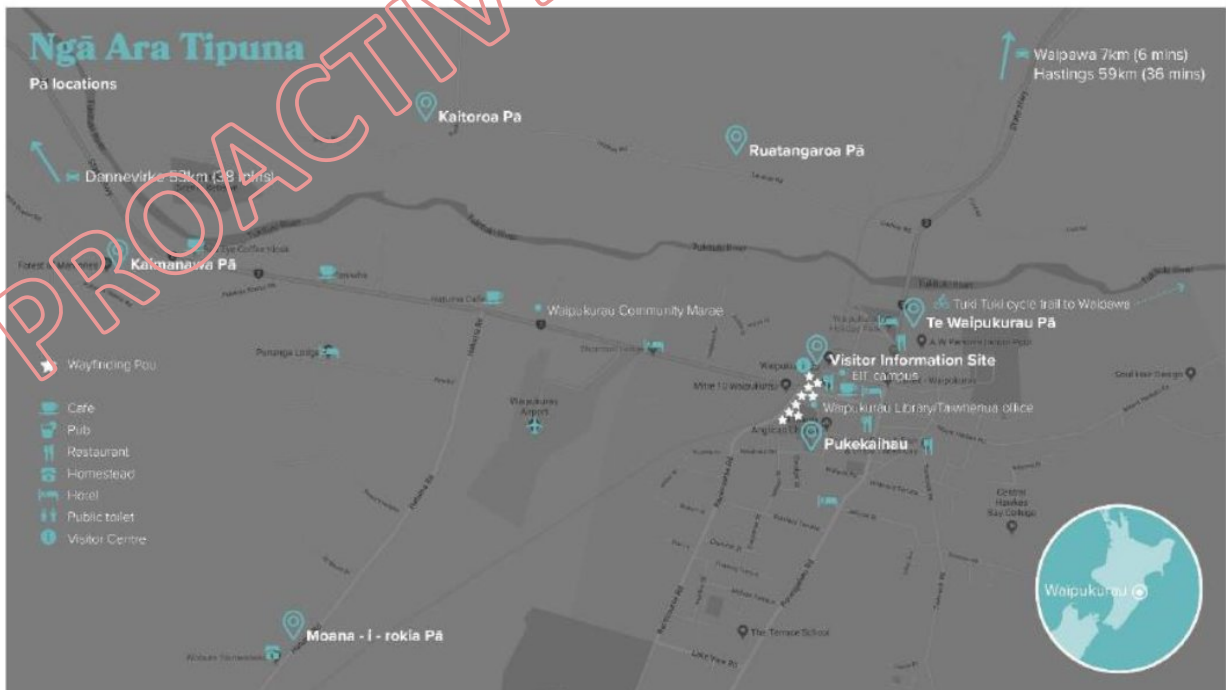
It is estimated to take approximately ^{Commercial Information} to project completion.

The following costs are estimated for Phase One and Phase Two of the project. CHBDC has stated further \$^{Commercial Info} is expected to be spent on pre-Phase One planning and \$^{Commercial Info} on pre-Phase Two planning (^{Commercial Information}) (Refer to the 'Nga Ara Tipuna Budget Breakdown' additional information for detailed costs)

Phase One and Phase Two Total Estimated Costs

| | |
|---|--------------------------------------|
| Pre-Phase One planning | \$ ^{Commercial Info} |
| Phase One | \$ ^{Commercial Information} |
| Pre-Phase Two planning | \$ ^{Commercial Info} |
| Phase Two | \$ ^{Commercial Inform} |
| Contingency 10% | \$ ^{Commercial Inform} |
| Total Costs for Phases One & Two | \$ ^{Commercial Information} |

Nga Ara Tipuna Pa locations in relation to Waipukurau/Waipawa Town Centres & visitor amenities



The Business Case has estimated that it is possible for at least **Commercial Information** domestic visitors to stop for a short stay at Waipukurau as a result of Nga Ara Tipuna.

As the project progresses into subsequent phases, economic analysis conducted by **Commercial Information**

indicates that the project will attract ^{Commercial Info} visitors annually by year ^{Com} of operation.

Note the PDU recommends that contingency may only be drawn down at the Unit's discretion.

Furthermore, the PDU believes the proposed capital buffer should not be a part of the PGF funding

Overseas Investment Office

- | | |
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| ➤ Is the application being made by a non-New Zealand based legal entity? (Foreign investment laws may apply and the Overseas Investment Office consulted) | No |
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Section B: Operational Assessment Criteria (Complete for Eols and Applications)**(Rate and comment – 1= poor, 5 = very good - Provide the number for this project, not subsequent phases)****Fund and government outcomes**

Please highlight number below

Would the project:

| | | |
|--|---|---------------|
| ➤ create permanent jobs? | An Economic Impact Assessment that was completed, as part of the PGF funded Business Case, states that the project has potential to create <input type="checkbox"/> jobs. (Appendix One – Table 1) | N/A 1 2 3 4 5 |
| ➤ deliver community benefits? | Eastern Institute of Technology (EIT), a leading provider of tertiary education to the Central Hawke's Bay community, has a campus in Waipukurau which is opposite the proposed Nga Ara Tipuna information centre site. It is currently developing programmes in Maori tourism and states there is potential for a number of synergies in training and skills development from this project. These synergy opportunities will further be explored as the project progresses. | N/A 1 2 3 4 5 |
| ➤ increase utilisation of and returns on Maori assets? | <ul style="list-style-type: none"> The applicant states that currently the only Maori tourism features of the district promoted by Hawke's Bay Tourism are personalised guided tours and accommodation at Rongomaraeroa Marae in Porangahau. This project will showcase the cultural assets of Waipukurau and provide an opportunity to attract visitors to stay longer. The Business Case states that the story of pre-European settlement in Tamatea/Central Hawke's Bay has never been told publicly. This has resulted in a generation of Maori who have grown up not knowing the stories because they have not been passed on. This project aims to enhance the identity of the people in Tamatea and their relationship with the land by establishing a cultural display that shares this knowledge with the rest of the country. Enhancing identity and increasing visibility of mana whenua in the region, by empowering them to tell their stories on their terms in their words on their traditional lands. Preservation of Maori heritage and culture is a strong component of this project. | N/A 1 2 3 4 5 |
| ➤ enhance the sustainability of natural assets? | Part of the project cost consists of improving the Pukekaihou Pa site which The Applicant states this pa sites requires an upgrade to accommodate the project. | N/A 1 2 3 4 5 |
| ➤ mitigate climate change effects, or | Not evident. | N/A 1 2 3 4 5 |

| | | |
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| assist with the lowering of emissions? | | |
| Additionality | | |
| Would the project: | | |
| ➤ add value by building on what is already there, without duplicating effort? | As stated in the previous section, the project will produce an additional Maori cultural tourism product in a district that currently has limited cultural visitor experiences available to offer. The Business Case states that this is a relatively undeveloped sector in Central Hawke's Bay and the Hawke's Bay region but also one with growth potential. | N/A 1 2 3 4 5 |
| ➤ be a catalyst for productivity potential in the region? | <ul style="list-style-type: none"> • Waipukurau is located on a main transit route and acts as a 'welcome gateway' to the Hawke's Bay. It is the first major town after Dannevirke for travellers heading North towards Hastings and Napier. Within the township, there are a wide range of cafes, restaurants, and facilities to encourage visitor spending. The establishment of Nga Ara Tipuna and the proximity of the proposed sites (refer to map in Application description section) has potential to act as a unique attraction by increasing visitor access to a culturally enriched product to draw further visitor numbers. • This then could be the catalyst to further general and cultural tourism-related economic opportunities which will be explored to link with hapu-led initiatives in nearby districts. | N/A 1 2 3 4 5 |
| Connected to regional stakeholders and frameworks | | |
| Does the project: | | |
| ➤ align with regional priorities, such as frameworks, or regional plans? | The project aligns with the goals of Matariki – Hawke's Bay Regional Economic Development Strategy and Action 2016. In particular, "Every household and every whanau is actively engaged in, contributing to and benefiting from a thriving Hawke's Bay economy". | N/A 1 2 3 4 5 |
| ➤ have the support of local governance groups (councils, iwi and hapu)? | <ul style="list-style-type: none"> • The Applicant is the local district council. • Te Taiwhenua o Tamatea, which represents the nine marae of Tamatea/CHB, has been actively involved with the project since its inception and continued to engage with the council. • Support letters provided by the following key groups: <ul style="list-style-type: none"> ○ Te Taiwhenua o Tamatea ○ Hawke's Bay Tourism ○ Hawke's Bay Maori Tourism | N/A 1 2 3 4 5 |

| | | |
|--|---|---------------|
| | <ul style="list-style-type: none"> ○ Eastern Institute of Technology ○ Business Hawke’s Bay | |
| Governance, risk and project execution | | |
| Does the application show: | | |
| ➤ robust project management and governance systems? | Phase One & Two will be managed by CHBDC. A steering group will be established to provide governance and oversight of the project. | N/A 1 2 3 4 5 |
| ➤ plans for future ownership and operational management? | Commercial Information | N/A 1 2 3 4 5 |
| ➤ how the project will be delivered and managed? | <ul style="list-style-type: none"> • CHBDC has proposed to appoint Commercial Information to deliver the design concept for the project. • Furthermore, it has stated local builders/artisans should be preferred for the construction of elements for the sites. • The PDU will ensure the procurement and selection process of contractors for each phase is to the Unit’s satisfaction before release of funding. | N/A 1 2 3 4 5 |

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| Section C: Risk Management Evaluation | | | |
|---|--|---|-------------|
| Does this application demonstrate consideration of the following risks? | | | Yes |
| Type of risk | Risk description | Mitigations | Risk Rating |
| <input checked="" type="checkbox"/> Operational risk | Uncertainty around operational maintenance post completion of the project if there is a proposed transfer of assets. | Ensure a proposed governance model for future asset ownership is established to the PDU's satisfaction before release of funding. | High |
| <input checked="" type="checkbox"/> Cost risk | Costs may exceed original estimates. | Ensure cost quotes for key stages of the project are presented to the PDU's satisfaction before release of deliverable funding. | Medium |
| <input checked="" type="checkbox"/> Procurement risk | Potential procurement risk if the contractors at each stage are not the most suitable party for the work. | Ensure procurement procedure is carried out to the PDU's satisfaction before release of deliverable funding at each key stage. | Low |
| <input checked="" type="checkbox"/> Stakeholder risk | Lack of support from hapu/iwi and the wider community. | Ensure regular communication with hapu/iwi and continued support from them. | High |
| <input checked="" type="checkbox"/> Land consent risk | The landowner of the proposed development pa sites may not agree to the project. | Commercial Information [Redacted] | Medium |

| Section D: Funding and financial analysis | | Please highlight number below |
|--|--|-------------------------------|
| Does the application show: | | |
| ➤ How strong is the financial position of the applicant organisation? | The Council's financial position is considered adequate, noting that there is potential for the Council to contribute further than the current recommended amount. | N/A 1 2 3 4 5 |
| ➤ How does the scale of the project compare to their overall business? | The scale of this project is within the Council's overall capacity to manage effectively. | N/A 1 2 3 4 5 |
| ➤ Why is Crown funding being sought rather than commercially-available funding? | Given that this is a community-based project at its core, as opposed to a strictly commercial project, it would potentially result in an increased burden of a currently small ratepayer base if it was through commercial funding options. | N/A 1 2 3 4 5 |
| ➤ What does the independent financial analysis/ business case indicate? | Economic Impact for Phases 1 & 2 of Nga Ara Tipuna (refer to Appendix One -- Table 1) demonstrate that this construction phase will result in: <ul style="list-style-type: none"> • A total regional GDP impact of approximately \$^{Comm}█. • Total regional employment impact of ^{Comm}█ persons. | N/A 1 2 3 4 5 |
| ➤ Is the funding model requested appropriate? Is the PDU recommending a different model? | The PDU recommends a grant recognising the financial constraints of a council with a small ratepayer base. | N/A 1 2 3 4 5 |
| ➤ Has the applicant provided evidence of market pull for this project? | <ul style="list-style-type: none"> • The Business Case has estimated that it is possible for at least ^{Commercial In}█ domestic visitors to stop for a short stay at Waipukurau as a result of Nga Ara Tipuna. • As the project progress into subsequent phases, economic analysis conducted by Commercial Information indicates that the project will attract ^{Commercial Info}█ visitors annually by year ^{Com}█ of operation. | N/A 1 2 3 4 5 |
| ➤ Has the applicant provided evidence that their supply chain is secure? | N/A | N/A 1 2 3 4 5 |
| Summary of funding and financial analysis: | The PDU recommends a grant recognising the financial constraints of a council with a small ratepayer base. | N/A 1 2 3 4 5 |

Funding arrangements

Funding will be used towards the design development of the pa sites, digital content development, and the fabrication and construction of the pa site designs.

The funding will be stage-gated into three key phases (design development, digital content development, and fabrication & construction) with the following conditions:

- Commercial Information
- Commercial Information
- Commercial Information
- Evidence of continued support by hapu and iwi throughout the project.

Note the PDU recommends that the contingency proportion may only be drawn down at the Unit's discretion. Furthermore, the PDU believes the proposed capital buffer should not be a part of the PGF funding.

Consultation from partner agencies undertaken or implications

DOC is supportive of the project. It has provided the following advice:

- *The project will give the people of Tamatea an opportunity to tell their story and achieve their aspiration of lifting community identity.*
- *Although the site is not on public conservation land, this project fits in with DOC's purpose around with working with Whanau, hapu and iwi to practice their responsibilities as kaitiaki of cultural resources.*
- *The project also aligns with the 2025 Stretch Goal where stories of 50 historic Icon Sites are told and protected.*
- *If successful, then the project will increase job opportunities and provide economic return to the district/region.*
- *It will bring together and share the stories of Te Taiwhenua o Tamatea Inc. over 6 locations.*
- *Iwi will be able to engage with visitors and locals, and explain the connections and associations they have with their rohe and natural environment*

TPK is very supportive of the project. It has provided the following advice:

- *The project has the potential to have significant benefit for local hapu and whanau in areas such as employment and small business growth.*
- *It is vital that the intellectual property rights of the manawhenua are protected.*
- *The ongoing success of Nga Ara Tipuna will be seen in the true partnership with local government, and ensuring that local whanau and hapu are key participants and primary beneficiaries of the project which is based on their stories and their tipuna.*

Conflicts of interest and T&Cs

T&Cs have been signed and completed.

The Applicant is a local authority and therefore ongoing due diligence is undertaken by the DIA.

Summary statement of Peer Review undertaken

The following Peer Review has taken place in connection with this application:

All applications are discussed between the Regions Team and Investment Team during the assessment process and prior to submission to SROs / IAP.

Consultation with the relevant partner agencies has occurred allowing them to provide any relevant technical advice with any feedback included verbatim within this application form.

In the development of this form:

- i. A peer review by an Investment Director has taken place and included the following to the satisfaction of the peer reviewer:
 - a. An evaluation against the FGF criteria;
 - b. financial analysis;
 - c. A risk assessment highlighting any relevant or key risks;
 - d. Conflicts of interest have been noted and accepted and the peer reviewer concurs with the recommendation proposed.
- ii. The Head of Investment has reviewed this recommendation.
- iii. This application has been reviewed by the PDU SLT.

Peer Review has been completed

Yes

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|-----------------------------|---|
| Supporting proposal: | Yes |
| Appendices: | Yes – Applications and supporting documents |
| Author of paper: | LY/AM – Investment Team |

Appendix One

Table 1: Pukekaihou Project Phases One & Two Development Stage Hawke's Bay Economic Impacts

| Economic Impact Components | Economic Impact Measures | | | |
|---|--------------------------|----------------------------|------------------------|------------------------|
| | Revenue (\$M) | Net Household Income (\$M) | Employment (Persons) | Value Added/ GRP (\$M) |
| Initiating Total Project Development Expenditure | Commercial Information | | | |
| Total Direct Economic Impacts | | Commercial Information | Commercial Information | Commercial Information |
| Total Flow-on Production and Consumption Economic Impacts | | | | |
| TOTAL HAWKE'S BAY ECONOMIC IMPACTS | | | | |

Table 3: Pukekaihou Indicative Annual Regional Tourism Economic Impacts Medium-Long Term

| Economic Impact Components | Economic Impact Measures | | | |
|---|--------------------------|----------------------------|------------------------|------------------------|
| | Revenue (\$M) | Net Household Income (\$M) | Employment (Persons) | Value Added/ GRP (\$M) |
| Initiating Total Annual Project Related Visitor Expenditure | Commercial Information | | | |
| Total Direct Economic Impacts | | Commercial Information | Commercial Information | Commercial Information |
| Total Flow-on Production and Consumption Economic Impacts | | | | |
| TOTAL HAWKE'S BAY ECONOMIC IMPACTS | | | | |