

14 July 2025

File Ref: OIA 50466

[REDACTED]
Tēnā koe [REDACTED]

Official Information Act request

Thank you for your information requests dated 25 May 2025 and 13 June 2025.

On 25 May 2025 you requested the following information:

“Under the Official Information Act 1982, I respectfully request access to the following information relating to funding approved by Te Puni Kōkiri for the Te Ara Tipuna project and any fundholding arrangements involving Trust Tairāwhiti:

1. *The total amount of funding approved and/or disbursed to the Te Ara Tipuna Charitable Trust (TAT) since 2021, including project references and contract numbers.*
2. *A copy of the funding agreement and/or deed of grant between TPK and either TAT or Trust Tairāwhiti relating to the Te Ara Tipuna project.*
3. *All accountability and reporting documents received by TPK in relation to this funding, including:*
 - *Financial reports or expenditure summaries*
 - *Milestone or progress reports*
 - *Correspondence or meeting notes from site visits or audits*
4. *Any documentation that explains why the funds were channeled through Trust Tairāwhiti as a fund holder rather than directly through iwi governance structures or TAT’s own accounts.*
5. *Any risk assessments, due diligence, or mandate checks conducted by TPK prior to approving the funding, including consideration of iwi or hapū consultation.*
6. *Clarification on whether any concerns, irregularities, or non-compliance issues have been raised regarding the administration or outcomes of this grant.*

This request is made in good faith and in the public interest, as the project involves the use of public funds, references the Ngāti Porou name, and impacts whenua Māori subject to active legal proceedings.

I am happy to receive this information electronically and in stages if necessary.”

On 13 June 2025 you made a further request for information, as follows:

“I’m writing to follow up on your email of 23 May 2025 in response to my letter regarding concerns about funding granted to the Te Ara Tipuna Trust Board.

As you mentioned, you have asked your staff to review the processes followed and the decisions made. I would be grateful if you could provide an update on this review, including:

- *Was a formal Board resolution or evidence of landowner consent required — or obtained — prior to the approval or release of funding to the Te Ara Tipuna Trust Board?”*
- *The date and terms of any funding agreement entered into with the Te Ara Tipuna Trust Board;*
- *Any representations made by the Board or individuals acting on its behalf (including Sir Selwyn Parata) that supported the funding application;*
- *Whether any conditions were attached to the funding requiring accountability, reporting, or confirmation of mandate.*
- *Please note that I have also submitted an Official Information Act request on this matter and intend to rely on any documents received as part of active High Court proceedings*

Given the seriousness of the concerns raised — and that this matter is now the subject of a High Court proceeding — I would appreciate your urgent advice as to when a full response will be available.

I also respectfully request that any documentation relevant to the funding approval process be preserved and made available should it be required by the Court.”

On 23 June 2025 you were notified of an extension of the timeframe to respond for consultations. I am now in a position to respond.

Your requests have been considered in accordance with the Official Information Act 1982 (the Act).

Eighteen documents have been identified in scope of your request. The documents and my decisions with regard to the release of the information are set out in the table attached as Appendix A.

Some information has been withheld in accordance with the Act on the following grounds:

- Section 9(2)(a) to protect the privacy of natural persons
- Section (9)(2)(ba)(i) where making the information available would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- Section 9(2)(g)(i) relating to the maintaining the effective conduct of public affairs through the free and frank expression of opinions to officers and employees of a public service agency
- Section 9(2)(j) where withholding the information is necessary to enable negotiations to carry on without prejudice or disadvantage

- Section 9(2)(b)(ii) to protect the commercial position of the person who supplied the information or who is the subject of the information.

In making the decision to withhold information, I have considered the public interest considerations in section 9(1) of the Act.

Some information has been refused in accordance with the Act under section 18(d) as the information is publicly available.

In addition, certain information (GST numbers) have been removed as out of scope of your request.

Your questions and our responses are as follows.

Request dated 25 May 2025

1. ***“The total amount of funding approved and/or disbursed to the Te Ara Tipuna Charitable Trust (TAT) since 2021, including project references and contract numbers”.***

Please note that the name of the kaitono and the amount of the grant is publicly available. Te Puni Kōkiri publishes an annual [List](#) of Investment Recipients on our website.

Date of funding agreement	Approved	Disbursed	Project reference	Contract number
23 November 2023	\$1,900,000	\$1,890,000	HO.35185.50985	WMF/HO.35185.50985

2. ***“A copy of the funding agreement and/or deed of grant between TPK and either TAT or Trust Tairāwhiti relating to the Te Ara Tipuna project”***

Please see Documents 2 and 11 in Appendix A.

3. ***“All accountability and reporting documents received by TPK in relation to this funding, including:***
 - ***Financial reports or expenditure summaries***
 - ***Milestone or progress reports***
 - ***Correspondence or meeting notes from site visits or audits”***

Consistent with question 2, we have interpreted question 3 of your request as referring to the grants made to Te Ara Tipuna Trust and Trust Tairāwhiti.

Please see Appendix A (Documents 12 to 18). In addition, in an email dated 11 February 2024, a kaimahi reported they had visited a range of projects supported by Te Puni Kōkiri on the previous Friday, including the construction underway for the model trail for Te Ara Tipuna in Ruatoria. There is no further comment in the email relating to Te Ara Tipuna.

There were other engagements, but no further correspondence or file notes have been identified.

4. “Any documentation that explains why the funds were channelled through Trust Tairāwhiti as a fund holder rather than directly through iwi governance structures or TAT’s own accounts”.

No documentation explaining why Trust Tairāwhiti was the kaitono has been identified. As we hold no information in scope, this part of your request is refused under section 18(e) of the Act as the information requested does not exist, or despite reasonable efforts to locate it, cannot be found.

In 2021, Te Puni Kōkiri contracted directly with Trust Tairāwhiti for a feasibility study for a path or trail or track. Trust Tairāwhiti was responsible for all reporting and deliverables for this project. The proposal at that time was early stage and referred to potential benefits for the region as a whole.

A further grant relating to Te Ara Tipuna was made in 2022, to Te Rūnanganui o Ngāti Porou Trustee Ltd. Trust Tairāwhiti was not the fund holder for this grant.

Te Ara Tipuna Trust was established in 2023. In 2023, Te Puni Kōkiri contracted directly with Te Ara Tipuna Trust for engagement with governance entities for land blocks and other work relating to Te Ara Tipuna. This project is still underway. Trust Tairāwhiti is not the fund holder for this grant funding.

5. “Any risk assessments, due diligence, or mandate checks conducted by TPK prior to approving the funding, including consideration of iwi or hapu consultation.

Consistent with question 2, we have interpreted this part of your request as referring to the 2021 grant made to Trust Tairāwhiti and to the 2023 grant made to Te Ara Tipuna Trust. Please see Appendix A for documents within the scope of this part of your request, in particular Documents 1,7,8 and 10.

6. “Clarification on whether any concerns, irregularities, or non-compliance issues have been raised regarding the administration or outcomes of this grant”.

No concerns, irregularities or non-compliance issues have been raised.

Request dated 13 June 2025

“I’m writing to follow up on your email of 23 May 2025 in response to my letter regarding concerns about funding granted to the Te Ara Tipuna Trust Board.

As you mentioned, you have asked your staff to review the processes followed and the decisions made. I would be grateful if you could provide an update on this review, including:

- ***Was a formal Board resolution or evidence of landowner consent required — or obtained — prior to the approval or release of funding to the Te Ara Tipuna Trust Board?”***

The funding granted to Te Ara Tipuna Trust through a funding agreement dated 23 November 2023 was drawn from three funds within the Māori Development Fund

appropriation: Māori Development Fund – General, Te Ringa Hāpai and the Whenua Māori Fund.

Applicants to Te Ringa Hāpai and the Whenua Māori Fund were normally required to provide evidence that the landowners concerned agreed to the application.

You have been provided with a copy of the assessment by Te Puni Kōkiri of the project as part of your request dated 26 May 2025. The assessment of the project recognised that consent had not yet been obtained from landowners. The identified mitigation was to approve the project as an exception and request that as Māori land blocks agreed to participate, they give Te Ara Tipuna Trust the authority to act on their behalf in relation to the trail. For context, please note that the funding was not for work to be undertaken on whenua. The focus of this funding agreement was on engagement with landowners and on work supporting the consents process.

“The date and terms of any funding agreement entered into with the Te Ara Tipuna Trust Board”

Please see Appendix A. The funding agreement with Te Ara Tipuna Charitable Trust has not yet been completed.

“Any representations made by the Board or individuals acting on its behalf (including Sir Selwyn Parata) that supported the funding application”

Please see Document 7 in Appendix A.

“Whether any conditions were attached to the funding requiring accountability, reporting, or confirmation of mandate”.

See comments above in relation to your request *“Was a formal Board resolution or evidence of landowner consent required — or obtained — prior to the approval or release of funding to the Te Ara Tipuna Trust Board”?*

Please also see Appendix A. The funding agreement sets out reporting requirements.

Progress on review of funding decisions

Priority has been given to responding to your request for information under the Official Information Act, however, work has also been progressing on your review request. Please note that this covers all three grants made relating to the project Te Ara Tipuna. We will respond to you as soon as practicable.

I trust my response satisfies your request.

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that Te Puni Kōkiri publishes some of its OIA responses on its website, after the response is sent to the requester. The responses published are those that are considered to have a high level of public interest. We will not publish your name, address or contact details.

If you wish to discuss any aspect of your request with us, including this decision, please feel free to contact us at oiia@tpk.govt.nz.

Ngā mihi

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

Grace Smit
Hautū, Te Puni Rohe | Deputy Secretary, Regions

Appendix A: Documents - OIA request from [REDACTED] dated 25 May 2025 and 13 June 2025

Item	Date	Document description	Decision
1.	26 March 2021	Project Information Form completed by Trust Tairāwhiti Ltd	Released with some information withheld under section 9(2)(a) and as out of scope
2.	6 April 2021	Māori Development Fund Investment Agreement with Trust Tairāwhiti Ltd	Released with some information withheld under section 9(2)(a)
3.	19 April 2021	Progress report from Trust Tairāwhiti	Released with some information withheld under section 9(2)(a)
4.	21 May 2021	Progress report from Trust Tairāwhiti	Released with some information withheld under section 9(2)(a)
5.	23 June 2021	Financial report from Trust Tairāwhiti	Released with some information withheld under section 9(2)(a)
6.	June 2021	Trust Tairāwhiti Final Report 2021 - Kuru Contracting	Released with some information withheld under section 9(2)(a)
7.	23 October 2023	Letter of endorsement from Te Rūnanganui o Ngāti Porou for application by Te Ara Tipuna Trust	Released with some information withheld under section 9(2)(a)

8.			Due diligence checklist	Released with some information withheld under section 9(2)(a)
9	24 2023	October	Funding application from Te Ara Tipuna Trust	Released with some information withheld under section 9(2)(a) and 9(2)(b)(ii)
	24 2023	October	Attachment A- Application Cover letter	Released with some information withheld under sections 9(2)(a) and 9(2)(b)(ii)
			Attachment B- Paper setting out alignment of proposal with Te Puni Kōkiri strategic priorities	Released in full
			Attachment C- Budget breakdown	Withheld in full under section 9(2)(b)(ii)
10.	3 2023	November	Assessment of funding proposal	Released with some information withheld under sections 9(2)(a) 9(2)(b)(ii) and 9(2)(j)
11.	23 2023	November	Māori Development Fund Investment Agreement with Te Ara Tipuna Charitable Trust	Withheld in full under 9(2)(b)(ii) and section 9(2)(j)
12.	29 2024	February	Progress report from Te Ara Tipuna Trust	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i)

13.	8 July 2024	Progress report from Te Ara Tipuna Trust - Cover report	Withheld in full under section 9(2)(a), section 9(2)(ba)(i) and section 9(2)(g)(i)
		Document A - Project Management Report (dated 27 June 2024)	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i) and section 9(2)(g)(i)
		Document B- Landowners and land blocks spreadsheet	Withheld in full under section 9(2)(a)
		Document C- Te Ara Tipuna website Note this document is publicly available at: Te Ara Tipuna	Refused in full under section 18(d)
		Document D- Financial report 6 months	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i)
14.	16 December 2024	Progress report from Te Ara Tipuna Trust	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i) and section 9(2)(g)(i)
		Document A- Financial report for 12 months ending 30 November 2024	Withheld in full under section 9(2)(ba)(i)
		Document B- Easement flowchart	Withheld in full under section 9(2)(ba)(i)

15	7 June 2024	File note - engagement	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i)
16	10 July 2024	File note - engagement	Withheld under section 9(2)(a) and section 9(2)(ba)(i)
17	16 August 2024	Draft File note - engagement	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i)
18	4 November 2024	Draft file note - engagement	Withheld in full under section 9(2)(a) and section 9(2)(ba)(i)

Project Information form

This form supports the capture of details required to progress a project to contract.

Organisation Details

Organisation name	Trust Tairawhiti Limited	
Entity information	Type of entity	Registered NZ company
	Registration or incorporated number	5621066
	New Zealand Business number, if applicable	9429041637425
	Registered address	50 The Esplanade, Shed Three, Gisborne, 4010
	Postal address (if different)	
GST registration	Yes, GST registered	Yes GST no: Out of Scope
	No, not GST registered	
Organisation establishment date	When was the organisation established? Registered 2015	
Māori ownership/ Governance	Is the organisation fully or partly Māori-owned and/or managed? NO, but 53% of our beneficiaries identify as maori.	
Number of staff employed by the organisation	Ticket the appropriate bracket:	
	1-5	
	6-19	
	20-49	*
	50+	

Organisation key contacts

Primary contact (authority to sign the agreement)

Topic	Details
Name	9(2)(a)
Role in organisation	CEO
Landline	
Mobile	9(2)(a)
Email	9(2)(a)

Secondary contact (day to day manager of project)

Topic	Details
Name	9(2)(a)
Role in organisation	9(2)(a)
Landline	
Mobile	9(2)(a)
Email	9(2)(a)

Additional information

Has any decision-making member of the organisations been declared bankrupt? (if yes, provide details)	No
Has any decision-making member of the organisations been charged with fraud? (if yes, provide details)	No

Project Details

Project deliverables and milestones	<i>Please detail the major progress points and/or deliverables of the project.</i>		
	Progress point and/or deliverable	Expected completion date	
	Project start date	1 March 2021	
	Contract signed; confirmation of suppliers	30 March 2021	
	Deliverable – progress report	19 April 2021	
	Final report including outline of expenditure	4 June 2021	
Amount requested	From Te Puni Kōkiri \$ <u>250,000</u> From other contributors \$ _____ and list who they are below: _____ _____ _____		
Budget	<i>Please provide full budget outline of project costs. Identify the item/s to be covered by the TPK investment (Tick)</i>		
Item	Description	Amount	TPK
Analysis		\$45,000	
Consultation		\$10,000	
Concept Development		\$70,000	
Project management		\$45,000	
Reporting		\$30,000	
Project Leadership		\$50,000	
	TOTAL	\$250,000	
Conflict of Interest	<i>Are there any conflicts of interest (real or perceived) between any members of the organisation, any third party or employee of Te Puni Kōkiri? If yes, please state how the conflicts of interest will be managed.</i> <i>Note: A common example of a conflict is whānau members being involved in both decision-making and delivery.</i>		
	No		

Risk management	<p>Please consider the possible risks to delivering the project successfully and how the risks will be mitigated.</p> <ol style="list-style-type: none"> Using the table below, detail each potential risk, no matter how big or small. Identify the likelihood of the risk occurring and the impact should the risk occur Tell us how you will minimise the impact of the risk - planned treatment. 														
	<table border="1"> <thead> <tr> <th>Likelihood</th> <th>Impact</th> </tr> </thead> <tbody> <tr> <td>Very likely (80-100%)</td> <td>Severe</td> </tr> <tr> <td>Likely (50-80%)</td> <td>Major</td> </tr> <tr> <td>Possible (20-50%)</td> <td>Moderate</td> </tr> <tr> <td>Unlikely (5-20%)</td> <td>Minor</td> </tr> <tr> <td>Rare (<5%)</td> <td>Negligible</td> </tr> </tbody> </table>			Likelihood	Impact	Very likely (80-100%)	Severe	Likely (50-80%)	Major	Possible (20-50%)	Moderate	Unlikely (5-20%)	Minor	Rare (<5%)	Negligible
	Likelihood	Impact													
	Very likely (80-100%)	Severe													
	Likely (50-80%)	Major													
	Possible (20-50%)	Moderate													
Unlikely (5-20%)	Minor														
Rare (<5%)	Negligible														
Risk identified	Likelihood	Impact	Planned treatment												
Engagement with diverse range of stakeholders across a broad geography during changing COVID level restrictions	Possible	Moderate	Plan for a range of engagement methods												
Next phase will require significant investment	Very Likely	Severe	Engage key funders / partners early												
No significant community engagement at this first stage. If community groups learn of this work, they may be upset about lack of engagement.	Likely	Moderate	Project team to respond and work with groups.												

Supporting information

Please include the following information with this project information form.

Item	Description	Tick
Financial Statements	Financial statements from your organisation (or umbrella organisation) for the most recent year (unless you have provided these to Te Puni Kōkiri previously). Note: These financial statements may need to be audited if required by the constitution of the organisation entering into the agreement.	√
Bank Deposit Slip	Provide a bank deposit slip with the nominated bank account. Please ensure this is for the bank account of the applying organisation (or the umbrella organisation if an umbrella is used). The account name must be the same as the organisation that will be contracted with.	√
Proof of entity status	For example, a Certificate of Incorporation.	√
Children's Act 2014	If your application includes providing services to children, you must provide a copy of your Child Protection Policy. Children's services are defined as: <ol style="list-style-type: none"> Services to one or more children Services to adults in respect of one or more children Services provided to adults living in households that include one or more children and that: <ol style="list-style-type: none"> Do or may affect significantly any one or more aspects of the well-being of those children; and Maybe prescribed/defined by the Governor-General by Order in Council. 	N/A

Declaration

In signing this Declaration, I/we:

Trust Tairāwhiti Limited

.....

1. Confirm the information contained in this document is true and accurate
2. Confirm I/we have read and understood my rights and obligations under the Privacy Act 2020
3. This project complies with the objectives of my organisation as contained in the Organisation's Constitution or Trust Deed
4. Confirm the organisation is solvent and in a position to pay its expenses as they become due
5. Confirm the organisation is fully compliant with all applicable legislation, including requirements under the Children's Act 2014 (if applicable)
6. Confirm the organisation will adhere to COVID-19 Government guidelines including Alert Level health and social measures
7. Agree, that the information provided in this document can be used by Te Puni Kōkiri for statistical purpose/ and or policy development
8. Agree, that if successful, we along with the target group beneficiaries of the proposed project may be required to participate in an evaluation of the project
9. Fully accept full accountability and responsibility for all requirements associated with the completion of the project

9(2)(a)

Name of authorised signatory

9(2)(a)

Signature

Date 26 / 03 / 2021

Name of authorised signatory

Signature

Date / /



Te Puni Kōkiri
MINISTRY OF MĀORI DEVELOPMENT

Te Puni Kōkiri
Te Puni Kōkiri House
143 Lambton Quay
Wellington

PO Box 3943
Wellington 6140

Telephone: 0800 875 663
Facsimile: 0800 875 329
Email: info@tpk.govt.nz

06 April 2021

Ref: NDOE-MDF/GI.34169.48151

9(2)(a)

Trust Tairāwhiti Limited
Shed 3, 50 Esplanade
Gisborne 4010

Tēnā koe

MĀORI DEVELOPMENT FUND INVESTMENT AGREEMENT FOR TRUST TAIRAWHITI LIMITED

1. This Agreement between **Trust Tairāwhiti Limited** ("you") and Te Puni Kōkiri will commence once both Parties have signed and dated this Agreement and end on 11 June 2021.

Please read the Agreement. You can confirm your acceptance of the agreement by either:

- a) Printing the document, signing page 2 and initialing each page. You should scan or take a photo of the signed document and email it back to me.
- b) Adding your electronic signature and initials to each page of this PDF, and returning it to me.

If you cannot do (a) or (b), you can reply to my email with the unsigned Funding Agreement attached, and state "*I have read and understand the attached funding agreement for NDOE-MDF/GI.34169.48151 including the Terms & Conditions, and I accept and intend to be legally bound by the agreement*".

2. During the term of this Agreement Te Puni Kōkiri will pay you up to the sum of Two Hundred and Fifty Thousand dollars (\$250,000.00) exclusive of GST ("the Funds").
3. The Funds will be used for the following purpose:
To undertake a feasibility study that will explore opportunities for investment in walk/cycle/horse tracks infrastructure in Tairāwhiti. (the "Funding Purpose").
4. In order to achieve the Funding Purpose you will undertake the Deliverables ("the Deliverables") detailed in Schedule A of this Agreement.
5. The Funds will be payable as detailed in Schedule B on receipt of tax invoices.
6. Te Puni Kōkiri Key Contact for this Agreement is Chris Barker. You will deal directly with the Key Contact on all matters relating to this Agreement.

9(2)(a)

7. You will notify Te Puni Kōkiri of your Key Contact and their contact details for this Agreement upon execution of this Agreement if they differ to who is at the top of this Agreement.
8. You are required to comply with the reporting and evaluation requirements in Schedules C and D, and Clauses 2 and 4 of the Terms and Conditions in this Agreement.
9. Te Puni Kōkiri will post or deliver any notices to you at your offices at the address shown above. You must post all notices to Te Puni Kōkiri at the address shown above.
10. In addition to the above, all the Terms and Conditions attached form part of this Agreement and you agree to be bound by them.

Please confirm your acceptance of this Agreement with the authorised person (or authorised persons) of your organisation signing and dating the acceptance below and return a signed and dated Agreement to Te Puni Kōkiri. All signatures must be witnessed, and the bottom of each page (including the Terms and Conditions) must be initialled.

Ngā mihi

9(2)(a)

I confirm that I am authorised to sign and accept this Agreement on behalf of Trust Tairawhiti Limited.

9(2)(a)

NAME of authorised signatory

9(2)(a)

Signature

Date 8/4/21

Witness Signature:

9(2)(a)

Witness Name:

9(2)(a)

Occupation:

9(2)(a)

Town of Residence:

9(2)(a)

NAME of authorised signatory

Signature

Date / /

Witness Signature:

Witness Name:

Occupation:

Town of Residence:

9(2)(a)

INFORMATION SHEET
(Provided for your reference)

Instalments	Deliverable(s)	Amount Payable (GST Exclusive)	Completion Date of Deliverable
On Execution of Agreement \$80,000.00	Confirmation of the specialist providers for the feasibility study and project plan developed.	\$80,000.00	05 May 2021
Instalment Two \$120,000.00	Detailed progress report that provides an update on progress made on the feasibility study.	\$120,000.00	28 May 2021
Final Report Due	Final Report	\$50,000.00	28 May 2021

TERMS AND CONDITIONS

1. Obligations

Both Parties' obligations

- 1.1 You and Te Puni Kōkiri will work together during the term of this Agreement and, in particular, agree to the following engagement principles:
- a. act honestly and in good faith with each other;
 - b. communicate with each other regularly, openly and on time;
 - c. work with each other collaboratively and constructively;
 - d. recognise each other's responsibilities; and
 - e. encourage quality and innovation to achieve positive outcomes.

Obligations of Te Puni Kōkiri

- 1.2 Te Puni Kōkiri will:
- a. make decisions and give approvals reasonably required by you to enable delivery of the Funding Purpose. All decisions and approvals must be given within reasonable timeframes; and
 - b. pay you the Funds as long as you have delivered the Deliverables to the satisfaction of Te Puni Kōkiri and invoiced Te Puni Kōkiri in accordance with this Agreement.

Your obligations

- 1.3 You will complete the Funding Purpose and provide the Deliverables:
- a. on time;
 - b. with due care and skill;
 - c. in accordance with good practice guidelines and relevant professional standards and codes; and
 - d. to the satisfaction of Te Puni Kōkiri.
- 1.4 You will notify Te Puni Kōkiri of any changes to your legal entity status, governance, management, and any other changes that will have a material effect on this Agreement.
- 1.5 You will use the Funds only for the Funding Purpose and Deliverables. In particular, you will not use the funding for the purchase of alcohol or any other costs that may bring Te Puni Kōkiri into disrepute.
- 1.6 You will not assign this Agreement or engage anyone to undertake all or part of the Funding Purpose without prior written approval of Te Puni Kōkiri.
- 1.7 You have no authority to commit Te Puni Kōkiri to any action or cost that is not expressly authorised by this Agreement.
- 1.8 You guarantee that you will comply with all the legal and legislative obligations you may have.
- 1.9 Providers of children's services must have or adopt, as soon as practicable, a child protection policy that accords with the requirements of section 19 of the Children Act 2014. If your policy falls due for review (three-year intervals from its first adoption) you must undertake the review. You must also carry out safety checks as required by Part 3 of the Children Act.

- 1.10 You will:
- a. consult, cooperate and coordinate with Te Puni Kōkiri, to the extent required by Te Puni Kōkiri, to ensure that Te Puni Kōkiri and you will each comply with the respective obligations under the Health and Safety at Work Act 2015 as they relate to this Agreement;
 - b. perform your obligations under the Agreement in compliance with the Health and Safety at Work Act;
 - c. report any health and safety incident, injury or near miss, or any notice issued under the Health and Safety at Work Act, to Te Puni Kōkiri to the extent that it relates to, or affects, the Agreement.
- 1.11 It is your responsibility to ensure that the risks of undertaking the Funding Purpose are adequately covered, whether by insurance or otherwise. Te Puni Kōkiri will not be liable for any loss or damage.
- 1.12 You will indemnify Te Puni Kōkiri for any legal proceedings, expenses or claims which may be brought against Te Puni Kōkiri by a third party because of your negligence, or your breach of this Agreement.
- 1.13 You will not knowingly be party to any arrangement that results in Te Puni Kōkiri or the Crown effectively having to pay more than once for the same Funding Purpose, but this does not prevent Te Puni Kōkiri or any other agency of the Crown co-funding you.
- 1.14 You, and your organisation's representatives, will comply with the Standards of Integrity and Conducts issued by the State Services Commission (see www.ssc.govt.nz) in all your dealings with Te Puni Kōkiri and other third parties or individuals likely to have a relationship with Te Puni Kōkiri. Te Puni Kōkiri may consider any failure to comply with this provision to be sufficient grounds for immediate termination under clause 11.7(c) of this Agreement.

2. Reports

- 2.1 You will provide all reports to Te Puni Kōkiri in a readable format in hard copy or electronic form.
- 2.2 The reports you provide to Te Puni Kōkiri shall, in all cases, be timely, accurate, consistent and a complete representation of the facts.
- 2.3 You will keep true and proper financial accounts, and keep a record of all documents and information relating to the Funding Purpose, to a standard necessary for Te Puni Kōkiri to effectively monitor your performance. You will make your records available to Te Puni Kōkiri during the term of the Agreement and for seven years after the End Date (unless already provided to Te Puni Kōkiri earlier).
- 2.4 If Te Puni Kōkiri requires information about the reports (including the failure to provide a report), you must make yourself available to meet with Te Puni Kōkiri by phone or in person, within a reasonable time of a request to do so.
- 2.5 Te Puni Kōkiri may request additional information from you in relation to this Agreement. Such a request will be provided in writing detailing the reasons for the request.

3. Payments

- 3.1 You must provide invoices for all Funds at the times specified in Schedule B. Te Puni Kōkiri has no obligation to pay without an invoice. If you are registered for GST you must provide a valid tax invoice that must:

- a. clearly show all GST;
 - b. be in New Zealand currency;
 - c. be clearly marked 'Tax invoice';
 - d. contain your name, address and GST number;
 - e. identify Te Puni Kōkiri and be marked for the attention of the Key Contact;
 - f. state the date the invoice was issued;
 - g. name this Agreement and the relevant Deliverable;
 - h. contain the Agreement's reference number; and
 - i. state the Funds due.
- 3.2 If you fail to meet your obligations set out in this Agreement, Te Puni Kōkiri may not pay the next payment due to you until the required obligations are fulfilled. Te Puni Kōkiri will give you reasonable notice of its intention to not make such payments and will discuss with you the issues relating to your non-compliance.
- 3.3 You will pay Te Puni Kōkiri back any Funds paid to you (plus any interest accrued on these Funds), upon notice from Te Puni Kōkiri, if:
- a. you are overpaid;
 - b. you fail to perform any of the obligations you have already been funded for; or
 - c. you do not spend any payments or contingency payments made to you.
- 3.4 Te Puni Kōkiri will have sole discretion to assess the value of any overpayment or underperformed obligations.

4. Evaluation

- 4.1 For the purposes of undertaking an evaluation on the effectiveness of the funding for this Funding Purpose, you will allow Te Puni Kōkiri, at any reasonable time, access to relevant records held or controlled by you that relate to this Agreement. You will allow observation of Funding Purpose delivery, and will facilitate and allow interview and follow-up of persons involved in the Funding Purpose.
- 4.2 You agree to participate, if required, in evaluation that improves understanding of the effectiveness of the Funding Purpose. Te Puni Kōkiri will plan the evaluation of the Funding Purpose in consultation with you. The evaluation will be coordinated by Te Puni Kōkiri and administered by evaluators on behalf of Te Puni Kōkiri. The consultation with you will at a minimum involve:
- a. deciding evaluation questions and data collection processes;
 - b. the type of analysis applied to the data; and
 - c. how the reporting on the results of the analysis will be done.
- 4.3 Where an evaluation is required by Te Puni Kōkiri, you will co-operate fully and assist where required with any evaluation conducted by Te Puni Kōkiri and allow Te Puni Kōkiri access to your records, premises, your staff or other personnel you have used to undertake the Funding Purpose as part of this evaluation. Te Puni Kōkiri will give reasonable notice of the evaluation and will ensure that access under this clause will not unreasonably disrupt your activities.

5. Audit

- 5.1 If required by Te Puni Kōkiri, you will co-operate fully and assist where required with any audit conducted by Te Puni Kōkiri and allow Te Puni Kōkiri access to your

records, premises, your staff or other personnel you have used to undertake the Funding Purpose. Te Puni Kōkiri will give reasonable notice of the audit and will ensure that access under this clause will not unreasonably disrupt your activities.

6. Conflicts of Interest

- 6.1 You confirm that you do not have any conflicts of interest which will or may affect you undertaking the Funding Purpose. A conflict of interest may arise if you or the persons engaged on the Funding Purpose have personal or business interests or obligations that do or could conflict or be perceived to conflict with your obligations under this Agreement. Conflicts of interest could call into question independence, objectivity or impartiality and can be:
- a. actual: where the conflict currently exists;
 - b. potential: where the conflict is about to happen or could happen; or
 - c. perceived: where other people may reasonably think that a person is compromised.
- 6.2 You will do your best to avoid situations that may lead to a conflict of interest arising during the term of the Agreement.
- 6.3 You will notify Te Puni Kōkiri immediately if you become aware of anything that might give rise to an actual, perceived or potential conflict of interest between your obligations to Te Puni Kōkiri and any other interests or responsibilities you may have. If this does occur, the Parties must discuss, agree and record in writing how any conflict of interest is to be managed.

7. Release of Information

- 7.1 Unless legally required to do so, or with the written consent of Te Puni Kōkiri, you will not:
- a. release any information about Te Puni Kōkiri which you have obtained while undertaking this Agreement; or
 - b. release the terms and conditions of this Agreement to any third party.
- 7.2 If you are legally required to release any of the above information, you will notify Te Puni Kōkiri immediately.
- 7.3 You must co-operate with Te Puni Kōkiri to provide information immediately if the information is required by Te Puni Kōkiri to comply with an enquiry or its statutory, Parliamentary, or other reporting obligations.
- 7.4 You accept that Te Puni Kōkiri may be required to release details of this Agreement, including the Agreement price and actual payments made, if requested:
- a. under the Official Information Act 1982;
 - b. through a Parliamentary Question;
 - c. from a Select Committee; or
 - d. from any other source where Te Puni Kōkiri is under a legal obligation to respond.

8. Public Statements

- 8.1 You will not issue any public statements or respond to any media enquiries about any matter relating to this Agreement or the Funding Purpose without first obtaining the approval of Te Puni Kōkiri. If required by Te Puni Kōkiri, you agree to publish the logo of Te Puni Kōkiri on any documentation relating to the Funding Purpose and to

acknowledge the support of Te Puni Kōkiri during any presentation or media releases relating to the Funding Purpose.

- 8.2 Te Puni Kōkiri retains the right to use this Agreement for promotional purposes including the right to make any public announcements in relation to the Funds, Funding Purpose, Deliverables and this Agreement.
- 8.3 Te Puni Kōkiri may wish to obtain its own images or seek to use your images of the Funding Purpose for promotional purposes. Te Puni Kōkiri will seek your approval before obtaining and using any such images.
- 8.4 Each Party undertakes not to display, including on websites or social media, objectionable or derogatory comments about the Funding Purpose, this Agreement or each other.

9. Intellectual Property Rights

- 9.1 You and Te Puni Kōkiri retain ownership of all intellectual property rights respectively owned before the commencement of this Agreement. Signing this Agreement does not give either Party any rights to use any intellectual property rights of the other Party unless specifically agreed.
- 9.2 All new intellectual property rights created by you while undertaking the Funding Purpose will be owned by you but:
- a. you will grant Te Puni Kōkiri a perpetual, irrevocable, royalty-free, transferable and non-exclusive licence to use, modify, copy and distribute any Deliverable provided to Te Puni Kōkiri under this Agreement; and
 - b. you and Te Puni Kōkiri may agree that any new intellectual property will be owned by Te Puni Kōkiri (alone or jointly with you), in which case the specified new intellectual property will be owned as recorded in writing between the Parties.
- 9.3 You guarantee that you will not breach or infringe anyone else's copyright, moral rights and intellectual property rights in fulfilling your obligations under this Agreement.

10. Resolving Disputes

Steps to resolving disputes

- 10.1 The Parties agree to use their best endeavours to resolve any dispute or difference that may arise under this Agreement. The following process will apply to disputes:
- a. a Party must notify the other if it considers a matter is in dispute;
 - b. the Key Contacts will attempt to resolve the dispute through direct negotiation;
 - c. if the Key Contacts have not resolved the dispute within 10 working days of notification, they will refer it to the Parties' senior managers for resolution; and
 - d. if the senior managers have not resolved the dispute within 10 working days of it being referred to them, the Parties shall refer the dispute to mediation or some other form of alternative dispute resolution.
- 10.2 If a dispute is referred to mediation, the mediation will be conducted:
- a. by a single mediator agreed by the Parties or, if they cannot agree, appointed by the Chair for the time being of the Resolution Institute;
 - b. on the terms of the Resolution Institute's standard Mediation Agreement (NZ version); and

- c. at a fee to be agreed by the Parties or, if they cannot agree, at a fee determined by the Chair for the time being of the Resolution Institute.
- 10.3 If a dispute is not resolved through mediation then the dispute will be referred for arbitration under the Arbitration Act 1996.
- 10.4 Each Party will pay its own costs of mediation or alternative dispute resolution under this clause.

Obligations during the dispute

- 10.5 If there is a dispute, each Party will continue to perform its obligations under this Agreement as far as practical given the nature of the dispute.
- 10.6 Each Party agrees not to start any court action in relation to a dispute until it has complied with the process described in this clause, unless court action is necessary to preserve a Party's rights.

11. Ending this Agreement

Agreed ending

- 11.1 This Agreement ends on the End Date unless ended earlier.
- 11.2 This Agreement may be ended at any time by mutual agreement.

Breach and Remedy Plan

- 11.3 If Te Puni Kōkiri considers you are in breach of this Agreement, Te Puni Kōkiri will give you written notice of its concerns and will either advise you that:
 - a. you have 14 days (or any alternative period agreed) from receipt of the notice to remedy the situation; or
 - b. Te Puni Kōkiri requires you to enter into a Remedy Plan, which is to be put in place within 14 days from receipt of the notice.
- 11.4 For the purposes of this clause, "Remedy Plan" means a written plan entered into by Te Puni Kōkiri and you to address any breach of this Agreement. Such Remedy Plan will identify:
 - a. the breach;
 - b. how and why the breach arose; and
 - c. what action you must take to address or resolve the breach to the satisfaction of Te Puni Kōkiri, and a timetable for such action to be completed.
- 11.5 If Te Puni Kōkiri and you agree a Remedy Plan:
 - a. you will perform the tasks specified under the Remedy Plan;
 - b. Te Puni Kōkiri will not be able to exercise its right to end this Agreement while the breach is subject to the Remedy Plan; and
 - c. any breach of the Remedy Plan will give Te Puni Kōkiri the right to end this Agreement in accordance with this clause without having to enter a new Remedy Plan.
- 11.6 If you fail to remedy a situation and Te Puni Kōkiri has notified you of under this clause, or you have not fulfilled the obligations by the timeframes agreed and recorded in any Remedy Plan, Te Puni Kōkiri will be entitled to end this Agreement immediately without prejudice to its rights, remedies and obligations under this Agreement.

Effect of ending the Agreement

- 11.7 Te Puni Kōkiri has the right to end this Agreement without notice and without compensation where you, your staff or other personnel you have used to undertake the Funding Purpose:
- a. become bankrupt or insolvent; or
 - b. are convicted of any offence involving dishonesty or any criminal offence; or
 - c. do anything that may bring Te Puni Kōkiri into disrepute.
- 11.8 If this Agreement is ended before its End Date, you will refund to Te Puni Kōkiri any Funds that you have received for the Funding Purpose, which is uncompleted. Te Puni Kōkiri will have sole discretion to assess the value of any uncompleted aspects of the Funding Purpose.
- 11.9 Te Puni Kōkiri may end or vary this Agreement where there is a change of government policy that limits the availability of this funding for the remaining term of this Agreement. If this situation does arise, Te Puni Kōkiri will give you as much notice of the proposed change as soon as possible, to the extent that Te Puni Kōkiri is able to do so.
- 11.10 The end of this Agreement does not affect those rights of each Party which:
- a. accrued prior to the end of the Agreement, or
 - b. relate to any breach or failure to perform an obligation under this Agreement that arose prior to the end of the Agreement.
- 11.11 The clauses that by their nature should remain in force at the end of this Agreement do so, including clauses 1 (Obligations), 4 (Evaluation), 5 (Audit), 7 (Release of Information), 8 (Public Statements), 9 (Intellectual Property Rights), 10 (Resolving Disputes), 11 (Ending this Agreement), and 14 (Miscellaneous).

12. Extraordinary Events

- 12.1 Neither Party will be liable to the other for any failure to perform its obligations under this Agreement where the failure is due to an Extraordinary Event.
- 12.2 A Party who wishes to claim suspension of its obligations due to an Extraordinary Event must notify the other Party as soon as reasonably possible. The Notice must state:
- a. the nature of the circumstances giving rise to the Extraordinary Event;
 - b. the extent of that Party's inability to perform under this Agreement;
 - c. the likely duration of that non-performance; and
 - d. what steps are being taken to minimise the impact of the Extraordinary Event on the delivery of the Funding Purpose.
- 12.3 If a Party is unable to perform any obligations under this Agreement for 20 working days or more due to an Extraordinary Event, the other Party may end this Agreement immediately by giving Notice.
- 12.4 For the purposes of this Agreement, Extraordinary Event means an event that is beyond the reasonable control of the Party immediately affected by the event. An Extraordinary Event does not include any risk or event that the Party claiming could have prevented or overcome by taking reasonable care. Examples of Extraordinary Events include:
- a. lightning strikes, earthquakes, tsunamis, volcanic eruptions, floods, storms, explosions, fires, pandemics and any natural disaster;

- b. acts of war (whether declared or not), invasion, actions of foreign enemies, military mobilisation, requisition or embargo;
- c. acts of public enemies, terrorism, riots, civil commotion, malicious damage, sabotage, rebellion, insurrection, revolution or military usurped power or civil war; or
- d. contamination by radioactivity from nuclear substances or germ warfare or any other such hazardous properties.

13. Key Contacts

Key Contacts

- 13.1 The persons named as the Key Contacts are responsible for managing the Agreement, including:
- a. managing the relationship between the Parties;
 - b. overseeing the effective implementation of this Agreement;
 - c. acting as a first point of contact for any issues that arise; and
 - d. being the person on whom formal notices are served.
- 13.2 If a Party changes its Key Contact, a senior manager must tell the other Party, in writing, the name and contact details of the replacement within five working days of the change.

Delivery of Notices

- 13.3 All Notices to a Party must be delivered by hand or sent by post, courier or email to the Key Contact at the address stated in this Agreement (or as amended by clause 13.2).
- 13.4 Notices must be signed or, in the case of email, sent by the Key Contact or a senior manager with appropriate authority to do so.
- 13.5 A Notice will be considered to be received:
- a. if delivered by hand, on the date it is delivered;
 - b. if sent by post within New Zealand, on the third working day after the date it was sent;
 - c. if sent by courier, on the date it is delivered; or
 - d. if sent by email, at the time the email enters the recipient's information system as evidenced by a delivery receipt requested by the sender and it is not returned undelivered or as an error.
- 13.6 A Notice received after 5pm on a working day or on a day that is not a working day will be considered to be received on the next working day.

14. Miscellaneous

Relationship

- 14.1 Nothing in this Agreement creates a legal relationship between you and Te Puni Kōkiri of partnership, joint venture, agency or employment.

Changes to this Agreement

- 14.2 Any change to this Agreement is called a Variation. A Variation must be agreed by both Parties and recorded in writing and signed by both Parties.

- 14.3 Notwithstanding clause 14.2, a Variation can be agreed through an exchange of emails where the authors have the authority to approve such a Variation. Te Puni Kōkiri will have the sole discretion to determine whether a Variation can be agreed to through an exchange of emails.

Entire Agreement

- 14.4 This Agreement, including any Variations, constitutes the entire Agreement and overrides all prior oral and written understandings, arrangements and statements that have been made.

Severable clauses

- 14.5 If any clause or any part of any clause of this Agreement is declared invalid, unenforceable or illegal, it will no longer apply to this Agreement. All other clauses or parts of clauses contained in this Agreement will remain in full force and effect.

New Zealand applies

- 14.6 The laws of New Zealand apply to this Agreement and any dispute that arises will be resolved under the laws of New Zealand. All money is in New Zealand dollars. Dates and times are New Zealand time.

Signing the Agreement

- 14.7 This Agreement is not binding on either Party until both Parties have signed it.
- 14.8 This Agreement may be executed in any number of counterparts, each of which is to be deemed an original, but all of which together shall constitute one and the same Agreement. The counterparts of this Agreement may be executed and delivered by email by any of the Parties to any other Party. The receiving Party may rely on the receipt of such document so executed and delivered by email as if the original has been received.

Waiver

- 14.9 If a Party breaches this Agreement and the other Party does not immediately enforce its rights resulting from the breach that:
- a. does not mean that the Party in breach is released or excused from its obligation to perform the obligation at the time or in the future; and
 - b. does not prevent the other Party from exercising its rights resulting from the breach at a later time.

Te Puni Kōkiri

- 14.10 References to Te Puni Kōkiri includes the Ministry of Māori Development, the Secretary for Māori Development and any staff, contractors or agents of Te Puni Kōkiri.

**SCHEDULE A
FUNDING PURPOSE**

Short Term Outcomes	Deliverable(s)	Success Indicators
To create sustainable opportunities for local level enterprise through investment in infrastructure in Tairāwhiti	Confirmation of the specialist providers for the feasibility study and project plan developed.	Confirmation of the providers and project plan complete
	Detailed progress report that provides an update on progress made on the feasibility study.	Progress report is received on key achievements, activities, lessons, issues and measures to address these to ensure project outcomes are achieved.
Receive Final Report	Final Report	Final Report will outline outcomes achieved by the project and include a full expenditure report on the use of Te Puni Kōkiri funds.

SCHEDULE B
PAYMENT SCHEDULE

Payment will only be made to you on receipt of a tax invoice, and on completion and delivery to Te Puni Kōkiri of the reports as set out in Schedule C to the satisfaction of Te Puni Kōkiri. Where the total sum is paid on execution of this Agreement, payment will only be made to you on receipt of a tax invoice.

All payments are GST exclusive and shall be made based on information below:

Payments	Payment Due	Amounts Payable (GST Exclusive)
Installment 1	On Execution of Agreement	\$80,000.00
Installment 2	On receipt of report 1	\$120,000.00
Final Report	On receipt of Final Report	\$50,000.00
Total (GST Exclusive)		\$250,000.00

SCHEDULE C
REPORTING REQUIREMENTS

You will report in writing on the implementation, progress and achievements of the Funding Purpose as follows:

Reports	Deliverable(s)	Due Date for Written Report
Report 1	Confirmation of the specialist providers for the feasibility study and project plan developed.	05 May 2021
Report 2	Detailed progress report that provides an update on progress made on the feasibility study.	28 May 2021
Final Report	Final Report	28 May 2021

**SCHEDULE D
FINANCIAL REPORTING REQUIREMENTS**

You will provide the following financial reports:

Nature of Financial Information	Content of Financial Statement	Dates on which information is to be provided
Annual Accounts	Audited or approved Financial Statements that cover the duration of this Agreement.	On request, <i>ONCE COMPLETED IN ACCORDANCE WITH TRUST TIRAWAHE DEED OBLIGATIONS.</i>
Financial reports to Te Puni Kōkiri	Financial reports that include: <ul style="list-style-type: none"> • an update on financial performance with comparisons to the budget and explanations for significant variance, OR • a report that details the progress of the Funding Purpose. 	05 May 2021 28 May 2021

9(2)(a)

RELEASED UNDER THE OFFICIAL INFORMATION ACT

9(2)(a)

Project Update – Report 1

To: **9(2)(a)**

From: Trust Tairawhiti

Date: 19 April 2021

Subject: Te Ara Tipuna

Introduction

1. The purpose of this Project Plan is to satisfy the reporting requirements required by the funding agreement between Te Puni Kokiri and Trust Tairawhiti for:

“To undertake a feasibility study that will explore opportunities for investment in walk / cycle / horse track infrastructure in Tairawhiti”.

2. This report will detail:
 - a) Proposed content for project plan;
 - b) Proposed time deliverables for project;
 - c) Confirmation of specialist suppliers; and
 - d) Update on progress.

Proposed content

SECTION	COMPONENTS	DATA NEEDED
Executive Summary	Purpose of project Intended audience	
Problem definition	Tairawhiti has long suffered the boom and bust of government interventions, often large scale crop focus using low skill and waged labour, reliant on an underinvested and poorly maintain infrastructure of SH35 – the single arterial route connecting the entire region,	

, FOR DISCUSSION WITH CLIENT, NOT FOR CIRCULATION

	creating the challenges of isolated rural Aotearoa NZ	
Objectives for Project		
Organisational Overview		
Economic Case	Current economic situation	<ul style="list-style-type: none"> - Population decline - Employment - Education outcomes - Number of businesses - Tourism spend - Housing
	Opportunities for growth	Economic outcomes: <ul style="list-style-type: none"> - methodology - Impact from construction phase - Impact from operational phase
		Social Infrastructure
		Cultural Infrastructure
	Government initiatives / alignment with existing Gov programmes	
Stages for investment	Introduction – criteria for development	<ul style="list-style-type: none"> - what is the route based on (appeal for users); - integration with current infrastructure - base quality of track; - infrastructure needed like public toilets); - visitor safety
	Stage 1 – track development (Coastal: Gisborne to Potaka) – Ngati Porou	<ul style="list-style-type: none"> - Overview of area (points of interest, integration with current tourism / gov initiatives) - Map of route - costs
	Stage 2 – track development (Coastal: Potaka to Opotiki) – Te Whanau-a-Apanui	<ul style="list-style-type: none"> - Overview of area (points of interest, integration with current tourism / gov initiatives) - Map of route - costs
	Stage 3 – track development (Inland: Waioeka to Gisborne)	<ul style="list-style-type: none"> - Overview of area (points of interest, integration with current tourism / gov initiatives) - Map of route

		- costs
	Stage 4 – tracks of interest (side tracks; historical routes)	
Consultation mapping	- Current stakeholder mapping / engagement - Consultation plan	
Next Steps	Decisions required Timeline	

Proposed time deliverables

- The proposed project plan against achievement dates is attached as Appendix A.

Confirmation of suppliers

ROLE	SUPPLIER	BIOGRAPHY
Project Lead	9(2)(a) (HRM & Associates)	9(2)(a)
Project Delivery	9(2)(a) (Franks Ogilvie)	9(2)(a)
Economist	9(2)(a) (TDB)	TDB is an independent consultancy that provides economic consultancy and analysis across a number of sectors and service lines including to Auckland Airport, Victoria University of Wellington, NZTA and Toll.
Civil Engineers	9(2)(a) (CPS)	Civil Project Solutions is a project management firm with a head office in Gisborne. They have consulted and built a number of local infrastructure projects including the Gisborne Airport taxiway, Lions Junior Cycle Park and Motu bridge.
Graphic Design	9(2)(a) (Taputapu Design)	9(2)(a)
Construction consultants	9(2)(a) Kuru Contracting	Kuru Contracting has been operating on the East Coast for over 20 years. Amongst their services, they provide civil roading and maintenance and have a unique understanding of the challenges of civil construction on the East Coast. They have a strong focus on employing and training locals.
Visual production	9(2)(a)	Amokura Productions

	Te Amokura Productions	
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Update on Progress to date

4. Stakeholders including civil engineers, local contractors and Gisborne District Council on 24th March. This meeting determined feasibility, scoping, markers, what success looks like and the data held by different partners.
5. Suppliers have all been secured including confirmation of delivery in timeframes, budget allocation and mapping of key inputs.
6. The civil engineers have completed:
 - a) Identified all areas / sites of importance (tourism, historical points);
 - b) Identified existing tracks that may be suitable for use;
 - c) Drafted a 'best fit' track that takes in to account feasibility of delivery;
 - d) Conducted meetings with people with local knowledge to test parts of the map; and
 - e) Scoped where the trail should divert to allow for different trails (bike, horse).
7. Stakeholders met on the 14 April to analysis this initial work, provide feedback in to the completion of the final proposed map and costings

APPENDIX A

	APRIL				MAY				JUNE			
<u>WEEKS:</u>	1	2	3	4	1	2	3	4	1	2	3	4
Te Puni Kokori contract delivery due dates (intention Contract)	7- signed contract	13 - confirmation of suppliers; project plan			5 - Confirmation of suppliers; project plan	10 - progress report		28 - progress report Final Report				11 - End of contract
Financial milestones	\$ 80,000.00				\$120,000.00			\$50,000.00				
Project planning (FO)	Draft project plan; contract signed; suppliers confirmed	Project plan to TPK			Progress plan drafted	Progress plan to TPK		Final report to TPK				
Mapping services (CPS)												
Costing for trail (CPS)												
Economic analysis (TDB)												
Consultation mapping (HRM)												

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Stakeholder
engagement
Graphic design
(TT)



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, FOR DISCUSSION WITH CLIENT, NOT FOR CIRCULATION

Project Update – Report 2

To: **9(2)(a)**

From: Trust Tairawhiti

Date: 21 May 2021

Subject: Te Ara Tipuna

Introduction

1. The purpose of this Project Plan is to satisfy the reporting requirements required by the funding agreement between Te Puni Kokiri and Trust Tairawhiti for:

“To undertake a feasibility study that will explore opportunities for investment in walk / cycle / horse track infrastructure in Tairawhiti”.

2. This report provides an update of the work in progress to develop the business case

Activity to date

2. The report is on track to meet all deadlines are set out in Project Report 1.
3. The civil engineers (CPS) engaged for this project have delivered the final route design including full costing and articulation of FTEs. They did this by identifying all areas / sites of importance (tourism, historical points), existing tracks that may be suitable for use and conducting meetings with people with local knowledge to test parts of the map. They have drafted a ‘best fit’ track that takes in to account feasibility of delivery.
4. This track has been modelled in Google Earth to allow a ‘fly through’ view to allow the report audience to understand the track and its features.
5. A model based on three trails that cater to traversing the East Coast by walking, by bicycle and by horse. In some parts this track will be the same and therefore sufficiently wide to cater to all three, or where necessary with diverge. This choice has been made on the basis of the topography and Department of Conservation standards for walking and cycling tracks.
6. The trails will start from Wainui, and will generally travel alongside the coast unless the area does not allow this, or there is a feature that should be incorporated. For example, a loop around Mt Hikurangi has been incorporated.

FOR DISCUSSION WITH CLIENT, NOT FOR CIRCULATION

7. The design of the track has sought to maximise the opportunities for trailside businesses to develop by travelling near existing townships. Additionally, existing government investment in the region has been taken in to account. For example, there are over twenty marae who are along the trail who have had the benefit of investment by the Provincial Growth Fund to refurbish their facilities and provide digital connectivity.
8. Local East Coast civil contractors, Kuru Contracting, have provided input to this work to test its feasibility and robustness. Their local understanding has been key to ensuring that we are maximising the use of existing infrastructure (such as paper roads) and that the local conditions (such as erosion risk) have been taken in to account.
9. A draft report has been received from the economists (TDB Advisory) and this is currently in a feedback process. The report sets out the costs and benefits of Te Ara Tipuna and assesses it against Treasury's Living Standards Framework. The draft report has demonstrated that there are key benefits in the wellbeing domains of health, cultural identity, social connections and jobs and earnings.
10. A range of stakeholders have been engaged with including iwi representatives and central government agencies to provide input to the report, and test the assumptions made in the drafting process. A detailed next step consultation structure has been drafted for inclusion in the report. Tourism expertise from Trust Tairāwhiti have provided detailed tourism data to inform the report and provide understandings on the current state of the tourism sector in Tairāwhiti, the features that entice visitors to spend longer in the region, and where they are focused on attracting new visitors to the region. The impacts of COVID-19 have been taken in to account.
11. Taputapu, a Waikato based graphic design business, have been engaged to set out the report and provide the infographics to support the report information.
12. No issues have been identified to date.

Financial Report

To: **9(2)(a)**

From: Trust Tairawhiti

Date: 23 June 2021

Subject: Te Ara Tipuna [TPK Ref: NDOE-MDF/GI.34169.48151]

Introduction

- On 8 April 2021, Te Puni Kōkiri and Trust Tairawhiti entered in to an agreement -
"To undertake a feasibility study that will explore opportunities for investment in walk / cycle / horse track infrastructure in Tairawhiti".
- This financial report is provided in satisfaction of the Financial Reporting Requirements set out in Schedule D of Maori Development Fund Investment Agreement for Trust Tairawhiti Limited.

Nature of Financial Information	Content of Financial Statement	Dates on which information is to be provided
Annual Accounts	Audited or approved Financial Statements that cover the duration of this Agreement.	On request <i>ONCE COMPLETED IN ACCORDANCE WITH TRUST TAIRAWHITI DEBTS OBLIGATIONS.</i>
Financial reports to Te Puni Kōkiri	Financial reports that include: <ul style="list-style-type: none"> an update on financial performance with comparisons to the budget and explanations for significant variance, OR a report that details the progress of the Funding Purpose. 	05 May 2021 28 May 2021

9(2)(a)

[Source: TPK Ref: NDOE-MDF/GI.34169.48151]

Completion of Agreement

Timelines

3. Trust Tairawhiti agreed to deliver two progress reports and a final report on the following schedule:

MILESTONE	DELIVERABLE DATE	DELIVERED
Execution of Agreement	5 May 2021	30 April 2021
Progress Report	28 May 2021	21 May 2021
Final Report	28 May 2021	23 June 2021

4. The first two reports were delivered ahead of schedule. The final report was delayed for the following reasons:
- The timeframes between agreement and completion of the report were tight in order to meet end of financial year requirements;
 - Suppliers were required to fit the deliverables around existing work commitments; and
 - More consultation with mana whenua was required.
5. Consultation was a risk to timely completion identified in the Project Information Form. This was managed by engaging with identified stakeholders early. However, stakeholder time constraints made some engagement difficult. Additionally it was identified early on that there was strong support from the community for this project. Project managers sought to contain this enthusiasm to manage expectations but this required additional engagement.

Suppliers

6. The civil engineers (CPS) engaged for this project delivered the final route design including full costing and articulation of FTEs. They did this by identifying all areas / sites of importance (tourism, historical points), existing tracks that may be suitable for use and conducting meetings with people with local knowledge to test parts of the map. They have drafted a 'best fit' track that takes in to account feasibility of delivery.
7. Local East Coast civil contractors, Kuru Contracting, provided input to this work to test its feasibility and robustness. Their local understanding was key to ensuring the existing infrastructure (such as paper roads) was identified and utilised, and the local conditions (such as erosion risk) have been taken in to account.
8. TDB Advisory provided economic analysis for this report. Te Ara Tipuna sought to analyse the project against Treasury's Living Standards Framework. As Treasury identifies, guidance to do so is still in its infancy. This is particularly true in the Wellbeing Domains of cultural identity and social connections which are two key areas of focus for Te Ara Tipuna.
9. HRM and Associates engaged with stakeholders including iwi representatives and central government agencies to provide input to the report, and test the assumptions made in the

drafting process. This also formed the basis for a detailed next step consultation structure that is included in the final report.

10. Tourism expertise from Trust Tairawhiti have provided detailed tourism data to inform the report and provide understandings on the current state of the tourism sector in Tairawhiti, the features that entice visitors to spend longer in the region, and where they are focused on attracting new visitors to the region. The impacts of COVID-19 have been taken in to account.
11. Taputapu, a Waikato based graphic design business, was engaged to develop brand guidelines, set out the report, and design infographics as required to reflect key concepts in the report. The owner of Taputapu, 9(2)(a) is of 9(2)(a) descent and that is reflected in the final design of the report. This work is a valuable input that will carry through the next stages of Te Ara Tipuna.
12. Franks Ogilvie provided drafting and project management services.

Budget

13. The following budget was provided in the initial project plan –

Analysis	\$ 45,000
Consultation	\$ 10,000
Concept Development	\$ 70,000
Project Management	\$ 45,000
Reporting	\$ 30,000
Project Leadership	\$ 50,000
TOTAL	\$250,000

14. Quotes for all work was sourced prior to contracting. These quotes are reflected in the table below.
15. The final costings for this project is:

	SUPPLIER	QUOTE	ACTUAL (excl GST)
Project leadership	HRM Associates	\$50,000.00	\$68,330.75
Project Management & drafting	Franks Ogilvie	\$55,000.00	\$58,374.29
Economist	TDB	\$60,000.00	\$61,500.00
Graphic Design	Taputapu	\$7,500.00	\$8,500.00
Mapping	CPS	\$8,190.00	\$21,721.21
Costing	CPS	\$10,995.00	\$2,773.75
Consultation mapping	HRM Associates	\$10,000.00	\$15,000.00
Construction advice	Kuru Contracting	\$5,000.00	\$1,800.00
Engagement resources & drafting	HRM Associates	\$5,000.00	\$12,000.00

	TOTAL	\$216,685.00	\$250,000.00

16. Differences between quoted and actual invoices occurred due to:
- a) Suppliers undertaking additional engagement and stakeholder management;
 - b) Additional costs were required for drafting of the report. The current limitations of guidance on the Living Standards Framework incurred further work to develop and measure outcomes; and
 - c) The early engagement of local expertise meant that mapping and costings of that were minimised.

Risks & Compliance

17. No compliance or financial risks were identified during the completion of this project.

Financial Reports

18. The audited financial reports have not been requested by Te Puni Kokiri. If required Trust Tairawhiti is happy to supply these once they have been audited in accordance with the Trust’s accounting practices.
19. As at 23 June 2021, Trust Tairawhiti had liabilities for billed but unpaid invoices, as follows:
- a) Franks Ogilvie (\$67,130.43 (incl. of GST))
 - b) Taputapu (\$4,750 (excl. of GST))
 - c) HRM and Associates (\$111,505.36 (incl. of GST)¹
20. All other suppliers have invoiced and been paid.

¹ Note that this figure includes reimbursement to HRM and Associates who paid \$1,875 to Taputapu on behalf of Trust Tairawhiti.



TE ARATIPUNAN

PROPOSAL DOCUMENT 2021

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Tuwherae tapu ra
 Tapuwa kutukū
 Tu nei, pū, āto, taha ake
 Ki urunga ki nga taunaha taungataurangi
 Ka tūto iho au ki nga huawahi
 I hore ai ota matai tūpaki, ki te kīmi oranga

Be it the hardened or unaffiliated foot
 Tread respectfully over these lands!
 Come, we welcome you
 Ascend these honored platforms
 From where it is nice to see the sights
 My ancestors traveled, to seek, wairua and
 prosperity

Tuwherae tapu ra
 Tapuwa kutukū
 Te ake hūa, nāhe nga huawahi
 Na roa e whakatahi mai nei
 Pū ana nga mea o te tāiao
 Tūpauāroa, tūpū mātoro
 Ki te aoi

Be it the hardened or unaffiliated foot
 Tread respectfully over these lands!
 There is much to see and much to do
 You need only follow the path
 Millions in all its glory
 Strong and free
 For all the world to see!

To Ara Tipuna h...

To Ara Tipuna is the working title of this multi-layered project, literally meaning the ways of our forebears. It is a project to build and maintain infrastructure of accessways for pedestrians, cyclists, and horse riders; local commuters, visitors, and whole of journey bikers, bikers, and riders. As with all kaupapa, it has layers of meaning. And, it anticipates further layers of growth and development.

First, To Ara Tipuna is an evocation of the ways of our ancestors. The way they practiced life and community, the way they interacted with the physical and metaphysical environment; the ways they used to move between whānau and hāpu, undertake activities, connect with each other the way they were in the world, in their time, and the cultural legacy they have left.

Second, To Ara Tipuna is intended to restore connectivity and momentum in the daily life of those who live and work in-rivers, the ahi te, ake and independent of SH35. To be able to create local enterprises and economic development, to save and share the stories of their wāhi, to revitalise the pa kōanga as centres of activity and society, to be everyday hāhāhā of the ariā and the people who 'worship' them, local and manuhiri alike.

Third, To Ara Tipuna, is the overall description of the proposed network of *infrastructure*, connecting existing tracks, old and new, re-imagined unused trails, defunct paper roads, encroachments, along with new mapping to create a continuous journey from one end of Te Taiāwhiti to the other, through Ngati Porou and Te Whānau-ā-Apanui.

Fourth, To Ara Tipuna provides opportunity for a distinct tourism experience into the heart of Te Taiāwhiti, on foot, cycle and horse riding. It opens a part of Aotearoa New Zealand where 'rough terrain, beautiful beaches and bays' are home to richly carved and decorated whānau and whānau, and people who know how to hunt, dive, fish, cook, haka, sing, tell long stories, dy jobs, and deliver fast and furious on-land.

Fifth, To Ara Tipuna can offer a warm welcome and unique manaaki experience – hi to low – to follow New Zealanders to walk into a marae, prepare kai in the kaiti, eat and wash dishes, yam by the fire, sleep in the whānau, and head off into the day and to the next equally proud hāpu along the ariā.

This Proposal focuses on the foundation layer of infrastructure to create and support the *infrastructure*, that together make up **To Ara Tipuna** network, and, subsequently to support the wider kaupapa.

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Nga whāiri Te Raukiri o Ngāi Pōwhiri me te Whānau-ā-Hāpai, he Te Pahi Kōwhiri, he Māori, he Māori, he Māori, he Māori.

Inspired by the symbolic flourishes of pōwhiri, this design represents a journey of many pathways, enlightenment and cultural connection.

The many layers, opportunities and experiences are depicted through the lines of different colours, representing the diverse nature of the business and extraordinary achievements of Ngāi Pōwhiri.

This document only uses iwi (tribes) for names of organisations, otherwise they are not used in accordance with Ngāi Pōwhiri practice.

- HRM and Associates
- Franks Ogilvie
- Civil Project Solutions
- Kuru Contracting
- Teputapu Design
- Amokura Productions
- TDS Advisory

EXECUTIVE SUMMARY

Te Ara Tipuna takes a different approach by seeking to create a whānau based entry around the East Coast that will furnish economic, social and cultural rejuvenation.¹⁴

1. Te Ara Tipuna represents investment in sustainable base infrastructure in Te Taiarāhi, as a network of fanua accessways around the East Coast, for local communities and visitors to hike, bike, and trek and, to provide the connection and catalyst for businesses and employment offering services, provisions and experiences.
 2. Te Taiarāhi has for too long exhibited the symptoms of continued low economic investment, social fracturing and cultural challenge. A litany of statistics describe deprivation, depression, dependence, poor lived experiences, and poor quality outcomes. Notwithstanding, the hardy and hearty who make the Coast home aspire to a better standard of living, to opportunities for their whānau, and a better future for themselves and their communities. Te Ara Tipuna offers these possibilities.
 3. Te Ara Tipuna takes a different approach by seeking to create a whānau based entry around Te Taiarāhi that will sustain economic, social and cultural rejuvenation. It will be the signpost for a multi-layer across-government approach that supports the area to thrive.
 4. In its entirety, Te Ara Tipuna is 657 kms traversing the edge of Ngāi Pōhū and of Te Whānau-Apāhau, engaging with some of the most beautiful, rugged, isolated land and waterways of Aotearoa New Zealand; experiencing cultural icons of mares and mountains, and the unique character of its local people and communities.
 5. Te Ara Tipuna will deliver on the Government's promise to give people the capacity to live lives of purpose.
6. Ngāi Pōhū and Te Whānau-Apāhau have rich histories, strong cultural infrastructure, and high ambitions for the future of their people, their communities, and their way of life. Conventional government activity has relied on top-down interventions. Te Ara Tipuna takes, instead, a bottom-up approach – building sustainable enterprise and wellness by investing in the cultural wealth that already exists in the region. From whānau to whānau to wellbeing.
 7. This business case outline provides the traditional cost-benefit analysis but also applies the wellbeing approach based on the Treasury's Living Standards Framework (LSF) and CBAX tool. It seeks government investment across five years and will require an upfront commitment to ensure sustained community belief, which has been burnt by past ad hoc government investment.
 8. This report has been funded by Te Puni Kōkiri and supported by NZ Milioni Tourism, with fundholding and support by Trust Taiarāhi. Guidance and support were received from Te Runanganui o Ngāi Pōhū and Te Whānau-Apāhau. Getting this kaupapa to this stage would not have been possible without this support. Ngā mihi nui.

INTRODUCTION

*Kōi te nōkōtanga a Te Rangitūhewa | one pueru ... tonai faupapa,
he pupa mo te kōkano kōrau a Irarua.*

The light of every new dawn touches first the tip of Hikurangi,
and as the sun rises inviting renewal and regeneration, a daily
cultural challenge issues for Ngāi Porou, for Te Whānau-ā-
Apanui: to be first into the future!

That challenge has been picked up by those two Iwi of the East,
Generation after generation. They have continued to pay the
price of citizenship as ably articulated by Te Aorangi Ngāiwi. In
peace time and in calls to arms, these Iwi have sent their people
to Wellington and to wars, in service to the government of the
day, upholding the promise of freedom and rights of democracy
around the world, and promoting and advancing the interests of
Aotearoa New Zealand.

Whether in public service, business, academia, sport, religion,
civic and community duties, arts and culture, parliamentary
and government leadership, the military, Ngāi Porou and Te
Whānau-ā-Apanui have been active and dedicated servants of
the country's interests.

In signing Te Tiriti o Waitangi their leaders committed to a new
country, Aotearoa New Zealand, creating new citizens, Māori
and Pakeha/non-Māori, and securing the rights, responsibilities
and benefits of citizenship. They emboldened nation building for
all, yet retained authority over their resources, their us, and their
way of life ensuring the ongoing strengths of their communities,
of language, identity, and culture.

This feasibility study and proposal for Te Ara Tipuna speaks
to the opportunity for a modern reinvigoration of the Treaty
partnership, of rejuvenating connections, and renegotiating the

momentum of activity and productivity across and between Iwi,
hapū, whānau, and community. Our purpose is for the Coast to
thrive again:

- for those who live at home
- for those who want to come home
- for those who call it home to come when they can
- and for all those who wish it was home to enjoy the experience
with us!

Te Ara Tipuna will be a local level network sustaining economic,
social and cultural rejuvenation, creating the conditions that
deliver on the Government's ambition for people to live lives of
purpose, balance, and meaning to them.

Te Ara Tipuna will be the wellspring of local level enterprise
and economic development, of environmental protection,
development and sustainability, of work, wealth and wellbeing,
of family, whānau, and community.

Te Ara Tipuna is literally grounded in Ngāi Porou and Te
Whānau-ā-Apanui. From whānau to whānau to wellbeing.
Te Ara Tipuna underpins the potential for the practice of
everyday rangatiratanga, every day, by Te Whānau-ā-Apanui
and Ngāi Porou people and communities. In their roles. For
themselves. And, for manuhiri.

The investment in this project is about building a legacy – for
Te Tairāwhiti, and a legacy of leadership by a government
determined to turn words of wellbeing and wellbeing into quality
life outcomes. This report makes the argument for investment in
Our Way – Te Ara Tipuna.



PURPOSE

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The purpose of Te Ao Tūroia is to create the conditions in which Ngāi Tahu and Te Whānau-ā-Aotahi can regenerate the cultural wealth of a lively, healthy society of connected communities, culturally fluent and capable, enterprising and economically active, environmental protectors and sustainers, in revitalised whānau, hapū, and iwi relationships.

1. To facilitate everyday rangatiratanga, every day – individuals and collectives are independent and self-determining, making positive decisions for themselves about themselves, with responsibility for the consequences.
2. To support practical expressions of wellbeing, wellbeing, and kiwhiri.
3. To reinforce connection and contribution through whānau, hapū, and iwi.
4. To honour Te Tiriti o Waitangi in practical, local, and relationship-based ways.
5. To regenerate and revitalise the cultural wealth and wellbeing of Ngāi Tahu and Te Whānau-ā-Aotahi.
6. To facilitate and support local leadership and local communities, to create better lives for themselves and future generations.
7. To restore and grow whānau connections to local pa and iwi for the Ngāi Tahu and Te Whānau-ā-Aotahi, as part of strengthening our diversity and multicultural connections and appreciation for local hosts and visitors, as part of strengthening our diversity and evolving sense of citizenship and nationhood.
8. To generate more possibilities of us returning to live and work at home, and contribute their skills and capabilities to growth and development of the Coast.

6. To restore and maintain the integrity of the rural, isolated, tribal region of the East Coast.
7. To partner with central and local government, agencies and industry, to create the explosion of local level enterprise and economic development, movement and connection, through building the infrastructure of the air (access ways) and ancillary amenities for pedestrian, cycling, horse trekking from Gisborne to Opotiki.
8. To create work and skills pathways for the building and ongoing maintenance and development of the air.
9. To invest in local level economic development through small business training, loans, grants, and potential capitalisation of government benefit income support.
10. To grow and develop ancillary services and opportunities in food, drink, production, and hospitality.
11. To design and deliver a workforce capability strategy for sustainable local employment and education provision.
12. To foster management, quality, tourism, adventure sport, and cultural experiences.
13. To disseminate the knowledge of local and cultural history, its intersection with place, and implications for ongoing wellbeing, through providing opportunities for students and their whānau to research, record, and share local stories.
14. To raise the level of educational achievement through a locally inspired, nationally articulated, and internationally relevant curriculum and delivery.
15. To facilitate the revitalisation of pa as the centre of community activity and cultural restoration, housing provision, and sites of teaching and learning and apprenticeships.
16. To encourage the everyday use of pa, their means facilities and experiences, as part of a quality visitor experience.
17. To transform the region from a negative consumer of government benefits and remedial services, to a mostly self-sufficient, well-directed, resilient, capable, culturally wealthy community again.
18. To prompt and share NZTA into repainting SH45 to the same standard as like highways, and maintaining it at this level.
19. To design and develop an iwi-based community transformation model as a proof of concept for application elsewhere.

CONTEXT

1. Te Taiarāwhiti and the East Coast have developed a range of definitions over time. For this Proposal, we are using both names to describe the area bounded by Te Ara Tapuna, from about the southern boundary of Ngati Porou to about the northern boundary of Te Whānau-ā-Apanui, bounded by Gisborne and Opotiki for obvious practical reasons.
2. The East Coast has some of the poorest economic, educational and health outcomes in the country. One of the key challenges with this Proposal has been deriving specific data on the area surrounding Te Ara Tapuna. The detailed household information that can be found for other regions is not available for the East Coast.
3. The Government's Budget 2021 recognition of the significant gaps in Māori data sovereignty is welcome along with the corresponding investment in data collection for Māori, to improve the quality of data for the 2023 Census programme. Ancillary benefits to this project will be improvements to the conversation between iwi and government as to what is needed for better planning, delivery and achievement of outcomes.
4. Accordingly, this Proposal is reliant on high level information that does not reflect the lived realities of many whānau. The scarcity of data is coupled with the dominance in any reported statistics of the populations of the towns of Gisborne and Opotiki. The majority of Te Ara Tapuna travels through the rural jurisdictions of Gisborne and Opotiki District Councils, where specific data has been limited.
5. The information presented in this report provides a narrative of the level of disadvantage, but does not allow us to pinpoint exactly where and which whānau and hapu will benefit the most from Te Ara Tapuna.
6. This may be in part the reason why government intervention in the area has often only resulted in short term uplift. Additionally many of the initiatives have failed because they are short term, ad hoc, reactive and do not derive from a practical exercise of local rangatiratanga.
7. Despite significant recent investment by government in the region, it was impossible to find any recent economic analysis from which to draw for this report. A summary of some of these initiatives follows, indicative of government commitment, yet exemplifying an ongoing ad hoc approach.

18. In 2017, the Gaborne District Council estimated that 26% of the Gaborne District's land was susceptible to severe erosion, compared with 8% of Actaros New Zealand's total land. Sedimentation leads to reduced water quality, further damaging native fish populations. Management of the significant forestry activity in the region is key to managing this.
19. The Provincial Development Unit allocated \$9.4 million to an erosion control programme.
20. DOC's 'Jobs for Nature' project seeks to create temporary jobs in predator control, restoring wetlands and improving tracks. This funded the 'Tawakihi Agro-ecology Recovery Project, a multi-partner catchment restoration and employment initiative for hapū. This focuses on hill country restoration, erosion mitigation and cultural revitalisation. Government funding was \$500k, with 4 FTE jobs created.
21. Marae are key to social cohesion on the Coast. In rural areas, marae are particularly significant as they are often the only place for communal gathering and delivery of community services, as well as key emergency management centres during natural disasters. There are 90 or so active marae in the region.
22. The government has invested in marae on the East Coast in two key ways. First, with the digital marae project providing connectivity and capability training, and secondly with capital improvement funding under the Provincial Growth Fund.
23. Te Ara Tipuna will ensure that marae upgrade funding provided through the Provincial Growth Fund can have an economic return beyond the initial FTE provided through the capital upgrade. Marae already operate as the centre of faith, sport and community gatherings. Te Ara Tipuna will encourage their use as accommodation, conference centres and centres of matauranga learning.
24. Digital connectivity is important for the success of Te Ara Tipuna. Visitors will expect the ability to interact with local accommodation, tourist and transport providers in advance of and during their visit. The connection in marae will mean that surrounding operators will be able to hotspot to allow this communication to happen. Marae in proximity to Te Ara Tipuna will be encouraged to establish digital pop-up whenua which will act as an invitation to visitors to interact.
25. Appendix One is a table of the marae close to Te Ara Tipuna, who have received funding from the PGF.

TE ARA TIPUNA

Table One: Te Ara Tipuna - Daily Itiner



Walkers will begin at Waver and will alongside Otua beach, then to and walking across the Māori headland and through the Hymn Reserve. They will emerge down to Mahoei beach, follow SH35 for a short period before walking past the end of the hill to Pōwiri. Walkers can take the opportunity to enjoy the views of Pōwiri Bay.



On Day 2, they will follow the coastline up to the cliffs before heading back down to the beach. Walkers can engage with Māori culture and enjoy the views of Māori Bay.

26. Te Ara Tipuna has been designed as one continuous walking route of 657 km divided into 23 days with contiguous as well as shared space, for cycling and horse trekking. It spans the eke of Ngāi Poro and Te Waiārae-Apōpō, bordered by Gōhome and Opōtiki on each end.

27. Te Ara Tipuna will capture a broad perspective of the East Coast via various track forms and land tenures, waterways, bays and lagoons. The walks have been designed to keep users engaged throughout the journey whether as local commuters or visitors allowing all to participate in the social and cultural experiences they chance upon as they make their way along the coastline.

28. Walkers can walk the entire sea taking in scenic loops and several route options throughout. Sections of beach, farmland, dense bush, ridges, and river crossings will provide a varied terrain that will engage users. Most of the days will end in a community where there is an opportunity to stay in a variety of accommodation or camp. While costs have been provided on the basis of DOC-style huts to cater to approximately 35-40 people, the priority is most likely marae, to allow them to offer accommodation and a local hāpu experience.

29. Te Ara Tipuna will pass by or link into as many existing tracks as possible such as Māhōei Headland, Cooks Cove, and the Anawiri Bay Track. This will help promote the use of these tracks and allow a budget for maintenance to improve their existing condition.

30. The full Te Ara Tipuna can be walked over 23 days. The area has been designed to ensure that start and end points, as much as possible, are located near existing settlements. Each day has its own individual highlights making them each an attractive proposition for someone wishing to undertake a day walk. The terrain is also varied so people can choose beach, bush or stunning vistas.

31. Additionally, unlike most of the Great Walks, Te Ara Tipuna is accessible by road at most start and end points. This means that walkers wanting a multi-day hīka can start and end at any point. This will alleviate the congestion issues that Great Walks face and allow more people to access the area.

32. The entire area is estimated to take 86 hours to walk, depending on ambition and capability.

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Williams will start the day along the beach before walking inland, searching along the dune at the top of Waikarekare Bay and finishing off at Williams Beach.



Day 4 will continue along the beach before climbing up and across Opoutama point and into the hills. The route will continue inland in the county, and visitors can take the opportunity to visit an excellent hot spring at Te Kōwhiri, a small town at Te Kōwhiri, the Puke o Raukawa, and Puketapu. Many of the nearby hills are covered in forest.



Leaving Te Kōwhiri, visitors follow the Erima River Walkway up to the dune on the coast of Puketapu. They will be crossing terrain that has been eroded into the sea. Visitors will be able to see the coastline from the dune. The western coast of Puketapu Bay.



Day 5

Day 5 continues along the beach, through the valley, and across Māori Point. Visitors will head down to the beach to look at Anu, a Bay. Visitors can stop at Anu. There is a small town at Anu.

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Day 7 loggers with walkers climbing out of Azusa Bay using the Azusa Bay Trail. There are opportunities to engage with local Maori and visit the Maori Marae. There are also opportunities to visit the Pacific Crest.



Day 8 a big meal. Walkers will start by walking through the Tolomoua Peninsula, passing the Tolomoua Bay Wharf and meeting with Mike at Tolomoua. Walkers will then walk up the hill and follow along the cliffs and down into the Tolomoua Bay. Walkers will then walk along the coast to the East Coast in the early 20th Century, and it is a great time to enjoy the views, sitting and eating. Walkers can stop in at Pihikete, Maori and Maori to Maori and Maori to Maori in the vicinity.

At the end of Day 8, walkers can decide whether they take the Hiwaiki trail to the coast or take the Hiwaiki trail to the coast. Walkers can choose to take the Hiwaiki trail and add an additional day to their trip.



On Day 9, walkers have the choice of adding a few hours to their day by travelling inland to the Falls Springs, which offers thermal hot springs and local options.

Walkers who do not wish to add a few hours to their day can continue to the coast. Walkers from both tracks will enjoy before passing Rongopuere Maori and Rongopuere Maori and staying in the city at the end of the trip.



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On Day 10, walkers follow around the western base of Mt. Hirauey. On the northern edge of the range, walkers who took the hiking loop will again the track and both will finish for the day a few kilometres back towards the coast.



Perhaps the biggest day on Te Anu Tūpua! On Day 11, walkers continue back out to the coast directly past Te Hoppo Marae, Rauru Marae, Kurika Marae, through the Ruapehu township which offers a place to Marae, Jucubana Marae, Rourapapa Marae, Mungahine Marae, Umuaki Marae and near Ropuwa Marae on the coast. In the vicinity are a whole host of marae including Te Anaea

Walkers then climb across fernland past Kakeriki Marae, Waimakariri Marae, Te Hono Marae, and Te Kōpa Marae. They cross a small bridge and on take a break in Tikiki which sits on the north bank of the window in the valley. The walk continues past Kōwhiri Marae, Mungahine Marae, Chironisipi Marae, Pūnanga Marae, Kawaka Marae, and Karamea Marae. Think at the start of East Cape Road in Te Anaea with the option to stop at Te Kaha Marae, Awano Marae, Maahi to Te Anaea Marae, Hōngare Marae, and Pūroa Marae.

Walkers have the opportunity to stop in at marae as they go, to break up the trip as they see fit!



Walkers start by walking past the historic Haka Bay Wharf before walking up through bush and fernland, taking in the views of the coast as they go. They stop at Pōkai Marae. This marks the northern end western end of the Coast District role of Ngāi Tahu, and the southern and eastern border of the Otago District and Te Wairarapa-Motuhou. Lōtin Point, located just north of Pōkai, has a small reserve area and opportunity to camp.



Day 12 will begin by walking alongside the beach, passing in the vicinity of Pōkai Marae, up across fernland and past Pūnanga Marae, around the point and camping down at Chiroto Bay. Walkers finish at Whakaitika (Te Anaea Bay) where they will have the opportunity to stop in at the Pūnanga Marae. The marae in the area is Hinemaru at Whakaitika Marae.



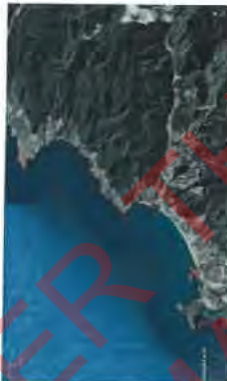
Day 14 is spent walking across rugged terrain to Whangaparaoa (Cape Runaway).
walkers can stop in at Kararangihihi Mārae.



On Day 15, walkers drop down into Whangaparaoa Bay and follow the
coastline around to the longhead Bay past a number of good swimming
spots. The day ends at the end of the longhead Bay. Walkers
finish in Whakai Bay and can enjoy a meal at the end of the day. The
Himemakohu (Panzaki) Mārae and Wāwairu Mārae are in the vicinity.



Walking along the coastline, walkers will traverse past the historic Anglican
Church in Rukohoko. They will pass a short walking track to a waterfall located on
Wharua Stream. This area is particularly known for growing macadamia nuts.



Walkers continue to follow the coastline - taking in the famous Puhakawa trees
and finish in Owhiri. Walkers can enjoy a meal in the vicinity - Owhiri Mārae,
Omaha Mārae and Whitianga Mārae.



Day 17 is spent walking around! Walkers Point to the Kaiahi. There are four
mārae in the vicinity - Pāhau Mārae, Māngōroa Kaiahi Mārae, Te Kaha
and Wāwairu Mārae. Walkers can also enjoy a riparian at the Te
Kaha Mārae.



On Day 19, walkers will continue to follow the coast, travel inland to cross
the river, and finish for the day near Houputo on the beach. Mātāhina Pa is
in the area.

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Walkers follow the coast including a lookout across Whakarewa Bay and then down into Piriwai. Here the beach is usually covered with driftwood and boasts an excellent fishing ground. Māori in the area.



Walkers will travel inland across farmland and back to Opaia. A short cut across the coastal walkway will provide access to a sandy beach. Opaia Māori is on the beach.



On Day 21, walkers will have a steep decline from the beach and then across farmland to Piriwai at Towns, with the opportunity to visit the country's most famous macadamia nut farm. This is a pebble beach.



The final day of the track, walkers traverse along the beach and through farmland taking in views of Whakarewa and the Raukumara Range. Whakarewa is the final destination in Opaia. Opaia Māori and Whakarewa Māori are in the area.

Redwoods (Sandy Bay)

33. Similarly, the biking track will form part of and follow Te Ana Tiroana. It will veer off where there are areas of beach and steep slopes. There will be a range of difficult and easy sections which will cater to a range of capabilities. Clear signage will ensure the difficulty is outlined before bikers begin the ride. In the future there will be opportunity to develop well designed all terrain loops, modelled on the Redwoods in Rotorua.

Redwoods (Horse Tracking)

34. Likewise the horse tracking route will form part of and follow Te Ana Tiroana. Horse trackers are able to climb slopes of up to 25%. The route will provide many scenic sections on terrain which will not be deemed to be too difficult for the horses. Experienced horse riders and well-trained horses may travel much of Te Ana Tiroana in successive days with many options to choose from.



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STAGES

Approach



- 35. Te Ara Tipuna, with its 657km length and 23 indicative walking days, is amenable to a range of construction and development approaches and timelines: from north to south or south to north; from Hikurangi north and/or south, the most highly populated stretch; the most in need of sustainable employment; the most likely to boost local confidence in real, long term investment. It is also possible to stage the build across a number of budget year approvals.
- 36. However, it is important to recall that Te Ara Tipuna is more than just a set of hiking, biking and walking tracks and trails. It is about investment in foundation infrastructure that will support the restoration, regeneration and rejuvenation of practical, everyday rangitiratanga by whānau and communities who live, love and work in the role, along with those looking for the opportunity to do so.
- 37. The best approach is one that makes an upfront commitment to the complete project; builds from the centre of the role out, allows for immediate usage on the completion of each stage, and creates and sustains projected employment. Accordingly, the tracks could be constructed in the following stages:
 - a. Hikurangi Loop
 - b. Waipiro to East Cape
 - c. Cooks Cove to Waipiro
 - d. East Cape to Te Kaha
 - e. Waunui to Cooks Cove
 - f. Te Kaha to Opotiki
- 38. While investment could be provided stage by stage this is likely to increase the cost as individual resourcing and consenting requirements, and individual procurements are entered into, rather than a bulk approach with the efficiency gains this would garner.
- 39. The benefits of Te Ara Tipuna will be diminished without the full upfront commitment. Sustained employment is a key objective of the project creating employment pathways that are not seasonally affected, encourages workers to see and experience the benefits of long term employment, and facilitates employers to upskill individuals. Additionally, businesses and startups will only invest if they can see that Te Ara Tipuna will be realised.
- 40. The area suffers from 'intervention fatigue'. The well-intentioned desire of successive governments to support the area have led to ad hoc projects with no long term investment. This project will only fulfill its potential if this cynicism is overcome.
- 41. A full upfront commitment to Te Ara Tipuna is necessary to ensure its success.

11 An explicit commitment to 3: As a Tipuna is necessary to ensure its success. 11



Bronze Tier



42. The civil engineers and local forestry and roading experts in the design of this area have ensured it is as accessible as possible across the variable terrain. They have relied upon the standards set out in the Department of Conservation Track Construction and Maintenance Guidelines and the Department of Conservation Track Service Standards.
43. The establishment and upgrading of the track has been provided for on the following basis:
 - a. Gold tier - a high quality wooden walkway (similar to what is currently constructed between Waikawa and Midway Beach in Gisborne)
 - b. Silver tier - a wooden walkway that requires engineering support for development
 - c. Bronze tier - a walkway that provides a higher level of service than a farmland and beach track
 - d. Standard tier - a track requiring minimal changes to existing farmland and supported with wayfinder posts.

44. Construction of the art will be completed in a way that balances minimal interference with the surrounding landscape whilst ensuring the ongoing sustainability of the art.
45. Tourist attractions, cultural sites, outdoor activities and adventure sites - the art passes as many as possible to ensure there is an opportunity for engagement and interaction.
 - a. Land parcels - To minimise the private landowners directly affected.
 - b. Land contours - Natural contours of the land have been followed as much as possible.
 - c. Local Communities - The art passes through or as close to as many local communities as possible.
 - d. Tourist attractions and Maunga - The art passes as many as possible to ensure there is an opportunity for engagement and interaction.
 - e. Existing tracks and infrastructure - Utilising these gives the potential for consistent maintenance/upgrade and can help reduce cost.

5. Department of Conservation's 'New Routes' Track Construction and Maintenance Guidelines, Guidelines, VC 1077, July 2009 - www.doc.govt.nz/resources/1077newroutes/

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45. The following table shows the different types of transport infrastructure projects that are currently in progress in the region, and the estimated cost of each project.

46. As outlined in paragraph 3, the quality of data for the East Coast is poor. However, it is understood to be an area suffering from some of the greatest inequality in health, education and wellbeing outcomes.

47. The Gisborne District, which encompasses Gisborne and the surrounding area of Te Taiarāwhiti, has a GDP per capita of \$44,000 which represents the second lowest GDP per capita in the country and well below the national average of \$52,165. Unemployment in the area is 6 percent and the NEET¹⁰ rate is 14.8 percent. During 2020 and the lockdowns, Gisborne reported an increase of 19 percent to those receiving the Jobseeker benefit.

48. In education, the percentage of school leavers with NCEA Level 2 or above is 70.7 percent, behind the national average of 78.6 percent. And students have higher suspension and exclusion rates than the national average. 23.8 percent of people in the region hold no qualification against a national rate of 18.2 percent. For Māori in the region, this is even higher at 27 percent.

49. The region has one of the highest smoking incidence rates with more than 1 in five people smoking regularly. 22.3% experience substance dependence in their homes compared with 18.5% nationally.

50. The following economic analysis of Te Ara Tapuia has been undertaken by TDB Advisory. It uses a wellbeing approach to cost-benefit analysis based on Treasury's Living Standards Framework (LSF) and CBAx tool. Further information on the framework and assumptions underlying this analysis is contained in their full report attached as Appendix 2.

51. Assumptions are made on the number of participants engaging with Te Ara Tapuia based on visitor numbers to Aotearoa New Zealand cycle tracks. However, Te Ara Tapuia is different from other cycle tracks as it provides multiple options for interaction and provides a unique local experience that cannot be found elsewhere.

52. The type of track and the associated construction costs vary depending on the terrain crossed and the users that are catered for. Table 2 below provides a breakdown of the different track types incorporated into the cost estimates.

Table 2: Trackway costing by track type

Track type	Cost (\$/m)
Beach track	25 - 50
Farmstead track	50
Track adjacent to road	100
General bush track	150
Bronze (air walkway)	125
Silver (air walkway)	175
Gold (air walkway)	225
Rock protected track	420
Multi-use track through dense bush	225
Bridge across water	Variable by distance / width

Note: Gold, silver and bronze refer to the required build quality / walkway materials, with gold referring to a high-quality wooden walkway, while bronze may be made of wood or other.

7. State of New Zealand Regional Economic Survey (SRES) 2020: <https://www.otago.govt.nz/assets/Uploads/2020-2021-Regional-Economic-Survey-2020-2021.pdf>
 8. New Zealand Employment, Education and Training
 9. Ministry of Education: <https://www.education.govt.nz/education/employment-and-training/>
 10. Ministry of Education: <https://www.education.govt.nz/education/employment-and-training/>
 11. Smith of Gisborne Region: <https://www.gisborne.govt.nz/employment-and-training/>
 12. State of New Zealand Regional Economic Survey (SRES) 2020: <https://www.otago.govt.nz/assets/Uploads/2020-2021-Regional-Economic-Survey-2020-2021.pdf>

53. Costs arising outside of the track itself are presented in Table 3 below.

Table 3: Other costs

Item	Unit	Quantity	Cost (\$m)
Way-finding points	25 per unit	100	2.5
Signage	100 per unit	7,600	760
Toilet (unit, outhouse, install)	7,600 per unit	30,000	300
Shelter	2 to 3 million per unit	150	450
Hut accommodation	150 per tonne	50	7.5
Land disposal	60 per m	14,600	876
Landscaping	5% of sub-route construction costs		14.6
Restoration	5% of sub-route construction costs		14.6
Surveying	2.5% of total costs		36.5
Overheads			
Miscellaneous expenses			
Project management			

54. Other construction costs that are budgeted for at fixed rates include geotechnical input (\$1m), landowner negotiation (\$200k), fencing/gate (\$3m), green waste disposal (\$2m), additional signage (\$500k), and resource consents (\$1.1m).

55. Table 4 below presents the infrastructure costs for Te Anau Tipuna, broken down by modelled stage and cost type. The below infrastructure stages reflect the initial staging by the civil engineers. As reflected in paragraph 37, initial consultation has determined that a different order is required.

Table 4: Infrastructure costs by stage, \$m

Stage	Construction	Waste	Budgets	Additional signage	Green waste disposal	Fencing and gates	Signage	Total
1: Waiau to Cooks Cove (77km)	13.82	0	0.25	0.07	0.19	0.28	0.09	14.74
2: Cooks Cove to Waipiro (77km)	30.93	0	0.1	0.08	0.43	0.65	0.21	32.43
3: Mount Haurangi loop (140km)	22.23	7	0.96	0.10	0.42	0.63	0.21	31.58
4: Waipiro to East Cape (83km)	17.91	2.5	2.75	0.06	0.32	0.48	0.16	24.20
5: East Cape to Te Kaha (139km)	28.44	0	0.1	0.10	0.40	0.60	0.20	29.84
6: Te Kaha to Opokei (85km)	14.80	0	0	0.06	0.20	0.31	0.10	15.47



Benefits of Te Ara Tipuna

60. Te Ara Tipuna will generate benefits during its construction phase; in the medium-term for the current generation; and in the long-run for future generations.

61. This analysis categorises potential benefits of Te Ara Tipuna within the following three categories:

- a. Monetary benefits:
 - i. Profits to local businesses (domestic tourist spend);
 - ii. Profits to local businesses (international tourist spend);
 - iii. Increase in local employment / income;
- b. Other wellbeing benefits in:
 - i. Health;
 - ii. Cultural identity;
 - iii. Social connections;
 - iv. Other domains;
- c. Fiscal benefits:
 - i. Benefit cost savings;
 - ii. Health cost savings;
 - iii. Crime cost savings.

58. The timeframe for completion of Te Ara Tipuna track is 5 years. The total estimated construction costs (years 1 to 5), maintenance costs (year 3 into perpetuity) and the associated deadweight loss of taxation are presented in Table 5 below.

59. Discounting the costs of Te Ara Tipuna across a 25-year evaluation period gives a present value of the total costs of \$18.5m.

56. Once established, Te Ara Tipuna will require annual maintenance to ensure it is fit-for-purpose for users. Maintenance costs include: trimming and maintaining vegetation; landscaping; fencing repairs; hut, toilet and shelter maintenance; and repair and recovery from natural hazards.

57. Maintenance costs have been assessed on a per km basis. Upon the track's completion, maintenance is estimated to cost \$2,835 per km, with a total cost of \$1.9m p.a. During the construction process, maintenance costs will be incurred for the stages of the track that have been completed.

Table 5: Total costs, \$m

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Subsequent years
Administration cost	1.2	0.93	0	0	0	0	0	0	0
Infrastructure cost	0	38.37	34.99	35.00	40.68	0	0	0	0
Maintenance cost	0	0	0.67	0.91	1.27	1.86	1.86	1.86	1.86
Deadweight costs of taxation	0.24	7.96	7.13	7.18	8.43	0.37	0.37	0.37	0.37
Total cost	1.44	47.16	42.80	43.10	50.99	2.23	2.23	2.23	2.23
Present value									18.55

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62. Te Ara Tipuna will bring wellers, bikers and horse-riders to the region, and growth in local businesses will follow. MBE (2018) found the Coast Ride cycle-ways have generated high business growth in local areas. While the nature of businesses varies per region, on average, tourism related businesses were found to be made up of:

Table 6: Share of track businesses, %

Accommodation	36	Cycle Hire	4.2
Visitor Activities/Attractions	11	Cycle Transport/Shuttle Services	3.5
Retail (including Services)	8.4	Site/Visitor Information Services	3.5
Café / Restaurant / Bar	8.4	Vineyard	2.8
General Tours	4.9	Specialised Cycle Tours	2.1
Other Transport Services	4.9	Other	10.5

63. Given the culture traditions and history on the East Coast, alongside common tradable business opportunities also exist relating to sharing cultural traditions of hui, local experiences and local history. Local experiences, including fishing, hunting, Ngati Porou carving and marae also could generate particular growth. Further, alongside businesses servicing cyclists, these servicing horse-riders will also be in demand. Given the length of the track, there may also be demand for ancillary businesses such as laundromats.

64. Growth in local business is likely to impact on a number of wellbeing domains.

65. The potential profits to trackside businesses will depend on the number of visitors to Te Ara Tipuna. On average, MBE finds that domestic tourists spend \$173 per visitor per day (ppd) and international tourists spend \$207 ppd. Average spend on Motu tracks was lower than the nationwide average at \$136 ppd for domestic tourists and \$166 ppd for international tourists.

66. If the average tourist spends 5 days on Te Ara Tipuna, and visitor numbers and spending are in line with Motu tracks¹⁵, this would equate to a total of \$11.7m per annum of spending on the tracks. From a business owner perspective, this could be considered an estimate of potential revenue in aggregate across all trackside businesses.

¹⁵ Given the regional nature, MBE made a conservative comparison for calculations. It could be the case however that the estimate of Te Ara Tipuna made in the accompanying table is conservative, but given the length of the track, it could also be the case that given Te Ara Tipuna would be the only public track to offer horse-riding, the number could be uniform for the number of additional horse-riding operators in the market.

67. If upon completion Te Ara Tipuna receives the same level of visitors as Motu tracks, the estimated economic benefit from domestic tourists to businesses in the region is therefore around \$4.4m p.a., while the national economic benefit would be around \$1.4m p.a. This analysis does not include the economic benefit from returning Ngati Porou and Te Wharekai-Aparau visitors who will be encouraged to return home more frequently. We expect that benefit to be significant.

68. The International Air Transport Association currently projects that by 2024, international air travel will return to 2019 levels.¹⁶ If from 2024 onward, Te Ara Tipuna receives around 2,000 international visits per year (in line with Motu track estimates), spending an average of \$16 ppd and staying for an average of 5 days, then international spend would total approximately \$2 million p.a.

69. Assuming the cost to businesses of servicing this revenue is approximately 55%, then profits to local businesses from international tourists would total approximately \$900,000 p.a. The national benefits would be the same as those as there is no displacement effect at the national level from international tourist spend.

¹⁶ <https://www.icao.int/about-us/press-releases/2023/09/14/2023-09-14-forecast-for-air-transport-and-the-airline-industry-14-september-2023>



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70. Relative to the Antaresa New Zealand average, unemployment on the East Coast have high levels of unemployment and one of the lowest median income levels in the country. As table 7 highlights, the average unemployment rate for the region is on the back to 7% (compared to the NZ average of 4%), while median incomes are as low as \$18,500 on the East Coast and unemployment is over 10%.

71. According to the LEF dashboard, the youth NEET in employment, education or training rate in the Gisborne / Hawke's Bay region in 2018 was 18% – the highest in Aotearoa New Zealand. The countrywide average is 11.7%, and lowest region is Otago (8%). Overall, there appears to be significant potential for improvement in wellbeing relating to jobs and earnings in the region.

Table 7: Employment data, 2018 census

	Self-employment	Employment rate	Unemployment rate	Median income
Waikato	1716	22.37	2.3	43,300
Waikanae	1851	64.18	5.8	26,900
Tairāmore	954	82.07	6.4	22,000
Rangitikei	1223	94.16	8.7	19,400
East Coast	1388	91.57	10.2	16,500
Cape Horn	1449	82.71	6.8	20,400
Otago	1176	80.76	2.3	43,500
Otago	3238	75.25	9.5	21,000
Otago	13529	69.90	6.97	25443.51
Weighted average	4757	54.66	5.2	25,900
East Coast	489725	16.50	4	31,800
New Zealand				

72. The Ara Tapuna infrastructure will be completed in 5 years (of which the 1st year is planning / consultation phase with no construction). From year 6 onwards, only maintenance costs are incurred. Table 8 below presents estimates of the number of jobs (FTEs) involved in constructing and maintaining the tracks on an annual basis.

Table 8: FTE estimates for track infrastructure and maintenance

Year	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
FTEs (built)	38	64.5	96	89	80	17.25	17.25	17.25	17.25	17.25	17.25
FTEs (maint)	0	35	55	65	59	15.5	15.5	15.5	15.5	15.5	15.5
Total	38	99.5	151	154	139	32.75	32.75	32.75	32.75	32.75	32.75

Source: Civil Projects Solutions Ltd.

73. A full breakdown of projected FTEs is contained in Appendix 2.

74. As the table indicates, from year 2 to 5 (the construction period), 25 to 59 unskilled FTEs p.a. are required, alongside 45 to 80 skilled workers. From year 6 onwards, track maintenance is estimated to require approximately 18 skilled FTEs and 16 unskilled FTEs p.a.

75. Social procurement – employing locals to the greatest extent possible is a priority for the Ara Tapuna. In particular, the project seeks to employ at least 25% of unskilled FTEs through the Ministry of Social Development from currently unemployed locals. As a result, this group would have an opportunity to re-enter the labour force, upskill, and potentially exit the unemployment cycle.

76. While the project itself seeks to improve local employment outcomes, the jobs and earnings wellbeing impacts relating to trackside business growth after the tracks have been built have the potential to be high. If the Ara Tapuna sees similar visitor numbers to the Māori tracks, total revenue to local businesses would be around \$11.7m. If it is assumed that labour

costs average 80% of revenue, earnings to local employees would be approximately \$3.5m. Assuming employees earned the current minimum wage (\$22.50 p.h. a.k.a. labor tax) on average, that would equate to around 107 FTEs employed in local trackside businesses.

77. The extent to which these earnings represent additional monetary benefits due to the track depends on how many of these income-earners have transitioned off the unemployment benefits. If, as in the construction process above, 25% of these FTEs were previously unemployed, then around 27 of the FTEs in local trackside businesses would be ex-jobseeker support benefit recipients with each:

- a. earning \$13,300 more per year than on the unemployment benefit;
- b. saving the government \$18,600 per year on jobseeker support payments and the accommodation supplement; and
- c. contributing \$5,450 in tax each year.

18. Note: By 2026, trackside business revenue would be around \$11.7m on the assumption that labour

Table 9: Total quantifiable monetary benefits, \$m

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Subsequent years
Local business net benefits (domestic tourists)	0	0	0.36	0.72	1.08	1.44	1.44	1.44
Local business net benefits (international tourists)	0	0	0.17	0.34	0.69	0.87	0.87	0.87
Monetary gain for new workers in all infrastructure and marine	0	0.35	0.56	0.66	0.60	0.15	0.15	0.15
Monetary gain for new workers in railway (business)	0	0	0.12	0.24	0.36	0.48	0.48	0.48
Total monetary benefits	0	0.35	1.22	1.98	2.75	2.96	2.96	2.96

78. Discounting the above estimates of monetary benefits of the Aia Tipuna across a 25-year evaluation period gives a present value of the monetary benefits of \$37m.

79. Other potential monetary benefits that cannot be reliably approximated may include:

- a. income growth to providers of services to trackway workers including local accommodation, hospitality and travel sectors; and
- b. income growth in already employed community members that may result from track tourism.

Other Wellbeing Domains

80. To the Aia Tipuna benefits will arise in other wellbeing domains such as health, cultural identity and social connections. In many cases, the benefits in wellbeing domains are interconnected, or one domain will have flow on effects into another. In the first instance, if communities see the monetary benefits captured in the previous section, living standards should increase, with positive impacts on wellbeing domains such as health, housing, subjective wellbeing and potentially education for children. Work-life balance may on the other hand decrease. The interconnectedness of the wellbeing domains is captured in the diagram below from Asteases New Zealand Treasury (2018).

Figure 1: Links between wellbeing domains



Source: Treasury (2018) 'Living Standards Analysis Model: The First Prototype'.

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82. LSF indicators of wellbeing in the health domain include: the percentage of people reporting good health, life expectancy, the percentage of people with high levels of psychological distress, and suicide rate, though the LSF dashboard does not include region-specific data for these indicators. Huiarau (2020) however found suicide rates in the Gisborne region between 2002 and 2016 fluctuated between 15 and 20 people per 100,000. This is well above the 2016 national average of 11.3, and in-line with the higher average for Māori of 20.1.
83. One indicator (and influencer) of health-related wellbeing is drug use. As the graph below identifies, Aotearoa New Zealand Police also indicates the Eastern district has the second highest prevalence of methamphetamine use per capita. A recent evidence suggests that methamphetamine use is particularly high along the East Coast foot.

Figure 2: Methamphetamine: Prevalence per capita, 2016/17



84. Further indicators of health-related wellbeing include smoking rates and the percentage of people with activity limitations (difficulty performing any of the six basic universal activities: walking, seeing, hearing, cognition, self-care, and communication). As is evident in the table below, a large proportion of the East Coast exceeds the national average for both smoking and activity limitations, in some cases by up to three times.

Table 10: Health Related Data

	Total population	Males population	Activity limitations
Whānau-Ōhā	1716	22.37	7.2
Whararua	1851	64.18	27.3
Tokomaru	954	82.07	29.3
Ruatorua-Ruatoria	1233	94.16	34.3
East Cape	1389	91.87	30.9
Cape Rodney	1449	85.71	38.5
Omaru-Inchanga	1176	85.71	7.2
Opotiki	3759	75.25	26.6
Weighted average	13527	67.90	27.79
Gisborne region	47517	54.66	21.9
New Zealand	4899355	16.50	13.2

(Source: Census 2018)

85. Overall, at 22% the Gisborne region has the highest regional smoking rate in the country (with Northland the second highest at 18%) and the equal highest rate of activity limitations with West Coast at 9%. Activity limitations may result from a range of causes (both natural and incidental), however the substantially higher than average rates in some communities on the East Coast indicates a disproportion of poor health.



89. Further, at 17%, Gisborne region has the highest percentage of Te Māori speakers in Aotearoa New Zealand by a significant margin (Northland is second highest region at 7%).
90. LSF data on ability to express identity is less insightful, with less range between regions. Auckland minus lowest at 82% and east of South Island highest at 87.3%. Northland / Bay of Plenty / Gisborne rank at 82.4%.
91. Given the high proportion of Māori in the region, another potential indicator of the status of the cultural identity dimension could be the degree of schooling offered in te reo Māori. From Tākepa Bay to Ōtearua (the town before Ōpāheka), there are 19 schools, of which:
- the mainstream schools;
 - seven tūāwhiriōriō; and
 - seven schools with bilingual units.
92. Relative to other regions, this indicates a high level of teaching in te reo Māori, a positive indicator for the cultural identity wellbeing dimension for young and future generations.
93. Given the strong Māori heritage in the region, it follows that the East Coast ranks relatively high in regards to cultural identity. From a wellbeing cost-benefit analysis perspective, the key question that follows is whether this strong cultural identity could further improve the four capitals within the region.

⁴⁹ While respecting the legacy of the mīra, their wāhāka lies in their ability to be engaged with and used, not preserved or showcased as a museum.⁷¹

94. In the context of Te Ara Tūpuna, a key opportunity for impact on the cultural identity domain could be the ability for East Coast communities to celebrate and share their cultural identity with others. If its projected in the monetary benefits section above the lack increases tourism opportunities in the region, opportunities may arise for community members to showcase and celebrate their culture as a livelihood.
95. The Crown and its have a responsibility to revitalise te reo Māori, recognising the role of Māori in the responsibility and sovereignty of the Māori language. This is codified in the Māori Language Act 2016, "te Māori Māori", has ambitious goals for the revitalisation of te reo Māori as a first language. By 2040, the aim is to have one million people using te reo Māori in community immersion domains and for te reo Māori to be the first language of 25% of all Māori children. Facilitating interaction with māreā will increase te reo Māori use in hapū, iwi and communities as there will be direct engagement with their local identity and increased community cohesion.
96. Revitalising te reo Māori with māreā to its beneficiaries will increase the number of whānau engaging with te reo and te reo Māori, increase the immersion opportunities and strengthen cultural identity and affiliation.

⁷¹ M. Te Māori, "Māori Māori", <https://www.mta.govt.nz/whakamāori/>

97. Te Ara Tūpuna will increase the return on the government's current investment in māreā as they will become self-sustaining. Earned demand from visitors for authentic Māori interaction with māreā will increase the learning of māreā Māori including āhanga and haka. Māreā as a natural interaction point for users of the area, either for accommodation or facilities or the jump-off point for tourism activities, will ensure that māreā return to their role as pū. While respecting the whānau of the mīra, their value lies in their ability to be engaged with and used. Not preserved or showcased as a museum.

98. This will attract more Māori tāpapa to return to their area as there is a unique attraction for them and their whānau in economic opportunity and self-determination.
99. There is already significant grassroots Māori broadcasting on the East Coast including Radio Ngāi Tahu. Te Ara Tūpuna will increase the audience reach.

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Table 13: Potential wellbeing impacts, Cultural Identity domain

Impact description	Who could be affected?	Magnitude of potential impact	How big?	Final goal	Evidence base
<p>Being able to express cultural identity</p> <p>Increase participation in cultural activities and sharing of cultural knowledge</p>	<p>Cultural businesses in your public, commercial and private sectors</p> <ul style="list-style-type: none"> Business operators and employees Tourism visitors (domestic and international) Children of business firms 	<p>1 point change in being able to express cultural identity</p> <p>10% increase in cultural participation</p>	<p>116,000 per annum PV</p>	<p><5 years ongoing</p>	<p>Walking Whakaheke of Social Housing</p>
<p>Increased connection with homeland/whakapapa</p>	<p>Business operators and employees</p> <ul style="list-style-type: none"> Tourism visitors (domestic and international) Children of business firms 	<p>Magnitude of impact will depend on the amount of business activity</p>	<p>Cannot quantify for this impact</p>	<p><5 years ongoing</p>	<p>Research undertaken</p>
<p>Preservation of heritage assets/taonga</p>	<p>Tourists/visitors of the region:</p> <ul style="list-style-type: none"> Ngāi Tahu (82,000) To Whaitapu (12,000 members) <p>Includes both direct and indirect impacts</p>	<p>Cannot quantify for this impact</p> <p>Positive impact on cultural identity</p>	<p>Potential to be high</p>	<p><5 years ongoing</p>	<p>Research undertaken</p>
<p>Preservation of heritage assets/taonga</p>	<p>Tourists/visitors of the region:</p> <ul style="list-style-type: none"> Ngāi Tahu (82,000) To Whaitapu (12,000 members) <p>Includes both direct and indirect impacts</p>	<p>Could be a negative or positive impact</p> <p>Positive impact on cultural identity</p>	<p>Variable</p>	<p><5 years ongoing</p>	<p>Research undertaken</p>

100. Current LSI indicators of wellbeing in the social connection domain include the:
- percentage of adults who experienced discrimination in the past 12 months in Aotearoa New Zealand;
 - percentage of adults who felt lonely at least some of the time in the last four weeks;
 - percentage of Māori adults who feel strongly connected with their ancestral marae; and
 - percentage of adults who had face-to-face contact with friends who do not live with them at least once a week.
101. At the table below presents, in regard to discrimination, loneliness and social network support indicators, the Gisborne region appears to be amongst the poorest performing regions in the country.

Table 14: Social connections data

	Discrimination, %	Loneliness, %	Social network support, %
Auckland	16.6	15.3	71.8
Wellington	16.3	17	71
Northland	20.9	18.4	64.1
Rest of North Island	18.1	18.8	71.4
Canterbury	17.9	15.4	77.3
Bay of South Island	13.9	15.1	77.6
Maniototo	24.4	19	71.2
New Zealand	17.4	16.6	73.1

102. In regards to Māori connection to marae, the Gisborne / Hawke's Bay region scores 64.2%, marginally below the Aotearoa New Zealand average of 67.1%. The highest ranking region is Northland at 76.5%.

(Source: 2018 Census)

17. The above analysis is based on the 2018 Census data. The above analysis is based on the 2018 Census data. The above analysis is based on the 2018 Census data.

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Table 15: Potential wellbeing impacts, Social Connections domain

Impact description	Who could be affected?	Magnitude of potential impact	How big?	Realised in	Evidence base
Increased social interaction; contact with neighbours	Members of East Coast communities, including: - local individuals and whānau - trade/business operators and employees - those who use the bus in the trailer and truck - isolated communities such as Taikā and Wharāwhā	1 point change in feeling connected with neighbours (0-4 scale); 1 point change valued in CBA at \$6,324 p.a.	\$104,000 per person PV	>5 years ongoing	Wellbeing Valuation of Social Housing Evidence quality: low
Increased wellbeing of whānau		1 point change in feeling loved (0-4 scale); 1 point change valued in CBA at \$17,236 p.a.	\$215,000 per person PV	>5 years ongoing	Wellbeing Valuation of Social Housing Evidence quality: low
Increased outside connections for East Coast community members		Depending on whānau members and demographics, potential to create wellbeing benefits for whānau and kōwhiri	Unknown	>5 years ongoing	
Increased family connections through shared recreation	Local whānau, with particular potential for wellbeing impacts on children	Cannot currently be reliably quantified, however potential for significant impact at the individual level	Potential to be high	>5 years ongoing	Lee et al (2011) found increasing as a family, in family connection and cohesiveness

103. The table below presents a number of other potential wellbeing impacts of Toi Aua Trips in the different wellbeing domains.

Table 16: Other potential wellbeing impacts

Impact description	Who could be affected?	Magnitude of potential impact	How big?	Realised in	Evidence base
Net benefits (economic profit) for local people/businesses	Local business owners and employees East Coast communities	Will depend on the nature of the business and the number of employees and increased wellbeing	In aggregate, potential net benefits from domestic tourism are likely to be positive. Potential net benefits from international tourists of around \$10m PV	<5 years and ongoing	Analysis in Section 4.2.2, 4.2.3
Increased local employment / income	Local whānau who have become employed or whose income has risen as a result of: - retail businesses - railway construction and maintenance - other tertiary sector industry	At the individual level, average wage gain on the average wage gain on the unemployment benefit.	Increased secondary benefits to new workers employed, 25% are previously unemployed, stabilising around \$9m PV	<5 years and ongoing	Analysis in Section 4.2.4
Good quality jobs contributing to purpose, meaning and autonomy		Cannot currently be reliably quantified, however potential for significant impact at the individual level	Variable	>5 years and ongoing	
Improved role-modelling for non-generation	Children and wider whānau of those who enter employment, economic growth	Potentially high given the long-term value of the impact (social flow through generations to come)	Unknown	>5 years and ongoing	



Overall costs and benefits

Table 17: Summary of the costs estimates of Te Ara Tipuna trackway, \$m

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Subsequent years
Administration cost	1.2	0.93	0	0	0	0	0	0	0
Infrastructure cost	0	38.37	34.99	35.03	40.88	0	0	0	0
Maintenance cost	0	0	0.67	0.91	1.22	1.86	1.86	1.86	1.86
Overweight costs of travel	0.24	7.86	7.13	7.18	8.43	0.37	0.37	0.37	0.37
Total cost	1.44	47.16	42.80	45.10	50.53	2.23	2.23	2.23	2.23
Present value	186.55								

104. Te Ara Tipuna will require a substantial upfront investment by the government, and has the potential to create fiscal savings to the Government over time. Fiscal savings could arise from a number of sources including:

- a. a reduction in unemployment benefit expenditure, to the extent that people transition from the unemployment benefit to paid jobs; and
- b. a reduction in future healthcare expenditure, to the extent that increased physical exercise improves physical health in the region and reduces the risk of disease.

105. If for example, the number of people who transition from the unemployment benefit to paid jobs is in line with TD3's analysis detailed in Appendix 7, the government would incur fiscal savings of around \$550,000 p.a., with a present value of \$5 million.

106. In regards to healthcare expenditure, if for example it is assumed that increased physical exercise in the region will reduce the propensity to develop cardiovascular disease by 5% from 2023 onwards, there would be healthcare savings of around \$600,000 per annum.¹⁸ Assuming a lag-time of 10 years for this impact, this impact would have a present value of \$4 million.¹⁹

107. Over time, a reduction in welfare dependency could lead to fiscal savings in other areas including reduced crime-related costs and reduced social housing expenditure.

108. Given the limited information on the scale and timing of these effects and the linkages between reduced welfare dependency and savings in other areas of government expenditure it is not possible to quantify these fiscal savings. However they could be substantial over time.

¹⁸ Based on the value of the marginal health care savings from reduced cardiovascular disease is \$2.29.
¹⁹ The same calculation could be made for other diseases, which would increase the potential fiscal savings to around \$500,000 and an NPV of \$3 million. Consideration would generally have to be given to correlation.

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Table 17: Summary of the potential benefits of Te Ara Tipuna trackway, \$m

Monetary (Jobs and earnings)	<ul style="list-style-type: none"> Local business net benefits (conservative estimate) – around \$17m PV Local business net benefits (non-conservative estimate) – around \$10m PV Monetary benefit to new workers (total infrastructure and maintenance) – around \$4m PV Monetary benefit to new workers (outside business) – around \$8m PV
Other wellbeing	<ul style="list-style-type: none"> Increased physical health from increased activity Monetary benefit to new workers (total infrastructure and maintenance) Health benefits from potential substitution of substance use to physical activity Increased social interaction / contact with neighbours Increased participation in cultural activities and sharing of cultural knowledge Increased connection with homeland / whānau Preservation of heritage assets Being able to express cultural identity Increased social interaction / contact with neighbours Decreased feelings of isolation Increased social connections for East Coast community members Increased family connectiveness through internet recreation Increased value of culture-related skills and knowledge Upskilling of individuals in the region Increased awareness of the value of cultural-related skills and knowledge Increased access to recreation in natural surroundings Increased rates tree planting Increased awareness of the region Increased safety or public needs Improvement in housing outcomes from improvement in economic wellbeing Decrease in work and decrease in leisure time
Fiscal	<ul style="list-style-type: none"> Fiscal savings (unemployment benefit) Fiscal savings (health-care) Fiscal savings (crime-related)

ORGANISATION



109. The success of Te Awa Tipuna depends on a well-resourced, professional skills-based entity with strong connections to Ngāi Tahu and Te Whānau-ā-Apanui and an understanding of Te Taiāwhā and the opportunities that are available.

Te Awa Tipuna Entity

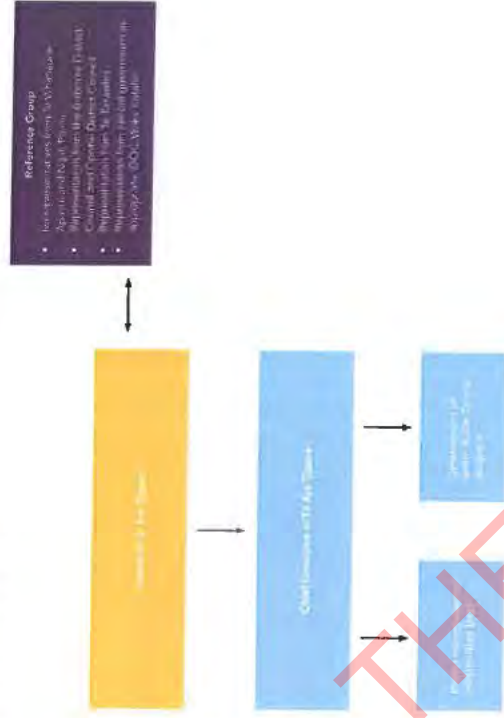
110. It is important that the entity is formed with established partnerships with Gladstone District Council and Otago District Council as they are critical to Te Awa Tipuna's development and operation.

111. The governance of Te Awa Tipuna will be driven by Ngāi Tahu and Te Whānau-ā-Apanui.

112. A skills based board would include

- a. Cultural wealth and cultural infrastructure, knowledge and experience;
- b. Consultation and communication skills and experience with local communities;
- c. Legal / land management experience and skills;
- d. Community development and capacity development experience;
- e. Business development experience and skills; and
- f. Tourism experience and knowledge.

Figure 3: Possible Governance Arrangements



RISKS & MITIGATION

Landowner negotiation

113. The distance and diversity of landscape that makes Te Awa Tipuna attractive also presents a challenge. To reach around the coast, the area must traverse across a variety of titles and landowners. Most land along the East Coast is privately-owned. In Te Tairāwhiti, 28% is Whenua Māori. This could present distinct obstacles in regard to consolidating land for the area.

114. As currently mapped, approximately 120 km of the area will need to go across privately held land. This includes individual freehold title and Whenua Māori. Negotiation will be required to obtain consent. However this represents only 10% of the total area. The mapping of the area has focused on utilising already existing infrastructure and following existing roads, power roads, existing tracks and across beaches.

115. From the outset Te Awa Tipuna recognises that its success relies upon collective community involvement. In the next stages of this project an extensive consultation programme with landowners and tangata whenua will be undertaken. Landowners will be incentivised to participate in the project not just because of the cumulative benefit to their local community but also due to the enhancement of their land. Their holdings will be rejuvenated by fencing, native planting and in some instances increased access through the building of bridges. The costing for this project includes funding for negotiation with landowners.

Resource consent

116. Te Awa Tipuna is a complex resource consenting project as it covers earthworks, bridges, toilets and shelters. In many places, there are no existing consents to carry out the proposed work. It also covers three jurisdictions – Gilborne District Council, Opotiki District Council and Bay of Plenty Regional Council. Each of these has different resource consenting requirements such as the underlying zoning of the particular parcel of land and overlays such as Significant Natural Areas, Outstanding Landscape Areas and Natural Hazard Areas.

117. Expert strategic advice would be engaged for this project. The cost for doing so is included in the draft estimation of costs for this project.

118. Te Awa Tipuna meets the criteria for inclusion as a Covid-19 Recovery Infrastructure Consenting Act 2020 infrastructure project. It will bring economic benefit to people and businesses affected by Covid-19, will have long term impact on the social and cultural wellbeing of the current and future generations, and will result in employment generation, improving environmental outcomes, protection of historic heritage and strengthening of environmental, economic and social resilience.

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119. Te Ara Tūroa seeks to track across land that is in many places unexplored. Whilst the design has been built to follow the natural contours of the land as much as possible, there may be unknown engineering risks.

120. The development of the area has been undertaken by a local engineering firm, CPS, who have undertaken a number of infrastructure projects in the area and in consultation with Kura Contracting. Based in Tokanga Bay they are Te Tairāwhiti's leading forestry, civil road construction and maintenance firm.

121. Due to persistent underinvestment by government, there is a significant infrastructure gap in Te Tairāwhiti. The current pace seen of S183 reflects in real time the long term and continuing low investment in its construction and maintenance. It is subject to its own separate consolidations. Visitors will only be attracted to the area if they can easily see and access key infrastructure such as a safe access road, well-maintained tracks, accommodation, toilets, and food and beverage distribution. The area will include the building of some of these ancillary services. The route also goes as close to existing township as far as possible so that services for tourists are co-located with services for local residents.

122. Te Ara Tūroa does not rely on a minimum number of visitors for continued operation but the ancillary services will require a minimum level of interaction. There is inadequate data to determine actually how many visitors travel around the East Coast, particularly outside of Opotiki and Gisborne. But for people to be willing to invest in building businesses around the area they will need to see consistent and sustainable numbers.

123. While it is expected that Te Ara Tūroa visitors will follow the seasonal tourist patterns of the region, attracting visitors to this area will minimise the increasingly unsustainable pressure put on other tourist areas.

124. Te Tairāwhiti see Te Ara Tūroa as providing the infrastructure needed to create the sustainable and consistent visitor numbers that fledgling tourism initiatives around the coast need.

NEXT STEPS

125. We note that:
- The success of Te Ara Tipuna relies upon strong and upfront buy-in from Ngāi Tahu and Te Whānau-Apāwhiri.
 - Māta whānau trust in government will rely upon upfront commitment.
 - The economic situation of the East Coast requires that commitment is made without delay.
 - The area will realise economic benefits as soon as the infrastructure is formed, and
 - Commitment to Te Ara Tipuna is required to fully realise the benefits of current government investment in the region.
126. We recommend that:
- A financial commitment in Budget 2022 is made for the whole of the infrastructure required for Te Ara Tipuna;
 - There is extensive engagement with communities in the next six months to secure grassroots involvement and consensus;
 - Construction planning is undertaken to determine the best staged construction to maximise the delivery of early benefit to the community;
 - Te Ara Tipuna is considered under the COVID-19 Recovery (Fast-track Consenting) Act 2020 as it meets the criteria for inclusion including:
 - economic benefits and costs for people or industries affected by COVID-19;
 - the effect on social and cultural wellbeing of current and future generations;
 - the project would likely progress faster by using the fast-track consenting process;
 - the project will result in a public benefit, e.g. employment generation, increased housing supply, infrastructure that improves economic, employment, and environmental outcomes, and increases productivity, improving environmental outcomes, minimising waste, contributing to the efforts to mitigate climate change, protection of historic heritage, and strengthening environmental, economic, and social resilience; and
 - Detailed mapping is undertaken to ensure that the maximum Te Ara Tipuna undertakes detailed mapping work to ensure that the maximum return on government investment in the area is realised from this work; and
 - Governance and executive capacity is established to implement this work, including constant application and undertaking an intensive consultation programme.
127. To ensure that Te Ara Tipuna maximises the return on existing government investment, a more extensive review of all government investment in the area will be undertaken. This work will inform how Te Ara Tipuna builds on the objectives set out in pages 12-13.
128. To ensure that local employment is maximised, workforce capability for the East Coast will be mapped. Any limitations will be identified to allow for education and training opportunities to be identified.

CONSULTATION MAPPING





Everyday negotiations - busy day



129. Consultation for Te Awa Tipuna will be multi-layered with an expected timeline of 3-9 months. The reciprocal approach will be from Te Awa Tipuna to Otago. The goal of this consultation is to engage and will address safety, and to achieve definite commitment, participation, protection, and buy-in to the Awa Tipuna.

130. A reference group will be established, made up of select representatives from Iwi, government, and other relevant stakeholders. This group will be a core part of Te Awa Tipuna entity.

131. Stage 1/Maunga 1 includes the two Iwi meetings, and work will be done prior to consultation to establish partnerships between Iwi and Te Awa Tipuna entity. This maunga is the foundation (foundation) to begin consultation with Iwi groups.

132. Stage 2/Maunga 2 includes the priority engagement groups and where initial consultation will begin. It is at the forefront as it is crucial to the success of this project; sending signals who we want to hear and have as advocates and leaders of Te Awa Tipuna. Critical to this consultation stage is identifying and securing key influencers, so that a sense of ownership and protection is fostered at the beginning of the process and carried on throughout.

133. Stage 3/Maunga 3 includes government agencies, private sector, regional working groups and agencies, community groups and citizens. Consultation and engagement will occur concurrently with Maunga 2.

134. A communication and engagement plan and strategy will be developed and delivered. This plan will detail where and when consultation will take place. A platform will be developed which will be used to communicate information and receive feedback. This is how we will know positive consultation has been achieved, as well as mitigate any potential risks. It will also be used to compile data for reporting purposes.

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APPENDIX ONE

APPENDIX ONE		Table 1: Provincial Growth Fund Investment in marae	
Name of Marae	Whangarei marae	Subsidies for investment & expenditure from the PGF	Funding provided by PGF for digital collection
Whangara	Whangarei marae		Connected
Hauti	Ms Wai Ra e Taurima – Ngati Porou Cluster 6 project		To be connected
To Foho o Te Rawheero	Ms Wai Ra e Taurima – Ngati Porou Cluster 6 project		
Puketawhi	Ms Wai Ra e Taurima – Ngati Porou Cluster 6 project		
Hinenuauea ki Mangatuna	Ms Wai Ra e Taurima – Ngati Porou Cluster 7 project		Connected
Ohuri			
Hirerimatahi (Araimā)	Ms Wai Ra e Taurima – Ngati Porou Cluster 7 project		To be connected
Tuaiti	Ms Wai Ra e Taurima – Ngati Porou Cluster 7 project		Connected
Pakiahihi	Ms Wai Ra e Taurima – Ngati Porou Cluster 5 project		To be connected
Waihoropuna	Ms Wai Ra e Taurima – Ngati Porou Cluster 5 project		Connected
Itakura	Ms Wai Ra e Taurima – Ngati Porou Cluster 5 project		Connected
Taharora	Ms Wai Ra e Taurima – Ngati Porou Cluster 5 project		Connected
Kiahi			Connected
Wharepunga	Ms Wai Ra e Taurima – Ngati Porou Cluster 4 project		Connected
Rongohare	Ms Wai Ra e Taurima – Ngati Porou Cluster 4 project		Connected
Rongohiahi (Penu)	Ms Wai Ra e Taurima – Ngati Porou Cluster 4 project		Connected
Hiruhirama	Hiruhirama marae		Connected
To Aoyete (Whakapuarangi Pa)	Ms Wai Ra e Taurima – Ngati Porou Cluster 4 project		Connected
Karaka (Ngati Porou)	Ms Wai Ra e Taurima – Ngati Porou Cluster 4 project		Connected
Rauu (Taurima o Iahia)	Ms Wai Ra e Taurima – Ngati Porou Cluster 3 project		Connected

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To Huiapan (Mangarua)

Uepohatu	Ma Wai Ra e Taurima – Ngati Porou Cluster 3 project	To be connected
Mangakarewa	Uepohatu Marama – Whakanaa Park Board	Connected
Ruatapuare	Ma Wai Ra e Taurima – Ngati Porou Cluster 3 project	Connected
Umuhādi	Ma Wai Ra e Taurima – Ngati Porou Cluster 7 project	To be connected
Ropoua	Ma Wai Ra e Taurima – Ngati Porou Cluster 3 project	Connected
Tineioia	Ma Wai Ra e Taurima – Ngati Porou Cluster 7 project	Connected
Ta Hono	Ma Wai Ra e Taurima – Ngati Porou Cluster 3 project	Connected
Kawaka	Ma Wai Ra e Taurima – Ngati Porou Cluster 2 project	Connected
Tiapa	Tiapa marae	Connected
Rahui	Ma Wai Ra e Taurima Rahui	Connected
Puranga		Connected
Karuwai	Ma Wai Ra e Taurima – Ngati Porou Cluster 2 project	Connected
Hinepara	Ma Wai Ra e Taurima Hinepara	Connected
Ohinewaiapu	Ma Wai Ra e Taurima Ohinewaiapu	Connected
Ie Kahika	Ma Wai Ra e Taurima – Ngati Porou Cluster 1 project	Connected
Awatere	Awatere marae	Connected
Matahi o Ie Rau	Ma Wai Ra e Taurima – Ngati Porou Cluster 1 project	Connected
Hineupe	Ma Wai Ra e Taurima – Ngati Porou Cluster 1 project	Connected
Tinui (Perevā)	Ma Wai Ra e Taurima – Ngati Porou Cluster 7 project	To be connected
Hineaurua ki Wharehaka		Connected

APPENDIX TWO

Wellbeing Cost-Benefit Analysis of Te Ara Tipuna

A report prepared for
Te Ara Tipuna Project

June, 2021

www.tdb.co.nz

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Disclaimer:

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1 Introduction

1.1 The context for this study

TDB Advisory has been asked by Te Ara Tipuna Project to provide a wellbeing evaluation of the proposed trailway around the East Coast, through the rohe of Ngāti Porou and Te Whanau-a-Apanui. This report analyses the wellbeing costs of the proposed project in relation to the potential wellbeing benefits. The costs and benefits have been analysed using the New Zealand Treasury's Living Standards Framework (LSF) and CBAX tool.

Some caveats should be noted upfront on the application of the LSF wellbeing framework to this project. This report analyses Te Ara Tipuna as a trailway for recreational and other users. Te Ara Tipuna Project advises that Ngāti Porou and Te Whanau-a-Apanui – the mana whenua of these rohe – consider this infrastructure in a wider sense as a fundamental re-investment in their cultural regeneration, revitalisation, and reconnection as modern tribal communities.

Though the LSF and CBAX in their current form incorporate culture-related outcomes to an extent, Te Ara Tipuna Project notes that the fundamental cultural wealth reconstruction outcomes of the Te Ara Tipuna are not yet fully captured by economic modelling tools.¹ The limitations of these tools in their application to a fundamentally cultural project such as Te Ara Tipuna should therefore be kept in mind throughout. While the report analyses Te Ara Tipuna as a multi-use trailway, Te Ara Tipuna Project advises that Ngāti Porou and Te Whanau-a-Apanui consider the project in a wider sense as Te Ara Tipuna – the ways of our ancestors.

¹ Treasury (2019) 'An Indigenous Approach to the Living Standards Framework' also discusses the limitations of the current tools when considered from a te ao Māori perspective, and in light of Te Tiriti o Waitangi.

1.2 Background

New Zealand hosts a number of trailways for cycling, walking and other recreational activities, from the Twin Coast Cycle Trail in Northland to the Rakiura Track on Stewart Island.

Cycleways in particular have been popular, with an estimated around 2 million visits to New Zealand's 22 'Great Ride' trails in 2019.² These trails were conceived as part of the recovery from the 2008 GFC, through Nga Haerenga, the New Zealand Cycle Trails project. The goal of this initiative was that the predominantly off-road trails would showcase the environment, landscape, heritage and culture of New Zealand, while generating economic, social and environmental benefits for communities.

The cycle trails have by and large been successful. MBIE (2016) found the trails make a material economic contribution to revitalising small communities, historic hubs and businesses, alongside a social contribution relating to community cohesion, road safety and cost savings from health benefits from physical activity. The trails host on average 83% tourists (both domestic and international) and 17% local commuters.

Figure 1 on the following page presents a map of the current major cycle trails in New Zealand. Walking trails also span the length of the country, though are not presented on this map.

² <https://www.beehive.govt.nz/release/pedal-power-proves-popular>

Figure 1: Existing cycleways in New Zealand



One area of the country currently without an off-road trail is the East Coast of the North Island (the coast line between Gisborne and Opoitiki). Te Ara Tipuna Project has identified the potential for such a trail to provide economic and social benefits to communities along this sparsely populated and economically deprived area of the country.

1.3 Te Ara Tipuna

The prospective project is entitled Te Ara Tipuna, a multi-use trailway which can be walked, cycled or horse-trekking. Depending on the terrain, portions of the trailway caters for all three users on a 4 metre wide track, while in other segments it splits into separate trailways. The trail also includes optional loops and detours, including a walking loop around Mount Hikurangi. In its entirety, the track spans 657km, beginning at Wainui-Okitu and finishing at Opoitiki (or vice versa).

A brief description of the prospective trailway by user-type is presented below.

1.3.1 Walking track

The proposed walking track passes through a range of terrain including beach, farmland, dense bush, ridgelines and river crossings. Given the limited accessibility of the terrain, the Mount Hikurangi loop track is solely for walking, including proposed hut accommodation near Aorangiwai River and Tapuaeroa River. A large portion of the walking days are intended to end in townships, with opportunities to camp or stay in ancillary accommodation. The total estimated walking time for the track (including the Hikurangi loop) is 23 days, with the ability for users to undertake the full pilgrimage or walk a portion of the trail and return by shuttle.

1.3.2 Cycle track

Similarly, the cycle track spans from Wainui-Okitu to Opoitiki, excluding the Mt Hikurangi loop. The cycle track follows much of the same route as the walking track, though the tracks separate in areas of beach and steep terrain. The cycle track includes sections of differing difficulty, and has been designed to cater for cyclists of different capabilities and e-bikers. The estimated biking time for the total track is 8 to 10 days, with options to undertake one or several segments only.

1.3.3 Horse-trekking track

The horse-trekking capacity of Te Ara Tipuna is a particular feature of this trail, with few existing comparators in New Zealand. A large portion of the proposed horse-trek trail is beachfront. Where the terrain is wide enough, horse trekkers share the trail with walkers, including sections with up to 25% incline (allowing access to elevated scenic lookouts). Experienced horse-riders may choose to trek the entire trail (estimated to take around 8 days), while others may undertake day or overnight trips on specific portions of the trail.

The Te Ara Tipuna project aims to provide sustainable benefits to the East Coast Region, spurring economic development in its construction phase and creating opportunities for long-term growth in economic, social, human and financial capital in the region. As with other trailways in the country, increased visitors to the area could create growth in sectors such as:

- accommodation;
- food and beverage;
- arts and crafts;
- historical locations;
- tours and cultural experiences; and
- hire, transport and auxiliary services.

Given the strong heritage in the region, increased Maori business in culture-related experiences such as overnight stays in marae; sharing of local history and legends; Ngati Porou carving workshops and other traditional crafts and experiences are particular goals of Te Ara Tipuna.

Alongside improving local wellbeing through economic growth, a key goal of Te Ara Tipuna is recreational use by local community members and whanau. By providing new outdoor exercise and recreational chances, the trailway seeks to improve community wellbeing across a range of domains including health, social interactions, jobs and income, and environment.

This report provides a wellbeing cost-benefit analysis of Te Ara Tipuna. The framework for the analysis is presented in the following section.

2 Framework for analysis

This report analyses the Te Ara Tipuna project using a wellbeing approach to cost-benefit analysis based on the Treasury's Living Standards Framework (LSF) and CBAX tool. A description of Treasury's LSF is provided in Appendix 1. Trust Tairāwhiti (the economic development agency in the Tairāwhiti region), has also developed its own regional wellbeing framework. A summary of Trust Tairāwhiti's framework is provided in Appendix 2.

Our analysis is presented in the following sequence:

- Section 3 assesses the estimated costs of Te Ara Tipuna;
- Section 4 assesses the potential benefits; categorised as:
 - monetary benefits;
 - other wellbeing benefits;
 - fiscal benefits;
- Section 5 presents the overall costs and benefits;
- Section 6 provides sensitivity analysis; and
- Section 7 follows with conclusions.

The analysis is assessed against a counterfactual in which the Te Ara Tipuna investment is not undertaken. The assumption is made that no similar investment is made into the region. It is outside the scope of this report to consider ways other than Te Ara Tipuna for improving wellbeing outcomes on the East Coast.

Cost data for Te Ara Tipuna has been provided by Civil Projects Solutions Ltd (CPS). CPS was engaged to provide a first mapping of the proposed trailway, alongside high-level cost and labour requirement estimates for the project. Costs of the project fall under four categories:

- infrastructure costs (capital expenditure);
- operating and maintenance costs (operating expenditure);
- administration costs; and
- deadweight cost of taxation.

All costs data has been provided in 2021 dollars (2021 NZD). As is standard in cost-benefit analysis, we present the yearly costs alongside the total present value (PV), applying the Treasury's current discount rate of 5% over a 25-year evaluation period. Periods are in financial years from July 1 to June 31.

In order to assess potential benefits in a logical and clear manner, these are analysed in three subsections:

1. **Monetary benefits** - monetary benefits to private individuals and local businesses, such as increased earnings for local workers and increased economic profits in the tourism and service industry.
2. **Other wellbeing benefits**: non-monetary benefits to individuals and communities across different wellbeing domains such as health; cultural identity and social connections.
3. **Fiscal benefits**: direct monetary benefits to the taxpayer, such as reduced jobseeker benefit payments and reduced future healthcare costs. Because fiscal benefits accrue directly to the Government, these effectively offset some of the costs of investment.

Consistent with cost-benefit analysis, quantified benefits are presented in 2021 NZD, including PV totals with a discount rate of 5% over a 25-year evaluation period, with each period representing the financial year from July 1.

Other wellbeing benefits, where possible have been quantified using inputs from the CBAX impacts database. As is standard in cost-benefit analysis and encouraged by Treasury, we have not attempted to quantify impacts in monetary terms where there is an insufficient ability to do so. Rather, in many cases we qualitatively analyse the potential for wellbeing improvements in specific domains in comparison to the counterfactual (the status quo).

Given a large portion of benefits are not considered quantifiable, potential benefits are not presented in aggregate dollar terms. Further, given the interconnected nature and flow-on effects between the 12 wellbeing domains, attempting to aggregate impacts across domains creates significant risk of double-counting.

3 Costs of Te Ara Tipuna

The 657km trailway can be broken into six stages:

- Stage 1: Wainui to Cooks Cove
- Stage 2: Cooks Cove to Waipiro
- Stage 3: Mount Hikurangi loop
- Stage 4: Waipiro to East Cape
- Stage 5: East Cape to Te Kaha
- Stage 6: Te Kaha to Opotiki

Aside from the Mount Hikurangi loop, each stage includes track that can be walked, biked or horse trekked (i.e. the whole East Coast can be travelled by all three user groups).

3.1 Infrastructure costs

The type of trailway and the associated construction costs will vary depending on the terrain crossed and the users that are catered for. Table 1 below provides a breakdown of the different track types incorporated into the cost estimates. All costs are presented in 2021 NZD. Construction and maintenance cost estimates have been provided by project management specialists, Civil Projects Solutions Ltd.

Table 1: Trailway costing by track type

Track type	Cost, \$ per metre
Beach track	25 – 50
Farmland track	50
Track adjacent to road	100
General bush track	150
Bronze tier walkway	125
Silver tier walkway	175
Gold tier walkway	225
Rock protected track	430
Multi-use track through dense bush	225
Bridge across water	Variable by distance / width

Note: Gold, silver and bronze tier refer to the required build quality / walkway materials, with gold tier referring to a high-quality wooden walkway, while bronze may be made of wood or other.

Costs arising outside of the track itself are presented in Table 2 below.

Table 2: Other costs

Item	Cost, \$	Frequency
Way-finding points	25 per unit	Every 100m
Signage	100 per unit	Every 1km
Toilet (unit, outhouse, install)	7,600 per unit	per 3 hours of unsheltered walking
Shelter	30,000 per unit	per 3 hours of unsheltered walking
Hut accommodation	2 to 3 million per unit	4 in total
Land disposal	150 per tonne	-
Landscaping	50 per m	-
Restoration	60 per m	-
Surveying	14,600 per km	-
Overheads	5% of sub-route construction costs	-
Miscellaneous expenses	5% of sub-route construction costs	-
Project management	2.5% of total costs	-

Other construction costs that are budgeted for at fixed rates include: geotechnical input (\$1m); landowner negotiation (\$200k); fencing / gates (\$3m); green waste disposal (\$2m); additional signage (\$500k); and resource consents (\$1.1m).

Table 3 below presents the infrastructure costs for Te Ara Tipuna, broken down by stage and cost type. The first column 'Construction' includes each of the per metre costs presented on the previous page. The resulting construction costs by stage therefore relate to the railway terrain and the total length of each segment.

Table 3: Infrastructure costs by stage, \$m

Stage	Construction	Huts	Bridges	Additional signage	Green waste disposal	Fencing and gates	Geotech	Total
1: Wainui to Cook's Cove (97km)	14	-	0.3	0.1	0.2	0.3	0.1	15
2: Cook's Cove to Waipiro (118km)	31	-	0.1	0.1	0.4	0.7	0.2	32
3: Mount Hikurangi loop (140km)	22	7.0	1.0	0.1	0.4	0.6	0.2	32
4: Waipiro to East Cape (83km)	18	2.5	2.8	0.1	0.3	0.5	0.2	24
5: East Cape to Te Kaha (139km)	28	-	0.1	0.1	0.4	0.6	0.2	30
6: Te Kaha to Ōpōtiki (80km)	15	-	-	0.1	0.2	0.3	0.1	15
Te Ara Tipuna (657 km)	128	9.5	4.2	0.5	2.0	3.0	1.0	148

As the table above presents, the estimated total construction cost for Te Ara Tipuna is \$148m (2021 NZD). It is projected to cost:

- \$15m to construct Stage 1 (Wainui to Cook's Cove, 97km);
- \$32m for Stage 2 (Cook's Cove to Waipiro, 118km);
- \$32m for Stage 3 (Mount Hikurangi loop, spanning 140km and including three huts);
- \$24m for Stage 4 (Waipiro to East Cape, spanning 83km, including one hut and funding for a bridge approx. 1km across the Waiapu river);
- \$30m for Stage 5 (East Cape to Te Kaha, spanning 139km); and
- \$15m to build Stage 6 (Te Kaha to Opotiki, spanning 80km).

3.2 Maintenance costs

Once established, the railway will require annual maintenance to ensure it is fit-for-purpose. Maintenance costs include: trimming and maintaining vegetation; landscaping; fencing repairs; hut, toilet and shelter maintenance; and repair and recovery from natural hazards.

Maintenance costs have been assessed on a per km basis. Upon the track's completion, maintenance is estimated to cost \$2,835 per km, with a total cost of \$1.9m p.a. During the 4-year construction process, maintenance costs will be incurred for the stages of the track that have been completed, with a total over this period of to \$2.9m.

3.3 Administration costs

Administration costs relating to consultation, governance establishment, resource preparation and consenting will be incurred in years one and two (FY2022 and FY2023). Administration costs over the two years total to \$2.1m.

4 Benefits of Te Ara Tipuna

4.2 Monetary benefits

4.1 Introduction

Te Ara Tipuna seeks to generate benefits accruing during its construction phase; in the medium-run for the current generation; and in the long-run for future generations.

This analysis categorises potential benefits of Te Ara Tipuna within the following three categories:

1. Monetary benefits:

- a) profits to local businesses (domestic tourist spend);
- b) profits to local businesses (international tourist spend); and
- c) increase in local employment / income.

2. Other wellbeing benefits in:

- a) health;
- b) cultural identity;
- c) social connections; and
- d) other domains.

3. Fiscal benefits:

- a) benefit cost savings;
- b) health cost savings; and
- c) crime cost savings.

Our analysis in each category is presented in turn.

4.2.1 Introduction

For the most part, the East Coast is currently only accessible via State Highway 35. The area attracts tourists looking to travel 'off the beaten track', such as surfers and campervanners. Accommodation and food is available in most towns on the coast (in particular Te Araroa and Tokomaru Bay), and current tourism-related businesses include jetboating and kayaking on the Motu river; fishing charters, marae tours; and the Maunga Hikurangi sunrise experience. Nevertheless, the tourism industry on the East Coast is small, with significant potential for growth.

Te Ara Tipuna seeks to bring walkers, cyclists and horse-trekkers to the East Coast, which will result in growth in local businesses. MBIE (2016) found the Great Ride cycleways have generated high business growth in local areas, particularly in: cycle shops; cafes along the trail; accommodation; guided tours; bike hire and shuttle providers; cultural experiences; and historical tours. While the nature of businesses varies per region, on average, trailside businesses were found to be made up of those presented in the table below.

Table 5: Share of trail businesses, %

Accommodation	36	Cycle hire	4.2
Visitor activities / attractions	11	Cycle transport / shuttle services	3.5
Retail (including services)	8.4	Site / visitor information services	3.5
Café / restaurant / bar	8.4	Vineyard	2.8
General tours	4.9	Specialised cycle tours	2.1
Other transport services	4.9	Other	10.5

Source: MBIE (2016).

Given the culture, traditions and history on the East Coast, alongside common trailside businesses, particular business opportunities also exist relating to sharing cultural traditions of iwi, local experiences and local history. Local experiences, including fishing, hunting, Ngati Porou carving and marae stays could see particular growth. Further, alongside businesses servicing cyclists, those servicing horse-trekkers will also be in demand. Given the length of the track, there may also be demand for ancillary businesses such as laundromats.

Growth in local business is likely to impact on a number of wellbeing domains. While impacts on other wellbeing domains are analysed in Section 4.3, in this section we examine the impacts in the jobs and earnings domain, stemming from:

- a) expenditure by domestic tourists;
- b) expenditure by international tourists; and
- c) increased local employment / income.

In national cost-benefit analysis there is an important distinction between spending by domestic tourists and international tourists. International tourist dollars are wholly beneficial to New Zealand, as they are drawn from incomes external to the domestic economy. In comparison, domestic spending involves a level of 'economic displacement' (i.e. if it wasn't spent on the East Coast it would have been spent elsewhere).⁴ Victorio (2015) found that before Covid-19, on average 86.5% of visitors to Great Ride cycle trails were domestic tourists and 13.5% were international.

The potential profits to trailside businesses will depend on the number of visitors to the trailway. Latest estimates by Kennett (2020) found the 22 Great Ride trails received approximately 2 million visitors in 2019 (up from 1.3 million in 2015). Roughly half of these visits were by cyclists and half were walkers. Hawke's Bay trails had the highest number of visits (407,000) and the St James trail the lowest (1,822), while the average across the 22 trails was 90,000. Visits to the trail that is potentially closest in nature to Te Ara Tipuna, Motu trails in the Bay of Plenty, totalled 17,300 in 2019. Excluding commuter visits (700), approximately 16,600 tourists in total visited Motu trails that year.

On average, MBIE finds that domestic tourists spend \$173 per visitor per day (pvpd) and international tourists spend \$207 pvpd. Average spend on Motu Trails was lower than the nationwide average at \$136 pvpd for domestic tourists and \$166 pvpd for international tourists.

⁴ That being said, if the policy goal is about the distribution of economic outcomes, economic arguments relating to displacement may not be central to decision-making.

⁵ Given the regional similarities, Motu trails is considered an appropriate comparator for calculations. It could be the case however that the existence of Te Ara Tipuna results in the two trailways together sharing visitors to the region, making this number somewhat overstated. It could also be the case that given Te Ara Tipuna would be the only public track to offer horse-

If the average tourist spends 5 days on Te Ara Tipuna, and visitor numbers and spending are in line with Motu trails,⁵ this would equate to a total of \$11.7m per annum of spending on the trailway. From a business owner perspective, this could be considered an estimate of potential revenue in aggregate across all trailside businesses.

Revenue does not equal economic benefit however, as businesses have to cover costs of production (such as wages, materials and overheads, and the cost of capital). Economic benefit is therefore represented by revenue net of costs. This is also known as producer surplus.

4.2.2 Profits from domestic tourists

As has been mentioned, dollars from domestic tourists and dollars from international tourists must be treated separately, as domestic tourist expenditure includes a degree of economic displacement. In our analysis below, we have applied the same displacement factor as Victorio (2016) of 67% to domestic spend.

To calculate the potential economic benefit from domestic tourists, we follow the same process as Victorio (2016) – estimating the potential profits to trailside businesses based on Stats NZ data on gross profit margins per business type. Weighting these profit margins to the potential share of each business type (as per Table 5 above) indicates an average gross profit margin of 45%. This gives an estimated:

- economic profit to local businesses from domestic spending of around \$4.4m p.a.; and
- national economic surplus (after accounting for 67% displacement) of around \$1.4m p.a.⁶

If upon completion Te Ara Tipuna receives the same level of visitors as Motu trails, the estimated economic benefit from domestic tourists to local businesses would therefore be around \$4.4m p.a., while the national economic surplus

trekking, this number could be understated by the number of additional horse-trekking visitors to the trail.

⁶ These estimates will be somewhat overstated as they do not deduct the cost of capital. This has not been attempted given the lack of data on the potential asset base. We note that Victorio (2016) also did not allow for the cost of capital.

would be around \$1.4m p.a. A calculation of the present value of this potential benefit is presented at the end of this section.

4.2.3 Profits from international tourists

The International Air Transport Association currently projects that by 2024, international air travel will return to 2019 levels.⁷ If after 2024, Te Ara Tipuna receives around 2,300 international visits per year (in line with Motu trail estimates), spending an average of \$166 per visit per day and staying for an average of 5 days, then international spend would total approximately \$2 million p.a.

Assuming the cost to businesses of servicing this revenue is approximately 55% (as per the gross profit margin calculation in previous section), then profits to local businesses from international tourists would total around \$900,000 p.a. The national benefits would be the same, as there is no displacement effect at the national level from international tourist spend.

4.2.4 Increased local employment / income

As a regional investment project, a key goal of Te Ara Tipuna is to increase local employment – both relating to construction and maintenance of the trail itself and local trailside businesses discussed in the previous section.

The current situation

Relative to the New Zealand average, communities on the East Coast have high levels of unemployment and some of the lowest median income levels in the country. As Table 6 highlights, the average unemployment rate for communities on the trail is 7% (compared to the NZ average of 4%), while median incomes are as low as \$18,500 on the East Cape (where unemployment is also over 10%).

Table 6: Employment data, 2018 census

Communities along the trail:	Total population	Māori population	Unemployment rate	Median income
		%	%	\$ p.a.
Wainui-Okitu	1,716	22	2.3	43,500
Wharekaka	1,851	64	5.8	26,900
Tokomaru	954	82	6.8	22,000
Ruatoria-Raukumara	1,233	94	8.7	19,400
East Cape	1,389	92	10.2	18,500
Cape Runaway	1,449	86	6.8	20,400
Otara-Tirohanga	1,176	51	2.3	43,500
Ōpōtiki	3,759	75	9.5	20,000
Weighted average	13,527	70	7.0	25,944
Gisborne region	47,517	55	5.2	25,900
New Zealand	4,699,755	17	4.0	31,800

Note: The Gisborne region (in the table above and those to follow) refers to the area covered by the Gisborne District Council.

It is noteworthy that the two areas along the trail with low unemployment and high median incomes (Wainui-Okitu and Otara Tirohanga) have a lower proportion of Māori. This could be considered an indicator of a poor distribution of wellbeing relating to jobs and earnings in the region.

According to the LSF dashboard, the youth NEET (not in employment, education or training) rate in the Gisborne / Hawke's Bay region in 2018 was 18% – the highest in New Zealand. The countrywide average is 11.9%, and lowest region is Otago (8%). Overall, there appears to be significant potential for improvement in wellbeing relating to jobs and earnings in the region.

In the absence of other initiatives, it is assumed that the counterfactual is the continuation of the status quo above.

⁷ <https://www.iata.org/en/iata-repository/pressroom/presentations/oulook/>

Potential monetary benefit through improved employment outcomes

Te Ara Tipuna infrastructure is projected to be completed in 5 years (of which the 1st year is planning / consultation phase with no construction). From year 6 onwards, only maintenance costs are incurred. Table 7 below presents estimates of the number of jobs (FTEs) involved in constructing and maintaining the railway on an annual basis.

Table 7: FTE estimates for railway infrastructure and maintenance

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Subsequent years
FTEs (skilled)	36	65	96	89	80	18	18	18
FTEs (unskilled)	0	35	55	65	59	36	16	16
Total	36	100	151	154	139	33	33	33

Source: Civil Projects Solutions Ltd.

As Table 7 indicates, from years 2 to 5 (the construction period), 35 to 65 unskilled FTEs p.a. are required, alongside 65 to 96 skilled workers. From year 6 onwards, track maintenance is estimated to require approximately 18 skilled FTEs and 16 unskilled FTEs p.a. A full breakdown of projected roles is presented in Appendix 3.

An emphasis for Te Ara Tipuna Project is social procurement – employing locals to the greatest extent possible. In particular, the project seeks to employ at least 25% of unskilled FTEs through the Ministry of Social Development from currently unemployed locals. As a result, this group would have an opportunity to re-enter the labour force, upskill, and potentially exit the unemployment cycle.⁸

While the project itself seeks to improve local employment outcomes, the jobs and earnings wellbeing impacts relating to trailside business growth after the railway has been built have the potential to be high. As noted in section 4.2.1 above, if the complete railway sees similar visitor numbers to Motu trails, total revenue to local businesses would be around \$11.7m. If it is assumed that labour costs average 30% of revenue, earnings to local employees would be approximately \$3.5m. Assuming employees on average earn the average

⁸ Taylor Fry (2017) found that the average benefit recipient spends around 8 years on the unemployment benefit.

⁹ CBAX database.

annual income (no qualification) of \$41,000 p.a. after tax⁹, that would equate to around 86 FTEs employed in local trailside businesses.¹⁰

The extent to which these earnings represent additional monetary benefits due to the railway depends on how many of these income-earners have transitioned off the unemployment benefit. If, as in the construction process above, 25% of these FTEs were previously unemployed, then around 21 of the FTEs in local trailside businesses would be ex-jobseeker support benefit recipients with each:

- earning \$22,800 more per year than on the unemployment benefit;
- saving the government \$18,600 per year on jobseeker support payments and the accommodation supplement; and
- contributing \$8,600 in tax each year.

The financial impacts on the Government noted above are not included in the PV calculations in this section, rather they are included in Section 4.4 on fiscal savings.

¹⁰ A lower income assumption would result in more employment at lower wages, while a higher income assumption would result in less employment at higher wages.

4.2.5 Total potential monetary benefits

The table below uses the inputs discussed throughout this section, assuming:

- a staged arrival of domestic and international visitors, with a corresponding staged employment growth in trailside business labour; and
- all new workers are paid at the average annual income for unqualified workers of \$41,000 p.a. (after tax).

Table 8: Total quantifiable monetary benefits, \$m

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Subsequent years
Stage:	0	1.2	3	3, 4, 5	6	Complete	Complete	Complete
Local business net benefits (domestic tourists)	-	-	0.4	0.7	1.1	1.4	1.4	1.4
Local business net benefits (international tourists)	-	-	0.2	0.3	0.7	0.9	0.9	0.9
Monetary gain for new workers (trail infrastructure and maintenance)	-	0.4	0.6	0.7	0.6	0.2	0.2	0.2
Monetary gain for new workers (railway businesses)	-	-	0.1	0.2	0.4	0.5	0.5	0.5
Total monetary benefits	-	0.4	1.2	2.0	2.8	3.0	3.0	3.0

Discounting the above estimates of monetary benefits of Te Ara Tipuna across a 25-year evaluation period gives a present value of the monetary benefits of \$37m.

Other potential monetary benefits that cannot be reliably approximated may include:





- income growth to providers of services to railway workers including local accommodation, hospitality and trade sectors; and
- income growth in already employed community members that may result from trail tourism.

There could be a case for assuming growth in track use over time and therefore growth in local business revenues, however we take a conservative approach in the above analysis and assume no growth in track usage.

Potential impacts of Te Ara Tipuna on jobs and income wellbeing domain

The monetary benefits quantified in this section of the report fall under the jobs and earnings wellbeing domain. These monetary impacts, as well as further potential impacts within the jobs and income domain are presented in the wellbeing table below.

Table 9: Potential wellbeing impacts, jobs and earnings

Impact description	Who could be affected?	Magnitude of potential impact	How big?	Realised in	Evidence base
 <p>Net benefits (economic profit) for local trailside businesses</p>	Local business owners and operators and their whānau in East Coast communities	Will depend on the nature of the business and the number of domestic and international visitors	In aggregate, potential net benefits from domestic tourists of around \$1.7m PV Potential net benefits from international tourists of around \$10m PV	<5 years and ongoing	Analysis in Section 4.2.2, 4.2.3
 <p>Increased local employment / income</p>	Local whānau who have become employed or whose income has risen as a result of the trailway in: - trailway construction and maintenance - trailside businesses - potentially other auxiliary industries	At the individual level, earnings of \$22,800 more on the average wage than on the unemployment benefit.	Potential monetary benefits to new workers (assuming 25% are previously unemployed) totalling around \$9m PV	<5 years and ongoing	Analysis in Section 4.2.4
 <p>Good-quality jobs contributing to sense of purpose, meaning, independence and status</p>		Cannot currently be reliably quantified, however potential for significant impact at the individual level	Variable	<5 years and ongoing	
 <p>Improved role-modelling for next generation</p>	Children and wider whānau of those who enter employment as a result of trail-related economic growth	Potentially high given the long-term nature of the impact (could flow through generations to come)	Unknown	<5 years and ongoing	

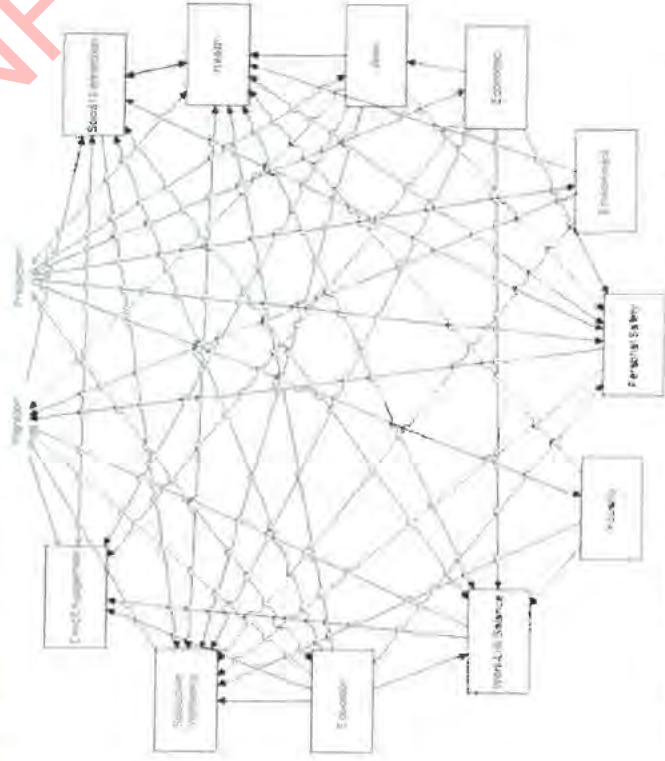
4.3 Other potential wellbeing benefits

4.3.1 Introduction

While the previous section captured potential wellbeing impacts in the jobs and earnings domain, this section analyses the potential benefits from Te Ara Tipuna arising in other domains such as health, cultural identity and social connections.

In many cases, the benefits in wellbeing domains are interconnected, or one domain will have flow on effects into another. In the first instance, if communities receive the jobs and earnings benefits captured in the previous section, living standards should increase, with positive impacts on wellbeing domains such as health, housing, subjective wellbeing and potentially education for children. Work-life balance may on the other hand decrease. The interconnectedness of the wellbeing domains is captured in the diagram below from NZ Treasury (2018).

Figure 2: Links between wellbeing domains



Source: Treasury (2018) 'Living Standards Analysis Model: The First Prototype'.

Given the interconnectedness and flow-on effects in wellbeing domains, their aggregation, particularly in wellbeing cost-benefit analysis gives rise to a high risk of double counting. Further, a number of wellbeing impacts are not best understood in monetary terms, or in some cases it is simply not possible (or not useful) to monetise wellbeing impacts.

In this section, we analyse the potential other wellbeing impacts that could arise from Te Ara Tipuna. In each key domain, we:

- First analyse the current situation in the region for that domain based on the LSF dashboard and other wellbeing data.
- Then analyse the potential wellbeing impacts of Te Ara Tipuna using the Treasury's wellbeing cost-benefit analysis grid.
 - Where possible, impacts have been quantified using CBAX impacts evidence. These quantifications have been kept at a per person level and have not been aggregated.
 - Where quantified examples have been presented, these have been provided in both annual and present value (PV) terms based on a 25-year evaluation period with a two-year lag (i.e. impact begins in 2024).

Finally, it should be noted benefits that have monetary impacts on the Government (e.g. healthcare savings or reduced crime costs) are not captured in this section, rather they are included in the following section 'Fiscal benefits'.

Potential impacts of Te Ara Tipuna on health wellbeing domain

One of the aims of Te Ara Tipuna is to provide infrastructure for locals in the region to exercise, socialise and enjoy the outdoors. At present, the only trails accessible by communities along the East Coast are two short, disconnected walking trails: Anaura Bay walkway and Cooks Cove walkway near Tolaga Bay. With no further trail infrastructure, few roads and private land blocking access, the vast majority of the East Coast is currently inaccessible for walking, cycling and horse trekking other than by SH35.

Uptake of recreational use on the trailway by locals has the potential to generate a number of health benefits, largely accruing to members of East Coast communities. These are presented in the table below. Given the evidence quality from the CBAX calculations is rated as low, a degree of caution is advised in interpretation of the monetised values in the analysis. The estimates in Table 11 below of the magnitude of the benefits are generic (taken from CBAX). Once information is available on the potential uptake of Te Ara Tipuna, the estimates below could be applied to quantify to some extent the health benefits of the trailway.

Table 11: Potential wellbeing impacts, Health domain

Impact description		Who could be affected?	Magnitude of potential impact	How big?	Realised in	Evidence base
+	Improved physical health from increased exercise	Local community trailway users from: <ul style="list-style-type: none"> - Wainui-Okitu (current population: 1,716) - Wharekaka (1,851) - Tokomaru (954) - Ruatoria-Raukumara (1,233) - East Cape (1,389) - Cape Runaway (1,449) - Otara-Tirohanga (1,176) - Opotiki (3,759) - those in the wider Gisborne and Bay of Plenty regions 	<p>Low users – 30 to 150 minutes of exercise per week</p> <p>Medium users – 150 to 300 minutes of exercise per week</p> <p>High users – 300 plus minutes of exercise per week</p>	<p>Low users – \$7,000 per person PV</p> <p>Medium users – \$16,000 per person PV</p> <p>High users – \$27,000 per person PV</p>	<5 years ongoing	<p>Sport NZ – wellbeing value methodology note</p> <p>Evidence quality: low</p>
+	Improved mental health from increased exercise	<ul style="list-style-type: none"> - Cape Runaway (1,449) - Otara-Tirohanga (1,176) - Opotiki (3,759) - those in the wider Gisborne and Bay of Plenty regions 	<p>Low-end impact users: 1 point change in mental health</p> <p>Medium-end impact users: 2 point change in mental health</p> <p>High-end impact users: 5 point change in mental health</p> <p>(0-100 scale, 1 point change valued in CBAX at \$4,852)</p>	<p>Low-end: \$56,000 per person PV</p> <p>Medium-end: \$112,000 per person PV</p> <p>High-end: \$168,000 per person PV</p>	<5 years ongoing	<p>Wellbeing Valuation of Social Housing Provision by Housing New Zealand</p> <p>Evidence quality: low</p>
+	Health benefits from potential substitution of substance use to physical activity	Current methamphetamine users on the East Coast	Amphetamine dependence has an estimated QALY loss of 0.353	\$11,400 p.a. for each individual who ceases amphetamine dependence, with a PV of \$139,000	<5 years ongoing	<p>Salmon 2020</p> <p>Evidence Quality: medium</p>
+	Health impacts to children from exercise and living in healthier households	Children of local whanau	Depending on the level of household change (e.g. factors such as parents income and housing) or depending on the uptake level of recreational trail use by the individual or whanau	Potential to be high	<5 years ongoing	

4.3.3 Cultural identity

Cultural identity is defined in the LSF as having a strong sense of identity; ability to be oneself; and the existence value of cultural taonga. A strong sense of cultural identity can influence peoples' sense of purpose, self-worth, belonging, and overall wellbeing. Ministry of Social Development (2016) states that the desired outcome in the cultural identity wellbeing domain is:

New Zealanders have a strong national identity and a sense of belonging, and value cultural diversity. Everybody is able to pass their cultural traditions on to future generations. Maori culture is valued, practised and protected.

The current situation in the region

Measuring and understanding wellbeing in the cultural identity domain is not currently as well-defined as other domains. Treasury (2019) 'Culture, wellbeing, and the Living Standards Framework: A Perspective' discusses the dimension, suggesting potential additions to the LSF to be announced in 2021. Current measurements include % of Te Reo Maori speakers and % of adults who said it was easy to express their identity in New Zealand. As the table below highlights, East Coast communities have a high proportion of Te Reo Maori speakers.

Table 12: Te-Reo Maori speakers, 2018 census

Communities along the trail:	Total population	Māori population, %	Te Reo speakers, %
Wainui-Ōkita	1,716	22	4
Wharekaka	1,851	64	24
Tokomaru	954	82	37
Ruatoria-Raukumara	1,233	94	46
East Cape	1,389	92	45
Cape Runaway	1,449	86	48
Otara-Tirohanga	1,176	51	14
Ōpōtiki	3,759	75	26
Weighted average	13,527	70	29
Gisborne region	47,517	53	17
New Zealand	4,699,755	17	4

At 17%, the Gisborne region has the highest % of Te Reo speakers in New Zealand by a significant margin (Northland is the second highest region at 9%).

LSF data on ability to express identity is less insightful, with less range between regions. Auckland ranks lowest at 82% and rest of South Island highest at 89.3%. Northland / Bay of Plenty / Gisborne rank at 82.4%.

Given the high proportion of Maori in the region, another potential indicator of the status of the cultural identity dimension could be the degree of schooling offered in Te Reo Maori. From Tolaga Bay to Oramamutu (the town before Opotiki), there are 20 schools, of which:

- five schools teach fully in English;
- seven schools teach fully in Maori; and
- seven schools teach some students in Maori.

Relative to other regions, this indicates a high level of teaching in Te Reo Maori, a positive indicator for the cultural identity wellbeing dimension for young and future generations.





Given the strong Maori heritage in the region, it follows that the East Coast ranks relatively high in regards to cultural identity. From a wellbeing cost-benefit analysis perspective, the key question that follows is whether this strong cultural identity could play a role in improvement of natural, human, social and financial capital within the region.

Potential wellbeing impacts of Te Ara Tipuna on cultural identity

In the context of Te Ara Tipuna, a key opportunity for impact on the cultural identity domain could be in the ability for East Coast communities to celebrate and share their cultural identity with others. Tourism growth resulting from the trailway would create opportunities for community members to showcase and celebrate their culture as a livelihood.

As with the health benefits in Section 4.3.2, the estimates in the table below of the magnitude of the benefits are generic (taken from CBAx). Information on the specific cultural impacts of Te Ara Tipuna would be needed to apply the estimates in the table.

Table 13: Potential wellbeing impacts, Cultural identity domain

Impact description	Who could be affected?	Magnitude of potential impact	How big?	Realized in	Evidence base
 Being able to express cultural identity	Culture-related business operators on the trail such as tour guides, carvers and marae workers	1 point change in being able to express cultural identity (0-4 scale, 1 point change valued in CBAx at \$9,509 p.a.)	\$116,000 per person PY	<5 years ongoing	Wellbeing Valuation of Social Housing Evidence quality: low
 Increased participation in cultural activities and sharing of cultural knowledge	Business operators and employees Trailway visitors (domestic and international) Children of business owners / employees future	Magnitude of impact will depend on the extent to which culture-related businesses arise on the trail	Cannot currently be estimated	<5 years ongoing	
 Increased connection with homeland / whakapapa	Tangata whenua of the region: - Ngati Porou (82,000 members) - Te Whanau-a-Apanui (12,000 members) Includes both current residents and those living elsewhere	Cannot currently be reliably quantified, however potential for significant impact at the individual level	Potential to be high	<5 years ongoing	
 Preservation of heritage assets / taonga	Tairawhiti land	Could be a negative or positive impact: Negative: increased tourism erodes taonga Positive: increased tourism increases the requirement for maintenance and preservation of taonga	Variable	>5 years ongoing	

Social connections

Humans are a social species, thus good social connections are typically important to our wellbeing. Good social connections can improve our health, increase our resilience, and increase the likelihood of finding a good quality job. Poor social connections can lead to isolation, loneliness and mental-health issues. Social connections are also a key factor affecting our subjective wellbeing.

The current situation in the region

Current LSF indicators of wellbeing in the social connection domain include the:

- percentage of adults who experienced discrimination in the past 12 months in New Zealand;
- percentage of adults who felt lonely at least some of the time in the last four weeks;
- percentage of Maori adults who feel strongly connected with their ancestral marae; and
- percentage of adults who had face-to-face contact with friends who do not live with them at least once a week.

As the table below presents, in regards to discrimination, loneliness and social network support indicators, the Gisborne region appears to be amongst the poorest performing regions in the country.

Table 14: Social connections data, 2018 census

	Discrimination, %	Loneliness, %	Social network support, %
Auckland	17	15	75
Wellington	18	17	71
Northland, BoP, Gisborne	20	19	69
Rest of North island	18	19	71
Canterbury	18	15	77
Rest of South Island	14	15	78
Māori	24	19	71
New Zealand	17	17	73

The above estimates must be caveated however as Gisborne is aggregated with Northland and the Bay of Plenty in the dataset. Regardless, low population,

isolated geography and large socio-economic gap in the region may be reasons to believe Gisborne rank low in the social connections domain.

In regards to Maori connection to marae, the Gisborne / Hawke's Bay region scores 64.2%, marginally below the New Zealand average of 67.1%. The highest ranking region is Northland at 76.5%.





In the absence of other initiatives, it is assumed that the counterfactual is the continuation of the status quo above.

Potential wellbeing impacts of Te Ara Tipuna on social connections

Te Ara Tipuna aims to provide a new shared recreational environment for visiting tourists and local community members. This shared space has the potential to improve wellbeing in the social connection domain for local whanau who enjoy the track together and for those who work in trailside businesses.

However as with the other wellbeing indicators, the estimates of the magnitude of the impacts are generic and not specific to Te Ara Tipuna. Further, it should be noted that the evidence quality from the CBAX calculations is rated as low.









Table 15: Potential wellbeing impacts, Social connections domain

Impact description	Who could be affected?	Magnitude of potential impact	How big?	Realized in	Evidence base
 <p>Increased social interaction / contact with neighbours</p>	<p>Members of East Coast communities, including:</p> <ul style="list-style-type: none"> - local individuals and whanau - trailside business operators and employees 	<p>1 point change in having contact with neighbours (0-4 scale, 1 point change valued in CBAX at \$8,524 p.a.)</p>	<p>\$104,000 per person PV</p>	<p>>5 years ongoing</p>	<p>Wellbeing Valuation of Social Housing Evidence quality: low</p>
 <p>Decreased feelings of loneliness</p>	<p>(In particular those who live in the smallest and most isolated communities such as Tikiti and Wharekahika)</p>	<p>1 point change in feeling lonely (0-4 scale, 1 point change valued in CBAX at \$17,534 p.a.)</p>	<p>\$215,000 per person PV</p>	<p>>5 years ongoing</p>	<p>Wellbeing Valuation of Social Housing Evidence quality: low</p>
 <p>Increased outside connections for East Coast community members</p>		<p>Depending on visitor numbers and demographics, potential to create wellbeing enhancing connections for locals, both in the moment and long-term</p>	<p>Unknown</p>	<p>>5 years ongoing</p>	
 <p>Increased family connectedness through shared recreation</p>	<p>Local whanau, with particular potential for wellbeing impacts on children</p>	<p>Cannot currently be reliably quantified, however potential for significant impact at the individual level</p>	<p>Potential to be high</p>	<p>>5 years ongoing</p>	<p>Lee et al. (2011) found exercising as a family, (in particular outdoors) improves family connection and cohesiveness</p>

4.3.4 Other potential wellbeing impacts

The table below presents a number of other potential wellbeing impacts of Te Ara Tipuna in the different wellbeing domains.

Table 16: Other potential wellbeing impacts

Impact description	Who could be affected?
 Increased value of culture-related skills and knowledge	East Coast individuals and communities with culture-related skills and knowledge
 Upskilling of individuals in the region	Local individuals who have become employed or whose income has arisen as a result of the trailway
 Increased inter-generational transfer of culture-related skills and knowledge	Next and future generation of local community members
 Increased access to recreation in natural surroundings	Members of East Coast communities and wider region
 Increased native tree plantings and conservation initiatives in the region	The East Coast region
 Increased safety from fewer children playing on public roads	Local whanau
 Improvement in housing outcomes from improvement in economic wellbeing	Local whanau who have become employed or whose income has arisen as a result of the trailway
 Increase in work and decrease in leisure time	Those who transition from the unemployment benefit to work

¹¹ https://www.oecd-ilibrary.org/sites/9870c393-en/1/3/8/index.html?itemId=/content/publication/9870c393-en&_csp_ =fab41822851fa020ad60bb57bb82180a&ItemContentItemContentItemType=book

Subjective wellbeing

The final wellbeing domain appropriate for discussion is subjective wellbeing – a dimension that encapsulates life satisfaction. The OECD defines subjective wellbeing as being about good mental states and how people experience their lives.¹¹

Subjective wellbeing tends to be driven by and encapsulate most other dimensions. This is illustrated in Figure 2 by Treasury (2018) (page 15) which shows links between subjective wellbeing and social connections; health; jobs; economic; environment; personal safety; housing; and education. If individuals, whanau and communities receive improvements in wellbeing across other domains, improvements in subjective wellbeing would be expected to follow.

4.4 Fiscal savings

Finally, while Te Ara Tipuna will require a substantial investment by the government up front, the trail has the potential to create fiscal savings to the Government over time. Fiscal savings could occur in areas such as:

1. a reduction in unemployment benefit expenditure, to the extent that people transition from the unemployment benefit to paid jobs; and
2. a reduction in future healthcare expenditure, to the extent that increased physical exercise improves physical health in the region.

if for example, the number of people who transition from the unemployment benefit to paid jobs is in line with our analysis in Section 4.2 (Monetary benefits), the Government would incur fiscal savings of around \$460,000 p.a., with a PV of \$6m.

In regards to healthcare expenditure, if for example it is assumed that increased physical exercise in the region will reduce the propensity to develop cardiovascular disease by 5% from 2033 onwards, there would be healthcare savings of around \$600,000 per annum.¹² Assuming a lag-time of 10 years for this impact, this impact would have a present value of \$4m.¹³

Over time, a reduction in welfare benefit dependency could lead to fiscal savings in other areas including reduced crime-related costs and reduced social housing expenditure.

In the same way a provision for deadweight losses from taxation is applied to increased government expenditure in Section 3.3, a reduction in the deadweight losses from taxation would accrue to reductions in government spending.

Given the limited information on the scale and timing of these effects and the linkages between reduced welfare dependency and savings in other areas of government expenditure, it is not possible to quantify these fiscal savings. These savings could however be substantial over time.

¹² Based on CBAX data, that the annual marginal value of healthcare savings relating to avoided cardiovascular disease is \$7,579.

¹³ The same calculation could be made for diabetes. Applying the same assumptions and the CBAX impact value marginal of avoided healthcare costs for diabetes would give annual savings

5 Overall costs and benefits

This section summarises the results of the analysis in the previous sections of the report and presents our assessment of the overall wellbeing impacts of Te Ara Tipuna.

5.1 Costs of Te Ara Tipuna

The estimated costs of Te Ara Tipuna include:

- infrastructure costs of \$148m;
- maintenance costs of \$2.9m during construction and \$1.9m onwards;
- administration costs in 2022FY and 2023FY totalling \$2.1m; and
- deadweight costs of taxation of around 20% of total annual cost.

The aggregate of the costs above in present value terms is around \$187m.

Summary of the costs estimates of Te Ara Tipuna, \$m

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Subsequent years
Stage:	Pre-construction	1,2	3	3, 4, 5	6	Complete	Complete	Complete	Complete
Administration cost	1.2	0.9	-	-	-	-	-	-	-
Infrastructure cost	-	38	35	35	41	-	-	-	-
Maintenance cost	-	-	0.7	0.9	1.3	1.9	1.9	1.9	1.9
Deadweight costs of taxation	0.2	7.9	7.1	7.2	8.4	0.4	0.4	0.4	0.4
Total cost	1.4	47	43	43	51	2.2	2.2	2.2	2.2
Present value									187

5.2 Potential benefits of Te Ara Tipuna

The potential benefits of Te Ara Tipuna include:

- monetary benefits accruing to the local businesses and employees valued in total at potentially around \$37m PV;
- other wellbeing benefits to East Coast community members; and
- savings to the government from reduced unemployment benefits and reduced spending on health-care and crime-related costs over time.

Summary of the potential benefits of Te Ara Tipuna, \$m

Monetary (Jobs and earnings)	<ul style="list-style-type: none"> • Local business net benefits (domestic tourists) – around \$17m PV • Local business net benefits (international tourists) – around \$10m PV • Monetary benefit to new workers (trail infrastructure and maintenance) – around \$4m PV • Monetary benefit to new workers (trailside businesses) – around \$5m PV 			
Other wellbeing	Health <ul style="list-style-type: none"> • Improved physical health from increased exercise • Monetary benefit to new workers (trailside businesses) • Health benefits from potential substitution of substance use to physical activity • Health impacts to children from exercise and living in healthier households 	Cultural identity <ul style="list-style-type: none"> • Being able to express cultural identity • Increased participation in cultural activities and sharing of cultural knowledge • Increased connection with homeland / whakapapa • Preservation of heritage assets / taonga 	Social connections <ul style="list-style-type: none"> • Increased social interaction / contact with neighbours • Decreased feelings of loneliness • Increased outside connections for East Coast community members • Increased family connectedness through shared recreation 	Other <ul style="list-style-type: none"> • Increased value of culture-related skills and knowledge • Upskilling of individuals in the region • Increased inter-generational transfer of culture-related skills and knowledge • Increased access to recreation in natural surroundings • Increased native tree plantings and conservation initiatives in the region • Increased safety on public roads • Improvement in housing outcomes from improvement in economic wellbeing • Increase in work and decrease in leisure time
Fiscal	<ul style="list-style-type: none"> • Fiscal savings (unemployment benefit) • Fiscal savings (health-care) • Fiscal savings (crime-related) 			

6 Sensitivity analysis

While a large portion of the wellbeing impacts of Te Ara Tipuna have not been quantifiable in monetary terms, where quantification has occurred some key assumptions underlie the estimates. These assumptions are:

- the discount rate;
- the social procurement percentage; and
- visitor numbers, spend and average stay time.

This section examines the effects of using alternative values for the above key assumptions.

The discount rate

Our analysis uses the Treasury recommended real, pre-tax discount rate of 5%. If a discount rate of 2% were used, Te Ara Tipuna would have a present value (PV) cost of \$210m; while the potential monetary benefits (which are only a portion of the potential benefits) would have a PV of \$52m. If a discount rate of 8% were used, then the PV of the costs and potential monetary benefits would be \$169m and \$27m respectively.

The social procurement percentage

Our analysis of the potential monetary benefits of Te Ara Tipuna includes the assumption that 25% of employees in both the railway construction and maintenance and trailside businesses are previously unemployed individuals (the "social procurement percentage"). If we instead assume that the percentage is 40%, then:

- the PV of the potential monetary benefits to new workers rises from \$9m to \$15m; and
- in the years after the trail has been constructed, around 6 previously unemployed individuals would be employed for railway maintenance alongside 34 FTEs in trailside businesses (as opposed to 4 and 21 respectively in the base case).

If the social procurement percentage is lower than anticipated, instead being 10%, then:

- the PV of the potential monetary benefits to new workers is around \$4m; and
- in the years after the trail has been constructed, around 2 previously unemployed individuals would be employed for railway maintenance alongside 9 FTEs in trailside businesses.

Visitor behaviour

Assumptions surrounding the number and behaviour of visitors to the trail are central to the estimates of the potential monetary benefits of Te Ara Tipuna, and flow to other wellbeing domains. In the monetary benefits section, we model potential benefits on the basis that Te Ara Tipuna receives the same annual tourist visitor numbers as Motu trails (16,600 people p.a.), staying for an average of 5 days and spending the same on average as tourists do on Motu trails (\$136 per visitor per day for domestic tourists and \$166 for international). This results in local business net benefits of \$27m PV.

Holding all other factors equal, if Te Ara Tipuna receives 20% more visitors p.a., then local business profits would be worth around \$33m PV. If the railway receives 20% less visitors, then local business net benefits would be around \$22m PV.

If the number of days spent on the trail is 7 rather than 5, then local business profits would be around \$38m PV. If the number of days spent on the trail is instead 3, then local business net benefits would be around \$16m PV.

If the average visitor spend is 20% higher (\$163 per visitor per day for domestic tourists and \$200 for internationals) the monetary benefits to local businesses would be around \$33m PV. If average spend is 20% lower (\$109 per visitor per day for domestic tourists and \$133 for internationals) the local business net benefits would be around \$22m PV.

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Appendix 1: Living Standards Framework

The current New Zealand government standard for assessing the wellbeing impacts of a policy is the Treasury's Living Standards Framework (LSF). The LSF can be considered in terms of four key components:

- current wellbeing;
- future wellbeing;
- risk and resilience; and
- distribution – across people, places and generations.

Current wellbeing – the present living conditions of individuals, families, whānau and communities – relates to 12 wellbeing domains:

- Civic engagement and governance;
- Cultural identity;
- Environment;
- Health;
- Housing;
- Income and consumption;
- Jobs and earning;
- Knowledge and skills;
- Time use;
- Safety and security;
- Social connections; and
- Subjective wellbeing.

Future or intergenerational wellbeing is driven by the stock and flows of the following four capitals:

- **Natural capital:** All aspects of the natural environment needed to support life and human activity.
- **Human capital:** People's knowledge, physical and mental health that enables them to fully participate in work, study, recreation and society.
- **Social capital:** The social connections, attitudes, norms and formal rules or institutions that contribute to societal wellbeing.

- **Financial and physical capital:** The country's physical, intangible and financial assets that have a direct role in supporting incomes and material living conditions.

Risk and resilience refers to the consideration of how resilient the four capitals are in the face of change, shocks and unprecedented events. For example, household debt poses risks to future economic prospects, while the inclusiveness of decision-making in politics can be a protective factor for wellbeing.

Finally, the LSF emphasises the importance of the distribution of wellbeing. This is referred to as consideration of the spread and equity of wellbeing and the four capitals across people, places and generations.

Appendix 2: Tairāwhiti Wellbeing Framework

He Rangitapu He Tohu Ora – Tairāwhiti Wellbeing Framework

He Tohu Ora – Our people, whānau, and communities of Tairāwhiti are able to live the lives we value in ways that matter to us.

Waharoa

In partnering with the Trust, we encourage you to step through our waharoa. It is always open to anyone who aspires to benefit the people of Tairāwhiti.

Te Toahu

Tairāwhiti upholds Te Tiriti o Waitangi. Mana Whenua partnerships are maintained with integrity.

Ngā Pou

All people, whānau, and communities of Tairāwhiti have unhindered access to support and opportunities that enhance their wellbeing.

We are good ancestors. Children, young people and future generations have a better set of opportunities than the current generation.



Muka

Our muka represent wellbeing outcomes. Our muka statements are aspirations. They articulate what success looks like across interdependent and dynamic areas that are important to us.



The Tairāwhiti economy is diverse, innovative, resilient, and regenerative and provides access to well-paid, quality jobs. Our people have sustainable livelihoods from paid and unpaid work.



Diverse systems of knowledge, information, and Mātauranga Māori are accessible, utilised, valued, and evolve.



Communities are healthy, happy, and empowered. The voice of communities is integral to decisions that impact their lives.



Our people, whānau, and communities in Tairāwhiti have respectful, connected, and collaborative relationships.



Culture connects the people of Tairāwhiti. We express, celebrate, and value our diversity, heritage, and taonga.



The quality of our land, water, air, and atmosphere is pristine. Our biodiversity is abundant. We practise kaitiakitanga.

Appendix 3: FTE breakdown (trailway infrastructure and maintenance)

Stage:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Cont.
FTEs (skilled)	35.5	64.5	69.0	80.0	17.8	17.75	17.25	17.25
Maintenance	0.0	0.0	3.0	4.0	4.0	4.0	4.0	4.0
Track Maintenance	0.0	0.0	1.0	3.5	4.0	4.0	4.0	4.0
Landscaping Maintenance	0.0	0.0	0.0	3.0	2.0	2.0	2.0	2.0
Hut Maintenance	0.0	0.0	0.0	3.0	2.0	2.0	2.0	2.0
Toilet/shelter Maintenance	0.0	0.0	0.0	3.0	2.0	2.0	2.0	2.0
Unforeseen Maintenance	0.0	0.0	0.0	2.0	2.0	2.0	2.0	2.0
Fencing Maintenance	0.0	0.0	1.0	1.5	1.5	1.5	1.5	1.5
Construction	0.0	10.0	12.0	14.0	0.0	0.0	0.0	0.0
Track Construction	0.0	3.0	3.0	3.0	0.5	0.5	0.5	0.5
Traffic management	0.0	0.0	15.0	10.0	0.0	0.0	0.0	0.0
Hut construction	0.0	4.0	7.0	8.0	0.0	0.0	0.0	0.0
Toilet/shelter construction	0.0	4.0	12.0	4.0	0.0	0.0	0.0	0.0
Bridge construction	0.0	4.0	4.0	4.0	0.0	0.0	0.0	0.0
Fencing/gates	0.0	3.5	4.0	4.0	0.0	0.0	0.0	0.0
Geotech	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Disposal	0.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0
Negotiation	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Survey	2.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
PM	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Resource Consent	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Landscaping/Restoration	14.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Misc Consultants	0.0	35.0	65.0	50.0	15.5	15.5	15.5	15.5
FTEs (unskilled)	0.0	15.0	55.0	139.0	13.3	13.3	13.3	13.3
Maintenance	0.0	0.0	5.0	5.5	6.0	6.0	6.0	6.0
Track Maintenance	0.0	0.0	3.0	5.5	6.0	6.0	6.0	6.0
Landscaping Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hut Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Toilet/shelter Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unforeseen Maintenance	0.0	0.0	2.0	2.0	2.0	2.0	2.0	2.0
Fencing Maintenance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Construction	0.0	14.0	24.0	26.0	0.0	0.0	0.0	0.0
Track Construction	0.0	3.0	3.0	3.0	0.0	0.0	0.0	0.0
Disposal	0.0	6.0	10.0	6.0	1.5	1.5	1.5	1.5
Traffic management	0.0	0.0	10.0	6.0	0.0	0.0	0.0	0.0
Hut construction	0.0	2.0	4.0	2.0	0.0	0.0	0.0	0.0
Bridge construction	0.0	2.0	4.0	2.0	0.0	0.0	0.0	0.0
Landscaping/Restoration	0.0	10.0	6.0	9.0	0.0	0.0	0.0	0.0
Total FTEs	35.5	99.5	154.0	139.0	13.3	13.3	13.3	13.3

Source: Civil Projects Solutions Ltd.



4 October 2023

TO WHOM IT MAY CONCERN

Te Runanganui o Ngati Porou Board of Directors today:-

- a) Confirmed ongoing support for Te Ara Tipuna Project
- b) Endorsed Te Ara Tipuna application to Te Puni Kokiri for new funding for 2024

The project is innovative and visionary with anticipated outcomes having a positive impact on the community, individuals, and relevant stakeholders throughout the Ngati Porou Rohe.

If you require further information or have any questions regarding this endorsement, please do not hesitate to contact me via email **9(2)(a)**

Kia ora

9(2)(a)

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DUE DILIGENCE CHECKLIST – Whenua Māori Fund

Fund:	Whenua Māori Fund	SmartFund #:	50985
Proposal name:	Te Ara Tipuna Phase 2	Assessor:	9(2)(a)
Requirement	Met?	What to check	Why do we need to check this?
1. Entity we fund: <ul style="list-style-type: none"> Entity under the Te Ture Whenua Māori Act 1993 Incorporated society registered with the Companies Office Trust registered with the Companies Office Limited Liability Company Statutory Legal Entity, including a Māori Trust Board, Māori Association or Māori Incorporation Individuals, where there are seven or fewer owners 	<p>Tick</p> <p>If the req. is not met, state why/ what is missing</p>	<p>Is the kaitono on the relevant register or in legislation?</p> <ul style="list-style-type: none"> www.maorilandonline.govt.nz for the entity responsible for administering the land under the Te Ture Whenua Māori Act) societies register (Incorporated society) Trust Registered (Incorporated trusts) companies register (Limited Liability Company) www.legislation.govt.nz (Statutory Entity- e.g. Māori Trust Board; check the Māori Trust Boards Act 1955) <p>NOTE: Registration with Charities Services alone does not meet our requirements. The entity has to be on the Societies Register.</p>	<p>We want to make sure that the kaitono has the structures to allow them to manage funding effectively and that they are able to enter into contracts. When the kaitono organisation is a legal entity it protects individuals within the kaitono from being personally liable.</p> <p>However, we also need to be flexible to make sure that we can provide funding to the kaitono that need it – especially entities established under the Te Ture Whenua Act 1993.</p>
2. Financial status Kaitono is solvent and in a good financial position to pay its expenses when they are due	Tick	<p>Established kaitono: financial statements provided for the most recent year – within the last 12 months (audited if required by their constitution).</p> <p>If not financially established, kaitono provides what it can: a budget, bank statements and/or letter from accountant.</p>	<p>A good financial position is an indicator that the kaitono has the mechanisms, policies and practices to meet their financial obligations. This provides some assurance that the kaitono will use best practice to manage the investment from TPK, and the funding will be used as intended.</p>
	Tick	<p>Does the evidence show the kaitono to be solvent and in a position to pay its expenses as they fall due? Use the Financial Analysis Calculation Tool if needed.</p>	<p>If a kaitono has a large surplus, we may need to consider why they cannot fund the initiative or project themselves, at least partially.</p>
3. Budget breakdown It is clear how TPK funding will be used	Tick	<p>Kaitono provides a detailed budget that shows how TPK funding will be used - <i>what specifically will we be purchasing/ paying for – e.g. travel, venue, training, kai, salaries.</i></p>	<p>We need to make sure we know exactly what any money TPK provides will be used for. This helps us identify whether it is in line with what we want to fund and if there are any risks.</p>
4. Conflict of interest There are no conflicts of interest, or conflicts of interest are appropriately managed	Tick	<p>Kaitono advises whether it has any conflicts, either with TPK or with a third party. Region also advises of known conflicts with the kaitono or proposal.</p>	<p>As a government agency, our decisions need to be impartial. We want to be up front and open in identifying any connections, so that we are transparent and there is no suggestion of preferential treatment – perceived or actual.</p>
		<p>If a conflict has been declared or identified, are mitigation strategies in place and sufficient? e.g. <i>will the kaitono be purchasing goods or services from a business owned by one of the trustees? If there is a conflict with a TPK staff member that person should not be involved in assessing the application or managing the contract.</i></p>	<p>We also need to make sure that we consider consequences that could result from our funding, such as where a decision-maker in the kaitono will directly benefit from the funding.</p>
5. Risk management Risks arising from the initiative will be managed	X	<p>Has any decision-making member of the organisation been declared bankrupt? (if yes, were the details provided?)</p>	<p>We want the initiatives we fund to succeed. The kaitono identifying possible risks early, and ways to manage those risks, helps support success.</p> <p>It is also important to know whether there are any risks to TPK in funding an initiative so we can work to mitigate and/or satisfy them.</p> <p>IMPORTANT: all reasonable steps should be taken to ensure that the risks identified are being sufficiently managed.</p>
	X	<p>Has any decision-making member of the organisation been charged with fraud? (if yes, were the details provided?)</p>	
	Tick	<p>Kaitono completed the risk table in the form (or equivalent) and mitigation strategies are in place. Region assesses risks to the proposal and risks to TPK?</p>	
	Tick	<p>Are the risks adequately managed? Are there any other risks that have not been identified?</p>	
6. Child Protection Kaitono has a Child Protection Policy – if it will be working with children	N/A	<p>Kaitono provides copy of its child protection policy, if working with children (under 18 years).</p>	<p>Where the kaitono will provide services to children, we need to make sure that there are policies in place to protect those children. Under the Children's Act 2014, TPK must ensure that any children's services provider funded by TPK has a child protection policy.</p>

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7. Māori land The land that will benefit from the proposal is predominantly Māori freehold land	Tick	Check www.maorilandonline.govt.nz to see if the land blocks are listed as Māori freehold land. The proposal must relate predominantly to Māori freehold land, as opposed to general-title land	The purpose of the Whenua Māori Fund is to support initiatives that assist Māori land owners improve the productivity of their land. To be eligible for funding, the land needs to be predominantly Māori freehold land.
8. Required information All information we need has been provided	Yes	Kaitono provides a completed and correct application form. If not, do we have all the necessary information to be able to make an assessment?	The application forms are specifically designed to gather all the information we need to decide the application. So the form makes the assessment easier, but so long as we have all the information the forms are not mandatory.
	Yes	Kaitono has provided evidence of support for the proposal from: - the Te Ture Whenua Māori Act entity, or - all owners (where there are seven or fewer owners)	Whenua Māori Fund proposals involve decisions over the use of land owned by multiple people, so it is important we have evidence that those responsible for managing and administering the land support the proposal. Otherwise there is a risk that we fund an initiative that affects a person or organisation's land without consent.
9. Declaration An authorised person endorsed the proposal	Yes	Kaitono provides a signed, scanned declaration with the application – <i>signed by the chairperson or an authorised signatory</i>	By signing the declaration form, the kaitono officially agrees to the proposal and legally confirms that the information provided is true and complete.

IMPORTANT NOTE: Save all the items into the respective CS folder



Te Puni Kōkiri
MINISTRY OF MĀORI DEVELOPMENT



Te Puni Kōkiri

Whenua Māori Fund



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Fund information, application form and guidance

1. The purpose of the fund | Te whāinga o te pūtea

The purpose of the Whenua Māori Fund is to support owners of Māori freehold land to explore the potential of their whenua and to investigate the means of lifting productivity, either through improving and growing existing operations, diversification, or preparing for new ventures.

Improving the performance and productivity of Māori freehold land will help to strengthen connections to the whenua, and lift incomes for owners, their whānau, and contribute to the regional and New Zealand economy.

2. Investment outcomes | Ngā hua haumi

The intended outcomes are that owners of Māori freehold land:

1. are more engaged with their whenua
2. have a better understanding of how they might use their whenua (including any decision not to undertake further development)
3. identify options for improving productivity or commercial development of their whenua
4. are 'decision ready' to move into the next stage of the development of their whenua
5. work with whānau, hapū and iwi organisations to develop their whenua.

3. Our investment approach | Tō mātou ara haumi

Te Puni Kōkiri Whenua Regional Offices can support trustees and owners with practical support for a range of whenua activities and will work alongside you to help you consider your whenua goals, plan your project, and develop funding applications to the Whenua Māori Fund.

To ensure that we support robust, achievable and sustainable projects we will:

- Invest in initiatives that take a community and whānau-development approach to their delivery and support sustainable change
- Invest in building capability and capacity to support the achievement of whānau, hapū and iwi aspirations
- Invest in initiatives that promote and encourage the use of te reo me ngā tikanga Māori in everyday situations and settings
- Co-invest in partnership with the community and with other agencies to maximise outcomes
- Invest strategically using regional knowledge and evidence to target our investment to where it can make the biggest difference.

There is no guarantee of funding and applications are prioritised based on regional priorities and available funds. If funds are exhausted, your application may not be considered until the new financial year when more funds become available (from 1 July). You will be advised if this is the case.

4. What we are seeking to fund | He aha tā mātou e rapu nei ki te tautoko ā-pūtea

Funding is available for applications that demonstrate land development and/or people development potential.

Some examples of the types of activities that can be funded include:

- strategic planning
- building governance and management capability
- master planning, land development / management plans
- developing business cases for commercial ventures
- due diligence for potential land use/commercial options
- some legal costs including advice on statutes, regulations, deeds and leases, options for landlocked land, as well as drafting legal and commercial agreements, including deeds and leases.

5. Funding restrictions | Ngā herenga pūtea

We cannot fund applications which:

- relate predominantly to general title land
- involve Māori freehold land without a formal governance structure (other than Māori land blocks with seven owners or less)
- are for retrospective projects or to pay existing debts
- are for organisational administrative support or ongoing operational costs
- relate to capital investment, such as buildings, vehicles, or fencing.
- are for services and support available through other government programmes and services
- are for legal advocacy, arbitration/mediation or litigation costs, including associated court fees and other costs
- are for event management costs, or international travel and accommodation
- are for the practical implementation of commercial ventures.

6. Who is eligible to apply for funding | Te hunga e hiahia ana e mātou kia tuku tonu mai

To be eligible for funding from the Whenua Māori Fund, applications must:

- relate to land that is **predominantly Māori freehold land**
- **be submitted by:**
 - entities that govern Māori freehold land such as whānau trusts, ahu whenua trusts, Māori land incorporations, and other entities established under Te Ture Whenua Māori Act 1993; OR
 - owners of a Māori freehold land block if there are seven owners or fewer and all owners agree.

Please note that we ask for evidence that landowners agree to the application. If there is a governing entity this could be, for example, a copy of the minutes of a trust meeting where the decision is made

to apply to the Whenua Māori Fund. In the case of land where there are seven or fewer owners, we ask for equivalent evidence that all the owners agree to the application.

N.B. Māori land blocks administered by Te Tumu Paeroa are eligible to apply.

In addition, an application may not be considered if an organisation is currently receiving funding under another Te Puni Kōkiri agreement and has overdue deliverables or reports.

Umbrella organisations

If you are a smaller entity, or a group of seven or fewer owners who agree on a way forward, you may choose to partner with another organisation that has the skills, knowledge and resources required to support the delivery of your project. We call these entities 'umbrella organisations'.

If you use an umbrella organisation you will need to work closely with them, and include their details in the application. They will be the organisation with which Te Puni Kōkiri formally enters into a funding agreement and they will have the responsibility for management of the funding and overall delivery of the project. For these reasons we ask for assurance that the landowners and the umbrella organisation both agree to the arrangement.

Examples of the types of entities Te Puni Kōkiri contracts include the following:

- Incorporated Society registered with the Companies Office
- Trust
- Limited Liability Company
- Statutory Entity, including a Māori Trust Board (Māori Trust Boards Act 1955) or Māori Association (Māori Community Development Act 1962)
- Entity established under the Te Ture Whenua Māori Act 1993 – e.g. Māori Land Incorporation, Ahu Whenua Trust, Whānau Trust, Māori Reservation Trust.
- Individuals where there are seven owners or fewer registered to a Māori freehold land block.

7. Assessment criteria | Paearu aromatawai

Kaitono who are eligible under section 6 can put forward applications for funding that will be assessed to see how they contribute to the funding purpose and the outcomes sought from the Whenua Māori Fund. We consider whether an application will support landowners to do one or more of the following:

- optimise the use of land
- improve land use practices and productivity, including overcoming impediments to the more productive use of land (such as land-locked land)
- prepare for commercial ventures for their whenua
- develop people potential, governance and management capability
- become 'decision ready' to move into the next stage of the development of their whenua
- be more engaged with their whenua and have a better understanding of how they might use their whenua (including any decision not to undertake further development)
- work with whānau, hapū and iwi organisations to develop their whenua and be a catalyst for change
- participate in/access other Government programmes.

We also look at whether your application:

- uses your existing networks and/or other sources of funding to develop an application that is not completely reliant on Te Puni Kōkiri funding
- takes a co-operative development approach across Māori land blocks. This will provide economies of scale for our funding and support the sharing of information
- supports existing iwi, sector-led, or government programmes, including regional growth strategies
- has a realistic budget that represents value for money, includes adequate funding for all activities and shows how the project will be completed
- has the different parts of the project as ready to go as is practicable, so the costs and logistics are clear in the application and there is no delay to implementation if approved
- has longer term viability, e.g. how the project outcomes will be used once the funding has finished.

8. How to submit an application | Te tuku i tō tono

You may submit applications at any time during the year. Please **complete the required application form** – this starts on page 8..

We strongly recommend that you work with the Regional Office of Te Puni Kōkiri located closest to your whenua to develop your application.

Appendix 1 has more information about how to fill in your application form.

9. What support and assistance is available | He aha te āwhina me te tautoko e wātea ana

Please click on this link <https://www.tpk.govt.nz/en/nga-putea-me-nga-ratonga/whenua-maori/whenua-maori-fund> for further information including:

- contact and location details for our Regional Offices
- examples of what we have funded in the past
- a link to the tupu.nz website where you can get reports about your Māori freehold land blocks and access other tools and resources

10. How we will assess your application and make decisions | Pēhea tā mātou aromatawai i tō tono, me te whakarite whakatau hoki

Please see section 7 above for the assessment criteria.

Once you are happy with your application, it must be signed by a person(s) with the appropriate authority to do so on your organisation or group's behalf. It should then be formally submitted to the Regional Office of Te Puni Kōkiri closest to your whenua, with all the required documentation for assessment

Your application will then be assessed by Te Puni Kōkiri who will get back to you if they require additional information or detail about your application.

Please note that applications without all the relevant information will be classified as incomplete and may not be processed.

If your application meets the Whenua Māori Fund's purpose and eligibility criteria, it will go before an Investment Committee who will make the final decision about which applications to fund. You may be contacted to confirm the details of your application. Te Puni Kōkiri will let you know if your application has been successful.

11. How we manage agreements and monitor delivery and outcomes | Te whakahaere i ngā whakaaetanga, te aroturuki i te tuku mai me ōna hua

11.1 Funding agreement

If your application is approved, you will be asked to agree to a Funding Agreement based on your application. It will contain:

- a project description
- key contacts
- deliverables for the project
- payment amounts and timing
- reporting requirements
- a set of generic terms and conditions.

11.2 Reporting

Te Puni Kōkiri will nominate a key contact for the funding agreement. The funding agreement will set out how often and when you need to report. Once you have completed the project we expect a final report that should include:

- outcomes achieved
- evidence that the funding has been used for the purposes for which it was given
- evidence and examples of the difference the project has made, or will make, for landowners and whānau, and any information and reports that were produced

We may also ask you to participate in our wider evaluation of the fund outcomes and share case studies of your project.

12. Other considerations | Ētahi atu whakaaroaro

There are some important considerations to note:

1. **Submitting an application does not guarantee you will receive funding.** It is important that you do not make any financial or other commitments until the application is approved.
2. **Privacy Act 2020** Te Puni Kōkiri is required to comply with the provisions of the Privacy Act 2020. Equally, organisations collecting personal information on behalf of Te Puni Kōkiri will comply with the provisions of the Privacy Act 2020. Te Puni Kōkiri requires the personal information requested in this document to process your funding application. We will use the information for this purpose only. You have the right to ask for a copy of any personal information we hold about you and to ask for it to be corrected if you think it is wrong. For a copy of your information, or to have it corrected please contact us at Te Puni Kōkiri, PO Box 3943, Wellington.
3. **Conflicts of interest.** You will need to identify any conflicts of interest in your application. A conflict of interest can arise if the applicant, or people involved in the proposed project/initiative have personal or business interests that could conflict with the obligations under the funding agreement. For example, where a Trustee of the applicant group is also the person who will be paid to provide services or deliver the project there is a conflict of interest, because some of the funding will directly benefit that Trustee. Conflicts of interest could call into question independence, objectivity or impartiality and can be:
 - a. actual: where the conflict currently exists
 - b. potential: where the conflict is about to happen or could happen, or
 - c. perceived: where other people may reasonably think that a person is compromised.

You must do your best to avoid situations that may lead to a conflict of interest arising during the term of your agreement with Te Puni Kōkiri and inform us as soon as a conflict of interest arises. We can still fund a project where there is a conflict of interest; we just need to be satisfied that the conflict is being managed appropriately.

4. **Publishing information about funded projects.** From time to time, Te Puni Kōkiri may need to publish the names of organisations that were funded on our website, or in public communications. This could include:
 - a. the name of your organisation. **Note** individuals receiving funding will not be named.
 - b. a short summary that describes your project, the start date and completion date
 - c. a short description about the numbers and location of whānau who will benefit or have benefited from your project
 - d. Te Puni Kōkiri approved funding amounts.

13. Tips for developing your application | He tīwhiri mō te whakawhanake i tō tonu

Do:

- ✓ Use the support available from Te Puni Kōkiri Regional Offices. Talk to them early in the process and use their support and advice to help you develop an application
- ✓ Allow plenty of time for you and your rōpu to plan, discuss and organise your application
- ✓ Provide as much detail as you can in each section of the application form
- ✓ Ensure that information submitted is correct and current in your application, including key contact information
- ✓ Ensure your application meets the eligibility criteria and purpose of the Whenua Māori Fund.
- ✓ Ensure your fully completed application with all the supporting information is received well in advance of the date you plan to start your project
- ✓ Ensure you have Trustee and/or owner support for the application and include evidence of this (e.g. Trustee minutes, letters/emails from owners) with your application
- ✓ Ensure your application is signed by an appropriately authorised person
- ✓ Obtain quotes or estimates for work to be undertaken and include these with your application
- ✓ Write "Whenua Māori Fund application" clearly in the subject line of an email or, if posting, on the front of an envelope
- ✓ Make sure to keep in contact with your Te Puni Kōkiri Regional Office should circumstances change.

Please do not:

- ✗ Submit incomplete or unsigned applications to the fund. Please include all the additional information and evidence requested
- ✗ Leave your application to the last minute. Depending on the need for clarifications or further information, the assessment process may take some time.

Whenua Māori Fund Application Form

Please type details in the boxes provided and check pages 1-7 and **Appendix 1** for guidance if you require more information. If you have any questions about these guidelines or the Whenua Māori Fund Application Form please call your local Te Puni Kōkiri Office.

1. Organisation details | Ngā Taipitopito Whakahaere

Step	Topic	Details										
1.1	Name of applicant organisation Note: see pages 3-4 for information about who is eligible to apply. Chairperson	Te Ara Tipuna Charitable Trust										
1.2	Organisation information	<p>Please provide the applicant organisation entity information</p> <table border="1"> <tr> <td>Type of Trust/legal entity</td> <td>Charitable Trust</td> </tr> <tr> <td>Registration or incorporated number if applicable</td> <td>Registration in process with Charities Service</td> </tr> <tr> <td>New Zealand Business Number if applicable</td> <td></td> </tr> <tr> <td>Registered address</td> <td>BDO Gisborne 1 Peel St Gisborne 4010</td> </tr> <tr> <td>Postal address (if different)</td> <td>PO Box 169 Gisborne 4040</td> </tr> </table>	Type of Trust/legal entity	Charitable Trust	Registration or incorporated number if applicable	Registration in process with Charities Service	New Zealand Business Number if applicable		Registered address	BDO Gisborne 1 Peel St Gisborne 4010	Postal address (if different)	PO Box 169 Gisborne 4040
Type of Trust/legal entity	Charitable Trust											
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New Zealand Business Number if applicable												
Registered address	BDO Gisborne 1 Peel St Gisborne 4010											
Postal address (if different)	PO Box 169 Gisborne 4040											
1.3	Umbrella organisation Note: See page 3 for more information	<p>If using an umbrella organisation please provide the umbrella organisation's entity information.</p> <table border="1"> <tr> <td>Type of Trust/legal entity</td> <td></td> </tr> <tr> <td>Registration or incorporated number if applicable</td> <td></td> </tr> <tr> <td>New Zealand Business Number if applicable</td> <td></td> </tr> <tr> <td>Registered address</td> <td></td> </tr> <tr> <td>Postal address (if different)</td> <td></td> </tr> </table>	Type of Trust/legal entity		Registration or incorporated number if applicable		New Zealand Business Number if applicable		Registered address		Postal address (if different)	
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Registration or incorporated number if applicable												
New Zealand Business Number if applicable												
Registered address												
Postal address (if different)												
1.4	GST registered	<p>Is the entity who will directly receive any approved grant payments GST registered or required to be?</p> <table border="1"> <tr> <td>Yes we are GST registered</td> <td>Please provide GST number</td> <td>GST no:</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>	Yes we are GST registered	Please provide GST number	GST no:							
Yes we are GST registered	Please provide GST number	GST no:										

		No, we are not GST registered	Tick the box	
		TO BE PROVIDED		
1.5	Aims of organisation	Please describe the aims of the applicant organisation (approximately 100 words): To facilitate the cultural, social and economic wealth and wellbeing of whānau, whenua, and whakapapa. [see clause 5.2 of Trust Deed]		
1.6	Additional information	Has any decision-making member of the organisation been declared bankrupt? (if yes, provide details)	no	
		Has any decision-making member of the organisation been charged with fraud? (if yes, provide details)	no	

2. Contact details | Ngā Taipitopito Whakapā

Primary contact (authorised signatory for use in the agreement)

Step	Topic	Details
2.1	Name	9(2)(a)
2.2	Role in organisation	Trustee
2.3	Landline	9(2)(a)
2.4	Mobile	9(2)(a)
2.5	Email	9(2)(a)

Secondary contact (day-to-day manager of project)

Step	Topic	Details
2.6	Name	Hekia Parata
2.7	Role in organisation	Trustee and Project Lead
2.8	Landline	
2.9	Mobile	9(2)(a)
2.10	Email	9(2)(a)

Provider contact details

Step	Topic			
2.11 Provider details	Please use the space below to provide the contact details of the service providers that will be involved in your project if it is funded.			
Service Provider	HRM & Associates			
Registered address	9(2)(a)			
Postal address	As above			
Phone	9(2)(a)			
Email	9(2)(a)			
Organisation type	Contractors/project management			
Registration number	9(2)(a)			
GST number				
Key contact				

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3. Proposal information | Mōhiohio kaupapa

Step	Topic	Details																																			
3.1	Project name	Te Ara Tipuna Phase 2 - Engagement																																			
3.2	Land block Refer Māori land online for the relevant information.	Please provide land block details below																																			
		<table border="1"> <thead> <tr> <th>Land block name</th> <th>ML Block iD.</th> <th>Area (ha)</th> <th>Management Structure Name</th> <th>No. of owners</th> </tr> </thead> <tbody> <tr> <td colspan="5"><i>Please see attached spreadsheet with full list of land blocks.</i></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Land block name	ML Block iD.	Area (ha)	Management Structure Name	No. of owners	<i>Please see attached spreadsheet with full list of land blocks.</i>																													
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3.3	Fund outcome areas	Which outcome area does your project contribute to? Please tick below.																																			
		<table border="1"> <tbody> <tr> <td>Optimising the use of land</td> <td>Y</td> <td>Assisting to take advantage of other Government programmes</td> <td>Y</td> </tr> <tr> <td>Improving land use practices and productivity</td> <td>Y</td> <td rowspan="2">Overcoming impediments to more productive use of land (such as access to land-locked land)</td> <td rowspan="2">Y</td> </tr> <tr> <td>Preparing for commercial ventures</td> <td>Y</td> </tr> </tbody> </table>	Optimising the use of land	Y	Assisting to take advantage of other Government programmes	Y	Improving land use practices and productivity	Y	Overcoming impediments to more productive use of land (such as access to land-locked land)	Y	Preparing for commercial ventures	Y																									
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		Improving land use practices and productivity	Y	Overcoming impediments to more productive use of land (such as access to land-locked land)	Y																																
Preparing for commercial ventures	Y																																				
3.4	Sector	What sectors does the application relate to? Please tick below.																																			
<table border="1"> <tbody> <tr> <td>Forestry</td> <td>Y</td> <td>Horticulture</td> <td>Y</td> </tr> <tr> <td>Agriculture</td> <td>Y</td> <td>Apiculture</td> <td>Y</td> </tr> <tr> <td>Tourism</td> <td>Y</td> <td>Other, please detail below Culture Education Climate change Indigenous biodiversity</td> <td> </td> </tr> </tbody> </table>	Forestry	Y	Horticulture	Y	Agriculture	Y	Apiculture	Y	Tourism	Y	Other, please detail below Culture Education Climate change Indigenous biodiversity																										
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Agriculture	Y	Apiculture	Y																																		
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3.5	Current land status	What is your current land status? Please tick one of the following.																																			
		<table border="1"> <tbody> <tr> <td>Unutilised and/or underdeveloped</td> <td>Y</td> <td>Currently in production?</td> <td>Y</td> </tr> <tr> <td>Landlocked?</td> <td>Y</td> <td>Subject to impediments that might limit land productivity (e.g. flooding, erosion, access, subject to a lease)? If yes, please specify those impediments below</td> <td>Y</td> </tr> </tbody> </table>	Unutilised and/or underdeveloped	Y	Currently in production?	Y	Landlocked?	Y	Subject to impediments that might limit land productivity (e.g. flooding, erosion, access, subject to a lease)? If yes, please specify those impediments below	Y																											
		Unutilised and/or underdeveloped	Y	Currently in production?	Y																																
Landlocked?	Y	Subject to impediments that might limit land productivity (e.g. flooding, erosion, access, subject to a lease)? If yes, please specify those impediments below	Y																																		

3.6	Project background	<p>What is the background to your project? Please tell us:</p> <ol style="list-style-type: none"> 1. What change will your project achieve? 2. What is the need and opportunity to be addressed? 3. How you have worked with your community or whānau to develop this idea? <p>(300 words max)</p> <p><i>Tu-waewae tapu ra</i> Be it the hardened or calloused foot <i>Tapuwae kotuku!</i> Tread carefully over these lands!</p> <p><i>Please see attached full Te Ara Tipuna proposal.</i></p> <p>Te Ara Tipuna (TAT) represents investment in sustainable base infrastructure in Te Tairāwhiti, as a network of ara/accessways around the East Coast, for local communities and visitors to hike, bike, and trek; and, to provide the connection and catalyst for businesses and employment offering services, provisions, and experiences. Whānau will be enabled to realise the potential of their whenua – whatever that looks like for each trust, land block, and landowner.</p> <p>Te Ara Tipuna takes a different approach by seeking to create whenua-based capillaries around Te Tairāwhiti that will sustain economic, social, and cultural rejuvenation. It will be the springboard for a multi-layer across-government approach that supports the area to thrive.</p> <p>Given the extreme weather events in Te Tairāwhiti and the Cape in the last 24 months (Cyclone Gabrielle the latest of many, adversely affecting whenua and whānau) Te Ara Tipuna proposes an alternative to SH35 and its off roads as a climate resilient civil defence and emergency management route.</p> <p>The discussion around sustainable land-use is growing; a direct consequence of the increasingly more impactful weather events throughout Te Tairāwhiti. Te Ara Tipuna aims to utilise whenua in a sustainable way, providing a platform for landowners to create viable income, employment, and cultural opportunities that does not negatively impact the whenua.</p> <p>We received funding for Phase 1 - Consents through Te Ringa Hapai fund, which focuses on the consents process required to bring TAT in its entirety to fruition. Through this funding we were also able to undertake a first round of introductory engagement hui with landowners and communities around the proposed ara.</p> <p>Phase 2 – Part A (2023-24) will focus on landowner development, governance attainment, and building and developing the project infrastructure.</p> <p>We propose to work together with Te Puni Kōkiri (TPK) Whenua Māori Service for parts of this phase, to support the portion of land blocks along Te Ara Tipuna through a governance process to attain governance for their whenua. And, therefore, begin to consider their development options whatever those might be.</p> <p>We would also look to work with TPK to meet, and agree, with the Chief Judge Māori Land Court and the Maori Trustee to fast-track the process of governance for land blocks along, and around, TAT. We are aware of the possibility that not all land blocks may be willing, at this stage, to be a part of TAT. We are still committed to working with TPK to support them either to attain governance or explore land-use opportunities.</p>
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		We see other opportunities to work together with TPK, as our project aligns well with several of your goals and strategic outcomes. Please see specifics at Appendix 1
3.7	Project summary	<p>Please summarise your Project and tell us :</p> <ol style="list-style-type: none"> 1. What you propose to deliver? 2. How will you deliver it? (i.e. the key activities or steps you will take). 3. How you will know if you have been successful? 4. Is there anything unique or innovative about your project? (500 words max) <p>This phase of the project focuses on landowner development, governance attainment, and building and developing more of the project infrastructure.</p> <p>This phase of the project proposes to deliver on the following:</p> <ol style="list-style-type: none"> 1. Consent process – consulting and engaging with landowners and stakeholders along the ara, negotiating and gaining permission from over 400 land blocks. 2. Land owner and hapu relationships – development opportunities; a collectivised approach to the Ara and its many opportunities including governance and land-use. 3. Develop a TAT Kawa – overarching statement of expectation for TAT, of owners and hapu, of manuhiri, and of government (central and local) agencies. 4. Develop a Kaitiakitanga Code – with consistent foundational tikanga, incorporating hapu and whānau particularities, and documentation and specifications of tikanga and practical application. 5. Partnership with DOC – build a relationship with the Te Ara Tipuna Charitable Trust and with TRONPnui, with local level application and resourcing. 6. Local level enterprise – development of business, existing and new, along the Ara. 7. Education – development of curriculum around localised history, social studies, dialect, mōhio, and mātauranga. 8. Establishment of Advisory Group to the Trust and to the project, with wider representation and sector specific experience 9. Raise capital funding to build, develop, manage TAT. 10. Document the experience – to create a blueprint/playbook for other iwi/indigenous peoples. <p>Success for this phase will look like 75-95% of 400 land blocks governed, engaged, and thinking about best sustainable land-use opportunities particular to their whenua. It will also look like an established framework of key project components, listed above.</p> <p>We understand that Te Ara Tipuna will be the first Great Indigenous Walk in the world. We also plan for it to attain the status of a Great National Walk in Aotearoa. It will enable whānau to unlock the potential of their whenua through sustainable land-use, cultural and local level enterprise, tourism ventures, and provide for more locally grown employment opportunities.</p>

3.8	He tangata / the people	<p>Please provide brief responses to the following</p> <ol style="list-style-type: none"> 1. Who will benefit directly from your project? 2. How many people do you think will benefit directly and indirectly from the project? 3. What impact do you expect your project to have on the people who directly benefit? 4. How will your project contribute to and encourage the use of te reo me ngā tikanga Māori, for example, how is te reo Māori reflected in your initiative? <p>The direct beneficiaries from Phase 2 of Te Ara Tipuna project are the trustees and owners of whenua Māori, and on a broader level the people of Ngati Porou and those who call the Coast/Cape home. The current estimated population of the East Coast is 4000, between Gisborne and Opotiki.</p> <p>We expect that, through this phase of the project, landowners will at the very least have attained governance and access to land-use opportunities. For some, Te Ara Tipuna will allow access to their land-locked whenua, and others will gain knowledge around discovered archaeological sites.</p> <p>The best we can hope, and work for is that landowners will have a healthy governance entity, be fully engaged in the project, its opportunities and outcomes, and be working to develop complementary land-use, enterprise, and tourism ventures and initiatives – to achieve economic, social, and cultural benefits for their trust, whānau, hapu, and community.</p> <p>Included below are tables outlining the Share of track businesses, percentage, the FTE estimates for track infrastructure and maintenance, as well as the Summary of the potential benefits of Te Ara Tipuna trackway, \$m.</p> <p><i>(Please refer to Appendix - Pages 36-62 for a more detailed cost-benefit analysis)</i></p> <p>Te Ara Tipuna will bring walkers, bikers and horse-trekkers to the region; the opportunities for whānau Māori to start home-grown businesses, over and above the typical farming, forestry and horticultural opportunities, on their whenua are endless. MBIE (2016) found the Great Ride cycleways have generated high business growth in local areas. While the nature of businesses varies per region, on average, trackway related businesses were found to be made up of:</p> <p>Table 6: Share of track businesses, %</p> <table border="1" data-bbox="517 1473 1412 1870"> <tbody> <tr> <td>Accommodation</td> <td>36</td> <td>Cycle Hire</td> <td>4.2</td> </tr> <tr> <td>Visitor Activities/Attractions</td> <td>11</td> <td>Cycle Transport/Shuttle Services</td> <td>3.5</td> </tr> <tr> <td>Retail (including Services)</td> <td>8.4</td> <td>Site/Visitor Information Services</td> <td>3.5</td> </tr> <tr> <td>Café / Restaurant / Bar</td> <td>8.4</td> <td>Vineyard</td> <td>2.8</td> </tr> <tr> <td>General Tours</td> <td>4.9</td> <td>Specialised Cycle Tours</td> <td>2.1</td> </tr> <tr> <td>Other Transport Services</td> <td>4.9</td> <td>Other</td> <td>10.5</td> </tr> </tbody> </table> <p>Table 8 below presents estimates of the number of jobs (FTEs) involved in constructing and maintaining the tracks on an annual basis.</p>	Accommodation	36	Cycle Hire	4.2	Visitor Activities/Attractions	11	Cycle Transport/Shuttle Services	3.5	Retail (including Services)	8.4	Site/Visitor Information Services	3.5	Café / Restaurant / Bar	8.4	Vineyard	2.8	General Tours	4.9	Specialised Cycle Tours	2.1	Other Transport Services	4.9	Other	10.5
Accommodation	36	Cycle Hire	4.2																							
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General Tours	4.9	Specialised Cycle Tours	2.1																							
Other Transport Services	4.9	Other	10.5																							

Table 8: FTE estimates for track infrastructure and maintenance

Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Subsequent years
FTEs (skilled)	36	64.5	96	89	80	17.75	17.75	17.75
FTEs (unskilled)	0	35	55	65	59	15.5	15.5	15.5
Total	36	99.5	151	154	139	33.25	33.25	33.25

Source: Civil Projects Solutions Ltd.

As the table indicates, from years 2 to 5 (the construction period), 35 to 59 unskilled FTEs p.a. are required, alongside 65 to 80 skilled workers. From year 6 onwards, track maintenance is estimated to require approximately 18 skilled FTEs and 16 unskilled FTEs p.a.

Social procurement – employing locals to the greatest extent possible is a priority for Te Ara Tipuna. In particular, the wider TAT project seeks to employ at least 25% of unskilled FTEs through the Ministry of Social Development from currently unemployed locals. As a result, this group would have an opportunity to re-enter the labour force, upskill, and potentially exit the unemployment cycle. In summary, the potential wellbeing and monetary benefits are significant.

Our entire project speaks to te reo me ona tikanga, regenerating the cultural wealth and infrastructure of Ngati Porou and Te Whānau-a-Apanui. Several of our operating principals and objectives speak directly to it:

- To restore and grow whakapapa connections to local pa and tipuna for the Ngati Porou and Te Whānau-a-Apanui diaspora.
- To democratise the knowledge of local and cultural history, its intersection with place, and implications for ongoing kaitiakitanga, through providing opportunities for students and their whānau to research, record, and share local stories.
- To facilitate the revitalisation of pa as the centre of community activity and cultural restoration, housing provision, satellite sites of teaching and learning and apprenticeships.
- To encourage the everyday use of pa, their marae facilities, and experiences, as part of a quality visitor experience.

3.9	Project deliverables and milestones	Please detail the major progress points and/or deliverables of your project. Add more rows if you need to.	
		Progress point and/or deliverable	Expected completion date
		Project start date	November 2023
		Deliverable	
		Deliverable	
		Project end date	November 2025
		Final report / evaluation	November 2025
3.10	Delivery approach	Please provide brief responses to the following (1-3 sentences each):	
		<ol style="list-style-type: none"> 1. How will the project be managed? 2. How will landowners be involved? 3. What are the key roles involved in delivery? 	

		<p>The overall project leadership will be by HRM & Associates, led by Hekia Parata. The project management will involve executive and operational oversight, as well as accountability for the successful completion of the project.</p> <p>The landowners will be directly involved first through engagement and consultation, then through negotiation and agreement, running parallel with the governance process.</p> <p>The key roles involved in delivery will be:</p> <ol style="list-style-type: none"> a. HRM & Associates: Executive Director b. HRM & Associates: Project Manager
3.11	Long term viability	<p>Please describe how the outcomes from your project will be continued in the future, after the proposed funding has been used? How does your project link to regional/other government priorities.</p> <p>This is the second phase of a long-term project to build and maintain a 500km network trail through a region that has long suffered from under servicing and exposure to climate change in real-time. The next phase will be the detailed land parcel consent process for the conditions of access and passage across their whenua; and, begin construction of TAT, which will create new FTE's for local people, stimulate the local and regional economy, whenua development, and introduce new investment into the region.</p> <p>Te Ara Tipuna is not a short-term government intervention. It will be part of the key infrastructure that underpins current and future public and private investment in the rohe. It will mean the return on current investment is maximised and future investment is sustainable. The true opportunity of Te Ara Tipuna lies in the cultivation of localised co-governed initiatives between iwi, government, the private sector, and the environment sector, nationally and internationally. This is literally the path to inter-generational change.</p> <p><i>(See Appendix 2 - Page 15 for further detail on Government initiatives that will be enhanced through Te Ara Tipuna).</i></p>
3.12	Previous funding	<p>Has the application been discussed with or submitted to other government agencies / potential funding partners for funding consideration? Please provide details.</p> <p>Te Ara Tipuna was presented as one of two major projects being undertaken by Ngati Porou at the Ngati Porou Crown Taumata on 6 September 2022 at Parliament. The presentation was well received by the Prime Minister and Cabinet Ministers present including the Finance Ministers, Minister for Māori Development, Minister of Regional Development, Minister for the Environment, Minister of Justice, Minister for Conservation and both local MPs.</p> <p>The Prime Minister directed a senior group of officials to meet and establish the best way forward, in partnership with TRONPnui, led by 9(2)(a) Head of Kanoa at MBIE. We understand that, because it is an election year, government spending will be frugal. Notwithstanding that, we continue to advocate for long-term government investment into the project.</p> <p>We are hopeful that this next phase of funding (if successful) from Te Puni Kōkiri will continue to support the 7-year long project that has as its heart, the revitalisation of Ngati Porou and the other three Iwi around the Coast - Cape – from whenua, to whānau, to wellbeing.</p>

		<p>Has your organisation previously received funding from Te Puni Kōkiri? Please provide details.</p> <p>No, but the predecessor applicant, Te Runanganui o Ngati Porou did and has endorsed the Trust and this application to Te Puni Kōkiri . There has been a longstanding relationship. We place significant value on this relationship and have always been able to count on support, guidance, and investment from the Te Puni Kōkiri regional office in Gisborne. Nei rā te tino mihi kia koutou katoa.</p>
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4. Proposal funding and budget | Pūtea kaupapa me te tahua continued

Step	Funding			Amount
4.2	Non Te Puni Kōkiri contribution details (from C & D above)			
	Organisation	Intended use of financial contribution, or description of in-kind contribution	Contribution confirmed?	Total \$ (excluding GST)
	TRONPnui	Contribution to overall Project cost	Yes	9(2)(b)(ii)
			Yes/No	
			Yes/No	
			Yes/No	
			Yes/No	
			Yes/No	
	Total:			
Note: This should match sub totals C + D above				

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5. Risk management | Whakahaeretanga Tūpono

Please consider the possible risks to delivering your project successfully and how you might mitigate them.

1. Using the table below, detail each potential risk, no matter how big or small.
2. Identify the likelihood of the risk occurring and the impact should the risk occur
3. Tell us how you will minimise the impact of the risk - planned treatment.

Impact	Likelihood
Severe	Very likely (80-100%)
Major	Likely (50-80%)
Moderate	Possible (20-50%)
Minor	Unlikely (5-20%)
Negligible	Rare (<5%)

	Risk identified	Likelihood	Impact	Planned treatment
5.1	A land block is not willing to be a part of the trail	possible	moderate	Negotiate
	A land block refuses to be a part of the	unlikely	Significant	Re-route the track

Conflicts of interest	Are there any conflicts of interest (real or perceived) between you as an applicant, any other member of the organisation, any third party or employee of Te Puni Kōkiri? If yes, please state how any conflict of interests have been dealt with.
5.2	Sir Selwyn Parata and Hon Hekia Parata are siblings. They are well respected for their public work and service. Establishment Trustees and Te Runanganui o Ngati Porou Board and Executive are confident that their relationship reflects a convergence of interest, rather than a conflict.

6. Due diligence and supporting information | Te āta arohaehae me ngā mōhiohio tautoko

Please include the following information with your application.

Step	Item	Tick
6.1	<p>Financial Statements Financial statements from your organisation (or umbrella organisation) for the most recent year (unless you have provided these to Te Puni Kōkiri in the last 12 months). Please also provide audited accounts if they are available or required by the constitution of your organisation.</p>	
6.2	<p>Vesting Order if available</p>	
6.3	<p>Proof of entity status For example, a Certificate of Incorporation or Ahuwhenua or Whānau Trust order</p>	
6.4	<p>Children's Act 2014 If some or all of your application is about providing services to children, you must provide us with a copy of your Child Protection Policy. Children's services are defined as:</p> <ol style="list-style-type: none"> Services to one or more children Services to adults in respect of one or more children Services provided to adults living in households that include one or children that: Do or may affect significantly any one or more aspects of the well-being of those children; and <p>May be prescribed/defined by the Governor-General by order of Council. (Note: You can check if your service is included in an Order of Council on www.legislation.govt.nz)</p>	
6.5	<p>Evidence governance entities/owners agree to the application See pages 3-4. This evidence is usually one of the following:</p> <ul style="list-style-type: none"> A copy of the Trustee/Committee of Management meeting minute approving your application or an email or letter from Trustees/Committee of Management members. Where multiple blocks administered by separate Trusts or other entities are involved, a copy of the meeting minute or a signed letter or email from each entity must be obtained. Letters/emails from all land owners where there is no legal entity and there are 7 or fewer landowners 	
6.6	<p>Evidence of land block details. Please submit copies of the block details from Māori land online</p>	
6.7	<p>Attach quotes, or if not available, estimates</p>	

7. Declaration | Whakapuakitanga

In signing this Declaration, I:

9(2)(a)

1. Confirm the information contained in the proposal is true and accurate
2. Confirm that I have read and understood my rights regarding the Privacy Act 2020
3. Confirm this application complies with the objectives of my organisation as contained in the Organisation's Constitution, Trust Deed or Māori Land Court order
4. Understand that there is no guarantee that my organisation will be successful in securing Te Puni Kōkiri investment
5. Agree that Te Puni Kōkiri may collect information about my organisation from any third party in respect of this application
6. Agree that, if the proposal is successful, the name of my organisation, purpose of investment and Te Puni Kōkiri investment amount will be available as part of Te Puni Kōkiri accountability for public funds
7. Agree that the information provided in this document can be used by Te Puni Kōkiri for statistical purpose/ and or policy development
8. Agree, that if successful, we along with the target group beneficiaries of the proposed project may be required to participate in an evaluation of the project
9. Fully accept full accountability and responsibility for all requirements associated with the completion of the project.

9(2)(a)

Signed ... Designation: Trustee.....

(To be signed by the Chairperson or authorised signatory)

Date: 24 October 2023.....

Appendix 1. How to complete your application | Te whakaoti i tō tono

You may submit applications at any time throughout the year. We strongly recommend that you work with the Regional Office of Te Puni Kōkiri nearest to your whenua during the planning and development of your application. The key elements of the application are explained below.

Section 1 Organisation Details

Question	Additional information
1.1 Applicant name	Please tell us your name or the formal or registered name of the organisation you are applying on behalf of. This is normally the name of an organisation and will be used in the agreement (unless an umbrella organisation is used in the agreement) if you are successful and needs to be consistent with the formal registered name of the organisation. Please also name your Chairperson. This person cannot be a third party provider or consultant.
1.2 Organisation information	Please detail the legal status of the organisation applying. Please provide a copy of the trust deed, incorporation or establishment document. Registration, incorporated or NZBN number If applicable, provide the registration, incorporated number, and/or New Zealand Business Number for your organisation. Registered address This is the formal address that is registered with, for example, the Companies Office or Māori Land Court. This will be used as the address in the agreement if successful Postal address If different from above. This will help us ensure any delivered material gets to you.
1.3 Umbrella organisation	We need the same information as in 1.2 above if you are using an Umbrella Organisation in the agreement. Page 4 of the guidance gives more detail about the use of Umbrella Organisations.
1.4 GST registration	For financial management and invoicing.
1.5 Organisational aims	This information lets us understand more about your organisation and its alignment with the purpose of the fund.
1.6 Additional information	This information helps us manage risk.

Section 2 Contact details

2.1 – 2.5 Primary contact for application	This is the person who, if successful, will be named as signatory to the agreement. If using an Umbrella Organisation, someone from that organisation must be named as they will be entering into the agreement. This should be a person with ultimate responsibility for delivery of the project.
2.6 – 2.10 Secondary contact information	This should be the person responsible for the day-to-day management of the project.
2.11 Provider contact details	Please include the contact details for any third party providers who will support you in delivering the project (if known at this stage)

Section 3 Project Information

3.1 Project name	Simple name which summarises what you are doing.
3.2 Land block name and number	Please provide information about each Māori freehold land block/s to which this application applies.

3.3 Fund focus areas	Please tick which focus area your application relates to
3.4 Sector focus areas	Please tick which sector focus area your application relates to
3.5 Current land status	Please tick the current status of your land use.
3.6 Project background	This helps us understand what you are trying to achieve, why you want to undertake the project and how it aligns to the funds purpose. It's good to link your application to the outcomes detailed in point 2 of the Guidance.
3.7 Project summary	This is the detail of what you are proposing to do. Please include in here details of what you will deliver.
3.8 He tangata – the people	Please tell us who will benefit or be impacted by your project, how many it will touch and what the impact may be. We also ask about tikanga and Te Reo Māori. Te Puni Kōkiri has a lead role in supporting the revitalisation of the Te Reo Māori and want to understand how the projects it funds contribute to this. If applicable to objectives of the project, please state how it will encourage and support the revitalisation of Te Reo Māori. We understand that contribution might not be achievable through every project.
3.9 Deliverables and milestones	What are the major progress points (deliverables and milestones) that you will reach for your project to be successful? These are an important part of the agreement and reporting requirements. Examples of deliverables may include: owner engagement hui, providers engaged, completion of reports and assessments etc.
3.10 Delivery approach	We need information on how the project will be managed, the key roles and who has responsibility for them. This will help us to understand how delivery is structured, assess any risks and provide advice if needed. Please include the relevant skills and experience of the people and/or organisations involved and clearly identify where decision-making sits financial management and day-to-day delivery. In this section, please detail any monitoring or evaluation you propose to do.
3.11 Long Term Viability	Te Puni Kōkiri wants to ensure its funding is spent on projects that are viable and sustainable in the long term – beyond the timeframe of funding sought. Please describe how the outcomes from your project will be able to be continued in the future, after the proposed funding has been used
3.12 Previous funding	Please provide detail of any previous applications or receipt of funding that relate to this application, including bids to other agencies such as MPI, MBIE. Also, please detail any previous funding received by the applicant from Te Puni Kōkiri.

Section 4. Application Funding

4.1 Budget	Use this table to provide a full breakdown of costs for the funding you are requesting from Te Puni Kōkiri. Include the items that make up the funding you are seeking from Te Puni Kōkiri that you identified in part A of question 4.1. Your budget needs to provide the detail behind your funding request and itemise where multiple units are being purchased. Please check on page 5 for items and activities we cannot fund. Please include any quotes or estimates. Please ensure the figures total correctly and match figures used elsewhere.
4.2 Non Te Puni Kōkiri contributions	Please tell us who else is contributing both financially and non-financially to the project, what their contribution is, whether it is contribution in kind or other, and if it has been confirmed.

Section 5 Risk assessment

5.1. Risk assessment	Please complete the risk table and ensure mitigation strategies are in place. Understanding the key risks and what will be done about them will improve the likelihood of the project being successfully delivered.
5.2 Conflicts of interest	Please complete for any known conflicts of interest. More detail on conflicts of interest can be found on pages 6-7 .

Section 6. Due Diligence and supporting information

As part of the application, we also require:

Financial Statements	Financial statements from your organisation (or the umbrella organisation, if you are using one) for the most recent year (unless you have provided these to Te Puni Kōkiri in the last 12 months). Please also provide audited accounts if they are available or required by the constitution of your organisation.
Vesting Order	To confirm ownership of the whenua.
A document proving entity status	For example, a Māori Land Court order, or trust deed, registration as an incorporated society or charitable trust etc.
Children's Act 2014	If some or all of your application is about providing services to children, you must provide us with a copy of your Child Protection Policy. Children's services are defined as: <ul style="list-style-type: none"> I. Services to one or more children II. Services to adults in respect of one or more children III. Services provided to adults living in households that include one or children that: IV. Do or may affect significantly any one or more aspects of the well-being of those children; and V. May be prescribed/defined by the Governor-General by order of Council. (Note: You can check if your service is included in an Order of Council on www.legislation.govt.nz).
Evidence of governance approval	A copy of the Trustee/Committee of Management meeting minute approving your application, or an email or letter to that effect from Trustees/Committee of Management members. Where multiple blocks administered by separate Trusts or other entity are involved, a copy of the meeting minute or signed letter from each entity must be obtained. Where there are 7 or fewer landowners and no formal entity, a letter or email of approval from each landowner is required.
Evidence of land block details	Provide copies of the block details from Māori Land online.
Quotes	Attach quotes or if not available estimates.

Section 7: Declaration

7.1 Signing	Once you are happy with your application, it must be signed by an authorised person in your organisation.
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24 October 2023

9(2)(a)
National Office

Tena koe 9(2)(a)

APPLICATION FOR FUNDING: TE ARA TIPUNA PHASE 2

Thank you for the advice we have received to guide this application.

I am providing this cover letter to our application as there are key points that distinguish this application and I trust will be helpful in considering the overall proposal.

Background

We very much appreciate the support that Te Puni Kokiri has already provided for Te Ara Tipuna – in 2021, funding the development of the business proposal, in 2022 in funding Phase 1 of the project to deliver the major milestone of a Global Consent Application to develop a 500km continuous trail involving 400 land blocks, 4 Iwi, and 3 Territorial Authorities.

Current Status

Trust Tairāwhiti, and then Te Runanganui o Ngāti Porou have been the umbrella entities for the past two applications. A new legal entity has now been established, Te Ara Tipuna Charitable Trust, and application has been made to the Charities Services for registration. A copy of the Deed of Trust is attached. Accordingly, the Trust is now the applicant.

Overview

The next stage of development is broadly in two parts over the next two years, and our application and budget request represent this two year timeline. It also reflects that, while the main application relates to the Whenua Māori Fund, a number of elements contribute to a wider range of Te Puni Kokiri priority areas and funding streams. An attachment identifying those connections is also attached. In summary our proposed approach follows.

The first part, in 2024 is to work through Notification of the Global Consents process. This involves all land owners, as well as whānau, Hapu, and Iwi who may not be land owners, and members of the public having the opportunity to be heard on the proposal for the 500kms trail. During this process there will also be development of the ancillary aspects of preparing land owners (and the wider community) for opportunities and responsibilities that the trail will bring.

The second part, in 2025, will focus on individual consents for every land owning entity for the traversing of their property, and identification of any specific requirements that are sought. In this phase we hope to secure capital funding for the building of the first stage of the trail.

Funding Structure

9(2)(b)(ii)

Nga mihi nui,

9(2)(a)
Trustee and Project Lead

Te Ara Tipuna 2024/25 – Alignment with TPK Priorities

In support of our Proposal for an outcomes contract of two years (2024 and 2025 for a total of \$3.0m

The programme of work would be carried out in three streams:

- Working with whanau who are land owners
- Working with whanau who are not landowners
- Working in the overlap between both, as they are part of the same Hapu

Delivering to TPK Strategic Priorities:

Priority: Whanau centred approaches

All Te Ara Tipuna work is whanau centred.

In addition, it is also focused on Hapu and Iwi development – not simply as an aggregation of whanau but as cultural infrastructure that provide the frameworks for collective identity, enduring connection, and protection from the idea of size. It is the integrity of these structures that speaks to the meaning of identity not whether they are bigger or smaller than their neighbours. If size was the determinant of mana New Zealand would not have an equal international status to more populous nations as close as Australia or as distant as China and India.

Priority: Te Taiao

Over 400 parcels of land are traversed by Te Ara Tipuna, and the global consents sought from Gisborne District Council, Opotiki District Council and the Bay of Plenty Regional Council will involve the (requested) notification process such that all owners will have the opportunity to participate.

We are assured by the TAs, and others (eg. Te Herenga a Nuku – the Walking Commission, NZTA) that this is the biggest project of this type and involves the most whenua Maori.

This will be a detailed, time consuming process that may take up to a year (2024), and which will then lead to the detailed consents for each parcel of land, and land owning entity (2025)

Priority: Enterprise

In preparation for the opportunities that Te Ara Tipuna will bring to the region, an environment needs to be restored and developed in which local whanau, both land owning and non- land holding, see themselves as entrepreneurs, and as enterprising income generators. Creating that environment and delivering tools and training to foster small business activity will allow whanau to consider possibilities other than the trap of multi-generational welfare dependence.

The Te Ara Tipuna business case (Proposal 2021) provides examples of the success and community uplift of the cycleways and walking trails experiences in other parts of the country – and they do not enjoy the distinction of tangata whenua population and participation.

Priority: Te Pae Tawhiti

Development of a **Kawa** for the use of the trail; a practice of **kaitiakitanga** for the development and management of the trail, and the protection of **taonga and wahi tapu** that have until now not been identified and precisely located, will involve significant whole of community participation – whanau who are land owners, whanau who are not, and the space in between to realise their Hapu aspirations. How the trail will be used, by whom, in what circumstances, for both hosts and guests will require matauranga, mohio, reo, tikanga, significant understanding, willingness, and action to take responsibility for the overall rules of engagement and experience of trail users. Regardless of underlying ownership.

Communities have become accustomed to out sourcing responsibility to an array of institutions from central government and their agencies to local government, their councillors and staff, Iwi, their trustees and workforce. Te Ara Tipuna requires, and will rely on an agreed code of practice – the tikanga that make up the overall kawa of the 500kms trail.

This will become a case study of significant proportion drawing as it proposes from all whanau along the trail, as well as those who form the diaspora of the region.

Indigenous biodiversity is a key ambition of the project – to identify restore, regenerate the natural environment along the trail, and to involve young and old in the process so that their knowledge and pride grow alongside the plantings we wish to involve whanau in. Protecting what you plant will become one of the partnerships we anticipate also growing out of this experience.

Priority: Matauranga

Education and science is a core kaupapa of Te Ara Tipuna. We expect to involve learners of all ages in the collecting and documenting of cultural narratives, experiences, lessons that will in turn become part of the local curriculum of the local education and learning pathways.

Priority: Te Reo Mauri Ora

As Te Ara Tipuna business case notes in a number of areas, one of the ambitions of this kaupapa is that the local dialect is restored and revitalized and used as a common language of interaction. The vitality and use of te reo ake a rohe will inform all developments of, and along the trail. The ara will become a living classroom of practice over time.

A key indicator of sustainable success will be the use of the hapu dialects.

Priority: Maori public policy and wellbeing

Te Ara Tipuna will provide case studies and feedback loops on the sub-projects undertaken, to both assess their success and to share with other Iwi and Maori communities who may embark on similar initiatives. And to other government agencies.

ASSESSMENT OF FUNDING PROPOSAL

Fund	Multi-fund		
Recommendation and rationale			
<p>It is recommended that the Investment Sub-Committee approve \$1,900,000 million (excluding GST) across two financial years, from three investment funds, to Te Ara Tipuna Charitable Trust.</p> <p>This is based on the significant opportunity this project will create for multiple regions, iwi, hapu, and whānau. At a high-level Te Ara Tipuna is a walkway/tipuna track across the East Coast – Tairāwhiti to Whakatohea/Opotiki. It will traverse more than 400 land blocks, the majority of these being whenua Māori. The track will unlock potential of Māori land blocks including some landlocked lands, will provide feasibility and options for land development, potential land-based enterprise and the much-needed infrastructure on the East Coast. In the face of climate change, Te Ara Tipuna will certainly be a sustainable and resilient option for connection across our rural, Māori communities on the East Coast.</p> <p>The project touches on all components of Thriving Whānau and will allow a holistic approach to both whenua development and sustainable communities, whānau, hapu and iwi.</p> <p>This phase of the project has been budgeted to cost \$3,200 million over two years. This project is delivering across Te Puni Kōkiri's focus areas, and therefore we are recommending investment come from multiple funds.</p> <p>The programme of work will be structured in three parts:</p> <ul style="list-style-type: none"> • Working with whānau who are land owners • Working with whānau who are not landowners • Working in the overlap between both, as they are part of the same hapū. <p>The expected opportunities for the region's include improved economic returns, enterprise development (micro-economies), whānau development, and educational uplift.</p> <p>This proposal seeks a total of \$3 million investment. Our recommendation is to invest \$1,900 million over two financial years (2023/24 and 2024/25), from three investment funds as follows:</p> <ul style="list-style-type: none"> • \$1,075 million 2023/24, made up of: <ul style="list-style-type: none"> ○ \$675K Whenua Maori Fund (WMF) ○ \$250K Te Ringa Hapai (TRH) ○ \$150K MDF-Gen • \$825,000 2024/25, made up of: <ul style="list-style-type: none"> ○ \$675K Whenua Maori Fund (WMF) ○ \$150K MDF-Gen 			
Yes / No			
Investment Manager	9(2)(a)		Telephone
Regional Assessor	9(2)(a)		Telephone
National Assessor	9(2)(a)		
ISC Meeting Date	7 November 2023	SmartFund #	50985
Kaitono Organisation	Te Ara Tipuna Charitable Trust		
Kaitono contact name			
Proposal name	Te Ara Tipuna Phase 2 – Engagement & Opportunities		

Location of Kaitono/proposal	TPK region: Ikaroa Rawhiti	Project Location: <i>Gisborne</i>	Territorial Local Authority (TLA): <i>Gisborne District Council</i>
Amount recommended (excl. GST)	Total: \$1.9M	2023/24: \$1.075M	2024/25: \$825K
ABOUT THE PROPOSAL			
1. Focus area	<ul style="list-style-type: none"> • Optimise the use of land • Improve land use practices and productivity • Prepare for commercial ventures • Overcome impediments to more productive use of land 		
2. Description of proposal	<p>Te Ara Tipuna Charitable Trust (TAT), is a vehicle that will enable Māori whenua owners to collectively build and operate a significant recreation and tourism infrastructure across the East Coast.</p> <p>This infrastructure, <i>Te Ara Tipuna</i>, will be a network of ara/accessways around the East Coast for local communities and visitors to hike, bike, and trek. It will provide the connection and catalyst for businesses and employment enabling Māori to offer services, provisions, and experiences. Whānau will be enabled to realise the potential of their whenua – whatever that looks like for each trust, land block, and landowner.</p> <p>TAT wants to take a different approach by seeking to create whenua-based capillaries around Te Tairāwhiti that will sustain economic, social, and cultural rejuvenation. It will be the springboard for a multi-layer across-government approach that supports the area to thrive.</p> <p>Given the extreme weather events in Te Tairāwhiti and the Cape in the last 24 months (Cyclone Gabrielle the latest of many, adversely affecting whenua and whānau) Te Ara Tipuna also offers an alternative to SH35 and its off roads as a climate resilient civil defence and emergency management route.</p> <p>Trust Tairāwhiti received investment from Te Puni Kōkiri (TPK) in 2021 to develop a feasibility study for <i>Te Ara Tipuna</i> through MDF General.</p> <p>In 2022 Te Runanganui o Ngāti Porou received investment from TPK for <i>Phase 1 - Consents</i> through Te Ringa Hapai fund, which focused on the consents process required to bring Te Ara Tipuna in its entirety to fruition. Through this investment they were also able to undertake a first round of introductory engagement hui with landowners and communities around the proposed ara, as well as creating a showcase in Ruatōria. This project is almost complete but not yet.</p> <p>Phase 2, this proposal, will focus on landowner development, governance attainment, and working with whānau, hapū, and iwi organisations to develop their whenua.</p> <p>The discussion around sustainable land-use is growing; a direct consequence of the increasingly more impactful weather events throughout Te Tairāwhiti. TAT aims to utilise whenua in a sustainable way, providing a platform for landowners to create viable income, employment, and cultural opportunities that does not negatively impact the whenua.</p>		

	<p>They propose to work together with TPK Whenua Māori Service for parts of this phase to support the portion of land blocks along Te Ara Tipuna through a governance process to attain governance for their whenua. And, therefore, begin to consider their development options whatever those might be.</p> <p>They also propose to work with TPK to meet, and agree, with the Chief Judge Māori Land Court and the Māori Trustee to fast-track the process of governance for land blocks along, and around, Te Ara Tipuna. They are aware of the possibility that not all land blocks will be willing, at this stage, to be a part of Te Ara Tipuna. TAT are still committed to supporting these blocks; by working with TPK to either attain governance or explore land-use opportunities.</p> <p>They may also work together with TPK's Māori Enterprise team to help Māori develop enterprise skills and capability.</p> <p>Success for this phase will look like up to 400 land blocks governed, engaged, and thinking about best sustainable land-use opportunities particular to their whenua.</p>
3. Output	<p>This phase of the project proposes to deliver on the following:</p> <ol style="list-style-type: none"> 1. Consent process – consulting and engaging with landowners and stakeholders along the ara, negotiating and gaining permission for up to 400 land blocks. 2. Land owner and hapu relationships – development opportunities; a collectivised approach to the Ara and its many opportunities including governance and land-use. 3. Develop a Te Ara Tipuna Kawa – overarching statement of expectation for TAT, of owners and hapu, of manuhiri, and of government (central and local) agencies. 4. Develop a Kaitiakitanga Code – with consistent foundational tikanga, incorporating hapu and whānau particularities, and documentation and specifications of tikanga and practical application. 5. Partnership with DOC – build a relationship with TRONPnui, with local level application and resourcing. 6. Local level enterprise – development of business, existing and new, along the Ara. 7. Education – development of curriculum around localised history, social studies, dialect, mōhio, and mātauranga. 8. Establishment of governance entity for TAT – a model with representatives from the rohe, technical experts, and powerful advocates. 9. Raise funding to build, develop, manage Te Ara Tipuna. 10. Document the experience – to create a blueprint/playbook for other iwi/indigenous peoples.
4. Outcome/s	<p>TAT's aspiration is that Te Ara Tipuna will be the first Great Indigenous Walk in the world. It will enable whānau to unlock the potential of their whenua through sustainable land-use, cultural and local level enterprise, tourism ventures, and provide for more locally grown employment opportunities.</p>
5. Who will benefit?	<p>The direct beneficiaries from Phase 2 are the trustees and owners of whenua Māori, and on a broader level the people of Ngāti Porou and Te Whānau a Apanui, and those who call the Coast/Cape home. The current estimated population of the East Coast is 4000, between Gisborne and Opotiki.</p> <p>TAT expect that, through this phase of the project, landowners will at the very least have attained governance and access to land-use opportunities. For some, Te Ara Tipuna will allow access to their land-</p>

	<p>locked whenua, and others will gain knowledge around discovered archaeological sites.</p> <p>Whānau and hapu will be fully engaged in the project, its opportunities and outcomes, and be working to develop complementary land-use, enterprise, and tourism ventures and initiatives – to achieve economic, social, and cultural benefits for their trust, whānau, hapu, and community.</p>
6. Assessment Score	N/A as covers three funds and asking that some approval is outside of the standard criteria
7. Kaitono/rōpu role and capability and capacity to deliver	TAT will lead this engagement with all stakeholders and be accountable to achieve all deliverables and outcomes.
<p>8. Regional Assessor & Peer Reviewer comments</p> <p>Copied directly from SmartFund project</p>	<p>Assessor 9(2)(a) [REDACTED] Ikaroa Rawhiti: <i>Te Puni Kokiri have supported Te Ara Tipuna through the stages of development over the past 2-3 years, it needs to showcase its sustainability going forward for the region, and particularly for Maori landowners. If successful, this project will bring about active engagement from the 400 impacted land blocks throughout the East Coast from Gisborne to Opotiki.</i></p> <p><i>This project has taken on several iterations throughout the year, taking into account iwi, hapu and landowner interests. The new kaitono established, in itself, is new, however the trustees are well-known to TPK and the community. They have been strategically chosen as they represent significant communities and land blocks through the East Coast. Each of the trustees is reputable in their own right.</i></p> <p><i>Without the support (as previous kaitono) of Te Runanganui o Ngati Porou there is a possibility that Te Ara Tipuna and the project managers must work harder to bring landowners on the journey, it is also possible the opposite might happen.</i></p> <p><i>This proposal is focussed on providing opportunities, resilience and sustainability to landowners from Tatapouri right around the East Coast to Whakatohea. This project will provide an opportunity for whanau to have that discussion and look at potential options for the future. Following Cyclone Gabrielle, Te Ara Tipuna has never been so important as alternative options for economic and cultural returns, in addition to an important accessway and artery for whanau, and haponi for some of the most isolated communities in Aotearoa.</i></p> <p><i>Te Ara Tipuna is a priority project for Ngati Porou as per their settlement accords. The iwi have met with the former Prime Minister and Ministers to endeavour that this is supported for the iwi. However, now that the iwi has moved away from leading this project, and with an incoming new Board, the priority may change. I recommend for approval.</i></p> <p>Peer reviewer 9(2)(a) [REDACTED] Ikaroa Rawhiti: <i>This project is working alongside Phase 1 of Te Ara Tipuna, two separate funding streams but for the same Project.</i></p>

	<p><i>This project will support extensive hui to engage with landowners and the hapori on the East Coast which will be a mammoth task, but would provide learnings.</i></p> <p><i>Need to emphasis that although the WMS can support, we are independent to the project and provide transparent options for Maori landowners, whatever they may be.</i></p>																		
FINANCIAL INVESTMENT																			
9. Breakdown of proposed funding	<table border="1"> <thead> <tr> <th>Agency</th> <th>Contribution amount (\$)</th> <th>Confirmed?</th> </tr> </thead> <tbody> <tr> <td>TPK</td> <td>\$1,900,000</td> <td></td> </tr> <tr> <td>Kaitono</td> <td>9(2)(b)(ii)</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Other</td> <td></td> <td>No</td> </tr> <tr> <td>Other</td> <td></td> <td></td> </tr> <tr> <td>TOTAL</td> <td>9(2)(b)(ii)</td> <td></td> </tr> </tbody> </table>	Agency	Contribution amount (\$)	Confirmed?	TPK	\$1,900,000		Kaitono	9(2)(b)(ii)	<input type="checkbox"/>	Other		No	Other			TOTAL	9(2)(b)(ii)	
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10. What the funding will be used for	Refer to attached "Te Ara Tipuna – Phase 2 Budget Nov 2023 – Nov 2025".																		
11. Previous funding	<p>This will be TAT's first funding, but will be the third for the Te Ara Tipuna project.</p> <p>MDF Gen (2021) \$250K to write a feasibility study for the proposed Te Ara Tipuna.</p> <p>Te Ringa Hāpai 013 (2022) \$1.765Mto undertake initial consents process work and develop a model/exemplar section of the proposed Te Ara Tipuna in Ruatōria. We also seconded one of our kaimahi to this phase of the project.</p>																		
12. Similar projects that received funding	<p>#50517 (2023) \$60,000 for Te Rimu Trust, acting as umbrella organisation for the Te Araroa Kahui Kupenga Marine Access Facility Project Working Party to:</p> <p>Consult, engage and inform whānau hapū and community about the status of the project, scope requirements for developing a business and community ownership model for the facility and achieve Phase 1 Covid-19 Recovery Fast-Track Consenting for the facility (note this involved 4 major hapū hui).</p>																		
DUE DILIGENCE REQUIREMENTS																			
13. Is the kaitono an entity we fund?	Yes, the kaitono is a New Zealand Charitable Trust																		
14. Financial status	The audited financial statements have not been provided as this is a recently created organisation, specifically for this kaupapa. However, all of the trustees are experienced governors for reputable Māori land incorporations.																		
15. Conflict of interest	<p>The Project Lead is the mother of a regional kaimahi, we have ensured that the regional kaimahi has no involvement in this project. An internal Conflict of Interest Management Plan has been completed for this project.</p> <p>The Project Leader is also the sister of the outgoing Chair of Te Runanganui o Ngāti Porou and is standing in the current board elections. A plan would need to be put in place if she is elected.</p>																		

	<p>The Project Manager is the sister of a regional kaimahi, we have recently been advised. That regional kaimahi will have no involvement in this project and an internal conflict of interest management plan has been completed.</p>
16. Risk management	<p>Project Risks include:</p> <ul style="list-style-type: none"> • Possibility that not all land blocks will be willing, at this stage, to be a part of Te Ara Tipuna. Mitigation is to re-route the track. • Te Runanganui o Ngati Porou Board is currently going through the voting/succession process. A new Chair, and predominantly new Board will be appointed over the coming weeks. Hekia Parata is a candidate to the Board from rohenga 3. There may be a change of priorities by the new Board as well as potentially another conflict if Hekia is successful <p>Risk to TPK include:</p> <ul style="list-style-type: none"> • Te Ara Tipuna Charitable Trust does not yet have charitable status. While this has been applied for, a timeframe is not known. Mitigation - ask for confirmation when received or declined • While Te Ara Tipuna Charitable Trust is the applicant for investment, the entity does not either hold whenua interests or have the mandate yet from whenua owners and some of the whenua blocks are ungoverned (Whenua Māori Fund criteria outlines that kaitono must be landowners and blocks must be governed) - Mitigation – approve as an exception AND request that as Maori land blocks sign up to Te Ara Tipuna they give authority for TAT to act on their behalf for this project. • While Te Runanganui o Ngati Porou has provided a letter from their CE of support for this kaupapa, this letter does not state that Te Ara Tipuna Charitable Trust can act as the umbrella organisation. Mitigation – approve subject to receiving this confirmation from Te Runanganui o Ngati Porou • There has been no economic modelling undertaken for this project, which you would expect future investors will require. Mitigation – recommend modelling be undertaken as part of the funding agreement and make it clear that this is our last investment into this kaupapa • The pathway to the larger investment needed to complete the project (currently \$189M+) is heavily reliant on Kānoa. We are awaiting a change of government at present and do not have visibility of where priorities will land. We have had no response from Kānoa about this. Mitigation – raise this as a concern with the kaitono and keep talking with Kānoa

	<ul style="list-style-type: none"> This is a large proportion of our uncommitted investment over two financial years. We have a strong Whenua Māori pipeline and other large kaupapa (9)(2)(j) [REDACTED] <p>Mitigation – limit the size of this investment to ensure we can also invest in other kaupapa (this may mean scaling back our recommended WMF investment into this project) We will also need to provide communication support to our kaimahi for their interactions with kaitono who will miss out on investment this year (specifically WMF).</p> <ul style="list-style-type: none"> There has become a reliance on our investment to sustain this project. While the Project Lead has actively sought wider support from government and iwi groups, other putea has not been forthcoming. Specifically, they have had early discussions with Waka Kotahi and MBIE about their possible support, which would be heavily weighted towards roading and infrastructure. Mitigation - make it clear that this is our last investment into this kaupapa Perception that this project may overlap with the work of the Whenua Māori Service (WMS). Mitigation – the WMS will continue to support land blocks in a range of different options to development, if they support (or not) the Te Ara Tipuna trail over their whenua Māori, ensuring that they are not perceived as exclusively supporting this project. Organisation, oversight and facilitation of TAT wananga are undertaken by TAT, and WMS are invited as support for Māori landowners rather than a partner to the project. Some of the proposed MDF Gen investment will be used for travel (MDF Gen criteria outlines that putea shouldn't be used for travel). Mitigation – approve as an exception
17. Child Protection	Not applicable as the programme does not include the delivery of services to children under the age of 18 years.
FUND SPECIFIC REQUIREMENTS	
Whenua Māori Fund	
18. Is there evidence to show support for the proposal from the entity, or all land owners in the case where there are 7 or fewer owner?	<i>We have received a letter of support for this kaupapa from Te Runanganui o Ngāti Porou (9)(2)(a) [REDACTED] dated 4 October 2023.</i>
19. Are the land blocks subject to the proposal listed as Māori Freehold Land and listed on Māori Land Online?	Yes – the majority are.
20. Is the Kaitono the Te Ture Whenua Māori Act entity or individuals with	No.

responsibility for administering the land that is subject of the proposal?	
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