
Economic Development Report

“Whakarauora” – The Regeneration of Long Water

Wairoa District Council

February 20th 2019

FINAL



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Contents

| | |
|--|------------|
| Foreword..... | 7 |
| Acknowledgements | 7 |
| Introduction | 7 |
| Executive Summary | 8 |
| Economic Development Recommendations: | 15 |
| Socio-Economic Recommendations..... | 28 |
| Part 1 – Keys to Regeneration: Economic Development..... | 33 |
| Comparative Advantages of Wairoa District | 33 |
| Business Sector Assessment | 41 |
| Other Opportunities (includes CBD redevelopment) | 47 |
| Appraisal of Prior Economic Development Work Conducted by WDC and/or Within Wairoa District..... | 50 |
| Risk Assessment..... | 52 |
| Part 2 - Past to Present: Social, Cultural and Environmental Dimensions..... | 53 |
| The “Real” or Hidden Wairoa..... | 53 |
| A Regenerative Purpose | 53 |
| Wairoa’s Reality..... | 53 |
| Economic and Social Overview..... | 55 |
| Current Central Government Model..... | 60 |
| Education and Training..... | 72 |
| Health and Social Services | 79 |
| Culture..... | 91 |
| Environment | 94 |
| Role of Local Government (WDC and HBRC) | 97 |
| Part 3: A New Way of Governing in Wairoa..... | 100 |
| Democracy in Action?..... | 100 |
| The Crown’s Obligations to Wairoa | 100 |
| A Better Method than the Present | 101 |
| In Partnership with Wairoa’s Communities - A New Method of Governing..... | 102 |
| Demonstrating Compliance: | 104 |
| Part 4 Appendix..... | 107 |

Figures

| | |
|--|------------------------------|
| FIGURE 1 WAIROA POPULATION LIVING IN DEPRIVATION..... | ERROR! BOOKMARK NOT DEFINED. |
| FIGURE 2 NCEA RESULTS FOR WAIROA SCHOOLS | ERROR! BOOKMARK NOT DEFINED. |
| FIGURE 3 WORKING AGE RECIPIENTS OF MAIN BENEFITS | ERROR! BOOKMARK NOT DEFINED. |
| FIGURE 4 WAIROA RESIDENTIAL HOUSE SALES..... | 24 |
| FIGURE 5 LAND USE CAPABILITY..... | 33 |
| FIGURE 6 ROADING SUMMARY | 36 |
| FIGURE 7 FIBRE BROADBAND PENETRATION | 38 |
| FIGURE 8 PROJECTED GROWTH BY ADVERTISING SECTOR | 45 |
| FIGURE 9 IKEA RETAILERS | 50 |
| FIGURE 10 WAIROA DISTRICT LAND USE STUDY (LEWIS TUCKER, "WAIROA HIGH-VALUE LAND OVERVIEW" | 50 |
| FIGURE 11 INDUSTRY CONTRIBUTIONS TO NOMINAL GDP | 55 |
| FIGURE 12 MEAN HOUSEHOLD INCOME | 56 |
| FIGURE 13 GDP PER CAPITA..... | 56 |
| FIGURE 14 ETHNICITY IN NEW ZEALAND | 57 |
| FIGURE 15 DEPRIVATION INDEX | 58 |
| FIGURE 16 RATE OF POPULATION LIVING IN EACH HB TERRITORIAL AUTHORITY | 60 |
| FIGURE 17 NATIONAL PERFORMANCE BY KEY MEASURES..... | 72 |
| FIGURE 18 MAORI ETHNICITY IN WAIROA AND NEW ZEALAND..... | 80 |
| FIGURE 19 MAORI STANDING COMMITTEE | 92 |
| FIGURE 20 EXAMPLE OF RIVER MONITOR - POOR STATE..... | 95 |
| FIGURE 21 EXAMPLE OF RIVER MONITOR - GOOD STATE | 95 |

Tables

| | |
|---|----|
| TABLE 1 TOTAL BRIDGES IN WAIROA DISTRICT | 36 |
| TABLE 2 BRIDGES BY STRUCTURE | 37 |
| TABLE 3 DWELLINGS IN WAIROA DISTRICT | 39 |
| TABLE 4 LANGUAGES SPOKEN | 40 |
| TABLE 5 RISK ASSESSMENT | 52 |
| TABLE 7 GEOGRAPHIC UNITS – TOTAL INDUSTRY – WAIROA..... | 63 |
| TABLE 8 GEOGRAPHICAL UNITS BY INDIVIDUAL INDUSTRY 2000 - 2018 | 63 |
| TABLE 9 WORKING-AGE RECIPIENTS OF MAIN BENEFITS..... | 67 |
| TABLE 10 COMPARISONS OF POPULATION CHARACTERISTICS..... | 69 |
| TABLE 11 REMUNERATION FOR TEACHERS INTERNATIONALLY | 74 |
| TABLE 12 DISTRICT POPULATION | 89 |

Foreword

This report has been commissioned by Wairoa District Council (WDC) with the assistance of the New Zealand (NZ) Government's Provincial Growth Fund (PGF). The report's purpose is to provide a prioritised economic development framework to help guide sustainable growth throughout Wairoa District over the next 10 years & beyond.

Acknowledgements

The authors are grateful to the more than 115 individuals and organisations across the takiwā or communities of Wairoa district with whom we engaged.

Our focus has been to listen to a complex set of issues and needs before accurately representing the community's insights, concerns and desires within the ensuing strategy and recommendations. This includes capturing a number of worthy initiatives, but which may previously have struggled to attract "airtime" due to a lack of currency, funding, time and/or convention (i.e. thinking is 'outside the square'). When "strands" are grouped with similar ideas they often become more powerful, which in turn has helped create additional, credible input within this document.

Everyone we met provided valuable feedback in one form or another, which we viewed as being offered in confidence. Where an initiative was already in the public domain however, we have tried to credit the individual(s) or group(s) involved.

It is important to note that Part 2 – Social, Cultural and Environmental Dimensions - particularly represents the accumulated views of those we engaged with. Their opinions about what amounts to substantial social issues have however been confirmed by independently-sourced statistics within the report.

All/any errors and omissions are the sole responsibility of the authors.

Introduction

We were often asked one or both of the following questions:

"What are you doing, what is economic development (strategy)?" and/or

"What will it mean for me/us in the future?"

We have applied the following abridged Cambridge Dictionary definition to guide our task:

"Recommending how Wairoa's economy can grow and become more advanced, so that both social and economic conditions are improved".

- *Grow and become more advanced = Wairoa's economy is well developed (i.e. parity with the rest of NZ)*
- *Social conditions are improved = Wairoa's community will enjoy higher living standards, as well as better health and well-being (i.e. parity with the rest of NZ)*
- *Economic conditions are improved = Wairoa's businesses are healthier, and they will provide more reliable and stimulating employment (i.e. parity with the rest of NZ)*

In lay terms: "Investing in people, social services and infrastructure to ensure Wairoa will attract and sustain more residents in future: it will be treated by central and local government the same as the rest of New Zealand by age and stage of life need".

The recommendations are practical and implementable: the expected outcomes however are reliant upon the strategy being implemented as an integrated set of actions rather than being "cherry picked" looking for quick gains and not addressing the more difficult challenges.

The social, cultural, environmental and economic principles of the Local Government Act are deemed to apply given WDC is the project sponsor.

Executive Summary

Outwardly, Wairoa has good reason to be confident about her future based on her comparative advantages: her welcoming & caring people; the significance of multiple Māori elements (63% Of her population, culture/traditions/values; Te Reo is spoken by 17% of the community); land-based production strength; summer safe climatic factors and “terroir” (high sunshine hours and rainfall, low frost winters, limited need for irrigation); stunning natural landscape features; natural eco-systems and positive environmental restoration work; Rocket Lab launch complex at Mahia.

The secret to Wairoa’s economy becoming healthier and sustainable, able to fully harness her potential, is understanding that the district is comprised of ten distinct takiwa or communities, each with its own identity, needs and opportunities.

It requires all of society - central and local government, business and residents - to recognise that Wairoa’s future success is dependent upon creating grassroots solutions, *in their place of need*. This requires a devolved, takiwa-focused approach.

“What works for All, doesn’t work for Māori...what works for Māori does work for All”

Wairoa’s reality is that she is far removed from the long-term intent and impact of Government policy/support, which caters for NZ’s mainstream, urban-focused society in which Māori is in the minority (just 14.9%).

Inter-dependency between economic and community health is possibly heightened on account of Wairoa’s geographic isolation. Her takiwa certainly do not expect luxury treatment, just a reasonable, consistent, well-intended level of support and care in line with that provided to the rest of New Zealand. Primary healthcare, education and social services should not be materially different from elsewhere, yet the facts prove otherwise.

The Government understands that regions like Wairoa are economically “challenged”. In establishing the PGF in 2017, it provided this introduction to its purpose:

Provincial New Zealand is the heartland of Aotearoa, and home to some of our most creative and innovative people. Much of New Zealand’s economy rests on the successes of the regions, with tourism, forestry and the primary industries all strong contributors to New Zealand’s export economy.

However, some regions are challenged with higher unemployment, lower productivity, finding skilled workers, and people who are struggling economically.

Through the PGF, the Government seeks to ensure that people living all over New Zealand can reach their full potential by helping build a regional economy that is sustainable, inclusive and productive.

Source: <https://www.growregions.govt.nz/about-us/the-provincial-growth-fund/>

PGF support has enabled WDC to commission this report. The WDC/PGF funding agreement noted three initial themes to explore economic potential:

- Natural Assets (including land and water)
- Connecting Wairoa (infrastructure)
- Connecting Communities (a vibrant community)

These themes were reviewed although we note that the absence of expected data and/or delays from several sources. The deferred release of results from 2018’s Census (at least until April 2019) affected many parts of the report as did the non-availability of expected land and water information being aggregated by a complementary Hawkes’s Bay Regional Council research study. The importance of social issues to Wairoa’s community and economic health also impacted significantly on the project’s scope. This was subsequently expanded with the agreement of WDC and the Ministry of Business, Employment and innovation (‘MBIE’, as administrators of the PGF).

In order to deliver an expanded report scope and on time required the referencing of older data in some cases. This hasn't had a material impact although we note the desirability of updating the report later in 2019 when required data eventually becomes available.

Underlying Rationale of Strategy

We propose that Wairoa should prioritise the leveraging of its core, agricultural/horticultural competencies. Any improvement will yield better economic and social gains in the short term to medium term.

Most recommended strategies are underpinned by supporting actions, hence they are described as being "integrated". If they are not properly carried out, the principal strategies will be less effective. Improving productivity of traditional hill country farms, for instance, is reliant on technology and resourcing, including restoring land/preventing erosion and provision of additional, skilled, part-time on-farm labour. Improved productivity will be constrained without these dependencies.

Given that our aim is also to identify sustainable, longer-term gains, it is important to promote realistic, alternative economic growth, such as from tourism and opportunities (which embrace the rapidly evolving digital and information technology and services sectors). The strategy follows a logical grouping with significant crossover between sections, opportunities and recommendations.

Economic Growth Opportunities - Over-riding Theme

Whakarauora - the Regeneration of 'Long Water'

Developing Wairoa into New Zealand's first sustainable rohe (or area), expressed as Whakarauora, or Regeneration of the water, land and sky, her people, their authentic traditions and culture.

Wairoa's River (includes the upstream rivers which flow into her) is her lifeblood, "an area of environmental excellence, biodiversity and community guardianship". This is a desired future state or outcome, a consequence of investment addressing the river eco-system's current condition *and* attending to pressing sustainability requirements. The status quo is not an option. Investment will drive (a) a significant level of economic activity, (b) create new environmental competencies and (c) which can be leveraged for subsequent, long term gains.

The majority of recommendations which follow are linked in one form or another to Whakarauora.

Whangawehi Catchment Management Group's (WCMG's) internationally recognised conservation expertise cannot be underestimated as well as the largely unheralded volunteering efforts of a number of like entities throughout the district: Wairoa Awa Restoration Project (WARP), Lake Whakaki Trust (L:WT), Ngati Pahauwera Development Trust (NPDT) plus Ngahere Nursery (NH) and others.

The project has national significance for the way it will lead change. Wairoa district will become the NZ benchmark for environmental sustainability and in the process, best practice knowledge acquired will be disseminated to other regions in NZ (rather than they experimenting individually and at far higher cost). It is fully aligned with all PGF objectives.

It will also place Wairoa at the forefront of the "new", international knowledge-based economy, resulting in a deepening net carbon bank, further offsetting climate change;

Highest Priority Strategy Item

To independently quantify how/what is driving the current trend in farm purchases by production forestry companies.

This situation has seen experienced farmers being outbid, leading to new forestry plantings on prime farm land located close to good roads. This is a potentially significant threat to Wairoa's future prosperity. Whereas tax incentives encouraged the conversion of marginal land into forestry in the 1990s, the possible loss of more prime land in 2019 may be due to the confluence of current government policy, i.e. Paris climate accord commitments + 1 Billion Trees Programme (IBTP) incentives (\$1800/Ha planting subsidy and carbon credit incentives) + carbon credit valuation changes + 2018's Forestry National Environmental Standard (NES) update.

Whether or not renewed overall growth materialises to a large extent depends on other proactive actions within this strategy being properly implemented.

Other Priority Strategies

The next three strategies provide an important offset against any further FTE losses from forestry.

Land Use:

- Conversion of flat land into intensive horticultural use, e.g. apples generate 2 FTE's per 6 Ha – 1 on-orchard, 1 off-orchard. Every 100 Ha converted could generate 25 FTE's, after deducting 7.2 FTE's for existing sheep/beef/cropping use.
- Improving productivity of traditional hill country farms. This currently generates 2.5 FTE's/1000 Ha on average – direct employees; best practice farming within Wairoa achieves 3.3 FTE's/1000 Ha on the same basis. Farming is the largest employment group in Wairoa district. The productivity improvement of 0.8 FTE's/1000 Ha may seem insignificant however it represents a 32% gain. While it is unlikely that every farm improves to match Wairoa best practice, a modest 11% lift could realise another 70-80 FTE's (direct employees).
- Improved productivity of Māori-owned land. Multiple ownership presents a unique challenge. It is recommended that funding assistance is provided to complete Māori Land Court ownership research and enable a mobile app to be commissioned. This will become a convenient means to directly connect with all landowners wherever they live, initially leading to the improved distribution of information. Then it becomes an individual or collective responsibility for landowners to decide what they wish to do. This could lead to improved productivity assuming they make a decision to a different use of land (such as investing in intensive horticulture).

High Speed Internet Connectivity:

To occur at physical hubs in all takiwa or communities, enabling grassroots connection at a conveniently located facility, ideally schools. Connected Community Hubs can then cater for distance medicine and mobile health clinics to provide regular services in their place of need.

A parallel need is affordable, high speed internet access for households within the district, wherever they reside. This will provide widespread economic benefits beyond takiwa based, in-community hubs. A larger hub within Wairoa township will specifically cater for business needs.

Wairoa and Frasertown residents will be better served once Chorus completes its fibre installation work in March (2019) however this will only serve 50% of the area's population. The challenge therefore is implementing IT solutions which enable universal affordability and access to be provided to all takiwa beyond Wairoa and Frasertown.

Remaining Recommendations – Economic Development

Enhanced Job Creation:

- A social enterprise business approach should be very suitable in Wairoa, as it embraces many Māori values, where job creation is in balance with for-profit or not for profit;
- Revising the structure of benefit payments so that disincentives to work & study are removed;
- The shortage of ‘tradies’: consideration should be given to starting a district-wide trade training scheme that encourages plumbers and electricians etc to take on apprentices as a means of closing the current skill gap over time;
- Four potential opportunities identified to enhance employment within existing sectors (Forestry, Infrastructure, Farming and Environmental Contracting Services);
- Exploring alternative uses for recovered wood, particularly poplar, as well as forestry slash
- Apple and Pear NZ TEC-Accredited Job Pathways, is a new vocational pathway partnering with Wairoa secondary schools to encourage students to consider horticulture as a new career option; offers apprenticeships (in Fruit Growing, Fruit Handling) through to post graduate qualifications;

Creating New Economic Activity/Jobs:

Focuses upon sectors which currently have limited economic impact but which comprise the “future” economy: Tourism, Business Services, Technology, Inwards Investment Attraction, Māori Expertise/Proficiency/Uniqueness and Food.

Significant Social Impacts

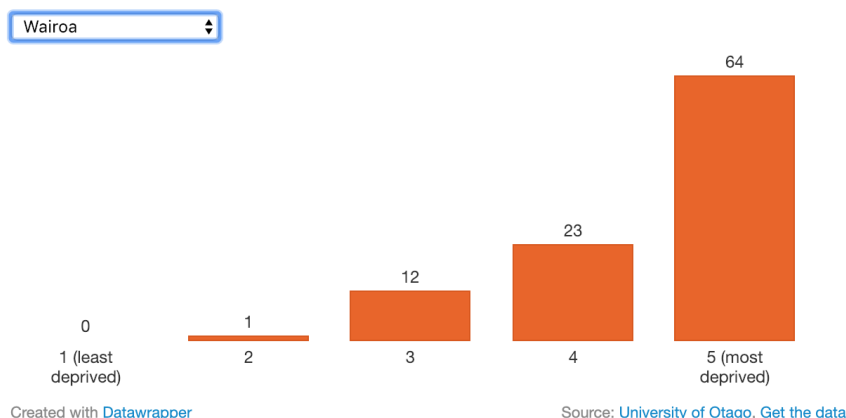
Wairoa however is confronted by considerable social-economic struggles. Collectively these have impeded the welfare of her community for at least two decades, marked by: poverty and deprivation affecting the majority of the population: 64% live in quintile 5, the most deprived, vs 20% nationally (Wairoa is more than three times worse than the rest of NZ); 87% live in quintiles 4 and 5, vs 40% nationally (Wairoa is more than two times worse than the rest of NZ).

Deprivation Indices provide a means to compare (an) area(s) in NZ vs. the national average. The indices reflect social-economic measures - principally employment, income, health, housing, access, education & crime.

Figure 1 Wairoa Population Living in Deprivation

Percentage (%) of the population living in each socioeconomic deprivation (NZDep) quintile, by territorial authority, 2013

You can use this graph to see the deprivation profiles of different territorial authorities, based on the New Zealand Index of Deprivation 2013. Nationally, equal proportions of the population (about 20%) live in each quintile.



Wairoa health and well-being levels are consequently very poor (Source: HBDHB 'Wairoa District Health Needs Assessment Report,' 2015):

Mortality Rates:

- Wairoa District have a lower life expectancy (LE) compared to all other territorial local authority areas within the Hawke's Bay Region;
- Cancer is the top cause of death in Wairoa District and a major player in premature mortality rates in Wairoa District followed by Ischaemic Heart Disease;
- Wairoa District have Intentional Self Harm mortality rates that are 3.3 times those of Central Hawke's Bay, 2.8 times those of Hastings District and 1.9 times those of Napier City rates.

Risk Factors:

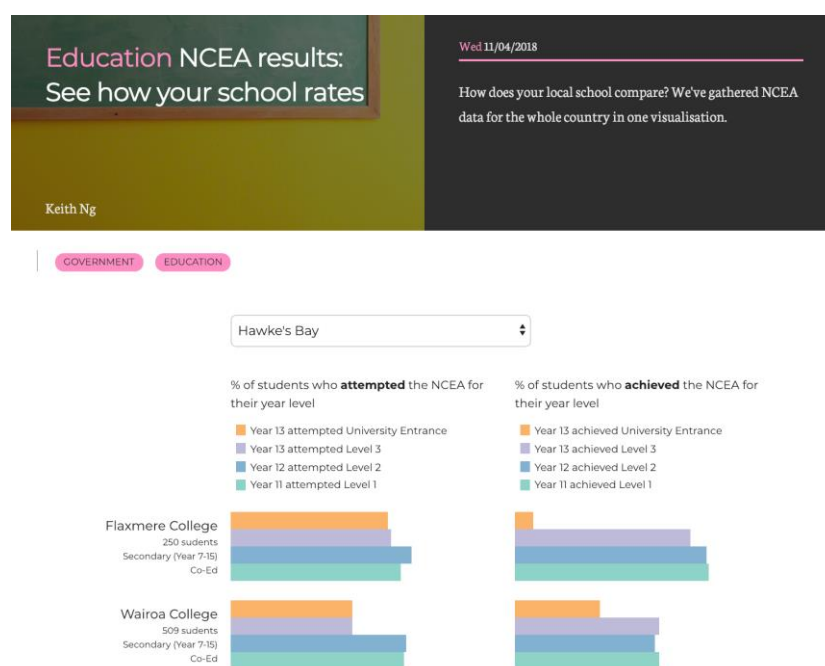
- Wairoa Māori smoking prevalence rates are higher compared to Māori rates nationally;
- Teenage birth rates in Wairoa District are 2.5 times those in Napier City and twice the overall Hawke's Bay rate;
- Diabetes prevalence rates in Wairoa District are 36% higher compared to overall Hawke's Bay Diabetes prevalence.

Chronic Disease Hospitalisations:

- Ischaemic Heart Disease hospitalization rates are 20% higher than the overall Hawke's Bay rates;
- Stroke hospitalisation rates are 50% higher compared to overall Hawke's Bay rates;
- Diabetes hospitalisation rates are 70% higher compared to overall Hawke's Bay rates
- Chronic obstructive pulmonary disease (COPD) rates are 20% higher than overall Hawke's Bay rates.

These have flow-on impacts upon low educational achievement at all levels of schooling. The secondary school benchmarking inclusion of Flaxmere College vs Wairoa College below, is recognition of the good gains that Flaxmere students have made since 2010, which includes increased Ministry of Education investment:

Figure 2 NCEA Results for Wairoa Schools



Poor health and well-being levels ultimately lead to one in every four working-age adults not working (of which 85% are Māori).

Figure 3 Working Age Recipients of Main Benefits

| At Sept 30, 2018 | NZ | | | | | Wairoa | | | | | NZ vs. Wairoa | |
|--|---------------|-------------|---------------|------------------|----------------|-------------|--------------|---------------|------------------------|-------------|--------------------|-------------|
| | # | % | Mix | Working Age Popn | Total Popn | # | % | Mix | Working Age Popn (Est) | Total Popn | "Normalised" Ratio | Diff |
| Main Benefit Assistance - Total | 284315 | 9.4% | 100.0% | 3024625 | 4907200 | 1238 | 24.3% | 100.0% | 5085 | 8250 | 478 | -760 |
| Jobseeker Support | 129643 | 4.3% | 45.7% | 62% | | 652 | 12.8% | 52.7% | 62% | | 219 | -433 |
| Solo Parent Support | 58620 | 1.9% | 20.2% | | | 252 | 5.0% | 20.4% | | | 97 | -155 |
| Supported Living Payment/Other | 92413 | 3.1% | 33.0% | | | 334 | 6.6% | 27.0% | | | 158 | -176 |

Source: MSD

Each of these key socio-economic measures ranks Wairoa among the “unhealthiest” rohe or area in New Zealand.

Wairoa means “Long Water” and her awa or river, is the very essence, or the lifeblood, of the district.

Portions of Wairoa’s physical environment are in poor condition, most notably Long Water. Just upstream of Wairoa township the E. coli trend is “likely degrading” (Railway Bridge water monitoring site). The clarity state (black disc and turbidity measures – indicators of silt levels) is in the “worst 25% of like sites”; the 5-year trend for clarity measure is “not assessed” (NB: quotes in this paragraph per the HBRC/NAWA website).

Long Water’s present, unhealthy state, may be considered a metaphor for Wairoa’s currently unwell, Māori-dominant community.

It is clear therefore that a healthier Wairoa economy is completely dependent upon her community also being healthy – there is no separation of the two. Their intertwined relationship became obvious from the earliest stages of the engagement process and as such has led to this report being presented in three parts:

Part 1: Keys to Regeneration – Economic Development Strategy

This focuses on actions which should improve Wairoa’s economy in the fullness of time. There is good reason to be optimistic as long as intensive, sustained, central government support is provided to help address multiple community issues. For instance, Wairoa does not necessarily have an unemployment problem, in terms of lack of jobs, as up to 120 jobs are available today at AFFCO. However, they remain unfilled due to Wairoa having a lack of “work fit” or work-ready employees (being unable to meet employer recruitment requirements). Wairoa’s Jobseeker rate however sits at 12.8% (vs 4.3% registered unemployed nationally at September 30th, 2018) i.e. three times higher than the national level.

Part 2: Past to Present – Social, Cultural and Environmental Dimensions

This details Wairoa’s social, cultural, and environmental landscape. As the above data demonstrates, it is grim. Dressing it up differently however would be a disservice to the people of Wairoa; it is hoped that this report can begin the process of addressing these long-term, serious issues.

Part 3: A New Way of Governing in Wairoa

Given the level of social stresses being experienced throughout the district over more than 2 decades, Part 3 suggests a new method of governing based upon a streamlined, direct link between the Crown and Wairoa (as briefly outlined below)

A New Start Proposed for the Crown’s Presence in Wairoa

Treaty Settlement documents contain freshly-minted, unambiguous commitments by the Crown to the people of Wairoa. The most recent, in 2016, was the “*Deed of Settlement of Historical Claims between The Iwi and Hapū of Te Rohe o Te Wairoa and Trustees of The Tātau Tātau o Te Wairoa Trust and The Crown*”.

In its strictest context, the Deed of Settlement applies only to the Iwi and Hapū of Tatau Tatau. It recognises historical wrong-doings on the part of the Crown and gives an undertaking to build a new, enduring relationship. At its most liberal level, it could be applied to all residents within Wairoa district.

The wording is clear – the Crown acknowledges that living in Wairoa has resulted in social-economic deprivation and reduced opportunities, to which many other New Zealanders have enjoyed.

In view of the Crown’s freshly re-stated commitment to Wairoa (above) and that the Crown’s current “operating” model is not benefiting all those who live in Wairoa, we propose a new bottom-up and community-led approach based on these main characteristics:

- A holistic view of service provision and relationship-based, whanau-orientated support, co-designed with the community;
- The needs of all users are considered, especially the non-voting young,
- Services are progressively improved i.e. early primary health intervention and on-going support leads to healthier communities;
- A coordinated, community-wide programme of navigator support by kaiawhina, as part of an integrated, frontline method of care, providing single point, 24/7, “wraparound” support, where tamariki and whanau are the focus of all activities;
- A proactive “social investment” approach is employed, which is fully funded by the Crown;
- One consistent approach organised into symbiotic ‘pillars’, which underpin a strong, healthy district. Creation of a one-stop hub for each of the seven pillars (collectively representing more than 40 separate Crown ministries, agencies, commissions, organisations, plus 100s of policies and programmes):
 1. Business, Employment and Economic Development
 2. Education and Training
 3. Health, Housing and Social Services
 4. Māori Development
 5. Sport and Recreation, Art and Culture
 6. Environment and Sustainability
 7. Community Development Agency

Summary

This strategy is a platform for positive change and growth.

There are many potential game-changing means to improve Wairoa’s economy over the mid to long term, providing a fully integrated approach is consistently taken to implementing the strategy. The sum of the parts is therefore important.

Rural-based economies such as Wairoa can do far better than merely survive, providing they progressively transform.

We caution against treating the integrated recommendations as something of a lucky dip. The strategies should not be subject to personal whim or kaupapa (agenda). Other than the highest priority strategies, the remainder have similar value, especially when they support another strategy, most of which underpin **Whakarauora - the Regeneration of ‘Long Water’**. They are seldom self-contained and discrete.

The combined, integrated package represents an opportunity for Government. It can back a socially progressive, pilot programme in Wairoa that has limited political risk.

Themed as a proactive, community-led social investment, it presents an opportunity to take a bold step such that the Crown’s commitment to the people of Wairoa is realised.

This process can occur beyond the daily glare of media scrutiny. When eventually introduced into other parts of remote New Zealand, it will make a sustained, effective and positive impact on those similar smaller communities, just as in Wairoa.

Economic Development Recommendations:

Over-riding Theme and Lead Recommendation: *That Wairoa is developed into New Zealand's first sustainable rohe, expressed as Whakarauora or Regeneration (of the sky, land and water, her people, their authentic traditions and culture). This focus uniquely positions Wairoa with her River (eco-system) literally as its lifeblood. The majority of recommendations that follow are linked in one form or another to Whakarauora.*

Wairoa: "A region of environmental excellence, biodiversity and community guardianship".

Whakarauora - the Regeneration of 'Long Water' – aims to:

- Fulfil WCMG's wise mantra "Ki te ora te wai, ka ora ai te katoa – if the waterway is healthy, then everything will survive". This is highly poignant for Wairoa district as a whole and her river system in particular;
- Reinstatement cultural respect for awa and the community's soul. Physically and spiritually, Whakarauora will re-unite all of Wairoa district, Māori and Pakeha, town and country alike. It will provide focus and hope, renewed spirit and health, new creativity;
- Have Long Water viewed as an integrated eco-system – holistic, lake to coast, earth to sky, a blend of Māori tradition and the best of contemporary society (using the latest science, research and technology);
- Complement nature, potentially encourage the return of some steep marginal hill country to its indigenous state and enable sustainable use of its farmed hill country, arable land, fertile river valleys and coastal flats;
- Become nationally significant for the way it will lead change. Wairoa district will become the NZ benchmark for environmental sustainability and in the process, best practice knowledge acquired, will be disseminated to other regions in NZ (rather than they experimenting individually and at far higher cost). Whakarauora is fully aligned with all PGF objectives;
- Place Wairoa at the forefront of the "new", international knowledge-based economy, resulting in a deepening net carbon bank, further offsetting climate change;
- Result in worthy socio-economic benefits, borne of new relationships:
 - Employment gains (immediate) – a new sector (riparian planting, native nursery, river clean-up, IBTP native planting, resource maintenance, monitoring, change management, wood recovery, compost making etc) a possible answer to work fitness, to no longer rejecting work
 - New educational pathways - bringing pupils, whanau and community together
 - A new platform 'Made by Wairoa' (sustainable produce made by Mother Nature), old from new food sources (food growing potential), aquaculture – both fresh and sea water
 - Create impetus for locally develop technology solutions and capability
 - Eco-tourism potential (examining regenerating habitat etc). Visitors travelling to Wairoa to experience her indigenous habitat and outstanding landscape. Whilst it is important that a holistic view is taken, prioritisation of riparian planting of natives is recommended (following removal of older willow and poplar trees) between the river mouth and its meeting point with SH5, about 5 km's from Wairoa on its southern approach
 - Assured, expanded access for recreational and tourism use
 - Potentially leading to a permanent Wairoa presence by the Science/Research/CRI and Tertiary sectors – by Cawthron and/or NIWA or an environmental science faculty i.e. Massey, respectively
 - Spur academic interest
 - Promote the region's technical expertise – biodiversity, habitat restoration, sustainable agriculture and horticulture, three waters, community guardianship, carbon farming, climate change

-
- Be a rohe whose physical state embodies best practice and expertise in environment and resource management law

NB: Funding is intended to meet two needs, providing: (1) specialist skills in eco-system restoration, and sustainable resource use; and (2) resources to make changes. Whakarauora is intended to include the regeneration of all Wairoa rivers systems, including the Nuhaka and Mohaka Rivers.

Land Use:

Renewed trend in farm purchases by production forestry companies of prime farm land located close to good roads - is a potentially significant threat to Wairoa's future prosperity.

Recommendation: *To independently quantify what is driving the renewed trend. Examine all aspects of current government policy: Paris climate accord commitments + IBTP incentives (\$1800/Ha planting subsidy & carbon credit incentives, Native vs Pine guidelines and impacts) + carbon credit valuation changes + 2018 National Environmental Standard (NES) for Forestry update*

Enabling the conversion of high-value flat land into intensive horticultural use.

Recommendation: *That a suitably qualified independent party (such as Lewis Tucker) be immediately appointed to explore the attraction of capital for conversion of high-value land throughout Wairoa district*

Recommendation: *Establish formal relationship with NZ Apple and Pears regarding their comprehensive Vocational Pathways programme (provides new vocational options, from apprenticeships to standalone bachelor's degrees and a range of new career possibilities in Wairoa. Would be a good link for secondary schools in particular to assist with providing candidates for employment on new, intensive horticultural developments*

Improving productivity of traditional hill country farms – by enabling widespread best practice sustainable farming. Per 1000 Ha currently requires 2.5 FTE's on average; best practice within Wairoa achieves 3.3 FTE's. This difference – 0.8 FTE's – may seem insignificant however it represents a 32% improvement. While it's unlikely that every farm improves to match local best practice, a modest 11% lift could realise another 80 or so FTE's.

Recommendation: *Initiate a series of farm clusters with on-going support modelled on the successful Northland enterprise 'Extension 350', a 'farmer-led, farmer-focused programme that is lifting profitability, environmental sustainability and well-being on 350 participant farms'*

Improving productivity of Maori-owned land – multiple ownership presents unique challenges (some larger blocks have in excess of 2000), many of whom reside well beyond Wairoa district.

Recommendation: *It is recommended that funding assistance is provided to complete Māori Land Court ownership research and enable a mobile app to be commissioned. This will become a convenient means to directly connect with all landowners wherever they live, initially leading to the improved distribution of information. Then it becomes an individual or collective responsibility for landowners to decide what they wish to do. This could lead to improved productivity assuming they make a decision to a different use of land (such as investing in intensive horticulture)*

Digital Connectivity:

Allows universal community access at physical hubs within all kahui to the new technology-based economy (multiple social and business benefits). Initial driver is to enable greater use of telemedicine and mobile health services in their place of need (i.e. not Hastings).

To occur at physical hubs in all takiwa or communities, enabling grassroots connection at a conveniently located facility, ideally schools. Connected Community Hubs can then cater for distance medicine and mobile health clinics to provide regular services in their place of need.

Recommendation: *Install high speed internet connectivity (and hardware) enabling grassroots connection to provide telemedicine and mobile health services in their place of need*

A parallel need is affordable, high speed internet access for households within the district, wherever they reside. This will provide widespread economic benefits beyond takiwa based, in-community hubs. A larger hub within Wairoa township will specifically cater for business needs.

Wairoa and Frasertown residents will be better served once Chorus completes its fibre installation work in March (2019) however this will only serve 50% of the area's population. The challenge therefore is implementing IT solutions which enable universal affordability and access to be provided to all takiwa beyond Wairoa and Frasertown.

Inspiring Fresh Enterprise:

A Social Enterprise business approach should be very suitable in Wairoa, as it embraces many Maori values – job creation in balance with profit.

Recommendation: *Fund development of social enterprise capacity within Wairoa in conjunction with a recognised service provider such as the Akina Foundation*

Enhancing Job Prospects:

Potential Within Existing Sectors

Four opportunities identified which could increase FTE's by applying learnings from similar successful schemes in Wairoa (organisation of pre-employment training with formal credits, on-going drug-free vetting, organising work, providing specialist equipment and daily transport). Whether the 4 groups operate as 4 separate 'pool's would need to be determined as there may be benefits in having staff trained who can work in any of the 4 sectors. QRS appears to have previously operated a pool approach but have may have pulled back because it wasn't core business.

Recommendation: *All training initiatives should be employer led, with an emphasis on trades training and skill development*

Recommendation: *WDC and NZTA contracts for tender to include a requirement to employ labour from a Wairoa-based infrastructure pool. This should mean only specialist roles are sourced from beyond Wairoa, minimising the level of labour being moved into Wairoa to complete infrastructure work*

Recommendation: *Request the Ministry of Social Development (MSD) further evaluate (with industry input) and recommend how to implement the four potential opportunities identified to create additional FTE's. This evaluation should be conducted in :*

-
- *Forestry crew (all skills, possibly other than harvesting?)*
 - *Infrastructure (staff required to have a Level 3+ qualification in Infrastructure)*
 - *Farming: bridges the gap whereby suitable on-farm resource is available without having to make a full or part time commitment to staff. Farmers need more labour than they actually employ. A suitably trained pool crew can achieve a large amount of work in a relatively brief of time*
 - *Environmental services contracting – includes erosion control, riparian planting, pest control, recovering trees from waterways, alternative use for recovered wood (notably poplar), new uses of forestry slash (all contribute to ‘Regeneration of Long Water’):*

Restoring hill country previously damaged by erosion or preventing in future. Provide landowners with a complete process (from assessment of need, acceptance of planting plan, application for funding assistance, sourcing of poplar poles etc and delivery to site, labour arranged and supervised to complete all work). Aligns with HBRC’s LTP Land, Water & Biodiversity initiatives

Recommendation: *Provide a service where all arrangements are taken care of for landowners*

Recommendation: *That funding be applied to Wairoa developed technology solutions to assist service*

Riparian planting. Similar approach to erosion control scheme, whereby all arrangements are taken care of for landowners. Modelled on various successful schemes such as Beef and Lamb’s “Sustainability Ambassador” scheme. Emphasis on planting Manuka, Kanuka and other natives, working closely with existing nursery expertise such as at Whakaki and Mohaka (with the potential flow-on impact of increased clover and medical grade honey production)

Recommendation: *Negotiate a contract with 1BPT for local nurseries to grow native plant stock*

Recommendation: *Provide a service where all arrangements are taken care of for landowners*

Recommendation: *That funding be applied to Wairoa developed technology solutions. Has a high degree of crossover with pest control services*

Pest Control: Provide landowners with a complete process (from assessment of need, application for ‘Predator Free’ funding assistance, labour arranged and supervised to complete all work). Aligns with HBRC’s LTP Land, Water & Biodiversity initiatives. Has a high degree of crossover with planting on erosion-damaged hill country.

Recommendation: *Provide a service where all arrangements are taken care of for landowners*

Recommendation: *That funding be applied to Wairoa developed technology solutions to assist pest control service. Has a high degree of crossover with planting on erosion-damaged hill country*

Felling &/or recovering fallen willow and poplar from rivers and waterways, complements riparian planting scheme, replanting Manuka and other natives after felling etc

Recommendation: *Provide a service where all arrangements are taken care of for landowners. Evaluate methods for removal (HBRC have prior experience) and what capital cost and skill requirements are to enable efficient kit to be permanently based in Wairoa*

Explore alternative uses for recovered wood, particularly poplar. While not suitable for structural use, poplar is frequently used for furniture and as a feature/decorative timber in parts of Europe, especially Italy (match-lining etc).

Recommendation: Consult with industry and SCION to evaluate the market potential to produce poplar timber

Exploring alternative uses for forestry slash

Recommendation: Investigate establishing a Wairoa based composting facility to avoid Ngahere Nursery et al having to purchase ex Napier. Should qualify for PGF assistance as they (as well as LWT and NPDT) will likely raise native plants for the 'Regeneration of Long Water' lead project

Forestry Sector

The scale of the forestry sector represents an opportunity to improve employment outcomes of what is currently an extremely low base

Recommendation: Appoint an experienced (part-time) forestry industry 'navigator' to help Council and the HB Forestry Group manage their relationship such that it can be appropriately leveraged for mutual gains. Key objectives of the role:

- Maintaining an on-going, productive relationship between the industry and Council, convened via a quarterly meeting;
- Enable Council to develop detailed knowledge of Wairoa-based resource ownership and to maintain a clear understanding of all current issues;
- Develop and recommend workable options and mitigations re current issues;
- Determine requirements & ways in which Wairoa businesses can better assist the forestry sector (possible servicing of fleet etc);
- Determine training needs, vocational pathways at Wairoa secondary schools

Addressing The Shortage of 'Tradies'

Recommendation: consideration should be given to starting a district-wide trade training scheme that encourages plumbers and electricians etc to take on apprentices as a means of closing the current skill gap over time

Creating New Economic Activity and Jobs

Tourism Sector

Overview - Issues & Challenges

Recommended Positioning:

- | | |
|---------------------|--|
| <u>Raw:</u> | speaks of Wairoa's natural, untainted landscapes and their suitability for being explored and/or recreational use |
| <u>Authentic:</u> | speaks to credible, cultural experiences within NZ's most Maori-dominant rohe (i.e. <u>not</u> entertainment) |
| <u>Sustainable:</u> | speaks to small groups, seeking unique & personalised experiential travel, away from the masses, within <u>NZ's first sustainable rohe</u> |

'Unique Land & People ... discover Paradise'

-
- There's incredible depth to most destinations and/or recreational pursuits within Wairoa district. Danger is that what is really special could become over-used by being exposed via promotion or a traveller's social media post. An emphasis on guided tours should be the best approach – also produces a far better employment outcome (creates guiding employment and multiple, flow-on multiplier economic benefits) than developing attractions which can be used/enjoyed without interacting with tourism operators;
 - Significant opportunity for tourism which focuses on educating visitors about Maori culture and tradition – anchored by care of the environment;
 - Develop and promote 'product' which encourages increased overnight stays;
 - Current standard of accommodation is a concern; if tourist numbers build more accommodation will be needed for high end travellers. Glamping would seem to be a good fit for small group travel;
 - Needs to be carefully segmented; benefit is that visitor activity affords on-going research opportunities to better understand Wairoa's drawcards and what crossover opportunities exist. New mobile device technology enables 'cross-selling' of other suitable visitor attractions;
 - Pitch to target audiences by 'walking in their skin'. Current Wairoa tourism approach is destination-based i.e. Mahia, rather than targeting specific audiences (person who wants to explore untainted landscapes or surf). NB: APPLab may be in the process of addressing this issue?

Recommendation: Increase the level of Wairoa-specific tourism promotion using nationally recognised & proven, digital service providers and billboards. Should allow highly targeted, cost-effective use of to broaden promotional reach. The use of billboards alongside digital platforms could for instance, display very strong imagery in key North Island domestic markets (Auckland, Hamilton, Tauranga, Wellington). Let stunning pictures tell the story – natural landscapes etc

Recommendation: Consider use of Wairoa-based travel writer, Tim Warrington, to improve social media reach

Recommendation: Emphasise guided, experiential tours catering for small groups – produces a far better visitor experience and employment outcome (creates guiding employment and economic multiplier benefits) rather than developing attractions which can be used/enjoyed without the need to interact with a tour operational

Recommendation: Recommend that a Regional Tourism Association (RTA) be formed to coordinate the activities of Wairoa tour operators. Amongst their activities need to consider how to provide 'art and craft' retail opportunities that are consistent with the recommended 'Raw, Authentic and Sustainable' positioning of all Wairoa tourism activities

Segments

Eco-tourism:

- Predator-free reserves at (a) Morere (the East Coast's largest stand of virgin, pre-European native forest) and (b) the isthmus of Mahia Peninsula (includes Whangawehi Catchment Management), shore plover colony;
- DoC-owned Morere Hot Springs
- Other eco-tourism attractions in or near Mahia, Nuhaka and Morere include glow worm cave
- Flow-on impacts for Accommodation and Hospitality
- Lake Waikaremoana/Lake Waikareiti:
 - Great Walk
 - Hiking
 - Boating

Recommendation: Prioritising the re-development of DoC-owned Morere Hot Springs into a world-class niche boutique spa experience (possibly think of Hamner Springs in principle, on a smaller scale); to be positioned on its unique restorative health properties (ancient fossilised sea water, doesn't require chlorine). To include the natural springs within Morere forest

Recommendation: Developing a 'tree-walk' structure above or within the forest's upper canopy, as added attraction at Morere. Modelled on a similar facility near Greymouth. Ideally built at the same



time as the Hot Springs are re-developed

Recommendation: Te Urewera Board to determine if the Great Walk will remain so & on what future basis

Recommendation: Sealing the Wairoa-side of SH38 (suggested as far as Onepoto only), providing a clear understanding can be agreed re the Great Walk

Maori Experiential Tourism

- Nuhaka hapu have begun to provide some cruise vessel passenger with a Maori experience, emphasizing dance, music and food
- Opportunity is to extend this initial foray into a wider-ranging offer that considers a rohe-wide approach – with an emphasis on storytelling, particularly in person. The following suggestions need to be more formally built into a cultural map - recognised Maori strengths across Wairoa:
 - Morere – traditional healing practices;
 - Nuhaka – waiata;
 - Whangawehi – eco-sanctuary;
 - Whakaki – native plants, bird-watching;
 - Frasertown – kapa haka;
 - Mohaka – arts and hangi, under canopy foraging, bird watching, traditional medicine;
 - Lake Waikaremoana – regeneration of native fauna.

Recommendation: That a Joint Venture (JV) is formed to initially focus upon developing a cultural map of all Maori tourism opportunities and competencies. Once 'product' has been formalised, appoint trusted tour operators to maintain authenticity and avoid overlap. Consideration to be given to develop a trademark or brand which signifies authenticity

Adventure Tourism:

- Mountain (MTN) biking;
- Rail trail Wairoa-Mahia and return - Flow-on impacts – bike hire, accommodation and hospitality?
- Whitewater kayaking (Mohaka);
- Guided Hunting;
- (Big Game) Fishing;
- Ocean sports - surfing, kayaking, yachting, blow-karting (Mahanga beach reputed to be the best site).

Recommendation: *that a new MTB track (Southern Star designed) be funded, ideally outside of Wairoa township in order to add weight to the need for visitors to stay overnight*

Recommendation: *Appointing Business Manager for Adventure Wairoa (AW), based at the Community Centre to build a presence with Sport HB staff*

Beach Life:

- For those who prefer a more relaxed approach to their leisure time;
- Could feature golf and other leisurely pursuits e.g. Mahia bush walks
- Potential to promote all Mahia Peninsula locations in particular; a dedicated webpage could collate all accommodation (and hospitality) options, including holiday homes for hire.

Space Coast Tourism:

- Rocket Lab's Mahia site has begun hosting frequent launch activity, heading towards weekly in the period to come
- Public launch activity viewing area at Bluck's Pit Rd, Nuhaka should provide an experience to test human senses – sight, sound and smell. This should convert well into riveting footage on a dedicated Wairoa website which perpetually counts down to the next scheduled launch
- There should be a number of spill over benefits for Wairoa – with a narrow lens, focusing on accommodation (and hospitality) options, including holiday homes for hire, vessels for hire; at its widest, a complete window to all activities in Wairoa.

Recommendation: *Fund Space Coast visitor facilities at Bluck's pit Rd and further promotional support within a re-developed i-Site on Marine Parade*

Astrotourism:

- Important that Wairoa is granted 'Dark Sky Reserve' status – provides a stamp of 'astro-credibility';
- Possible bookend opportunity re preservation of eco-systems, the ultimate driver of the Dark Sky organisation (light pollution doesn't distort nocturnal patterns, can be essential to breeding of some species);
- Further bookend activity for Space Coast visitors - another reason to stay longer – as well as specialist night photography;
- Potential spill over benefits for specialist accommodation such as is now provided at Tekapo near Mt. John (lie in bed and watch the stars overhead);

Recommendation: *Fund a feasibility study regarding the potential to establish an outreach facility of a world-class university or research institute. NB: Waikato University is one of only two colleges/university's globally to offer a paper on Space Law*

Recommendation: *Consideration be given to attracting funding for an observatory in conjunction with a recognised institute*

Pacific Coast Highway (PCH) Touring Route:

- Appeal to drivers' sense of adventure to take the "wild, wind in your hair" east coast route;
- PCH, California, is a fabled, ultimate road trip and touring route (Monterey, Big Sur etc), with soaring sights etc. Partner with rental companies to offer soft top Mustang rental cars et al (Auckland-Tauranga-Napier, Napier-Tauranga-Auckland).

Recommendation: *That Wairoa drive this initiative, packaging it potentially for overseas tourists*

Event Tourism Which Differentiates Wairoa:

Two target audiences – visitors, to develop accommodation demand & to whanau, to test the pull of their heartstrings. Events should try to espouse an active, healthy living theme:

- Waka ama
- Waitangi Day celebrations
- Easter or Labour weekend sport tournaments based on rugby, waka ama and traditional Maori sports – ‘Kahui of Origin’?

Recommendation: *That event management becomes one of the responsibilities of AW’s new business manager role*

Other/Bigger Ideas – New Product:

- Potential to create a new tourism product focused upon Whakapunaki, the highest point in Northern HB (would be dependent upon gaining access through Mahurangi Station). Landscape features: outstanding 360-degree views, 800 Hectares of virgin bush, pure natural springs, a Te Kooti battle site, has good access roads and power;
- In the event that use of Napier-Wairoa railway line falls away to unsustainable levels in 2025 after the peak forestry harvest ends, suggest that it be retired from use and be converted into a permanent bike trail;
- The famed Mohaka viaduct could become a spectacular attraction for a bungy high dive, potentially suggested as a JV between Ngati Pahauwera and a recognised operator such as AJ Hackett;
- Examine the possibility of establishing a monorail from Reperoa to Wairoa with or without a complementary gondola to access Lake Waikaremoana. Proposal could have a backer at the ready, initially for the Wairoa-Tuai phase. This would certainly differentiate Wairoa but would need to be the subject of community involvement.

Business Services

Needed to provide for support of small businesses, on the ground in Wairoa, the local ‘spoke’ to complement and work closely with Business HB’s ‘hub’ base in Napier.

Recommendation: *that a business navigator role is established, based in the proposed Pillar 1 facility (Business, Employment and Economic Development). This could be a separate, part-time role or integrated within local Economic Development role responsibilities*

Recommendation: *that a business hub be established in Wairoa comprising high speed internet facilities, hot desks and video conferencing facility, suggested as being within the proposed Pillar 1 facility (Business, Employment and Economic Development). Could allow Wairoa business owners to remotely participate in events being held at Business HB’s Napier ‘hub’ base*

Technology Sector

A home-grown tech sector could be a significant drawcard for retention of youth (rather than losses at present), inwards investment and a means to successfully overcome Wairoa’s relatively remote location. Wairoa currently has two tech groups:

CoLab (ex-Clyde Hotel)

This site is in the process of being converted into a hub of sorts, not strictly an incubator, but a lower cost, shared workspace, which nurtures latent audio/visual skills. Could ultimately lead to job growth:

- Film, sound and vision production facility;
- Performance and small conference venue for 100 or so;
- Has boutique accommodation and a commercial kitchen
- Promoter has a film industry background which could potentially be re-established in Wairoa - film school, production facility, music studio, other creative content. They're keen to develop 'Co-Lab' – co-located, complementary businesses collaborating to win work in the tech space;
- Could position Wairoa as a lower-cost film, sound and vision production space;
- Archiving/preservation capability of film and audio stock;
- Has a close involvement with APPLab.

Recommendation: *Funding to be secured to ramp up APPLab activities & community use IT equipment to promote digital literacy and connectivity*

Q130 Group

This group comprises approximately 10 people using a cooperative ownership model focusing on Digital Creative Content:

- Is developing AR and VR competencies, such that in time it can provide solutions to a borderless customer base.
- Education appears to be a sector of interest;
- Also has developed archiving capability for digital display purposes;
- With agriculture being the backbone of the Wairoa district's economy, there are opportunities mesh on-ground agriculture skills with Wairoa tech skills. Several very interesting developments already underway
- This group has recently been instrumental in establishing the Wairoa ICT Club. Formally integrating the ICT Club into secondary school curriculums would likely help it gain further traction. The ICT Club currently operates on a shoestring – it is playing an important part in developing a new vocational pathway and expanding digital literacy within Wairoa.

Recommendation: *Secure funding for ICT Club operating costs and new equipment purchases*

Recommendation: *Secure funding to increase ICT vocational pathway resources at Wairoa College, Kura and proposed Community College, dovetailing with the ICT Club*

Inwards Investment - New Resident Attraction:

- Focus on families with younger children (easier to meet their social needs) where the principal or both income earner(s) bring a (self-employed) business with them, especially those who can work remotely. High probability of being able to buy a debt-free home in Wairoa district;
- Additionally, link to an on-line bulletin board which provides information on businesses and homes for sale, job vacancies. Potentially means some new arrivals and returning whanau may have the capital to buy a business (therefore an income) as well as a home;
- Use very targeted social media (re competency, use NZ's recognised best in field (double up for training of 'tech cluster'). Create video case studies featuring those who have successfully made the move to Wairoa from a City.

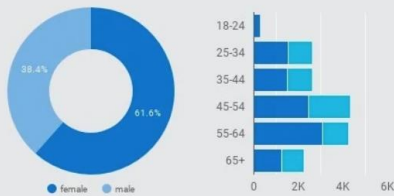
Figure 4 Wairoa Residential House Sales

District: Wairoa residential for sale insights

Data from Google Analytics

Users 1,721 ↑ 11.8% Sessions 3,155 ↑ 19.5% Pageviews 41,165 ↑ 6.6% Average session duration 12:32 ↑ 0.2%

Users by age and gender

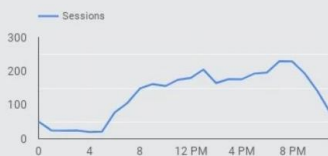


Where users are located

| Region | Users |
|----------------------|-------|
| 1. Hawke's Bay | 391 |
| 2. Auckland | 343 |
| 3. Wellington | 272 |
| 4. Waikato | 119 |
| 5. Bay Of Plenty | 88 |
| 6. Manawatu-Wanganui | 83 |
| 7. Queensland | 83 |
| 8. Gisborne | 80 |
| 9. New South Wales | 61 |
| 10. Canterbury | 60 |

1 - 10 / 57

Time of day users are searching



Top suburbs searched by users

| Suburb search | Users |
|-------------------------------|-------|
| 1. Mahia | 584 |
| 2. Wairoa | 279 |
| 3. Nuhaka/Morere | 54 |
| 4. Tui/Ohuka | 47 |
| 5. Central Hawkes Bay Coastal | 25 |
| 6. Waimarama | 24 |
| 7. Wairoa Country | 23 |
| 8. Havelock North | 20 |
| 9. Waipukurau and Surrounds | 20 |
| 10. Bay View | 19 |

1 - 10 / 574

Top price bands searched by users

| Price range search | Total events |
|--------------------|--------------|
| 1. 0 - 0 | 18,094 |
| 2. 0 - 250,000 | 332 |
| 3. 0 - 300,000 | 258 |
| 4. 0 - 200,000 | 253 |
| 5. 1,000,000 - 0 | 239 |

1 - 5 / 135

Top keywords searched by users

| Keyword search term | Total events |
|---------------------|--------------|
| 1. wairoa | 128 |
| 2. mahia | 101 |
| 3. beach | 54 |
| 4. coastal | 40 |
| 5. pets | 28 |

1 - 5 / 120

This recent analysis of house searching on the Real Estate website indicates the potential to link new resident attraction. With further work there is an opportunity to be even more specific – noting the location of searches and when carried out. Wairoa's 'network of networks' appears evident, with reasonable activity levels far and wide, notably from Queensland and New South Wales.

Recommendation: Fund of a digital platform development to promote resident attraction (plus tourism activities)

Recommendation: Fund further work to ensuring future district (infrastructure) capacity can be met – don't want to encourage growth only to suffer an increase in unemployment or a lack of affordable and papakainga housing in each takiwa

Recommendation: that a CRM system is procured and resourced by WDC to enable above resident and tourism information reaches Wairoa's 20,000 or 'network of networks'(plus regular, on-going com's). Encouraging whanau to return is a key group, especially if they bring self-employment and unique skill, particularly in the health and teaching sectors

Maori Expertise, Proficiency, Uniqueness

Wairoa has a goal of the district's community comfortably becoming bilingual by 2040. Use of technology represents a potential advantage in helping bring the use of Te Reo forward, by building cultural capital and enterprise.

Recommendation: Fund online content creation to support remote Te Reo learning for its community, suggested as a collaborative activity with Te Ataarangi. This capability could cover remote learning beyond Wairoa as well

Re-establish a contemporary art gallery and artist workspace – a gateway attraction for Wairoa, ideally located on Marine Parade, which would be significantly influenced by leading artists. If the i-Site could be relocated beside the museum (subject to moving bus stop etc), potential to co-locate with the new gallery alongside. Gives visitors a reason to drive onto Marine Parade and into town; many appear to obtain info before driving on through without having any interface with town.

Recommendation: Fund a feasibility study to review what the initial foray ‘taught’ participants and what changes are required to provide future success

Food Sector

Recommendation: that new business services navigator role specifically includes support of niche food businesses to develop (further in the case of Manurau game birds and The Limery), i.e. koura, tuna (eel), Māori kai requires an on-ground, , effectively linking to Business Hawke’s Bay. This is intended to be part of the Business Services Recommendation (above) to establish a navigator role;

Recommendation: That a feasibility study establish the viability of a licenced meat slaughtering facility for domestic consumption, that is capable of handling game birds, venison & beef (based on producer or user interest) Could possibly be based on a cooperative ownership model and incorporate a common-use cool store to further reduce cost, enabling more efficient national distribution;

How might this key Wairoa strength of authenticity be capitalised upon? Wairoa-raised Angus beef is purported to be unique. Could Mohaka grown hops provide unique flavours – akin to ‘terroir’ in wine? Could hops lead to a boutique brewery being established – one which matches its beer to authentic, Wairoa-grown food – Angus beef, goats turned into productive use, food pre-cooked using Mohaka hangi rocks, heritage fruit and vegetables etc, chocolate. Could this form the basis of an ‘authentic’ weekly food bag, which also taps into Wairoa’s ultimate network of networks, whanau who live outside of Wairoa.

Recommendation: That a strategy be developed to establish the viability of a district wide ‘Made by Wairoa’ sustainably grown food initiative (sustainable produce made by Mother Nature). This should include the ultimate use of a ‘Made by Wairoa’ brand platform and a retail/cafe outlet display garden and seed sales outlet located prominently on town’s main (SH5) route;.,

New from old, sustainably grown food could expose regenerative growing of “authentic” foods to a much wider audience (Koanga Institute and others).

Recommendation: That WDC planning rules covering Food Trucks are reviewed to ensure that they encourage their growth. In NZ and globally, ‘Generation Food Truck’ (GFT) represents rapidly evolving changes in innovative food retailing, indigenous food availability, home meal replacement and mobility, catering for custom in its place of need. GFT has recently reached Wairoa. It appears however as though it isn’t sufficiently well understood because it is unconventional and doesn’t have a fixed location.

Aviation Industry Training School

Suggested as being developed at Wairoa Airport

Recommendation: That a feasibility study be carried out to establish the viability of an Aviation Industry Training School

Aged Care

An aging population suggests that extra capacity will shortly be needed, resulting in additional employment requirements

Recommendation: *WDC to approach aged care village operators to gauge interest in developing additional facilities*

Other:

1. Accommodation: attracting of investment to development new facilities
2. Off-Road Vehicle Testing Track: Wanaka has its Snow Farm for winter testing of motor vehicles – Wairoa’s rugged terrain could lend itself to a similar facility for off road testing of new vehicles
3. Call Centre: specialist facility, supporting Maori development interest and Te Reo capability being differentiators?
4. Replacement Wharf at Waikokopu, Mahia: mid-term opportunity to re-establish a berth in a location previously proven to be suitable (also used by US Marines in WWII for training purposes. Potential to construct a berth to service larger recreational/cruising vessels and efficiently handle cruise vessel tenders, ferrying passengers to/from cruise vessel anchored nearby

Socio-Economic Recommendations

Education and Training Recommendations

Community Level

- Establishment of an integrated Education & Training pillar within the proposed district governance structure
- Establishment of an 'Education Accord' to boost community-wide recognition of the importance of formal educational achievement. Employers agree to not induce students to finish school prior to year-end (NCEA) exams are completed. Seasonal work will likewise end prior to the start of each new academic year and/or term. Training providers agree to schedule their courses outside the normal school timetable in cases where content may be attractive to secondary students. Whanau to commit to students remaining enrolled until they minimally complete all requirements of a NZQA "Certificate in Work Fitness" or similar;
- Central government to provide funding for Navigators to enable 24/7, wraparound care of all school age pupils, in particular addressing the current gap at Year 9 and above. Need to consider potential SWIS impact of Junior Colleges being established. Are SWIS effectively "Education Navigators" all children of school age? Potentially consider 4 integrated levels of care (A) Pre-school (B) Primary School – Years 1-6 (C) Junior College – Years 7-10 (D) Senior College – Years 11-13. NB: It isn't intended that Education has its own navigators in addition to Health and Social Services. All navigators should be part of an integrated frontline system of care - providing single point, 24/7 wraparound support – where whanau are the focus of all efforts;
- Establishment of a Community College – based on a Technical and Further Education (TAFE) model, to operate within (existing) facilities at Wairoa College (or vacated Intermediate school). Community College to provide a wide range of predominantly vocational courses by embracing distance learning, mostly for NZQA qualifying courses for all industry apprenticeships, engineering, horticulture, farming, business/finance, hospitality, tourism, construction, visual arts, information technology, Te Reo and community work. Emphasis is upon offering integrated adult education for Wairoa's community at a hub (Community College) facility - important for whanau returning to look after family members who may need to re-train should their vocation not offer employment within Wairoa. The best teaching resources and providers pooled from within Wairoa, all co-located on one site;
- All Wairoa schools, all levels, to receive a fair, annual lump-sum grant to cover their complete curriculum and operating needs so as to significantly reduce compliance & enable them to focus on educational achievement;
- Community College to be site of the "Connected Hub" for Wairoa (township). High Speed Internet Connectivity (and computer hardware) at physical hubs in all takiwa, will enable grassroots connection. Allows universal community access to the new technology-based economy (multiple social and business benefits). NB: Telemedicine capability at more remote Hubs (such as at Mahia) likely best delivered in Wairoa township at/by the Primary Care facility at Wairoa Hospital;
- Define which boundary method is appropriate for all of Wairoa to ensure consistency (MoE currently based on Tairāwhiti whereas most others in Wairoa are Ngāti Kahungunu based).

Secondary School Level

- Provide additional MoE funding to allow Wairoa College to further develop student educational achievement based on Flaxmere College as its benchmark (to instil a "whanau environment" and a "culturally responsive learning environment"). To include provision of a teen parent unit within the College, serving both secondary and community college students;

-
- Wairoa College and Kura to develop the requirements of a Certificate in Work Fitness (CiWF) in conjunction with Wairoa employer representatives (e.g. covering personal fitness, numeracy and literacy competency, tolerance, adaptability and etiquette, cooking and personal nutrition skills, personal hygiene, addiction-free, licensed driver, introductory workplace safety & health, interview skills);
 - CiWF to become the minimum universal achievement standard for all students upon completion of secondary school. Requires a broader educational focus to include readiness to enter the workforce alongside lifting educational achievement;
 - Secondary schools to jointly formalise “educational pathways” with all major employment groups with an emphasis on new opportunities – horticulture and ICT (plus forestry, industry training organisations, farming, civil engineering).

Intermediate Level

- MoE to fund the re-establishment of a dedicated intermediate school within the grounds of the former intermediate at North Clyde. In the event that a proposal currently in front of government to establish separate Junior Colleges throughout NZ (catering for years 7-10), North Clyde, as a separate facility, can progressively morph more readily into a full Junior College.

Health and Social Services Recommendations:

- Establishment of an integrated Health, Housing and Social Services pillar within the new proposed district governance structure;
- Prioritising High Speed Internet Connectivity (and supply of hardware) at physical hubs in all takiwa, at a conveniently located facility, ideally schools. Grassroots connectivity will allow universal community access to the new technology-based economy – for healthcare this means remote healthcare using telemedicine can be provided in its place of need. Regular, scheduled, specialist mobile health care (such as dental care, breast & cervical screening, out-reach immunisation care plus smoking cessation and drug education) needs to be a critical part of the primary care service, in its place of need;
- Prioritising intensive, sustained, case support of circa 27% of Wairoa’s community - 1 in every 4 people - covering the full spectrum of health and social services. Within this group is a subset whose needs are very extensive, more likely whanau in many cases. When linked to trauma issues and which frequently emerge within the schooling system, the care of children should be prioritised, taking a leaf from Whanau Ora philosophy: intensive, 24/7 wraparound support of whanau in Wairoa is what needs prioritisation
- Prioritise funding to pilot new primary care investment, suggested as being Mahia-based, providing “in-community” registered nurse providers (potentially covering Nuhaka and Morere as well). To be highly spec’d (birth-death), working at the top of scope under “standing orders” to enable reasonably autonomous point of care, early intervention and treatment. Ideally seek to appoint suitably qualified people living within their takiwa. While Wairoa and Mahia aren’t quite as remote as the Chatham Islands, a similar level of care could be provided by 3 FTE’s – to allow on-going 24/7 cover and professional development. The Chatham’s Health Centre caters for 600 patients with 6 FTE’s - 3 permanent registered nurses plus Admin (1), Health Care Assistant (1), GP (1);
- Wairoa’s integrated health centre retained as the regional base for specialised facilities;
 - in-patient services
 - x-ray
 - wraparound maternity care (with ultrasound)
 - on-site screening and diagnostic services;
- Recruiting Wairoa-based staff: Hawke’s Bay District Health Board (HBDHB) to prepare a briefing paper examining (novel) approaches to recruitment, particularly looking to attract

suitably skilled medical professionals (GP's, Reg Nurses, Nurse Practitioners and Dentists). Use Wairoa's 'network of networks' to try and attract whanau home, notably Maori health professionals. For instance, consider bonded professional development opportunities (such as for those wishing to become nurse practitioners within Wairoa), or, hybrid ownership models for service providers in order to attract permanent staff (in preference to say, relying on locum GP's as patients prefer to develop a long-term GP relationship);

- Dental Care: secure Ministry of Health (MoH) to carry out longitudinal study to monitor the impact of free dental care for all residents, including fluoridation of drinking water within some takiwa;
- Secure (MSD and HBDHB) funding to conduct more Wairoa-specific IDI research to enable targeted and coordinated social and health support. Maintain capability to enable regular updating of research in order to monitor future progress (relates closely to the next recommendation).
- New 'Centre for Non-Urban Research - Population Health and Well-Being, Government Social Initiatives': Secure a long-term agreement with central government to fully fund a research facility, that can test and verify policy concepts as a means of growing research capability and providing specialised employment within Wairoa;
- Health Research Council project: Ministry of Health (MoH) to provide funding to allow research regarding grassroots use of P to proceed in Wairoa;
- Pilot fund the reintroduction of driver licensing in Wairoa, to include exploring the use of technology (i.e. Virtual Reality or similar) to overcome NZTA's concerns re the lack of urban driving conditions;
- Pilot introduction of autonomous electric transport - within a discrete, fixed area - suggested as Wairoa township – as a means to explore methods to overcome the lack of private motor vehicles and/or licensed drivers. Envisage a starting point could be buses as used at Christchurch Airport;



- Overuse/dependency of alcohol and its retail availability within Wairoa - HBDHB to review overseas best practice to determine the relationship between use and availability;
- HBDHB to introduce more transparency into its evaluation of health care options, by ensuring inclusion of whole-of-society costs and benefits such as assessing the impact of Wairoa patients traveling to Hastings for medical treatment (and as per Treasury's Better Business Case (BBC) methodology) Likewise demonstrate objective, bottom-up thinking within BBC methodology, as a critical mindset for future policy makers and funders of healthcare.

Employment and Work Fitness Recommendations:

Recommendation: that MSD maintain funding of its Wairoa Vocational Training programme at current levels and be prepared to increase support levels if the appropriate specialist resources can be recruited

Recommendation: that MSD prepare an issues paper, with recommendations, having taken a global perspective of proven programmes which:

- a. Address noted shortfalls re accommodation supplement, study link, payment for return-to work-options linked to the Living Wage level

-
- b. Provide flexibility in the structuring of 'return-to work' benefit assistance -options which can be more tailored to need*
 - c. Examine innovative methods/processes to overcome beneficiary rejection of work, lack of work fitness and return to work (as a pathway to overcoming social and/or health issues)*

Emergency Housing:

There appears to be a shortage of emergency housing in Wairoa, forcing relocation of (already stressed) families to Gisborne.

Recommendation: *that central government prioritise the purchase of suitable housing to plug the existing gaps in emergency accommodation in Wairoa. An alternative approach could be to invest in a fleet of small portable homes (prototype currently under construction within Wairoa). May be a more cost-efficient approach as it allows the homes to literally be towed to a new location a moment's notice*

Community Centre Recommendations:

Recommend assisted funding for:

- 1. Re-development of the outside area near pools for families use*
- 2. New storage facilities, covered lockable cages*
- 3. Spectator seating in the main (basketball) arena*
- 4. Mobile stage*
- 5. All weather walking and cycle track, running along the river from the Ski Club in an easterly direction where there isn't currently a track, to link with CBD development so that a continuous riverside track is provided*

Sport and Recreation Recommendations:

Recommend assisted funding for:

- 1. New staff capacity - new AW's business manager role; to also be responsible for tourism-oriented event management*
- 2. New staff capacity – new Sport HB school sport coordinator role, to ensure sport and active recreation is happening within Wairoa schools (instead of responsibility falling upon teachers within each school, trying to manage sport activities alongside curriculum needs)*
- 3. New ramp to improve river access for all water-based craft at AW's base at the Rowing Club. Suggestion is a ramp with pontoon in order to handle changing river conditions*
- 4. Building Extension of AW's facilities to provide cover for waka that currently sit outside unprotected (roof & concrete floor with a secure cage) plus more weatherproof storage space*

Wairoa District Council (WDC) Recommendations:

Recommend PGF assisted funding for:

- 1. Roads: An expert review of the asset management plan to be carried out using: (a) a risk-based assessment to help identify if any WDC local roads can be being fast-tracked under the PGF and (b) an assessment of whether there is any merit in dovetailing with Tairāwhiti's PGF funded roading programme.*
- 2. Bridges: The asset management plan has a (potential) risk exposure which should be expert reviewed in on the same basis as the local road assessment: (a) establish if any of the planned work needs to be fast-tracked under the PGF and (b) an assessment of whether there is any merit in dovetailing with Tairāwhiti's PGF funded bridging programme.*

-
3. ***Recommendation:** WDC to ensure papakainga and affordable housing planning guidelines within their new Long-Term Plan encourage resident attraction and whanau to return.*

CBD Earthquake Strengthening Recommendations:

***Recommend assisted funding for:** Carrying out an expert assessment of all 200 commercial buildings in Wairoa as one piece of work, using a recognised engineering firm which has a significant body of relevant (Christchurch) strengthening experience.*

The brief: to look for innovative ways to retain all buildings, where 'shared' structures could be potentially strengthened as a multiple, providing it produces a material saving for building owners.

***Recommend assistance to provide:** A short-term loan to acquire and demolish buildings no longer fit for future use (using a pooled demolition contract to reduce cost). Could also include a property swap scheme to recompense building owners who don't want to, or can't afford to demolish. Suggest Pillar 7, 'Community Development Agency'(CDA), to handle this at arms-length. Central driver is cost-recovery - CDA deducts all (demolition, legal and financing) costs once sold for a new use.*

Hawke's Bay Regional Council (HBRC) Recommendations:

***Recommend:** Consideration be given to HBRC formalising a Wairoa Regional Park within the body of coastal wetland developments that HBRC is currently involved in within Wairoa district.*

***Recommend assisted funding for:** a feasibility assessment – on a kahui by kahui basis – of the potential to install localised networks for clusters of homes to generate electricity (using solar heating & photovoltaic cells) and to then use battery storage for later use. Septic tank replacement is also part of the programme. Recommendations can then be placed within HBRC's 'Sustainable Homes' programme for funding assistance.*

Part 1 – Keys to Regeneration: Economic Development

Comparative Advantages of Wairoa District

Natural Assets

a) Land

The majority of the district is dominated by steep hill country with varying (moderate to severe) limits on its use for other than perennial vegetation, such as pasture or forest, hence its description as being marginal. Remaining steep hill country has very severe to extreme limitations or hazards that make it unsuitable for any productive use such as cropping, pasture or forestry. It largely consists of bush, including a significant amount that is re-generating indigenous forest.

Arable-suitable land amounts to less than 5% of the district total and is mainly located in river valleys and coastal flat land plus the eastern, seaward-facing side of Mahia Peninsula.

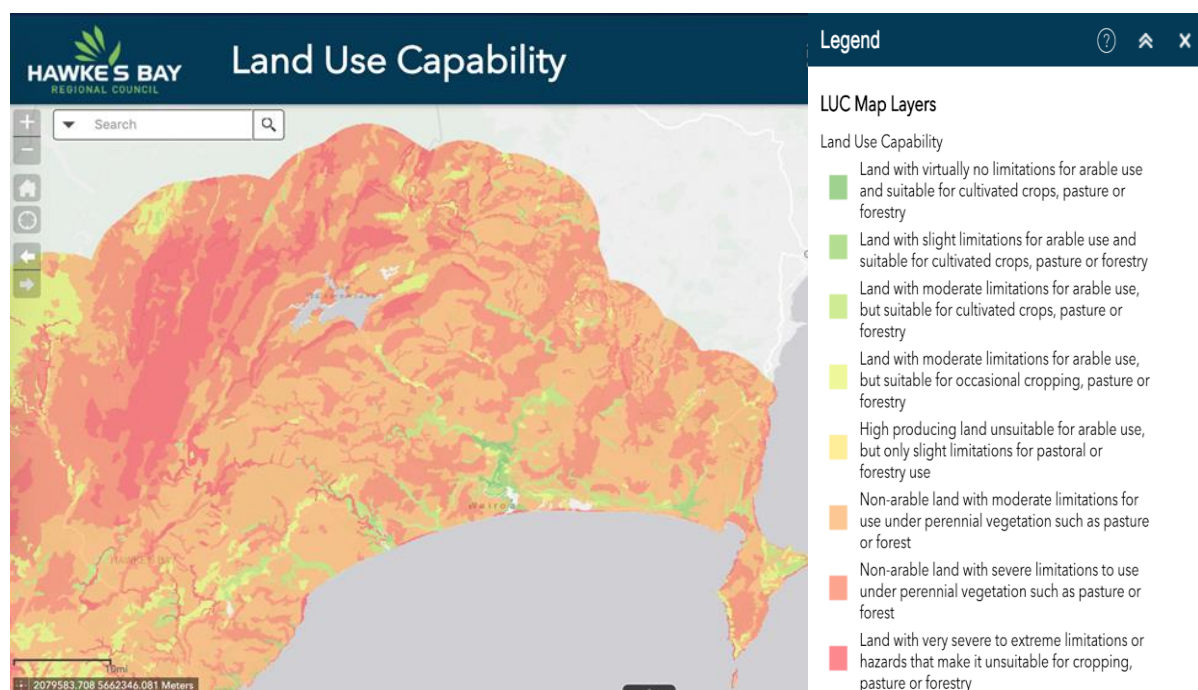
The forestry industry has had a strong presence throughout Hawke's Bay and Wairoa district for more than 50 years in the form of large, Crown-owned blocks leased by the likes of Pan Pac. Pan Pac's pulp and timber mill at Whirinaki, north of Napier, was established in the late 1970s, predicated upon continued access to the region's pine resource. Crown-owned blocks have since been assigned to Post Settlement Group Entities (PSGE's) such as NPDT.

Forestry hectares increased considerably in the 1990s with the increase in private equity forestry partnerships i.e. Roger Dickie et al, plus further farm forestry planting, mainly on marginal hill country. This surge in planting along the broader East Coast area, now rapidly approaching peak harvest between 2020 and 2025, was assisted by Government tax incentives.

Forestry land use has remained stable for most of the last 25 or so years, only recently becoming more active (commented on elsewhere in this report). Approximately 48,000 Hectares are planted in pine

Non-forestry land use, i.e. cropping and pasture-based farming, has also remained stable over the same period. There has been minimal expansion of more intensive land use, especially horticulture, despite its suitability.

Figure 5 Land Use Capability



b) Climate (ref appendix 1 page 4)

The district is blessed with temperate summer temperatures, low-frost winters and high natural rainfall for most producers (1100-1400mm/year). The need for irrigation is minimal in contrast to Gisborne, which is encountering a water shortage in the face of a significant, intended uplift in intensive horticulture. High Wairoa sunshine hours (>2150 Hrs/Yr) combine to produce a climate which influences early maturing for permanent tree crops and is generally described as summer-safe.

Potential impacts of climate change on Wairoa District:

- Increased coastal inundation and erosion, which at this stage is difficult to quantify due to the lack of study;
- Wairoa is prone to inland flooding from the Wairoa River;
- In the short to medium term the agricultural sector could benefit from longer growing seasons and increased summer precipitation. This may be offset however, by the introduction of new pests and diseases, the correct response to which requires further research;
- The negative impacts of drought will become more commonplace over the coming century;
- Conditions will become more favourable for wildfire.

Source: "The Implications of Future Climate Change on the Wairoa District "(prepared for WDC, James Oram, January 2017)

c) Water

Wairoa's steep, natural landscape has provided a network of lakes and two major rivers, complemented by extensive coastline, including Whakaki Lagoon between the Wairoa township and Nuhaka. Lake Waikaremoana is the principal lake within the district.

The southern rivers are comprised of the 170km long Mohaka, Waihua and Waikari rivers. To the north, the Wairoa River runs 65kms from Reinga Falls in the northeast. Its major tributaries include the Ruakituri, Mangapoike, Hangaroa, Mangaaruhe, Waiau and Waikaretaheke rivers.

d) Energy

Oil and gas exploration along the East Coast have a history spanning more than 100 years. In that time there have been numerous wells drilled and surveys conducted, but as yet no proven commercial reserves have been discovered.

Exploration has in the past tended to focus on the search for "conventional" oil and gas reservoirs but in more recent times, this has shifted to "unconventional" exploration, particularly oil trapped in "tight" rocks, which can now be accessed by modern extraction techniques including hydraulic fracture stimulation ("fracking").

Since 2014, a sharp decline in fortunes of the international oil and gas industry, combined with an on-going lack of commercial discoveries in the East Coast Basin (ECB), plus issues with the geological complexity of the ECB, has seen oil exploration activity in the ECB decrease to a near stand-still.

It is highly unlikely, given forecasts for oil and gas prices and the global availability of unconventional-oil and gas, that large scale exploration in the ECB will be recommencing any time soon. We would say not within the next 10 years, based in part on current levels of global over-supply of oil and gas, but also on the time taken for oil companies to respond and commence exploration in the ECB once prices return to economically viable levels. This includes allowing for long lead-in times associated with researching, applying for, and obtaining exploration permits.

There are currently only two active petroleum exploration permits within the ECB (Petroleum Exploration Permits (PEP) 38349 and 55789). The latter straddles the Hawke's Bay/Gisborne regional boundary. The New Zealand Petroleum & Minerals (NZP&M) database records that permit PEP38349 is due to expire in November 2016, with Work Programme obligations involving exploratory well drilling by July 2016, and a technical study prior to November 2016. PEP55789 expires in 2024 and its

Work Programme obligations include seismic and technical studies along with well drilling milestone in 2019 (a requirement to drill one exploration well). It also has a well drilling commitment in 2024, although the permit lies across two regions and exploration and therefore exploration may or may not be focused within Hawke's Bay."

Source: "" Review of Oil and Gas Exploration in the Hawke's Bay Region & Assessment of Relevance of PCE's Recommendations for Hawke's Bay Regional Plan", (prepared for HBRC, by EMS, May 2016)

e) Other Energy

Wairoa district has known geothermal activity, but its extent is unknown. The significant mass of waterways has the potential to generate localised power for farmers using water wheels. Sea power, notably that in the channel between and near Portland Island and Mahia Peninsula, has potential to power part of the Peninsula's need using a turbine or similar on the sea floor.

Hard Assets

a) Local Roads (ref appendix 1 page 6)

WDC is characterised by having over 568kms, or 65%, of its roads being unsealed. The impending challenge is readying this group of roads for the uplift in peak forestry harvest in 2020 and the following 6 years.

On a 5-year average comparative cost basis (\$/km), it spends much more on the maintenance of its unsealed roads compared to its peer group of 24 councils, Hawke's Bay and the National average. In respect of metalling, it is at the lowest end of the scale on the same basis.

For sealed roads, it spends much more on maintenance compared to its peer group, Hawke's Bay and the National average; less for pavement rehabilitation than any of the three reference points and close to the average for re-surfacing.

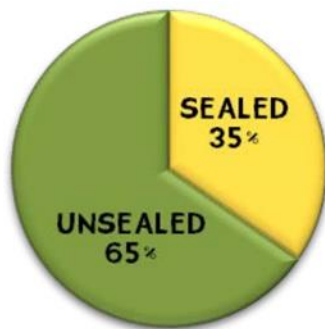
Its total percentage of network surfacing and structural renewal is approximately 8.5%, which is considerably more than its peers, Hawke's Bay and National bench marks, which are all very similar at a little over 5%.

Is there a relationship between WDC's preferred emphasis on unsealed road maintenance and that it renews more of its network annually than all benchmarks?

How comparable is a 24-member peer group, in terms of similarity of Council "scale", total network length, unsealed percentage and whether they have similar service demands, primarily forestry? A better approach, providing a higher level of confidence, would be to limit the number of peers to those councils more closely resembling Wairoa, Ruapehu district being one obvious match.

An external expert review of the plan should be carried out in the very near term to establish if any of the planned work needs to be brought forward. The expert review should include (a) a risk assessment to help identify if any WDC local roads can be fast-tracked under the PGF and (b) an assessment of whether there is any merit in dovetailing with Tairāwhiti's PGF funded roading programme.

Figure 6 Roading Summary



A summary of the road pavements assets is included below.

| ASSET GROUP | ASSET COMPONENT | UNIT | QUANTITY |
|-------------------------|----------------------|------|----------|
| Sealed Road Pavements | Sealed Local Roads | km | 297.6 |
| | SP38 Sealed Length | km | 3.9 |
| Unsealed Road Pavements | Unsealed Local Roads | km | 546.6 |
| | SP38 Unsealed Length | km | 21.6 |

b) Bridges (ref appendix 1 page 8)

Notwithstanding that Opus conducted a risk review of WDC's bridges in 2016, it seems that this asset class has greater potential to disrupt network use compared to roads, i.e. a road in poor condition can still be used, whereas the loss of a bridge has immediate stop/go consequences, which is more critical with the approach of peak forestry harvest.

WDC has:

- An acknowledged lack of data on bridge condition;
- 21 bridges deemed to be very high risk (6) and high risk (15);
- 20 bridges aged 60-94 years;
- 15 timber bridges;
- Up to 33 bridges and maybe 11, that are unable to handle maximum cargo load, depending on the view regarding the impact on users with restrictions potentially forcing them to take alternative, lengthier/costlier routes and
- A scheduling of improvement work which means the last tranche of the current 3-year bridge work programme will not be completed until some point in the 1 July 2020-30 June 2021 financial year, i.e. possibly after the peak forestry harvest has started.

The above local bridging plan has a potential risk profile exposure, which should be expert-reviewed in the very near term on the same basis as the local road assessment, i.e. review to establish if any of the planned work should be fast-tracked under the PGF and an assessment of whether there is any merit in dovetailing with Tairāwhiti's PGF funded bridging programme.

Table 1 Total Bridges in Wairoa District

| BRIDGES | QUANTITY |
|--------------|------------|
| Bridges | 127 |
| Culverts | 40 |
| SP38 Bridges | 7 |
| TOTAL | 174 |

Table 2 Bridges by Structure

The bridge structures vary considerably throughout the district in terms of design, materials and deck type. The following table is a summary of bridge type by area.

| BRIDGE TYPE | QUANTITY – LOCAL ROADS | QUANTITY – SP38 |
|----------------------------|---------------------------|--------------------|
| DECK TYPE | | |
| Reinforced Concrete | 107 | 6 |
| Pre-stressed concrete | 5 | |
| Timber | 15 | 1 |
| TOTAL | 127 | 7 |
| SUPERSTRUCTURE TYPE | | |
| Culvert Armco Circ. | 1 | |
| Comp St. Beam & Slab | 29 | 1 |
| Comp Con Beam & Slab | 18 | |
| Combined CBS & DT | 1 | |
| Combined CBS & PUT | 1 | |

c) Airport

Council owns the land that the facility is located on at the end of Airport Road. Assets at the airport include:

- 910m long, all-weather sealed runway
- Sealed taxiway linking the runway to the apron area
- Runway edge lighting
- Terminal building including waiting lounge and toilets, windsocks
- Perimeter fencing

The airport currently caters for light aircraft, mainly agricultural, medical and charter operations, all within CAA requirements. There is potential for operations at the airport to grow. Tourism, influenced by Rocket Lab activity, is one suggested growth factor in future years. There is a need to clarify whether the runway length is sufficient, particularly for medical evacuations by fixed wing aircraft.

An aviation centre of learning, covering pilot training, engineering, and ground staff, has been suggested as an opportunity for Wairoa, with international demand apparently growing. Wairoa's clear skies make it potentially attractive for increased aviation use.

d) Rail

Whilst Council has no rail assets, it is keen to promote greater use of rail, as is HBRC with its regional transport hat on. The desire to maintain rail capacity is influenced from a lifelines and alternative transport mode point of view, especially with peak forestry harvest in Wairoa district approaching in 2020. Taking an upsurge in logs off the road is attractive for network maintenance and safety reasons, let alone reducing the level of heavy transport traffic between Wairoa and Napier.

Major damage some years ago to the East Coast rail line between Wairoa and Gisborne has effectively curtailed its capacity to that of a Wairoa to Napier line only.

Potential rail demand however is focused upon Wairoa district cargo, which is principally comprised of export logs bound for Napier Port plus a relatively small volume of export timber. Other Wairoa cargo such as high value export meat, is unlikely to make much impact. Speed to overseas market is an essential aspect of maximising product shelf life. A weekend-based service will unlikely be sufficient to change the current use of road transport. The same may be said for seasonal produce ex-Gisborne.

Whilst many in the broader community are keen for rail to be retained, it's important to understand that hope will not necessarily translate into actual use. The essence of continued rail use is having an assured minimum quantity of cargo to justify KiwiRail dedicating rolling stock to a service.

The conceptual approach to starting a new forestry-oriented rail service between Wairoa and Napier Port is in utilising existing rolling stock during weekends when it is otherwise less used or idle. No new capital is required to provide rolling stock although there may be some required to establish a log terminal in North Clyde.

Whether log exporters will use the service is unknown. The commercial attractiveness of using rail's tare weight advantage has to be balanced with the "road-bridging" cost of moving logs from Wairoa district forests to the log terminal as well as the additional handling costs associated with use of a log terminal.

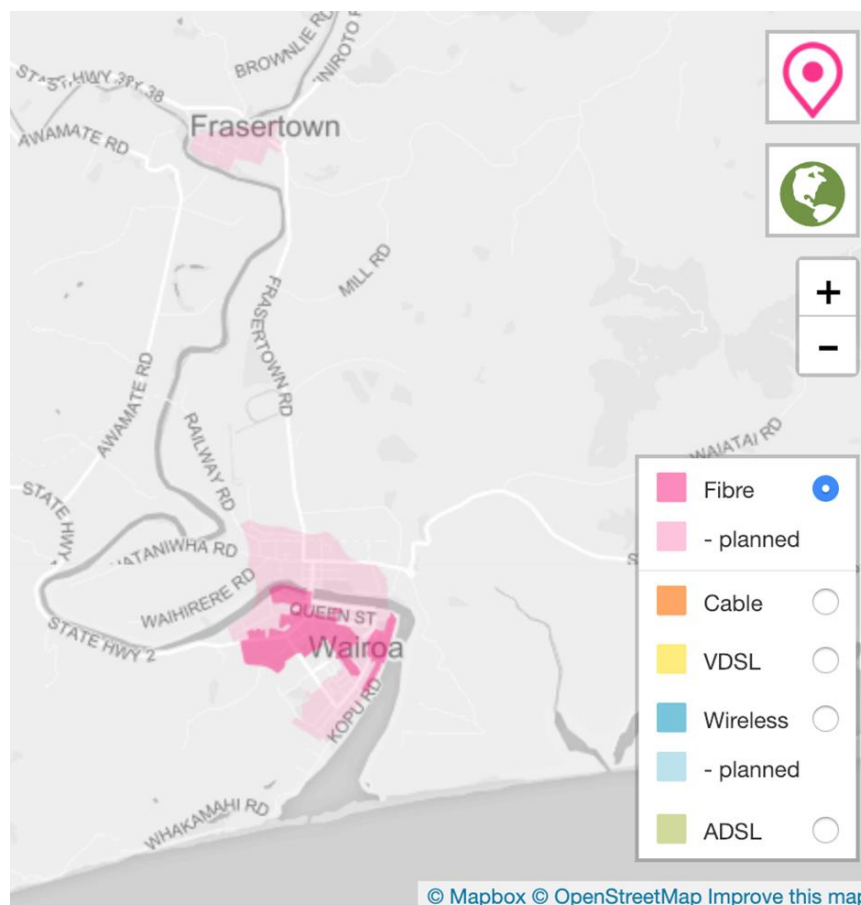
Given the size of forest resource south of Wairoa, i.e. inland from Willow Flat, it's unlikely rail can compete for this cargo given there is also a time factor to consider – direct to Napier by truck in under two hours or some days by truck to Wairoa then rail. The additional distance of a return journey to Wairoa could result in extra costs of more than \$200-300/truck depending on the forest location.

A weekend-based rail service is still a possibility once the peak harvest gathers momentum. For rail to move to weekday services as well is less clear, as it will likely require capital to acquire additional rolling stock. KiwiRail will need evidence of a sustainable cargo base to justify the investment. Peak log harvest in Wairoa will be completed by 2025, i.e. not sustainable.

e) Digital Capability

The current rollout of Ultra-Fast Broadband UFB (fibre) should be completed in the early part of 2019, however it will only benefit residents of Wairoa township and Frasertown.

Figure 7 Fibre Broadband Penetration



Nearly 2100 homes and businesses will shortly have access to UFB, equal to about 52% of homes in the district. Whilst a gain for the some there is a challenge in connecting the remaining eight takiwa throughout Wairoa. Please see 'Digital Connectivity' (page 17).

f) Residential Housing

The stock of residential housing is important when trying to confirm whether there is sufficient housing in the event that modest population growth continues.

At a surface level, it appears as though there isn't a shortage of houses in the district given there are more than 900 unoccupied dwellings. This figure needs to be treated with caution however:

- It may not reflect the current situation as the information is approaching 6 years old;
- It is unclear how many of the Unoccupied are inhabitable;
- The location of housing stock needs to be on a takiwa by takiwa basis, which is important for returning whanau. Is there a shortage in some takiwa and if so, what are the options to address?

Table 3 Dwellings In Wairoa District

| Dwellings in Wairoa District and New Zealand | |
|---|-----------------|
| 2013 Census | |
| Occupancy status | Wairoa District |
| Occupied | |
| Private dwelling | 3,012 |
| Non-private dwelling | 27 |
| Total occupied dwellings | 3,036 |
| Unoccupied | 939 |
| Under construction | 12 |
| Total dwellings | 3,987 |
| Source: Statistics New Zealand | |

Cultural and Community Assets

a) Te Reo

With Kura growing in popularity, the below data is unlikely to reflect the current situation as the information is also approaching 6 years old. The 2019 Census data nonetheless will be an important measure of how well the district is tracking against the aim for it to be fluent in Te Reo by 2040. It prompts thinking as to what new initiatives need to be considered such that Te Reo is embraced by many more in the community, ideally earlier than 2040.

| | | | |
|-----------------|--------------------|------------------|-------|
| Area: | Benchmark area: | Comparison year: | |
| Wairoa District | Hawke's Bay Region | 2006 | reset |

Source: Statistics New Zealand, Census of Population and Dwellings 2006 and 2013. Compiled and presented in profile.id by .id, the population experts.

The township is reasonably well resourced for most urgent, basic services, i.e. fire, police, ambulance and medical, although there are notable gaps in urgent social services.

Core non-urgent facilities are reasonable for a smaller population (Library and Citizens Advice Bureau). The Sport HB and WDC-backed Community Centre plus WDC-backed Museum are standout features as are some recreational facilities (e.g. MTB track), however there is said to be a shortage of facilities to involve older kids, although the ICT Club is a recent and welcome addition.

The core issue regarding community facilities is that they cater for town-based activities and needs, however, more than 40% of Wairoa's population do not live in town. This is a considerable issue where there is reasonable population density within some takiwa such as Mahia and Frasertown.

Business Sector Assessment

Production Forestry

Forestry is a major business activity in the region with more than 20% of the region now covered in pine trees.

Forestry work requires young and fit employees. As most live in Napier or Gisborne, their travelling time has an efficiency impact by it reducing the actual hours worked.

Wairoa district forests typically need 10-20 harvest crews, comprising six staff in each plus service providers, but only a few currently reside locally. The sector is seemingly reticent about employing staff from Wairoa due to reliability issues i.e. drug use and/or a general lack work fitness. The sector currently has limited involvement with Wairoa's broader business community.

Council's relationship with the forestry industry appears not quite as strong as it should be. In the words of one person from the rural sector, "Wairoa needs to embrace forestry."

Council and forest owners have opposing views regarding last year's (2018) rural roading rates change, whereby the differential for forestry land greater than 100 hectares increased quite significantly.

Council's rationale for the increase was to reallocate rural roading maintenance costs so that the forestry sector bears a higher proportion. The industry appears to agree with the principle, having made voluntary contributions to road maintenance previously. Questions on the issue however may never be addressed to the sector's satisfaction.

The current situation indicates that this key relationship needs to be healthier as a matter of course. Ultimately both parties can better help each other understand the issues affecting the sector and Council.

Long-held community concerns regarding the negative impact of forestry on the rural fabric of the district need to be approached with fresh objectivity. The sector is here to stay and both its mid-1990s expansion, as well as currently, are the consequences of government interventions of the day.

As also occurred with the forestry conversions of the 1990s, (long time) farming families have been freely selling to forestry companies. The increasing average age of farmers reflects a general rural trend, that of reduced family-based succession. This is probably the most significant threat to pasture-based farming in Wairoa/NZ and the reason why many farms are being sold in the first place.

Each farm sale however represents an opportunity. WDC can influence this process rather than it automatically leading to a loss of capital and population.

Land-based production

All forms of land-based use, including forestry and primary processing, remain the largest employment group in Wairoa district, contributing 1600 (>50%) of the total jobs. AFFCO employs more than a quarter of those employed in the land use group. Many speak of their concerns that AFFCO is a business at risk – it could up sticks - however this appears to be at odds with the company view. Wairoa remains a good location, close to prime fattening land. Recent adoption of automation technology by AFFCO follows a global trend – food producers investing in technology to overcome to labour reliability issues.

Renewed conversion of rural land to forestry is potentially a large risk to the future prosperity of Wairoa district as noted above. More recently, some farms purchased for further conversion are in prime locations close to main access roads.

Farmers who remain on their land after neighbouring farms have been converted to production forestry have long-held concerns relating to their impact, foremost the loss of previously close-knit rural communities. They also face a reasonable degree of reverse sensitivity – having production

forestry as a neighbour can be restrictive upon continued free use of their land as well as imposing costs. Forestry investment also enjoys government assistance advantages in stark contrast to 21st century farming; the 1980's Supplementary Minimum Prices are now but a very dim memory for most in the rural sector. In view of such current day forestry advantages and that most tree owners live remotely from their investments, their perspectives often differ to those of long term farmer neighbours. The lack of local economic benefits and staffing is but one issue worthy of renewed discussion.

Whereas tax incentives encouraged the conversion of marginal land into forestry in the 1990's, the possible current day loss of more prime land *may* be due to the confluence of current government policy: Paris climate accord commitments + IBTP incentives (\$1800/Ha planting subsidy and carbon credit incentives) + carbon credit valuation changes + the 2018 update of the National Environmental Standard (NES) for Forestry.

The unknown factor however is the future split between Native and Pine planting within Wairoa district, which 1BPT caps at 75:25 nationally. There could be quite a lot of water to flow under the bridge as the requirements for 1BTP planting, of Natives in particular, are better understood. The degree to which any threat to New Zealand's economy and not Wairoa alone could vary, depends on whether these policies:

- Result in more carbon farming rather than the traditional, production use of land, possibly on marginal land previously occupied by pine;
- Give rise to cost consequences that are too high for land owners (care of Native trees in the first 10-15 years after planting);
- Remain attractive to land owners despite having to surrender resulting carbon credits to the Crown for the first 10 years after planting.

In the words of someone with good understanding: "farming is solid but not innovative".

The rural community's attitude and mindset regarding the above noted government policies could determine their future impact in Wairoa, depending on whether they take a "glass half full" or "glass half empty" view of recent forestry purchases of prime sheep and beef farms.

Glass Half Full View

The total number employed in land-based production in Wairoa has remained unchanged over the last 19 years at 1000 jobs, suggesting that as land use has altered it has been replaced by another form which cumulatively employ the same number. This is encouraging, however if every farming family which sells their sheep and beef farm for conversion into pine production moves out of the district, it would incur a population loss. This appears to have been the outcome of most 1990's conversions.

Since the year 2000, the number of Wairoa residents employed in horticulture changed by a total of 1 person, rising from 33 in 2000 to 34 in 2018. This is somewhat intriguing; given that horticulture has expanded significantly across the rest of New Zealand whilst it has been static in Wairoa. Recent indicative research (Lewis Tucker, "Wairoa High-Value Land Overview" re: WDC Capability Support Project, 20/12/18) suggests Wairoa is highly suitable for a range of permanent tree crops.

Another reflection of limited land use change over the last 19 or so years is that the high level of erosion damaged hill country throughout Wairoa district persists. It hasn't been restored to full production use by planting with poplar poles or natives to prevent further damage in future.

This is mystifying: erosion-damaged land will only regain 70% of its pre-erosion production, whereas up to 100% can be achieved with poplar and native planting.

A progressive view of a sheep and beef pasture being converted into pine production is that it represents a considerable opportunity: capital could be reinvested in Wairoa into another land use, ideally intensive horticulture.

Every two or three larger farms sold could amount to a combined 2-2500 hectares 'lost' to forestry. Reinvested in approximately 100 hectares of intensive horticulture however could produce a net gain of more than 25 jobs, after allowing for a 2.3 FTE job loss per 1000ha of sheep and beef converted into production pine.

The profitability of intensive horticulture should provide a much better return on investment vs sheep and beef. Some new apple varieties are believed to be currently generating better returns than gold kiwifruit on a per hectare basis.

There are also a range of environmental and social benefits:

- a) converted forestry and potentially horticulture land generates carbon gains;
- b) horticulture is comparatively more sustainable, having used low-spray regimes for some years vs. sheep and beef farming risks including methane emission, fertiliser leaching and E. coli;
- c) less social isolation for farming families, the main factor in the loss of family succession options for older farmers.

If new capital attracted to intensive horticulture from outside of Wairoa is added to redeployed former sheep and beef capital, 1000 hectares converted should produce a net gain of more than 250 additional jobs.

A cumulative 3000 Hectares converted – albeit an optimistic number - should produce a net gain of more than 750 jobs. 3000 Hectares equates to 3-4 larger beef and sheep farms; a net gain of 750 jobs would theoretically reduce Wairoa's current level of those receiving main benefit support to the current national level (from 24.3% down to 9.4% - covers jobseekers, solo parents and supported living payments).

Conversion of coastal flat land for intensive horticultural use in Wairoa typically has these requirements:

- Minimum scale requirement of 40-70 Ha, not necessarily in a single block (spreads risk);
- \$200K establishment per hectare for cherries and apples;
- Winter chilling hours requirement – Apples 600-900 hrs, Cherries 1200 hrs? Science solutions can offset a possible lack of chilling hours;
- Joint Ventures (JV's) could be an attractive approach – land owner pays for establishment costs in return for an introductory 20-year lease with up to two Rights of Renewal.

Glass Half Empty View

Sheep and beef farms converted into production pine equates to a net 2.3 FTE job loss per 1000ha (sheep and beef at 2.5FTE's/1000 Ha vs 0.18 for forestry on the same basis).

This may only be the thin end of the wedge. It could inflict deeper harm upon heartland New Zealand, further undermining the weakened fabric of rural communities. More local schools would be forced to close and, ultimately, hurting town-based district economies like Wairoa as well as larger city-based districts such as Hastings and Gisborne.

As farm sector spending shrinks, there will likely be less demand economy-wide on what are currently considered essential farm services, i.e. vets, stock transport, farm supplies, shearers, fencers and fertiliser. Towns like Wairoa, and cities such as Hastings and Gisborne, could contract, leading to:

- Increased business closures;
- Rising unemployment and social disorder;
- The creation of ghost towns throughout heartland New Zealand as local bodies become incapable of sustaining the barest of base infrastructure due to lost rating income;
- A significant fall in central government tax revenue and foreign exchange earnings;

-
- The considerable dilution of New Zealand’s agriculture-based comparative advantage, replaced by a lower-value commodity that may be increasingly foreign-owned, potentially threatening tax revenue further if transfer pricing arrangements are utilised.

It seems unlikely however, that the above could happen because four government interventions appear to be colliding – needs urgent clarification.

Iwi and Hapū

A number of economic opportunities exist for iwi and hapū to particularly diversify their investment portfolios and generate employment for iwi/hapū members. The opportunities include:

- a) Utilising of suitable flat land for intensive horticulture - forming a JV with another party whereby iwi or hapū equity contribution is the value of land; or (b) iwi or hapū leverages their equity in land to fund all above ground development costs;
- b) Leveraging predominately land-based investment into new activity such as commercial property, suggested as being outside of Wairoa;
- c) Examining options to leverage investment. Could Ngāti Kahungunu’s relationship with a Fiordland-based crayfish exporter be put to aquaculture use somewhere in coastal Wairoa?
- d) Alternative use of existing land and forestry assets as NPDT has been doing.

Technology

Whilst in its infancy, technology capability in Wairoa is increasing although some of its activity is beneath the radar, so to speak, with a handful of specialisations - archiving, video skills (editing/production, sound & vision) app development, land-use and possibly Te Reo. Activity is self-funded off a very low base (continues to be economically challenging), however that they ‘have skin in the game’ is a motivating factor

APPLab and Wairoa ICT Club are two community-oriented initiatives. Both need further (financial) encouragement, particularly as they represent a new educational/vocational pathway for Wairoa.

Tourism

The sector represents a growth opportunity however it first needs a strategy. Some product exists but it involves a limited number of participants.

Suggested strategic positioning: play to Wairoa’s Māori strength, which could be represented by this approach:

“The real Wairoa is ... authentic and raw ... made for the adventurous and the carefree (and all those in between) ... a stunning, landscape of natural habitats, big skies, rivers, lakes, forests and coastline ... rare, unpolished pounamu (greenstone) ... Paradise ... of Mother Nature (earth mother), Papatuanuku... (and sky father, Ranginui)”

Key Tourism Out-takes

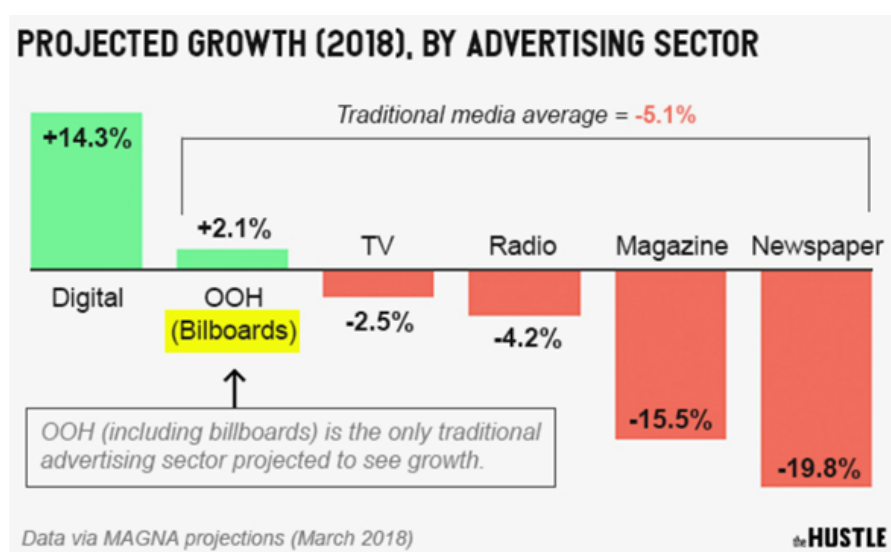
Most destinations and/or recreational pursuits within Wairoa district have incredible depth to. The danger is that what is really special could become over-used by being exposed via promotion or a traveller’s social media post. Wairoa has some of New Zealand’s technically-demanding surfing beaches and reefs. This suggests a need for guided travel (surfing, fishing, caving, eco-tourism) in some cases in order to maintain destination mystique to the outside world.

There is significant opportunity for tourism which focuses on educating visitors about Māori tradition – anchored by story-telling. Ideally in person to small groups, spoken word stories provide an important ingredient to differentiate a visitor’s experience of Wairoa (as opposed to static signage).

A cultural map of Wairoa would likely include the following elements within Maori ‘experiential based’ product: care of the environment, medicine and healing, (Morere Hot Springs and forest, Lake Waikaremoana), native plants, wildlife (Ngahere Nursery, Lake Whakaki, Iwitea), foraging and traditional food (Mohaka), waiata and kapa haka (Nuhaka and Frasertown), plus the creative arts, particularly carving.

- Alongside storytelling in person, can potentially explore using locally developed digital content (married to AR & VR) to preserve stories in perpetuity.
- Suggest a high degree of cooperating to create eco-tourism product, with or without a purely Māori lens. A good example could be a group drawn from various hapū, Tuhoe, WCMG TTOTW, Lake Whakaki Trust (LWT) and NPDT creating specialist product to cater for high end, guided, eco-tourism, e.g. serious bird watchers. This could comprise transport, state of the art birdwatching facilities, glamping accommodation and catering, using only the freshest of local produce such as tuna, venison and crayfish.
- There is a need to develop new “product” which encourages more overnight stays;
- The current standard of accommodation is a concern; if tourist numbers build, additional capacity will be needed. High-end glamping would seem to be a good fit for small group travel rather than trying to attract busloads which are more likely to need a hotel/motel, where the emphasis is upon volume and price rather than uniqueness and quality of experience;
- Targeted promotion is needed. This is currently very low-key: perhaps Wairoa should go-it-alone rather than coat-tailing Tourism HB? Clear need for investment in use of billboards alongside digital platforms as indicated by the graphic below. Could for instance, display very strong imagery in key North Island domestic markets (Auckland, Hamilton, Tauranga, Wellington). Let stunning pictures tell the story – natural landscapes etc

Figure 8 Projected Growth by Advertising Sector



Digital still reigns supreme— but as other traditional mediums flounder, billboards continue to grow (Zachary Crockett / The Hustle)

- Promotion needs to be pitched as “walking in the skin” of target audiences. Current Wairoa tourism information is destination-based e.g. Mahia, rather than targeting ‘audiences’ (a

person who wants to explore untainted landscapes or surf). NB: APPLab may be in the process of addressing this issue?

Potential targeted audiences: eco-tourism, adventure, astronomy (Rocket Lab and Dark Sky), Māori culture and contemporary arts.

Environmental Stewardship

As befits a Māori-dominant community (along with participation by Wairoa's broader community), a lot of effort is being put into eco-system restoration. Some groups have a higher profile such as WCMG and NPDT, whereas others rely on fundraising and passion to make a difference.

Despite a number of positive, HBRC-supported initiatives elsewhere, river systems - notably Wairoa but Nuhaka as well - appear to be a significant environmental anomaly. They do not have any obvious, holistically-based plan to completely restore their eco-systems (from headwaters to river mouth), other than by volunteer efforts.

Business Ownership Issues

Some Wairoa businesses are closing when their owners reach retirement age. Most want to sell but cannot for the lack of buyers. Some services are at threat of being permanently lost, potentially specialist trades which support existing industry.

There is also a lack of building trades. This may represent an opportunity for existing Wairoa-based businesses (electricians, plumbers etc) to take on apprentices in order to progressively bridge the skill shortage. In time, apprentices becoming fully qualified trade staff could become future owners of a business.

Social Dimensions

Wairoa is attractive to some re-settling city dwellers, especially the "hardworking poor" where it is difficult to get ahead in a city where even 2 incomes isn't enough.

Attracting "empty nesters" can be complicated by partners of main income earners or prospective purchasers of businesses being put off by having to move to an area with comparatively few facilities compared to cities.

A very high level of volunteer activity noted with a reliance on a small group. Burnout risk is real. There are good, frontline contributions, however next level takiwa or takiwa support appears to be missing.

There needs to be an awareness of competency limits – Young Achievers Trust tripped up over when expanding to include social development initiatives (Lake to Lighthouse race proved costly).

Returning whanau: the pull of moving "home" may address one frequent need – caring for aging/sick family. However, an unintended consequence can be the lack of a suitable job, particularly for older returnees, resulting in the need to receive an additional benefit payment if alternative work cannot be found.

A Social Enterprise business approach could be very suitable in Wairoa, as it embraces many Māori values – job creation in balance with profit. Develop in conjunction with a recognised service provider such as the Akina Foundation.

Absolute Comparative Advantages

- Her people
- Strength of Māori – by number and culture/traditions/values
- Te Reo - spoken by 17% of Wairoa's population, recognised expertise in teaching using the Te Ataarangi method
- Natural landscape features – readily lends its self to recreational and outdoor pursuits:
- Rocket Lab facility, Mahia
- Above points rolled together equal 'Unique Land & People ... discover Paradise' (positioning for tourism purposes)
- Land-based production – forestry, sheep & beef, cropping, intensive horticulture
- Terroir: high sunshine hours, low frost winters, limited need for summer irrigation = lower cost of production, earlier harvesting vs. HB and Gisborne therefore better early season price premiums
- Opportunity for energy self-sufficiency by solar generation & community based (battery storage)

Other Opportunities (includes CBD redevelopment)

- a) Wairoa's "Māori-based network of networks" – 5000 or so residents plus up to 20,000 who live elsewhere (Hawke's Bay, the rest of New Zealand and beyond, notably Australia).

This group has considerable human capital and is an opportunity in waiting. If the network can be regularly communicated with, perhaps using email on mobile devices, it could lead to continued population growth as a result of attracting whanau home.

Another opportunity could be to utilise the network: notifying them of specific skills shortages (e.g. primary health professionals), help and guidance on specialist issues such as mentoring youth, identifying former locals who may wish to contribute to a particular issue.

Customer Relationship Management (CRM) software could be used to efficiently maintain contact details. Tainui possibly us this approach already. Wairoa Taiwhenua and TTOTW are believed to each have more than 7000 names within their databases (although there will be a number of people on both). There is also a potential tie to the initiative development develop a database to identify ownership of Maori land.

- b) Remote working - providing UFB or equivalent connectivity is made available throughout all takiwa of the district (not just Wairoa township and Frasertown as per Chorus);
- c) CBD Renewal – Wairoa township's setting is unique. There are few if any other New Zealand towns or cities where the main commercial area addresses the river, face on;

Wairoa's "prime strip" is looking weary and showing her not inconsiderable age, likely due to:

- the struggles of retail to compete with on-line trading. This results in a relative paucity of shoppers other than in the vicinity of food outlets. A few specialist stores appear to maintain a good income - a bank or two looks solid, but most remaining shops have an air of temporariness to them;
- reduced patronage by members of the public due to they (and retailers) not feeling fully safe when in town according to a 2012 report commissioned by WDC. Similar feelings persist in 2019, with retailers indicating that security is still of prime concern;
- property owners not having the confidence or financial means to properly maintain their buildings to a high standard; and
- the significant uncertainty of how to contend with the cost of ultimately complying with recent earthquake strengthening requirements.

The River's southern bank does not entice use by too many locals and visitors alike other than the western end near the lighthouse. The river edge isn't absolutely stable, with overgrown and/or large trees masking the water view in many places. The amenity is seldom used to its potential.

When viewing Marine Parade, if it were not for one or two recent "pioneers", there would be few earthquake strengthened buildings in the township at all. The refurbished "Eastend" block is consistently the busiest part of Marine Parade over the course of the business day, perhaps with exception of customers moving in and out of Ostlers (towards the west end).

The strengthened Museum stands out and many of its neighbours still outwardly look to be fine buildings, with a number sporting above-veranda accommodation. In any other part of New Zealand, renovated river-view apartments would be keenly sought with a price to match.

Visions Project's proposal to refurbish the CBD certainly has merit, however it does not appear to have addressed the core issue, which is a lack of business traffic on Marine Parade. Why spend a large sum improving the CBD without addressing the core issue?

A number of people in various forums within Wairoa have previously identified the need to make more of Marine Parade, however it will only improve if the community and economy are in a healthier state with more money in their pocket. The following is intended to help address this issue.

Drivers of increased economic activity:

- Attracting more visitor spending: move the i-site to Marine Parade and with it bus and visitor parking, ideally on the building (southern) side of the road. This would make it easier for passengers and visitors to interact with the and spend money within the CBD;
- New i-Site location: Needs to be a decent distance along Marine Parade, ideally next to or within the foyer of the Museum;
- New contemporary art-space, where internationally recognised Wairoa and New Zealand artists can exhibit and work. Ideally this should be a gateway attraction beside the Museum and i-Site.
- Creating a new riverside parking area for camper vans, close to town beyond the Eastend, will drag traffic along Marine Parade and encourage the use of local merchants. Good regional examples already exist (in Napier, Clive and Te Awanga) on which to model a development (but which doesn't cater for freedom camping).
- Consolidation of all local and central government activities within conveniently co-located buildings along Marine Parade. The "Business, Employment and Economic Development" Pillar could for instance be accommodated within the MSD building which currently has five staff but capacity for 30 to 35 staff.

Earthquake Strengthening

Wairoa's commercial building earthquake-strengthening challenge (approximately 200 buildings) affects all of the township, not just on Marine Parade). To date, property owners have had to face this problem on their own. A few have engaged engineers only to be disappointed with the service and quality of advice.

Wairoa's CBD, particularly Marine Parade, is characterised by many properties having "shared" walls, in some cases up to five or so buildings as one block. It is proposed that WDC should seek PGF funding to have all 200 commercial buildings assessed as one piece of work, using a recognised engineering firm which has a significant body of relevant (possibly Christchurch) earthquake-strengthening experience.

The brief: to look for innovative ways to retain all buildings, where "shared" structures could be potentially strengthened as a multiple, providing it produces a material saving for building owners.

Where costs to preserve are prohibitive, examine options to:

- a. Preserve facades and build new, lightweight steel and timber structures behind the facades as pictured below, possibly using containers within a lightweight shell; or,
- b. Build lightweight steel and timber structures within existing structures if/where feasible;



Source: Photo from Quik Build: Adam Kalkin's ABC of Container Architecture (Adam Kalkin)

- c) Recommend alternative, low-cost construction methods with an emphasis upon dual use, shophouses (shop at ground level, apartment living above). The aim is increase population density on Marine Parade;
- d) Examine WDC's Long Term Plan to ensure it: is not prohibitive, doesn't impose unnecessary costs or limit cost-effective development opportunities (such as shophouses) and/or conversion of existing commercial buildings into residential use.

Related CBD initiatives:

A property swap scheme could be established to recompense building owners who do not want to or cannot afford to demolish. It is recommended that WDC access a short-term PGF loan to acquire and demolish buildings no longer fit for future use, utilising a pooled demolition contract to reduce cost. Pillar 7, "Community Development Agency" (CDA), to handle this at arm's-length. CDA will then deduct all demolition, legal and financing costs once sold for a new use.

- The above scheme could also consist of buildings swapped for bare land or another building;
- To help property owners further reduce their costs post-strengthening, insurance could be pooled under a shared policy;
- Most retailers struggle to make head way yet there are currently gaps in retail in Wairoa, e.g. children's shoes and clothing, some sporting equipment, motor vehicles. One means of competing with online retail is to embrace online – retailers lease space to brands but hold or own no stock. Having a brand presence provides consumers with a higher level of confidence by being able to eye-ball goods. To access pricing, customers have to purchase within a defined period of time (using time-dated authentication codes) or retailers will assist the customer make an online purchase. Order fulfilment occurs via a centralised distribution centre somewhere beyond Wairoa. Retailers receive income from the leasing of space and commission in the event of purchase. This approach is confirmed by the below "topsy-turvy" item;

Figure 9 IKEA Retailers

IKEA

A topsy-turvy world

As other retailers are driven off the high street, partly because of competition from big-box stores like IKEA, IKEA itself is heading into the heart of London, Paris and New York as part of an expansion into 30 city centres. Rather than always stocking the full range of products, the priority in smaller stores is to allow customers to “touch and feel” items they have seen online. Shoppers who want to speak to humans about design will be able to do so without having to travel to suburbia

Source: *The Economist ‘Daily Dispatch’*, January 25th, 2019

- Consider an all-weather boardwalk/walkway that runs the length of Marine Parade from the Eastend all the way to the Adventure Wairoa. Funding permitting, continue fortifying the river edge as has recently occurred beside the children’s playground;
- Allow food carts within a predefined zone, some distance along Marine Parade from SH5, to encourage increased traffic. Food cart permits to consider that they compete with permanent food outlets who have to pay rates.

Appraisal of Prior Economic Development Work Conducted by WDC and/or Within Wairoa District

High Value Land Reports

Figure 10 Wairoa District Land Use study (Lewis Tucker, “Wairoa High-Value Land Overview”

“Numerous studies of land development potential for the Wairoa District with some focusing on high value land options, including:

1. Soils and Agriculture of the Wairoa Valley, Hawkes Bay, NZ. NZ Soil Bureau Report 2/1965
2. Wairoa District Land Resource Study. Hawkes Bay Catchment Board, 1983
3. Northern Hawkes Bay Land Use Planning Study. MAFTech, 1989
4. The Impacts of Land Use Change in Wairoa District. Ministry of Agriculture and Fishing and Landcare Research, 1995
5. Physically Sustainable Land Uses in the Hawkes Bay. Hawkes Bay Regional Council 1997
6. “Horticultural Potential for Land in the Wairoa District”, Gavin Loudon and Heather Collins. Agriculture New Zealand, 1998.

More recently two pieces of work have been completed looking at horticultural potential in the District including:

1. “A Strategic Vision for Horticulture in the Wairoa District”. Graham/Green Ltd 2018 unpublished (Undertaken for Ngati Kahungunu Iwi Incorporated)
2. “Horticultural Development of the Wairoa District”. MSc Thesis University of Waikato, Jonno Rau, 2018

Based on use of the Land Use Capability classification (LUC) there is over 22,000 ha of land with ‘horticultural

There has been no shortage of focused, prior work regarding high-value land use dating back more than 50 years. Lewis Tucker particularly references Gavin Loudon and Heather Collins’ 20-year old study, highlighting their estimate that “4.2% of the 22,000 ha was under horticultural use, of which most was annual crops”.

Elsewhere in our report we examined the impact of renewed conversion of prime pasture into production forestry. The theoretical flow-on change in land use example (3000 hectares of flat land converted into permanent tree crops) therefore appears achievable, notwithstanding the challenges of capital attraction.

Why a greater level of activity has not occurred at some point over the last 50, let alone 20 years, is difficult to determine.

One could speculate that it is possibly due to a combination of factors:

- No (theoretical) need to change existing land use, pressure to innovate;
- Limited access to capital;
- Lack of interest or focus by any party to make a concerted difference.

The first bullet point is important given the mid-1990s conversion of marginal hill country into forestry. Farmers selling appear to have exited the district and with it a loss of opportunity to re-deploy capital. This is an important lesson for the current interest regarding converting prime grazing land into forestry.

Forestry Reports:

- a. Forest Land Use Study, prepared for Wairoa County (1982), prepared by Gabites Porter.
- b. Options for Forestry & Treaty of Waitangi Policies (1993), prepared for WDC by George Thomson.
- c. The East Coast Forestry Project (1998), prepared by MAF.
- d. Forestry Processing in Wairoa District (2000), prepared for WDC by Chris Perley (provided input for item (e) below)
- e. Forestry Processing Investment in Northern Hawke's Bay (2000), released by WDC.

This group of reports identify that WDC and its predecessor, Wairoa County, were keen to capitalise on forestry's ultimate 1990s expansion throughout the district. In 2000, then-mayor Derek Fox, spear headed efforts (along with Wairoa farmers John Bayley and Paul Thomas) to attract large-scale wood processing to Wairoa (which this writer assisted with).

It was quite an innovative, proactive approach at the time which initially went unrewarded. Resource ownership underpinned existing processing operations in Napier (Pan Pac) and Gisborne (Juken). This limited access to wood resource for a large, new entrant. East Coast Lumber was subsequently set up in 2003, its scale more suitable for an independent processor located in Wairoa.

From a historical perspective, the two groups of documents provide insights into Wairoa County and subsequently WDC perspectives to grow the district economy:

- All six, older reports in the first, land-development group were produced by parties other than Wairoa County/WDC (NZ Soil Bureau, HB Catchment Board, MAF etc). A range of parties examined the potential for diversifying land use through past decades, from as early as 1965;
- Wairoa County/WDC was focused on increasing the presence on forestry between the early 1980s until the early 2000s;
- The farming sector and WDC relationship with forestry has evidently cooled since given its perceived impact; district-wide employment relating to total land use however has remained static over the last 20 or so years;
- Traditional "sheep/beef/grain" employment has suffered a loss of about 10% over the last 20 years. Its greatest impact however is a population loss on account of farming families leaving the district plus its other social consequences (e.g. falling school roles);
- There has been no change in high-value land use or horticultural employment in Wairoa over the last 20 years despite the impact of forestry, and considerable horticulture expansion elsewhere in New Zealand, notably within the last decade.

Hypothesis – does the above train of events speak to traditional thinking limiting consideration of alternative land use options; a "hill country sheep and beef (and/or) arable focused" view of the world rather than examining the full range of possibilities?

Risk Assessment

Table 5 Risk Assessment

| Risk | Mitigating Actions |
|--|---|
| This strategy isn't acted upon - it highlights that Wairoa has such a significant number of issues to be overcome – won't achieve a healthier economy without first having a healthier community | Regard strategy <u>as an integrated blueprint</u> , where all identified opportunities and (social) shortfalls are consistently pursued in a prioritised manner |
| Temptation to focus on economic development initiatives only, ignoring the urgent need to address critical, long standing social, cultural, enviro issues | Need to continuously engage with central and local government to provide the required level of support |
| Regarding current PGF funding as the only opportunity to make a long-term difference to Wairoa, cherry picking 'low hanging fruit' projects only | Funding opportunities exist in many forms, regardless of which party is in government: many aspects of the strategy require sustained, focused leadership |
| Ultimate loss of goodwill & support for failing to implement the "community's" strategy | Keep all kahui close – continuously; act on their needs |
| Council tries to handle all work itself when it may not have the necessary in-house skills | Selectively engage other parties, greater use of benchmarking to gauge organisational performance |
| Wairoa misses the easier opportunities: attracting people to move from the cities to Wairoa, especially returning whanau, or, | Implement a range of low-cost changes in a timely manner i.e. LTP changes to provide workable papakainga & land trust solutions |
| Discouraging organic growth - from within the community's existing resources | Council to develop a proactive, 'can-do', customer-oriented culture |

Part 2 - Past to Present: Social, Cultural and Environmental Dimensions

The “Real” or Hidden Wairoa

Wairoa’s story needs to be told.

Wairoa District’s East Coast location is a landscape of stunning natural habitats, open skies, rivers, lakes, forests and beaches. It remains to a great degree natural and unspoiled, a small piece of paradise surviving from the beginning of creation.

Wairoa’s large Māori population distinctively flavours “her” personality. Her people underpin her attraction as an undiscovered gem and are necessarily the focus of all initiatives to grow her economy and communities. It is the human needs of Wairoa that must in the first instance be addressed, for the district to grow and flourish economically.

NB: the principal use of the feminine pronoun to refer to Wairoa is intended, as a means to reinforce that Wairoa:

- Spiritually represents the earth mother (and Her physical landscape features);
- Personifies the strong, independent women of contemporary Wairoa.

The secret to Wairoa becoming a healthy, sustainable rohe, which is self-confident and able to fully harness her potential, is understanding that she is comprised of ten distinct takiwa/communities, each with its own identity, needs and opportunities.

It requires all of society, central and local government, business, and residents – to recognise that Wairoa’s future success is dependent upon creating grassroots solutions. This means a de-centralised, takiwa-oriented mindset, is required to address Wairoa’s issues and needs.

A Regenerative Purpose

A challenging aspect of our work has been to find an all-embracing, positive approach upon which to base a meaningful economic development strategy. The recommended over-riding premise, distilled from the views of several hundred hours of intense community engagement, is:

“Investing in people and infrastructure to ensure Wairoa will attract and sustain more residents in future, such that it is reasonably representative of New Zealand’s population by age and stage of life need”.

A singular description could be that of “Whakarauora” – The Regeneration of Te Wairoa.

Any number of alternative descriptors could be used to describe the ultimate outcome of implementing this long-term strategy. “Regeneration” seems most apt however, as it conveys that Te Wairoa’s future should be based on what is already credible, good and authentic rather than swinging in a different direction, which, in the writer’s view, fails to genuinely connect with her comparative advantages, most notably her Māori roots.

Wairoa’s Reality

The long-term intent and impact of government policy and support is far removed from Wairoa’s reality, which is significantly hindered by central government policies considering her to be no different to the rest of NZ - a large, multi-cultural, urban-based population.

It is clear therefore that a healthier Wairoa economy is heavily reliant upon its community being healthier – the two aspects are interdependent and inextricably intertwined.

A thriving economy requires the creation of new, fulfilling jobs, filled by appropriately skilled, local people, who are motivated and healthy, living in a vibrant, supportive community. Businesses are

reliant on a healthy education system; education requires the support of the full range of community services, which are the close ally of a robust health system and so forth.

Wairoa's reality is that her significant potential is overshadowed by a range of social and economic issues, which are comparatively high when compared with New Zealand-wide statistics.

Every person with whom we engaged, without exception, pointed to deficiencies which have constrained Wairoa for a lengthy period, with widely recognised issues such as:

- A lack of qualified, on-the-ground business help (for SMEs);
- A poorly performing education "system", which does not inspire children and young people;
- A population with worryingly poor levels of personal health;
- An unacceptable level of deprivation/poverty;
- An over-representation of adults receiving a main government benefit – approximately 1275 people - equivalent to 24% of the total working age population or one in four adults;
- The impact of methamphetamine ("P") and other addictive substances.

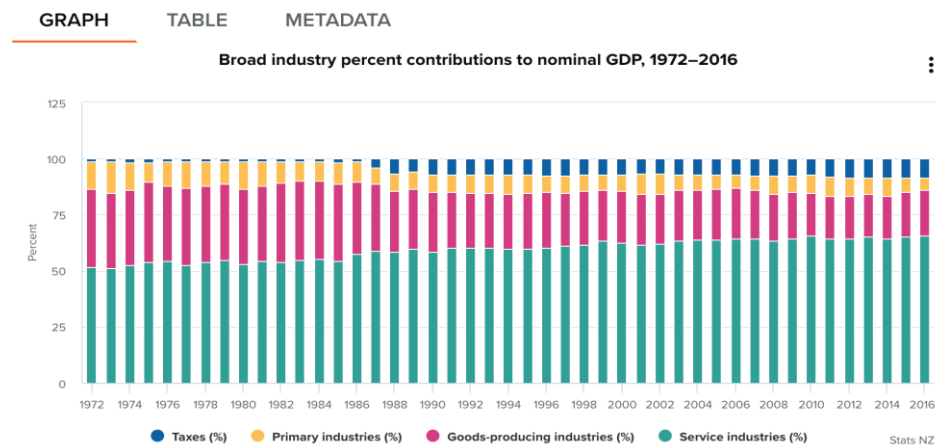
Moreover, the above also impacts upon Wairoa's public image, i.e. as formed mainly by outsiders' perceptions. This image is held to be a factor impacting on both individual and collective self-belief in Wairoa. Perceptions include Wairoa as:

1. A lawless, gang-run town, a misconception shaped by media coverage over 20 or more years - mostly false;
2. Having a Māori-dominant resident population (63%), which is the highest of any New Zealand Territorial Local Authority (TLA) - true – this is Wairoa's key strength, the foundation of her identity;
3. Having limited resources due to it being a small, 8230-person population, which has been in decline for most of the last 20-30 years (other than in 2010, 2017 and 2018) compromising Wairoa District Council's (WDC's) ability to maintain its infrastructure and meet its other responsibilities - true;
4. Geographically isolated from the rest of New Zealand, including its nominal home province, Hawke's Bay - true;
5. Seldom, if ever visited, by the vast majority of New Zealanders, even those who drive through the township on their way to Gisborne - true;
6. A former 'Top Town' in the 1990s' -true; although some of that community spirit still lives on.

Economic and Social Overview

Wairoa is essentially a geographically large rohe of two distinct parts, town and country. Its “old world” (rurally-derived) economy is in long-term, *relative decline*, while at the same time New Zealand’s service-driven “new” economy has taken centre stage.

Figure 11 Industry Contributions to Nominal GDP



Generally speaking, farms as remote businesses, have less physical connection to town. Consistent with long held practice, farming families remain able to generate sufficient income to educate their children at secondary boarding schools outside of Wairoa.

Farming is coming under increasing difficulty from current Government policy, as it did in the 1990s, on marginal hill country. The One Billion Tree Programme (**1BTP**) policy of the Government **appears to be transforming non-marginal, high-performing farm land into forestry**, placing pressure on fragmented, rural communities. This has the potential to quickly become a nationally significant issue, its effect also rolling directly into already fragile, town-based populations.

As forestry expands at the expense of sheep and beef/cropping, rural support businesses, e.g. meat processing, vets, farm supplies, will likely be forced to scale back. This ripple impact will also flow through to schools and other town-based businesses.

Most farming families selling their holdings for forestry conversion are leaving Wairoa for a new life elsewhere. Town folk, however, are generally captive, having few if any other options but to remain. Moving to cities in search of work has recently been much more challenging due to a range of real estate issues, including housing supply, affordable housing, rental availability and constrained household incomes, which are already 49% lower in Wairoa than the national mean per Figure 12 below.

Figure 12 Mean Household Income



Figure 13 GDP per Capita



63% of Wairoa's population identify as being of Māori ethnicity compared to next ranked Kawerau (61.6%) and Opotiki (60.6%). All three areas are significantly more Māori-dominant than other rohe who are generally thought of as having large Māori populations, such as the Far North (44.5%), Whakatāne (43.5%), Ruapehu (42.5%) and Rotorua (37.5%). All are located in the North Island.

Wairoa can therefore be summarised as having the highest percentage of permanent residents, who identify as being of Māori ethnicity in New Zealand. It has a very low population density, although this is a little deceptive - half its total population lives in a series of clustered communities located 20 - 60 minutes by car from the township.

This has multiple economic and social implications as follows:

- That Te Wairoa is non-urban and is relatively isolated from large urban centres;
- Deprivation is substantially higher than the New Zealand average per Figure 15 below;
- The backbone of its economy remains land-based, considerably in contrast to New Zealand as a whole;
- The degree to which the unique character of Wairoa's 63% Māori-dominant community is (or has yet to be) assessed on its own merits and needs;
- A population mix with a very low working age population (25% more 0-14-year olds and 16% more over 65s than the national average) = GDP/capita that is 39% lower than the national figure (per Appendix 1, Figures 15-18);
- Whereas only 14.9% of the New Zealand's population is of Māori ethnicity (per Figure 14), Wairoa is fundamentally different to virtually every NZ society norm.

Figure 14 Ethnicity in New Zealand

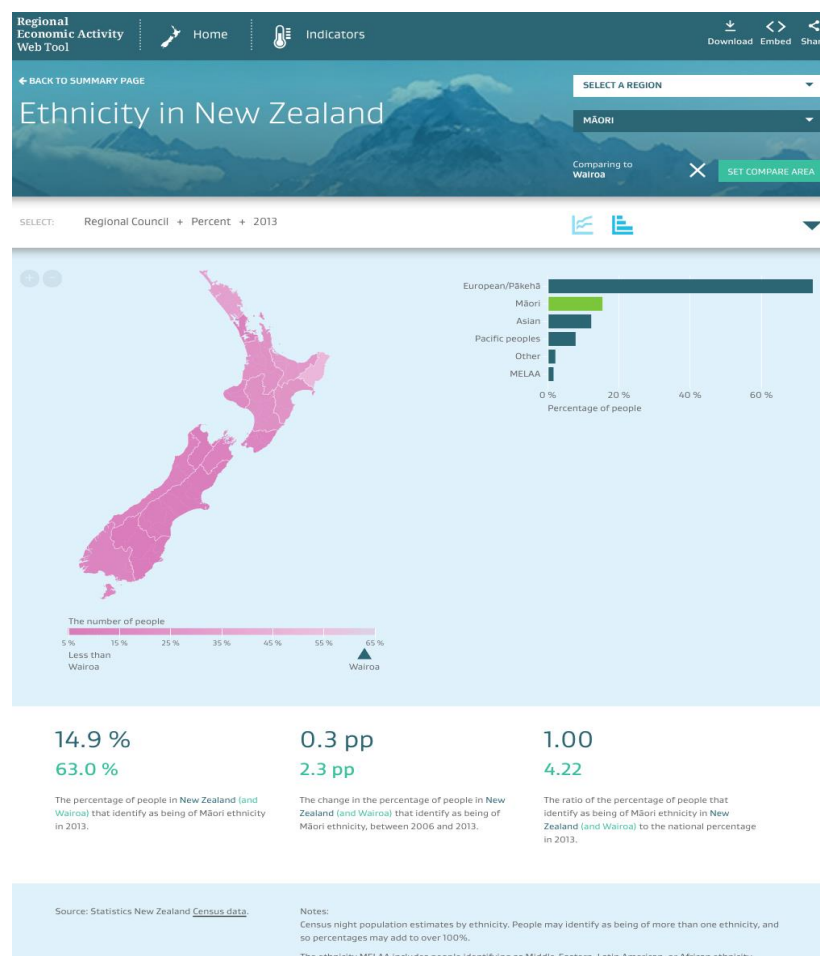
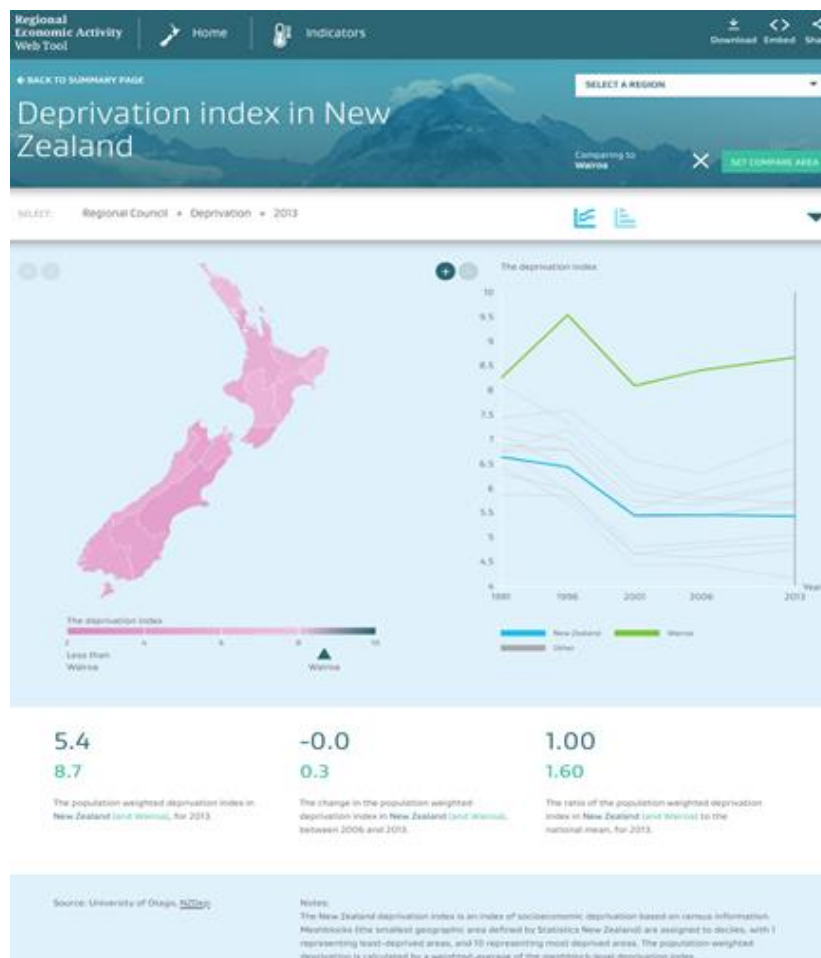


Figure 15 Deprivation Index



Wairoa district, as a Territorial Local Authority (TLA)/rohe, has a larger Māori population but also a **considerably worse deprivation index** (5185; 1.60) than the regions of Nelson (4879; 0.98), Tasman (3879; 0.86) and West Coast (3423; 1.05). Marlborough (5359; 0.95) has virtually the same Māori population as Wairoa however, its deprivation index is less than the New Zealand average.

The extent of Māori population correlates with a high deprivation index assessment, strongly suggesting that if a region's Māori population is in the minority (all four South Island regions listed above sit well below the New Zealand total of 14.9%) they will be far less deprived.

What might the reason be for this? We contend that it is simply the impact of *mainstream/majority/conventional* policy-making, thinking and resource allocation. Where a region typically mirrors New Zealand society as a whole, it is well-resourced because it fits the mainstream "model".

A key difference is that *Wairoa is a sub-region (or TLA)* whereas *Nelson, Tasman, West Coast and Marlborough are all regions*. On account of its geographical isolation and it being a sub-region within its home region of Hawke's Bay, Wairoa also suffers considerably.

Central government funding is typically filtered or massaged according to government policy before it passes through to a regional arm. i.e. a ministry, agency or board, where it is further filtered according to that region's *mainstream preferences/majority/conventional* policy-making, thinking and resource allocation.

The net result for most Wairoa residents - life is extremely difficult.

The relative contrast of Wairoa with Wellington City is even greater – it is as far removed from the mainstream populace as any community in New Zealand:

- Condensed, smaller urban area vs very large, rural area (measured on a hectare basis);
- Densely populated vs sparsely populated;
- Significant infrastructure, e.g. primary and secondary healthcare, educational facilities, community services and transport systems vs limited and inadequate infrastructure, most of which is run-down;
- Māori ethnicity 7.9% vs 63%;
- One of New Zealand's lowest unemployment rates vs one of the highest;
- A service-oriented, high growth "new" economy (firmly anchored by central government) vs a traditional, land-based economy.

Wairoa is one of New Zealand's smallest Territorial Local Authorities (TLA) or subregion's by size of population, similar in size to Kawerau and Opotiki.

It is no coincidence that all three TLAs have the highest proportion of Māori in New Zealand (63.0%, 61.6% and 60.6% respectively). All are located in some of New Zealand's most geographically remote regions.

Further investigation into all rohe which have high Māori ethnicity elsewhere in New Zealand, adds greater clarity to the picture of New Zealand's communities. It is possible they may all have a similar well-being profile to Wairoa. (NB: the use of Integrated Data Infrastructure (IDI) research, a relatively new methodology, holds promise in better understanding *interlinked* datasets).

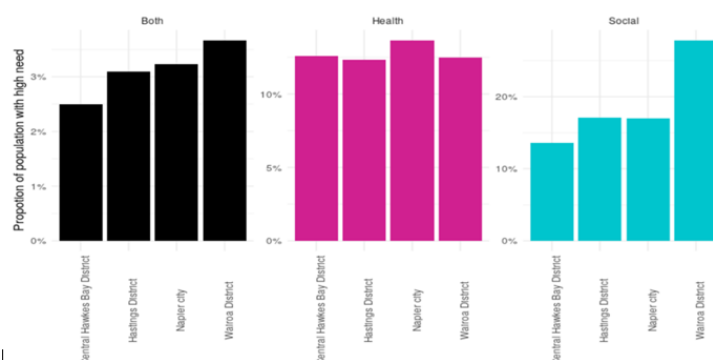
- Limits on employment prospects in most remote locations, where town-based businesses are dependent on the farming sector;
- It is possible "decline" is the result of a process of there being fewer farms (and consequently rural families) as blocks are amalgamated/merged or the impact of forestry expansion, particularly from the mid-1990s led to fewer rural families, with a subsequent fall-off in township populations as on-farm labouring jobs fell away and a smaller rural sector spent less. This therefore impacts on supporting retail and service industries. Larger retailers like The Warehouse, directly and indirectly have had a "house of cards" impact on small-town, specialty retailers. As small businesses close due to falling population making them uneconomic, consumers purchase increasingly more on-line (ease of access is an added attraction) or are forced to buy at city retailers, e.g. it is no longer possible to buy children's clothing and shoes in Wairoa);
- The farming sector generally remains self-sufficient, apart from periodic, extreme events such as drought, and still capable of schooling its children at boarding schools. They generate taxes but have limited impact or need of government support;
- Have past governments been far too accepting of this gradual decline and its negative impact on human capital? Is a preparedness to fund "inter-generational benefit-dependency" an admission that central government does no care or simply does not know what to do about this?
- Looking to the past, what were the trends/turning points relating to the progressive population loss? What impact did the 1990s forestry boom and 2005 Tomorrow's School's (TS) have on the decline in individual and community well-being? The decline in dental health is one consequence of TS, to which many in Wairoa still refer. The closure of schools and loss of primary school-based dental care has had a significant detrimental effect on the dental health of children. In pursuit of achieving a lower cost of running schools, the

alternative approach failed to recognise a critical social issue of the limited availability of private motor vehicles and/or driver licences (still highly relevant in 2019) for caregivers to transport children to the centralised, town-based dental service. For example, the trip from Mahia to Wairoa and return is 110kms, without including the time impact on working caregivers. Dental health is a major issue amongst many in Wairoa district.

- Another frequently mentioned TS impact was the closure and integration of Wairoa's Intermediate with Wairoa College. Year 7 and 8 pupils then, and still now, attend a school without dedicated intermediate school resources. If the merger had prioritised the educational needs of pupils, then at a bare minimum, a separate intermediate school *resource structure* (with a dedicated intermediate principal and teaching staff) would have been provided.

Those living in remote locations have been heavily impacted. Reducing a wide range of government services has produced short term government cost savings. Some decades later however, these savings have been more than nullified in Wairoa as a consequence of ever declining well-being levels.

Figure 16 Rate of Population Living in each HB Territorial Authority



Source: Identifying Populations with High Health and Social Needs (Prepared for HBDHB, 29 October 2018)

Current Central Government Model

There is near universal agreement that the present government operating model in Wairoa is *broken*.

As one person put it “...even the ambulance at the bottom of the cliff departed long ago.”

There are gaps in public services wide enough for children to fall through with deleterious results. Death for adults is not unknown due to the lack of early intervention and as confirmed by HB DHB, within its ‘Wairoa District Health Needs Assessment Rep in 2015) (“Wairoa district has a lower life expectancy compared with all other territorial local authority areas within the Hawke’s Bay Region; Cancer is the top cause of death in Wairoa district and a major player in premature mortality rates in Wairoa district).

The machinery of government in Wairoa presents as highly fragmented and complicated with too many ministries, agencies and commissions for the average person to navigate, let alone do so efficiently and effectively.

Government ministries and agencies have separately and systematically bundled their social obligations into ever more discrete parcels, characterised by shorter-term contracts, allocated to a wider range of NGO “service” providers, not necessarily working together. “Whole of community” thinking, as the prerequisite to achieving a fully integrated approach, appears to be absent.

In some cases, contracted services have been “awarded” to a non-resident NGO, which in turn subcontracts to a Wairoa-based NGO. By the time the money trail reaches Wairoa, there is limited evidence of the service being provided, presumably due to compliance and bureaucracy costs diluting the original contract value, which was possibly insufficient in the first instance.

If the intent of government departments is to increasingly contract only with national service providers, it appears as though the bureaucracy’s needs have become more important than those of the recipients.

Out-sourcing appears to be closely associated with wanting to obtain “more bang for buck” and transferring the risk from government to NGO. This method of service provision appears to place little priority on front-line value and effectiveness for those needing the service.

This approach is particularly unsatisfactory for Māori, who value relationships as the precursor to building trust, especially for social services, perhaps more so than Pakeha. Any trauma event requires trustworthy support. Contracting out of social responsibility by central government impacts negatively on Māori well-being.

Outsourcing of government social services gives rise to silos of activity, where NGO co-operation is minimal, driven by the lack of funding certainty and self-preservation. Tendering of contracts for shorter duration service provision, which are based significantly on price, leads to a climate of distrust, regular cost over-runs and the loss of valuable institutional skills and knowledge. Pastoral care of the community is the ultimate victim of such short-sighted, commercial operations by government bodies.

Successive governments repeat the mantra that their policies will deliver ever-better “improved outcomes” than their predecessors. Those actively doing the job, however, are subjected to constant change, often resulting in wasted resources. When the policy environment necessitates a change (i.e. not a political change), too often everything is discarded when experience suggests it would be better to keep what is working and discard what is not. Whanau Ora is an example of this – the policy can be maintained but the components modified as necessary.

The evidence in Wairoa points to decades-long degradation in all social, economic and well-being indicators, regardless of the changing policies and claimed improvements by successive governments.

The emphasis on contract price and shorter duration, may at best claim improved “outputs”, which is evidence only of an activity having taken place. Outputs are an indicator of quantity, whereas Outcomes are a measure of enhanced quality, the foundation of which resides in trusted relationships.

Given the above, there is a strong sense that Government’s operating model has become highly inefficient for communities like Wairoa and that a dollar of resource originating in Wellington is worth significantly less when it eventually reaches the ‘coalface’ in Wairoa. It would seem that the costs of running at government departments and awarding the contracted services to multiple NGOs, means there is little left for the needs of recipients, who are supposedly the focus of these social services. Their needs appear to have become the least important consideration in the process.

Unsurprisingly, the need for improved auditing of NGOs in receipt of government service contracts was mentioned/implicit as being a major issue by a number of those with whom we engaged.

One person spoken to said *“The general speed of response from central government is glacial, tempered by risk-averse politicians and/or highly reluctant senior career bureaucrats”*. It was considered that evidence of a problem or issue requires unequivocal evidence that piecemeal solutions can be years in the making, despite there being proxy measures available and worthy frontline experience to guide a far prompter response.

Wairoa’s isolation seems to have allowed successive governments and their multiple affiliates to reduce or deny Wairoa’s community a fair level of social support. The takiwa of Wairoa certainly do not expect “Rolls Royce” treatment, just a reasonable, consistent level of care in line with that

provided to the rest of New Zealand. Primary health, education and community services should not be materially different, yet that is precisely the situation Wairoa finds itself in.

Not every person we met was critical. A notable feature of Wairoa's community is that some people respond to an issue or shortfall by just 'mucking in' and getting to work on the problem. They have a strong need to serve and feel a responsibility to support their immediate community.

In Wairoa, as in other parts of New Zealand, Fire Service volunteering is an everyday activity for some members of the community. It is an essential public service that would not operate without the considerable efforts of volunteers. All New Zealanders contribute to the running of the Fire Service by way of income tax and a levy upon property insurance premiums. It seems unfair however, for smaller communities like Wairoa to contribute financially to a critical service yet be reliant on volunteers to run it. A further example, is the Gold Card. In Wairoa, there is really no need for it because there are no transport services on which it can be used.

Wairoa's volunteer army attends to an on-going range of public and community service needs, which, in larger locations are typically funded by central and local government, as well as the corporate sector.

Community goodwill needs constant nourishment, and government may have failed to appreciate this. Its failure to support the broader Wairoa community over a lengthy period is highly reliant upon volunteer goodwill to make up for its shortfalls. Inevitably, volunteering is shouldered by comparatively few. Burnout is a real concern, with many "foot soldiers" now beginning to talk of giving up.

Other than an estimated \$2M annual cost in benefit support, services supplied by government are at the lowest level possible in Wairoa. When one sees the billions being funded by the public purse on Auckland public transport, it's difficult to understand why it takes NZTA months, rolling into years, to fix a handful of minor washouts between Lake Tutira and Wairoa on a high-ranking State Highway (SH5).

We're not suggesting Wairoa be showered with resources however, just provided with what is fair and reasonable and on the same basis as the majority of New Zealanders experience.

It is evident from our conversations with Wairoa's community that there are multiple, significant problems and gaps with respect to education, health, and community services.

The issues are viewed as the central government 'machine' being broken, which has resulted in a significantly unjust situation for those living in Wairoa.

Employment

According to Stats NZ, the number of companies/entities (aka "Geographic Units") in Wairoa district over the last 19 years has reduced by 18 and employee numbers by 150 (a fall of 2.0% and 4.4% respectively). This appears to be quite a modest change at an aggregated level, however the changes within each industry sector are more pronounced.

The definition of "Geographic Units": A separate operating unit engaged in New Zealand in one, or predominately one, kind of economic activity from a single physical location or base. Due to rounding, individual figures may not always sum to the stated total(s), which suggests that care needs to be taken with interpreting literally within Wairoa. If an employer, such as a central government department, is not registered in Wairoa then a Geographic Unit will show '0', even though it has employees who work in Wairoa.

With this in mind, the accuracy of employee data may also be questionable. On the basis of trends/patterns, it seems more reliable, although fluctuations between Australia/New Zealand

Standard Industry Classifications (ANZSIC) could possibly amount to inconsistent coding from one year to the next. That the data pre-dates ANZSIC's introduction in 2006, could also explain some of the year by year changes. Ultimately it is the cumulative totals by industry group that more are important.

Table 6 Geographic Units – Total Industry – Wairoa

Geographic units by region and industry 2000-18

Customise Export

| | | Area | Wairoa District | Total Industry |
|------|--|----------|------------------|----------------|
| | | ANZSIC06 | Geographic Units | Employee Count |
| | | Measure | | |
| Year | | | | |
| 2000 | | | 942 | 3,400 |
| 2001 | | | 942 | 3,350 |
| 2002 | | | 972 | 3,450 |
| 2003 | | | 966 | 3,400 |
| 2004 | | | 999 | 3,600 |
| 2005 | | | 984 | 3,400 |
| 2006 | | | 1,008 | 3,600 |
| 2007 | | | 1,005 | 3,600 |
| 2008 | | | 990 | 3,700 |
| 2009 | | | 990 | 3,500 |
| 2010 | | | 999 | 3,500 |
| 2011 | | | 996 | 3,450 |
| 2012 | | | 972 | 3,200 |
| 2013 | | | 957 | 3,150 |
| 2014 | | | 960 | 3,300 |
| 2015 | | | 960 | 3,650 |
| 2016 | | | 957 | 3,550 |
| 2017 | | | 939 | 3,150 |
| 2018 | | | 924 | 3,250 |

Source: Stats NZ Business Demography, Region & Industry, 2000-18 - Wairoa ANZSIC06 Industry Classification

Table 7 Geographical Units by Individual Industry 2000 - 2018

Dataset: Geographic units by industry and statistical area 2000-18

| | | Area | Wairoa District | | | | | | | | | | | | | | | | | | |
|---|----------------|------|-----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| | | Year | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| ANZSIC06 | Measure | | | | | | | | | | | | | | | | | | | | |
| Total Industry | Employee Count | | 3400 | 3350 | 3450 | 3400 | 3600 | 3400 | 3600 | 3600 | 3700 | 3500 | 3500 | 3450 | 3200 | 3150 | 3300 | 3650 | 3550 | 3150 | 3250 |
| A Agriculture, Forestry and Fishing | | | 1000 | 930 | 950 | 900 | 990 | 890 | 1100 | 930 | 980 | 920 | 960 | 960 | 850 | 870 | 960 | 1050 | 1150 | 870 | 1000 |
| B Mining | | | 6 | 6 | 6 | 6 | 6 | 9 | 6 | 6 | 6 | 6 | 3 | 6 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| C Manufacturing | | | 740 | 710 | 750 | 720 | 780 | 810 | 710 | 810 | 900 | 830 | 790 | 730 | 630 | 630 | 710 | 910 | 750 | 650 | 700 |
| D Electricity, Gas, Water and Waste Services | | | 21 | 30 | 30 | 25 | 30 | 30 | 30 | 25 | 25 | 25 | 25 | 30 | 30 | 25 | 25 | 20 | 20 | 15 | 15 |
| E Construction | | | 130 | 140 | 150 | 170 | 160 | 170 | 200 | 230 | 170 | 160 | 150 | 130 | 140 | 120 | 120 | 150 | 140 | 160 | 160 |
| F Wholesale Trade | | | 45 | 45 | 40 | 40 | 35 | 40 | 45 | 40 | 40 | 35 | 21 | 18 | 18 | 15 | 21 | 25 | 20 | 21 | 30 |
| G Retail Trade | | | 290 | 300 | 300 | 310 | 310 | 300 | 310 | 290 | 290 | 270 | 260 | 270 | 270 | 270 | 260 | 240 | 220 | 210 | 210 |
| H Accommodation and Food Services | | | 130 | 130 | 130 | 140 | 160 | 170 | 170 | 190 | 180 | 160 | 150 | 130 | 140 | 140 | 130 | 120 | 120 | 150 | 140 |
| I Transport, Postal and Warehousing | | | 55 | 65 | 65 | 60 | 45 | 55 | 65 | 65 | 60 | 60 | 60 | 65 | 65 | 60 | 65 | 65 | 65 | 70 | 70 |
| J Information Media and Telecommunications | | | 45 | 40 | 25 | 25 | 30 | 25 | 30 | 30 | 25 | 20 | 21 | 21 | 21 | 21 | 21 | 18 | 18 | 15 | 15 |
| K Financial and Insurance Services | | | 25 | 25 | 25 | 25 | 25 | 30 | 30 | 25 | 30 | 30 | 30 | 30 | 30 | 25 | 25 | 25 | 25 | 30 | 25 |
| L Rental, Hiring and Real Estate Services | | | 6 | 12 | 25 | 21 | 25 | 25 | 30 | 20 | 45 | 40 | 45 | 30 | 45 | 45 | 40 | 30 | 30 | 30 | 25 |
| M Professional, Scientific and Technical Services | | | 50 | 65 | 85 | 90 | 75 | 100 | 65 | 65 | 60 | 60 | 65 | 65 | 55 | 45 | 55 | 65 | 60 | 90 | 70 |
| N Administrative and Support Services | | | 12 | 6 | 6 | 12 | 6 | 6 | 9 | 12 | 15 | 12 | 12 | 21 | 12 | 30 | 15 | 15 | 18 | 18 | 9 |
| O Public Administration and Safety | | | 130 | 140 | 130 | 120 | 130 | 130 | 130 | 120 | 120 | 120 | 120 | 130 | 130 | 120 | 120 | 110 | 100 | 100 | 85 |
| P Education and Training | | | 400 | 400 | 430 | 380 | 390 | 250 | 300 | 280 | 350 | 340 | 340 | 320 | 330 | 330 | 330 | 350 | 350 | 300 | 330 |
| Q Health Care and Social Assistance | | | 220 | 200 | 220 | 240 | 240 | 230 | 240 | 290 | 300 | 320 | 330 | 340 | 310 | 300 | 290 | 290 | 270 | 260 | 250 |
| R Arts and Recreation Services | | | 55 | 50 | 50 | 40 | 55 | 45 | 45 | 50 | 35 | 35 | 40 | 50 | 85 | 50 | 50 | 60 | 65 | 60 | 40 |
| S Other Services | | | 50 | 65 | 65 | 65 | 80 | 80 | 80 | 85 | 65 | 60 | 75 | 85 | 75 | 65 | 80 | 95 | 110 | 80 | 90 |

data extracted on 30 Dec 2018 01:46 UTC (GMT) from NZ.Stat

Comments by Group:

Agriculture, Forestry, Fishing

- The sector is showing a 22.6% fall in the number of units or entities, but a nil change in total employee numbers over 19 years although individual years show greater variances.
- The sub sector most impacted is Agriculture, notably there being 34.5% fewer farms; the subdued 8% fall in employee numbers is likely to be due to an increase in average farm size and productivity gains.
- Horticulture employee numbers are static despite a fall in entities – likely an increase in average holding size.
- Forestry growth is reasonably subdued given the scale of plantings since the mid-1990s, however as peak harvest approaches it can be expected that the number of employees may grow.
- Agriculture and Fishing is an under the radar performer.

Mining and Manufacturing

- Mining: the loss of 3 jobs could be viewed as being immaterial however the sum of the parts is the more critical issue – a slow, gradual, across-the-board loss.
- Manufacturing's loss would appear to relate to the closure of two smaller facilities over the last 20 or so years. While pleasing that small gains have occurred in Bakery and Wood Products Manufacturing, the reliance on AFFCO's meat processing plant is very clear.

Electricity, Gas, Water, Waste Services, Construction

Classification D is similar to the above comments re Mining.

- Construction: reliance underpinned by QRS construction company
- The lack of "Tradies" is underscored by there being lots of gaps. If there are no "boots on the ground", there is no data.

Wholesale and Retail Trades

- Job losses in Wholesale (centralised operations/reduced cost of business operations), Retail Trade (impact of on-line trading), and Accommodation (rise of alternative options such as Airbnb) reflect national/international trends rather than being only a direct reflection of Wairoa's economy.
- Food & Beverage job growth is both a positive and compensating factor, as the sector follows trends to home meal replacement from previous retail activity.
- The overall growth in Transport is possibly a mixed bag; traditional transport carrying less goods to a besieged retail sector, whereas on-line purchasing is pumping the fortunes of courier activity.

Information Media, Finance and Insurance

- Combined FTE loss for Group J.
- Stability for Group K.
- Gains for Group L although the Real Estate sub-group is only half its 2008 peak of 35 FTE's (beginning of the GFC) and which has trended downwards ever since.

Scientific and Tech Services

- The Professional et al Services group has grown over the 19-year period of measurement, more recently this could explain for instance an increase in Hawke's Bay Regional Council's Wairoa based staff. 30 FTE's growth also noted in Group S955 (Civic, Professional & Other Services).

-
- No aggregate change in Administrative & Support Services, although the composition of skills has altered.

Public Services, Education and Training

- Core government services are covered in Groups O, P & Q. Whereas a small gain in Local Government Administration is reported, Central Government contributed a net 12.5% loss in jobs over the 19-year period.
- Fundamental change points in central government policy can be seen, such as 2005's "Tomorrows Schools" which impacted on primary schools and teaching resources, dental services and secondary school teaching (additional intermediate level resources) plus the opening of the Kura.
- Health Care group changes (covering the introduction of DHB responsibility) have overseen a change in the primary and secondary care services mix and contracted service provision.
- The changes have the appearance of frontline positions being maintained and the removal of backup or regulatory support.

Arts, Recreation & Other Services

- Within Group R, the only good news story is an increase in Sport & Recreation Activities.
- Group S – Other Services aggregate gain of 40 FTE's, mainly in S955.

Employment Summary:

Over the last 19 years, between 2000-2018, NZ's population grew by 27% (3.860M-4.907M). Wairoa's population however fell by 14% (9,530-8,230).

Expressed as a percentage of the total population, the number of jobs in Wairoa has been reasonably steady – representing 35.7% (3400 jobs) in 2000 vs 39.4% (3250) in 2018. This suggests that a large chunk of Wairoa's 1300-person population loss over 19 years is job related. Every lost job could conceivably reduce the district's population by 2-4 people depending on job type and family circumstances.

For instance, the 100-job reduction in Sheep, Beef and Grain Farming (ANZSIC A014) is likely to have converted into a population loss of 400-500 people, as well as a permanent dislocation to rural communities. This, however, perhaps explains only 40-50% of the total decline – the remainder likely being younger people leaving:

- a) To attend school or tertiary study outside of Wairoa and not returning when they eventually enter the workforce; or,
- b) Wairoa within a short period of being new to the workforce, i.e. post-secondary school.

This is a key question needing confirmation when the 2018 Census is eventually released later this year.

The number of employees in Wairoa peaked in 2008 at 3700 but fell away throughout the GFC, before reaching another near peak of 3650 in 2015. Of Wairoa job losses since 2015, central government jobs account for 21.3%, or, circa 90 FTE losses over the last 19 years since the year 2000.

Agriculture, Forestry and Fishing remains the largest employment group, followed by Manufacturing and those principally employed by central government funding (Public Service, Education and Training, Healthcare and Social Assistance).

Since 2000, Wairoa has typically been exposed to societal change, e.g. technology and online sales. Wholesale and retail trade together account for 85 of the total 150 FTE losses. Manufacturing has suffered a small loss which is not so unusual over a 19-year period given that productivity/efficiency gains are a focus of most businesses, regardless of location.

A number of 'services' have experienced growth in line with global trends, although that growth is reasonably subdued however when compared to total NZ economy (ref table 9 page 65). Wairoa's dependence on primary industries' jobs is significantly at odds with its now relatively minor value contribution to national GDP (approximately 5%). Wairoa may be viewed as having an "old world" economy whereas New Zealand's "new world" economy is now firmly dominated by service industries.

Wairoa's ultimate vulnerability may be that it is an isolated non-urban area, with a small voter base, limited representation/resources, and an economy that is considerably "out of step" with where the world has moved to.

Could environmental ideology (unwittingly) be disadvantaging "methane-emitting" heartland regions?

This perception, if true, is dangerously misleading due to Wairoa being a net carbon sink, rather than a net emitter, due to the level of plantation forestry throughout the district. Wairoa was green long before reduced carbon levels became the currency of sustainability.

Within Agriculture, Forestry and Fishing, the mainstay of employment, there has been a flow-on of land-use change between farming and plantation forestry, which predates the period of data measurement.

Critically there hasn't been any material change in alternative intensive land use options over the last 19 years – Vegetable Growing & Horticultural employment was 33 FTE's in 2000, now 34 FTE's in 2018. This appears highly unusual given the long-term pressure of forestry upon sheep and beef. Is this a commentary about the lack of land use innovation and/or risk mitigation throughout Wairoa district? On a positive note, it highlights the opportunity for substantial change in more intensive horticultural use, providing labour and investment challenges can be overcome.

Q: Has Wairoa contracted due to the 'market economy' or is it due to the attitude of successive central governments, which have progressively reduced their social support (over many decades)?

A: The loss of >12% of well paid, central government jobs in Wairoa since the year 2000 has had a material impact on the local economy. In some cases, job losses have contributed to population decline as families have been forced to move elsewhere to support themselves and their whanau.

Benefit Support Overview

Data from a range of sources has been merged to provide a Wairoa-level perspective of unemployment/main benefit support.

The raw data, as a reflection of considerable unused human potential, is naturally of concern, especially the prevalence of Māori requiring support. As of 30th September 2018, 24.3% or 1238 adults of working age in Wairoa were registered as receiving "main benefit assistance" from central government, slightly up on the year prior but in line with the national trend.

One in four working-age adults in Wairoa is non-working and dependent on some form of main benefit assistance (NB: the final number is still higher when special benefits are factored in).

If Wairoa correlated with national levels, there would be 430 fewer Jobseekers, 155 fewer Solo Parents and 175 fewer people receiving Supported Living assistance, a total of 760.

Māori are considerably over-represented (85% vs 63% of Wairoa's population) as are those receiving any continuous benefit main assistance for less than one year (32.8% in Wairoa vs 28.5% nationally).

Table 8 Working-Age Recipients of Main Benefits

| Characteristics of working-age recipients of main benefits - latest quarter | | | | | | |
|---|----------------|--------------|---------------|--------------|--------------|--------------|
| Recipient characteristic | National | | HB | | Wairoa | |
| | | | At Sept '18 | | | |
| | Total | | Total | | Total | |
| | Number | % | Number | % | Number | % |
| Gender | | | | | | |
| Male | 124,174 | 43.7 | 5,449 | 41.6 | 574 | 46.4 |
| Female | 160,141 | 56.3 | 7,654 | 58.4 | 664 | 53.6 |
| Ethnic Group | | | | | | |
| NZ European | 110,296 | 38.8 | 4,557 | 34.8 | 134 | 10.8 |
| Māori | 103,293 | 36.3 | 6,903 | 52.7 | 1,053 | 85.1 |
| Pacific peoples | 22,829 | 8.0 | 414 | 3.2 | 0 | 0.0 |
| All other ethnicities | 38,597 | 13.6 | 934 | 7.1 | 31 | 2.5 |
| Unspecified | 9,300 | 3.3 | 295 | 2.3 | 0 | 0.0 |
| Age Group | | | | | | |
| 18-24 years | 43,410 | 15.3 | 2,218 | 16.9 | 206 | 16.6 |
| 25-39 years | 92,341 | 32.5 | 4,297 | 32.8 | 392 | 31.7 |
| 40-54 years | 84,711 | 29.8 | 3,820 | 29.2 | 348 | 28.1 |
| 55-64 years | 63,853 | 22.5 | 2,768 | 21.1 | 292 | 23.6 |
| Continuous Duration | | | | | | |
| One year or less | 81,055 | 28.5 | 4,374 | 33.4 | 406 | 32.8 |
| More than one year | 203,260 | 71.5 | 8,729 | 66.6 | 832 | 67.2 |
| Total All Main Benefits | 284,315 | 100.0 | 13,103 | 100.0 | 1,238 | 100.0 |

| At Sept 30, 2018 | NZ | | | | | Wairoa | | | | | NZ vs. Wairoa | |
|--|---------------|-------------|---------------|------------------|----------------|-------------|--------------|---------------|------------------------|-------------|--------------------|-------------|
| | # | % | Mix | Working Age Popn | Total Popn | # | % | Mix | Working Age Popn (Est) | Total Popn | "Normalised" Ratio | Diff |
| Main Benefit Assistance - Total | 284315 | 9.4% | 100.0% | 3024625 | 4907200 | 1238 | 24.3% | 100.0% | 5085 | 8250 | 478 | -760 |
| Jobseeker Support | 129643 | 4.3% | 45.7% | 62% | | 652 | 12.8% | 52.7% | 62% | | 219 | -433 |
| Solo Parent Support | 58620 | 1.9% | 20.2% | | | 252 | 5.0% | 20.4% | | | 97 | -155 |
| Supported Living Payment/Other | 92413 | 3.1% | 33.0% | | | 334 | 6.6% | 27.0% | | | 158 | -176 |

Source: MSD

The current pool of Jobseekers (currently about 650) should be lower by at least 120 on account of currently unfilled job vacancies at AFFCO. The number could potentially be 150 or more given how few of the 20 or so forestry crews working in Wairoa district employ locals. In time, initiatives to convert more flat land into intensive horticultural use could quite feasibly add another 25 jobs/100 Ha converted over the next 2-7 years.

Feedback from employers suggests that unemployment is not the most urgent issue in Wairoa, rather it is *the lack of working age adults who are "work fit, work-ready"*.

Wairoa employers also report difficulty in recruiting suitably skilled, experienced, work-fit staff.

"Work Fitness", or the lack of it, reflects a number of missing, mostly basic, life-skills. Foremost, employers require staff who are consistently reliable, and work earnestly without the need for continual supervision of their work ethic/effort. Additional skills/needs (in no particular order):

- Personal fitness
- Numeracy and literacy
- Tolerance, adaptability and etiquette - being able to work constructively with others ("it takes two people to make a poi")
- Cooking skills and nutrition
- Personal hygiene
- Free of addiction - no drug and substance impairment in the workplace
- Resilience skills
- Current driver's licence and road worthy transport,
- introductory workplace safety & health,
- interview skills

MSD recognises this key issue and is funding efforts to address Work Fitness in Wairoa. While officially termed 'vocational assistance', one programme focuses upon helping to "build a bridge to a better future by developing life skills, ultimately creating self-belief".

The programme currently caters for 70 young people/year – while not a large number given the extent of the work fitness issue, nurturing participants to overcome an absence of skills requires patience, empathy and unique life experience. It is not a cookie-cutter approach. Increasing annual participant

numbers is contingent upon finding mentors with the necessary credibility. In the meantime, change will be reliant on a range of other interventions over time (see Page 62 for further detail).

Benefit Assistance - Hand Out or a Hand Up?

The point of raising this issue of community concern is in promoting discussion regarding rhetorical questions posed to the authors: *“What does “a good life” in Wairoa mean?”*

A parallel issue is the frequently stated desire by many with whom we engaged – being able to achieve greater self-reliance.

The periodic need for providing a “hand up” is not in question. The prime issue, however, is the perceived ease with which some in Wairoa are able to maintain long-term access to Benefit Assistance.

The tenor of community comments is unrelated to genuine social and health assistance needs, rather they relate to concerns about a perceived “working of the system”, to ensure benefit support is retained for lengthy periods, bordering on permanent.

This also amounts to a different issue beyond a lack of “work fitness”. When, for instance, an employer cannot recruit any one of three trade-qualified Wairoa jobseekers, or, employers have largely given up on trying to recruit jobseekers, due to the continued non-attendance at job interviews and other issues, the basic motivation to work is in question. Benefit support ultimately appears to provide a sufficiency of monetary resources.

The following table (table 10) can potentially be interpreted to provide an *indicative* insight of those who may lack motivation to work. The table is a Hawke’s Bay profile however there is a strong likelihood of Wairoa-only characteristics being more pronounced, based on other analysis within the same study, i.e. Wairoa, with its Māori-dominant population, should amplify the finding that *“...Māori are over-represented amongst those people with high social need”* (‘Identifying Populations with High Health and Social Needs’ (Prepared for HBDHB, 29 October 2018).

The following table (Table 10) also shows *5% of the population with the highest social costs account for 61% of the social costs*; this group have high rates of being: “Female, Māori, Transient, Social need, Mental health services”.

By deduction, a profile of those *less likely to require social services* is: Male, Māori, less Transient, low use of Social and (mental) Health services.

Characteristics of Working Age Recipients of Main Benefit Support in Wairoa (Table 9), provides a similar indicative profile, where some groups reflect a difference to national and Wairoa benchmarks, being *Māori, Male, Duration 1 Year or Less*.

Those receiving Main Benefit Support and who aren’t affected by social and or health needs, are likely to be *Male, Māori, registered Jobseekers who possibly left secondary school in the last year* (NB: this ‘straw person’ concept to be verified with further Wairoa-specific IDI analysis).

This group is more likely to be more capable of working with fewer impediments. It comprises perhaps 95-100 people on the basis of the male ratio for those aged 18-24 (206 in total) being similar to the total of all those receiving Main Benefit Support. Unknown is the degree to which any have work-fitness issues.

When combined, all those older than 24 (including females) indicates there are possibly 120 or more Jobseekers, which is sufficient for AFFCO to fill all outstanding vacancies. Is this the group which lacks motivation to work, assuming they do not have any other impediments)?

The benefit of IDI methodology, while indicative, is that it should enable social and health services to become quite targeted. If Table 24 is consistent for Wairoa alone, 400-450 residents will likely account for more than 60% of social support costs as an example. They are the group where most support needs to be focused.

Table 9 Comparisons of Population Characteristics

| | Social cost group | | Health cost group | |
|--|-------------------|------------------|-------------------|------------------|
| | Top 5 percent | Other 95 percent | Top 5 percent | Other 95 percent |
| Population | 8,300 | 157,000 | 8,300 | 157,000 |
| Total cost | \$205m | \$131m | \$122m | \$150m |
| Proportion of cost | 61% | 39% | 45% | 55% |
| Demographics | | | | |
| Children | 2% | 26% | 7% | 26% |
| Average age | 40 | 39 | 60 | 38 |
| Female | 65% | 50% | 51% | 51% |
| Māori | 58% | 26% | 23% | 27% |
| Moved 5+ in 5y | 45% | 11% | 15% | 13% |
| Social | | | | |
| High social need | 93% | 13% | 22% | 17% |
| Social cost | \$24,700 | \$840 | \$3,340 | \$2,000 |
| On benefit (T1) | 87% | 8% | 20% | 12% |
| Low income | 86% | 19% | 25% | 22% |
| Corrections | 49% | 7% | 12% | 9% |
| Oranga Tamariki | 8% | 8% | 4% | 8% |
| Health | | | | |
| High health use | 26% | 12% | 72% | 10% |
| Health cost | \$3,100 | \$1,560 | \$14,700 | \$950 |
| Mental Health use | 42% | 7% | 17% | 8% |
| Comorbidity index | 4.5 | 3.7 | 10.2 | 3.4 |
| Hospital inpatient (5y) | 62% | 42% | 98% | 40% |
| Hospital outpatient (5y) | 85% | 70% | 99% | 69% |
| Overlap of Social and Health | | | | |
| High social need and high health use group | 25% | 2% | 16% | 2% |

Source: Identifying Populations with High Health and Social Needs (Prepared for HBDHB, 29 October 2018)

Surely a “good life” (in Wairoa or anywhere in NZ) does not mean being on the back foot for the whole of one’s existence. Nor is it enduring a lifetime of untapped talent and promise.

Long-term benefit dependence, whatever the reason, is a sensitive and difficult issue anywhere. However, it is too easy to continue dismissing community concerns as “dole-bashing”.

Beneficiaries do not set entitlement conditions. The inflexibility of rules and regulations is seen as a contributing factor, which stymies the efforts of beneficiaries and employers alike. For behaviour change to be effective, more than encouragement alone is required. Incentives which are inter-linked to benefit support include:

- Study link
- Accommodation supplement
- Topping-up benefits to the Living Wage level for a wide range of return to work initiatives, training and apprenticeships

Whilst appreciating that Wairoa cannot unilaterally implement programmes with complete freedom, the need to be far more creative as to how benefit assistance is applied, was expressed a number of times.

In effect, central government faces the prospect of a large, lifetime fixed cost if a Wairoa resident is unable to work at the annual rate of circa \$12,400 before health and social costs are accounted for.

Breaking the cycle of benefit dependency has significant non-monetary, human factor benefits, e.g. improved well-being, as well as more obvious financial benefits, whereby a fixed annual cost can be turned into a credit for life (by virtue of tax paid on income).

Social investment, helping the transition to eventual employment, therefore has the means to be attractive for individuals, Wairoa's community and New Zealand society in general, such that one potential definition of a good life is "*...a fulfilling life*".

Creativity regarding the breaking of benefit dependency, should have the freedom to look at similar schemes elsewhere, including overseas. In several US states for instance, community work attracts voucher support which can be used for medical or dental treatment. Community work has particular value; the act of giving now demonstrably proven to be good for the soul.

We do not wish to imply MSD is not being proactive. Their Ngāti Pahauwera iwi partnership for instance, of placing whanau into sustainable jobs, has helped more than 200 since 2015.

The above requirement regarding greater creativity focuses upon incentives. Equally an examination of appropriate consequences should also occur, i.e. continued refusal to respond to help and support.

A critical point is the knock-on impact of the unhealthy choices many parents make, either for themselves and/or any dependents.

Alcohol/drug/smoking dependency by any member of the community should be discouraged, least of all when addictions lead to physically unhealthy, violent, traumatic lives, and sometimes to all three, continuously, *especially for children from the moment they are born and for the whole of their life thereafter*.

The life context into which some (3rd generation) children are being born in Wairoa is highly confronting; a daily environment among the poorest living conditions anywhere in New Zealand.

On a per capita basis, Wairoa has more than three times the national rate of job seekers and solo parent beneficiaries, and more than twice the national rate of supported living assistance, which is defined as those with, or who care for long term health/injury issues or disabilities, which severely limit on a long-term basis.

As has already been highlighted, living in Wairoa is more likely to result in poor health and well-being (e.g. "the 5% of the population with the highest health costs account for 45% of all health costs");

Source: Identifying Populations with High Health and Social Needs (Prepared for HBDHB, 29 October 2018).

A number of beneficiaries will therefore continue to require long-term assistance in the hope that eventually, early (intensive) support and primary health care will produce far better well-being.

Yet despite clear statistical evidence of extreme deprivation, our collective support and caring for fellow New Zealanders, neighbours and whanau in Wairoa is glaringly absent, an attitude mirrored by falling levels of government support to tackle this considerable societal breakdown.

It is hard to fathom how successive New Zealand governments can grace the global stage, fulfilling our international humanitarian obligations while this grave situation continues unaddressed in Wairoa.

New Zealand is always quick (appropriately so) to provide emergency funding for any number of annual humanitarian crises due to tsunami/earthquake/tropical storms, mostly in the Pacific or Asian regions.

Wairoa is not a headline-grabbing event providing graphic television footage of waves wreaking damage down upon an endangered community. Isolated Wairoa is plainly in crisis however, out of view, out of mind, beyond our collective conscience. A treacherous undercurrent runs in Wairoa, progressively inflicting deeper, intergenerational damage in our own backyard.

Ultimately, employment/benefit statistics are but proxy measures of multiple, serious, community issues. The additional use of IDI methodology, however, is a major step forward in understanding as to where highly targeted support should be directed.

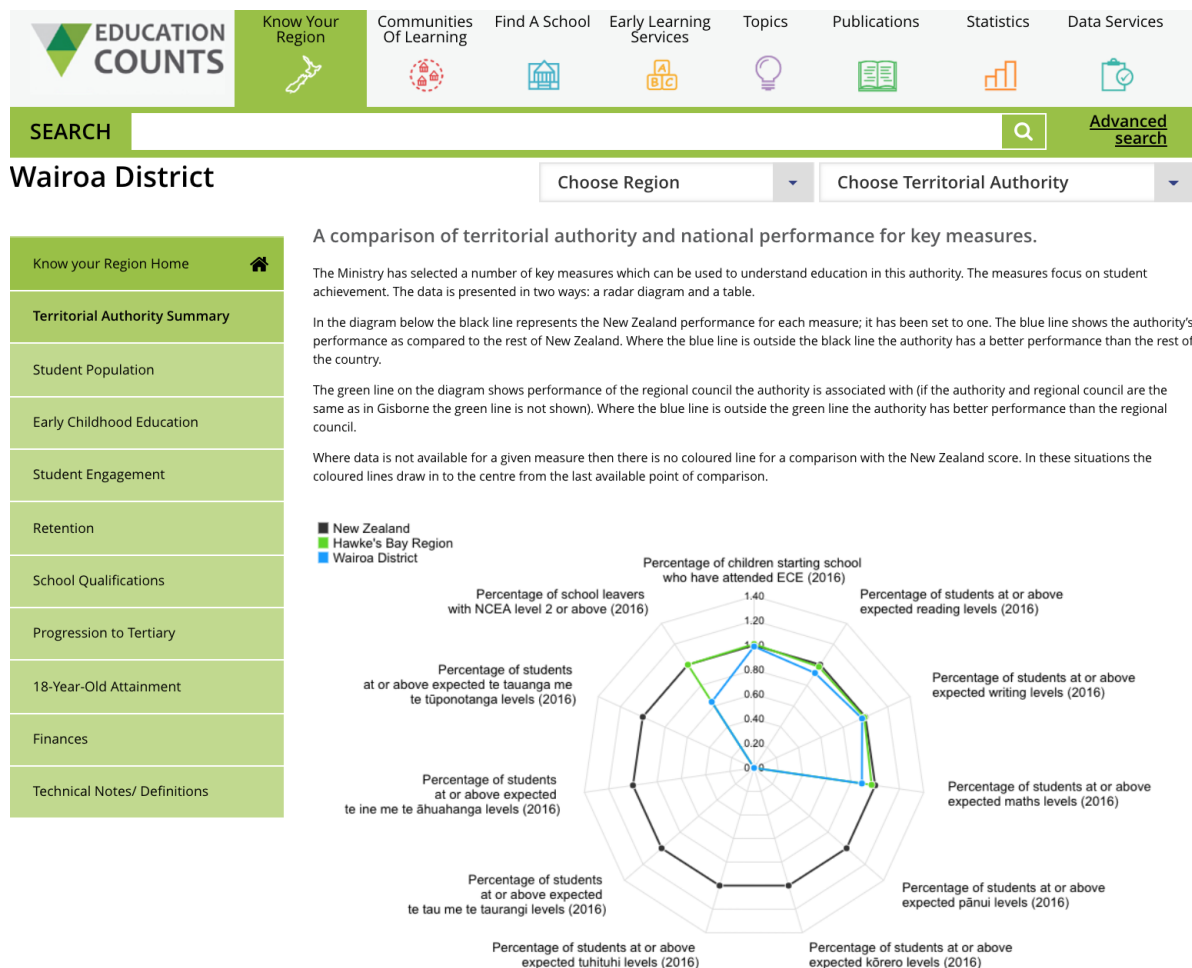
The outlined issues and conditions will continue to exist until an effective, comprehensive and long-term commitment is made by central government to sustainably help re-generate Wairoa.

Education and Training

“Schools in Wairoa are at the cutting-edge of social change in NZ.”

Community engagement highlighted education to be the most concerning issue within Wairoa (followed closely by health and social services).

Figure 17 National Performance by Key Measures



Source: <https://www.educationcounts.govt.nz/know-your-region/region/region-summary?region=6>

The 'Education Counts' website lists a number of Wairoa district educational measures. It is apparent that there is much to be done to lift educational achievement at all levels of schooling.

Parent perspectives of Wairoa schools suggest a number of possible causes of low achievement, with Wairoa College attracting a number of comments. However, a number of research document suggest otherwise¹² - at ages 5-13, Māori in Wairoa vs NZ student achievement at, or in excess of, national standards are: Reading (68.4%, 77.8%), Writing (65.5%, 71.2%) & Maths (63.0%, 75.4%), i.e. all lower than desirable, all prior to the age of enrolling at Wairoa College.

As the final stage of formal education, the College is seen by some as representing a “system” which “conveys” pupils to completion, from which many fall into a heap, their opportunity and potential unfulfilled. The community’s expectations of the College are understandable, regarding its role in

¹ https://www.educationcounts.govt.nz/data/assets/pdf_file/0003/182136/TA-Wairoa-District.pdf

² https://www.educationcounts.govt.nz/data/assets/pdf_file/0010/181981/NZ-Education-Profile-2016.pdf

preparing young adults for the workforce and possibly tertiary study, as well as its historical context. A Ministry of Education (MoE) Commissioner was appointed between July 2016 and August 2018.

The issue is considerably more complex than heaping emphasis upon just one of fourteen schools throughout Wairoa district. Long-term, educational under-achievement across Wairoa district is the combination of multiple community/social influences, such as:

- The continued erosion of family units;
- More working or absent grandparents, reducing the positive impact of the traditional Māori practice whereby tamariki are raised by their nans/aunties. Nans no longer have time to do what nans used to do well;
- The impact of traumatised/troubled children on the educational achievement of many other pupils;
- Parents unreasonably expecting schools to take responsibility for raising their children; where parental resilience, doing the right thing for their children, is often lacking. Some kids lack stick-ability, parents allow their kids “easy outs”;
- Substance abuse/addiction impacting upon child poverty, where teachers are known to compensate for parents, helping to feed and clothe some pupils, sometimes out of their own pocket;
- Families closing rank to shield repeated sexual/substance/violence abuse, but in the process maintaining a confronting environment and potentially “sentencing” victims and relatives to another generation of poverty, abuse and ill health, often mental;
- Adolescent disruptiveness becoming recognisable much earlier, i.e. in years 7 and 8, possibly due to children being exposed to harmful influences of older students for the lack of a separate intermediate school in Wairoa.

Most, if not all schools in the education eco-system of Wairoa are therefore substantially under-resourced to handle the complex, dual requirements of curriculum and evolving, cutting-edge social change. (NB: the “eco-system” is defined as the wider school community - whanau importantly - plus social services support).

Significant gaps and delays in providing specialist social support convert into months lost, as traumatised pupils sit in class awaiting help, considerably lowering the educational impact. On occasions, pupils disappear from view for an extended period without schools even being made aware of a family trauma event.

Cutting-edge social change results in a significant need for pastoral care; this appears to be more pronounced at primary school level but is still very evident at early childhood and intermediate/secondary level as well.

Constant stress impacts on all people within the education eco-system – traumatised children, fellow pupils, teachers and staff alike – however, it can also be a window to broader social issues within Wairoa. Pastoral care falls mainly upon frontline resources such as teachers and police officers similarly, in the absence of insufficient social services’ support, which may be seen to be siloed and less committed.

Quality time to deliver the curriculum is consistently challenged by extreme pastoral care needs. Self-harm, for instance, is becoming more commonplace in younger children, especially girls. Six or seven-year olds are being exposed to self-harm by older siblings, potentially normalising such behaviour. The impact of “P babies” is immediate upon enrolment at pre-school, with concentration difficulties and illogical, erratic behaviour compromising their educational achievements and many others within a class. While P is not a Wairoa-specific issue, it adds another layer of teaching complexity to an already wide range of health and social issues requiring special resources.

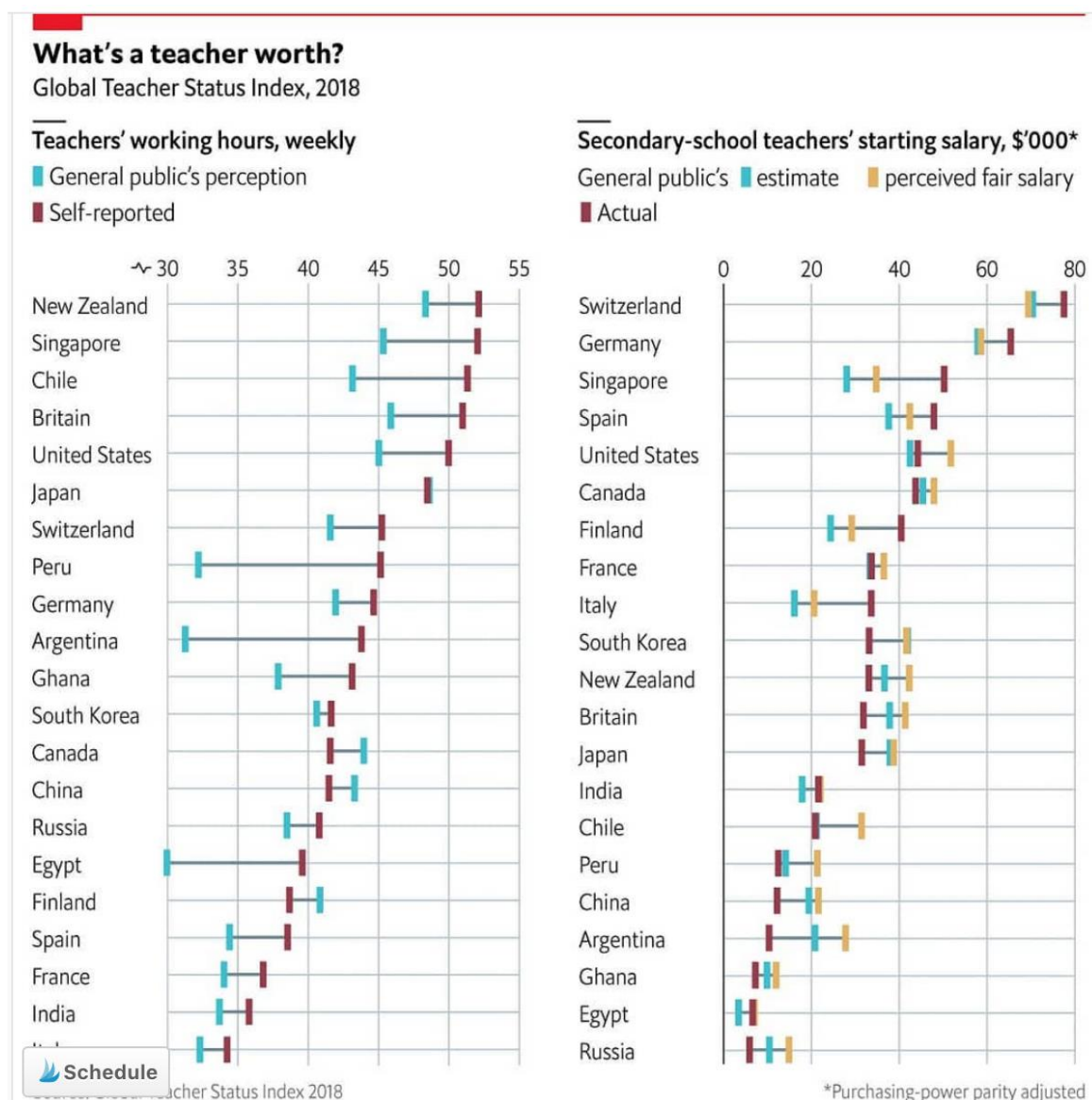
A recent multi-disciplinary triage initiative involving most Wairoa schools, police, health and social services staff has been a recent development, better linking parties involved in community-wide pastoral care.

A key aim is to support trauma victims by establishing a “wraparound service”, providing one point of competent social service contact. This contrasts with the conventional, often confronting approach, whereby victims are visited by a range of social agencies, described as uncoordinated, “tripping over each other”, the so-called “5 cars up the drive” method. Victims can understandably become further confused with this approach.

A related aim is to provide greater stability for children/pupils, by trying to keep them in a school in contrast to the normal pattern of frequently being moved around.

It is not certain whether the MoE recognises that the modest triage improvement to date is reliant upon the goodwill of frontline human resources within Wairoa’s community of care. They are tautly stretched already, without the scope for additional workload. The handling of triage events is always prioritised, restricting their ability to handle other tasks expected by the community.

Table 10 Remuneration for Teachers Internationally



Source: The Economist

That frontline resources are already over-taxed needs reiterating. This situation is reinforced by the above graph. New Zealand teachers, amplified within Wairoa, appear to average more working hours per week than any country in the world.

Recent strike action by teachers has the appearance, when reading press reports, of the MoE and its teacher/principal employees being locked in a pay dispute.

In Wairoa however, the distinct issue (backed by a significant amount of Wairoa-specific, authoritative evidence), is that **specialist resources are not being provided by central government and have not been for many years.**

This requires an integrated approach, providing:

- The correct experience levels and capacity of specialist resources;
- Permanent, on-the-ground, resourcing in Wairoa;
- A centralised, coordinated, Wairoa-wide approach.

MoE's decile-based funding does not consider specific curriculum (learning and social) needs as is the significant case of Wairoa. Paying essential utility costs therefore takes priority over otherwise also necessary staff resources, further taxing teaching staff.

Wide-scale teacher burnout is a considerable risk; major support gaps in Wairoa schools seem to amount to a disconnect by MoE and central government.

Education however is but one component of major systemic social/community support issues in Wairoa. Traumatized/troubled pupils are akin to a stream of air bubbles, which slowly rise to the surface as they pass through the schooling system, eventually emerging as another under-achievement statistic. Each year, a new stream of air bubbles enters the schooling system.

Support gaps exist on many levels *beyond* what may be considered core social services (the following is indicative only, not intended to be a complete list):

- Lack of a SWIS (Social Worker in Schools) catering for Years 9-13;
- The impact of central government outsourcing presumably based upon cost rather than effective front-line value. The Ministry of Education "contracting out" some of its education obligations as highlighted earlier in the report, and example of which is Truancy Services initially contracted via a Gisborne NGO and then sub-contracted to another NGO in Wairoa. Alternative Education has also been contracted out. Both services now appear to be returning in-house to Wairoa College, which is a positive move, providing a fully integrated curriculum that is able to cater for the needs of all students within its care;
- The degree to which core curriculum is not fully funded – IT and wraparound support (building resilience, work fitness, preparation to enter the workforce) is subject to contestable funding and/or left to the schools to organise;
- The dependency on charity to provide funding for programmes with long-term, proven success, e.g. Wairoa Young Achievers Trust support of the 'CACTUS' programme at Wairoa College and the Kura (the programme focuses upon all Year 9 and above students, instilling leadership and building self-esteem). Similarly, funding restricts demand for Wairoa College's 'Services Academy', another positive programme which encourages striving (capped at 20 Year 12 pupils when there is demand for 35);
- The lack of a self-contained, intermediate school (150 kids) allows some children to move through Years 7 and 8 more quickly than their actual emotional and physical state. Nearly 14 years after 2005's "Tomorrows Schools" was implemented in Wairoa, the community remains very sensitive to the impact of its cost-focused, negative impacts.
- As with most arms of central government, compliance requirements in education keep increasing. Compliance can be the antithesis of efficiency. A potential answer to school funding would be to use data to determine a fair annual sum for schools to cover their complete curriculum and operating needs. By adopting 'Lean' (bottom-up) methodology to add value,

reduce compliance and remove wasteful practices, efficiency gains could be transferred to the front-line, to teachers, to encourage innovation in delivering the curriculum, for which they/schools are accountable on the basis of educational quality.

- The often harsh funding impact on schools based on the “3-month roll return” method.

Dark Horse Thriving

Whereas there is a great deal of room for improvement, hope remains when Nuhaka School (Year 1-8) achievement is consistently in excess of national standards for Māori student (circa 90%). During the engagement process, Nuhaka School was mentioned on a number of occasions as a star performer.

For those familiar with the standout 2014 New Zealand movie, *‘The Dark Horse’*, Nuhaka School is the embodiment of the movie (and in which some of its pupils briefly feature). The IMDb website describes the movie as the story of a “...brilliant but troubled NZ chess champion (who) finds purpose by teaching underprivileged children about the rules of chess and life.”

It’s tempting to downplay this success story (to save Nuhaka School from being subjected to *Tall Poppy Syndrome*) or imply that many other teachers/principals are not doing equally sterling work, which is not at all the case.

Chess is a central part of the culture of Nuhaka School, with the movie’s real-life, central character Genesis, a regular mentor at the school prior to his death (a practice still maintained in Nuhaka by other Gisborne-based, real life characters and players).

Chess is included within the school curriculum of many European countries for its mental agility benefits. At Nuhaka, chess encourages participation and competition through leader board prowess and representing the school team at tournaments. Nuhaka is unapologetically led using “an old-fashioned works” approach; students’ are active and physically adept, mobile phone use is discouraged.

The key message is that one’s background shouldn’t hold pupils back, which is also being echoed elsewhere, including by the new leadership of Wairoa College. There is an emphasis on positive reinforcement of pupils with the same message being communicated to parents and whanau. Expectations are being raised, as the College seeks to produce well-rounded, positive young people. Conversely, consequences are in place for bad behaviour. None of this is necessarily ground-breaking in many parts of New Zealand, however Wairoa schools are merely ultimately augmenting what should be happening as of right, especially by whanau, at home.

Flaxmere College, Hastings, would appear to be a good reference point for the future development of pupils at Wairoa College. There are numerous parallels between the two colleges. Flaxmere’s recent gains are one of timing. It embarked on a new path with the arrival of a principal in 2010. The dramatic improvement in student educational achievement is attributed to instilling a “whanau environment” and a “culturally responsive learning environment”.

A teen parent unit points to a positive example of proactive “social investment” by the Ministry of Education, an approach that is advocated extensively in this report to replace Wairoa’s prevailing, reactive “ambulance at the bottom of the cliff”³.

The pre-condition at Flaxmere College for enhanced learning is being able to close the door on family life once at school. In this regard, we respectfully suggest that current conditions in Wairoa may require significant, parallel investment in social services before greater academic gains occur. Flaxmere’s whanau orientation after all only began in 2010.

³ <http://fairfaxmedia.pressreader.com/sunday-star-times/20181014/textview>

NB: Efforts to fund a programme at Wairoa College which replicate Flaxmere College (including a teen parent unit) have previously been rejected by MoE.

Prioritising Education with the Community's Backing

The importance of formal educational achievement is not currently prioritised by sufficient whanau and, in turn, students, or the wider community.

Too often Wairoa young people leave school, with or without parent support, before the end of a school year. In recognition of the issue, some employers seek a declaration within pre-employment processes regarding exam completion – to enquire of students that they're not turning their back on NCEA exam commitments.

At its worst, a student can transition to registered Jobseeker in the space of 24 hours; if they have left school without any formal educational achievement, they are yet another lacking 'work fitness' statistic, likely to spend a considerable period of their life requiring benefit support.

Training providers may currently operate in a siloed state, scheduling their courses in daytime without necessarily assessing if they are likely to draw secondary school attendees.

Improving educational achievement can occur as a result of changes in the schooling system, however it is likely to be only temporary if education isn't prioritised by all whanau. For it to become embedded and ingrained as part of Wairoa's 'culture', in other words, to become a way of life, it will require the continuous reinforcement of the broader Wairoa community.

It is recommended that a new Certificate in Work Fitness (CiWF) become the minimum universal achievement standard for all students upon completion of secondary school. CiWF would cover personal fitness, numeracy and literacy competency, tolerance and etiquette, cooking and personal nutrition skills, personal hygiene, addiction-free, licensed driver, introductory workplace safety & health, interview skills). CiWF suggests the need for a broader educational focus to include readiness to enter the workforce alongside lifting educational achievement.

"Backsides on Seats" Comprehensive Tertiary Study - But Not in Wairoa?

There appears to be demand for comprehensive study for many more vocations than are currently offered in Wairoa, i.e. trades (automotive, electrical, plumbing), plus health and fitness, engineering, hairdressing, computing/ IT, heavy transport, tourism and hospitality.

EIT offers short duration introductory courses, however, there appears to be no comprehensive qualifications offered that are based in Wairoa requiring 1-3 years study. Introductory courses provided in Wairoa appear to be a 'taster' for comprehensive study, at either Taradale or Tairāwhiti campuses.

There is nothing wrong with taster courses per se; they provide students with an opportunity to determine if they suit further, comprehensive study. The key issue would appear to be a lack of consideration for what Wairoa's community wants, which appears to require a bottom-up approach. Has consideration been given to comprehensive study being made available using distance learning, as occurs with Massey University? Periodic/specialist block learning may still be needed in which case, shorter duration attendance at Taradale or Tairāwhiti campuses is necessary and accepted.

One advantage of Wairoa-based comprehensive study is its ability to integrate teaching/learning with a real-world situation, integrating with paid, on-the-job employment in Wairoa, providing continuity of income on a year-round basis.

Providing comprehensive courses via distance learning in Wairoa may be viewed as a cost impost. Equally tertiary providers may be missing out on fees because many Wairoa students are unwilling to move to Taradale or Gisborne to undertake comprehensive study.

Adult Education Requirements

A number of providers in Wairoa deal with training which reflects the wide-ranging needs of the rohe, e.g. numeracy and literacy, driver licensing (often for more mature members of the community), sign language, Māori specific issues (i.e. grandparents raising grandchildren), vocational training, and Te Reo (notably Te Ataarangi).

One observation is that there are a reasonably large number of organisations involved for a current population of only 8230. Their contract-based funding reflects central government's preferred practice of "contracting out". Funding comes from a variety of sources (MSD, Te Puni Kokiri (TPK), MoE, TTOTW, NPDT). As commented on elsewhere, contracting out is not necessarily driven by Wairoa needs and where local providers have established relationships, as central government ministries prefer to deal with one national provider or at least one that provides North Island coverage. Most Wairoa based providers appear to operate independently of each other. Self-preservation is a necessity for some due to the very competitive funding environment caps, which can stymie progress.

A core issue, however, appears to be the lack of an integrated approach to adult training/education and the degree to which multiple providers, each with their own administration/contract compliance resources, premises, staff and other overheads (utilities, vehicles etc) are providing the best long-term impact for the community

Different MoE Boundary Operates in Wairoa

Most arms of Government operate on the basis of Ngāti Kahungunu boundaries. MoE (and possibly the Māori Land Court) utilise Tairāwhiti boundaries, whereby Wairoa is considered to be part of the East Coast region.

This boundary difference may have a number of dimensions:

- Cultural appropriateness from a Māori perspective: Are both interpretations acceptable or is one culturally sensitive, the other less so?
- Inconsistency in what defines/constitutes the needs of Wairoa, particularly those of Māori: Elsewhere we have highlighted that poor well-being of Wairoa residents, particularly Māori. Different funding and delivery methods for education may make matters more complex than is necessary.
- Achieving equity and efficiency: In seeking meaningful change, one consistent method is surely better; one, integrated, whole-of-community approach that puts the needs of Wairoa front and centre.

Health and Social Services

The Statistics:

- 64% of Wairoa's population live in NZDep2013 9 & 10 areas compared to 20% nationally. This is 3.2 times worse than the national rate.
- A greater proportion of Wairoa's population lived in high deprivation areas in 2013 according to that year's Census compared to 2006 on the same basis. This means conditions deteriorated in that time period.
- The lack of 2018 Census data is unlikely to provide any meaningful improvement. Non-Census data released between 2015 and 2018 continues to point to a health and social services crisis in some parts of Wairoa.

Against this backdrop, Wairoa's community understandably report significant frustrations with its health services:

- That primary care levels of service continue to be inadequate;
- The lack of early intervention and distance to Hastings for secondary care may lead to preventable death, as evidenced by Wairoa mortality rates being significantly worse than regional and national levels;
- That the prevailing model of care is top-down, Hastings-centric and not recognising bottom-up, patient needs within Wairoa;
- That it has been apparent for many years that Wairoa's health and well-being is very poor on virtually every known health measure;
- As reported in the Employment review, employees in the Healthcare and Social Assistance group in Wairoa (ANZSIC06 Group Q) have steadily fallen in number every year since their 2011 peak (340 employees) to 250 currently. Over the last year, the number fell by a further 10 employees (260 in 2017). As a proxy measure, a 26.5% reduction in the Healthcare and Social Assistance workforce over the last 7 years appears to be strongly suggest a lack of central government's commitment to Wairoa, more so that it has occurred in the face of very clear evidence of a major, widespread, regional health problem;
- That high-risk, avoidable behaviours (e.g. smoking) continue unabated at very high levels despite well-accepted clinical benefits for reduced addiction levels (e.g. lower hospital admissions for chronic disease);
- That Wairoa's unique issue of access - the ability to efficiently connect with primary care within individual kahui or communities (e.g. Mahia, Tuai or Raupunga) still isn't recognised. This applies to all central government services not just health and social services.

Wairoa's Health "Access" Means...

Wairoa's geographic remoteness is heightened due to the low number of adults with a current driver's licence and access to a road legal car compared to most parts of New Zealand. If a patient is additionally too ill to drive to Hastings for medical treatment, a family member or friend is forced to take a day off work to make the return journey, in the process forfeiting a day's leave if an employee.

Furthermore, what the majority of New Zealanders regard as everyday tools, i.e. mobile phone, internet access and ultra-fast broadband, are luxury items in Wairoa, particularly for the older, more remote and/or more vulnerable within the community.

The following health-related studies and data indicate that government agencies do not understand Wairoa's remoteness and its impact on social factors. Central government policy and/or resource allocation directly influence Wairoa's worsening deprivation indices and overall well-being levels. As an example, a change in NZTA restricted driver licensing protocols several years ago exacerbated driver access issues in Wairoa (NB: applies to all non-urban areas in NZ).

NZTA's unilateral action now requires a practical restricted driving test to be carried out only in an urban/city location – requiring all Wairoa learners to travel to Gisborne or Napier. NZTA's 'logic' is that remote locations such as Wairoa do not equip learner drivers with the right skills to handle traffic in urban/city conditions – built-up traffic, use of traffic lights, roundabouts, and traffic management devices.

Learner skills acquired in Wairoa conditions however – driving on narrow, rural roads (often gravel), ready access to open roads/state highways, negotiating heavy transport - are not however a reciprocal testing requirement of learners in an urban/city environment.

This example of central government policy-making has caused major issues for learner drivers in Wairoa and other similar locations, 'feeding' an already high rate of unlicensed driving.

What is the greatest risk – Wairoa tested learners who haven't yet encountered a traffic light but are experienced, open-road drivers, or a growing number of young, unlicensed drivers, unable to legally transport whanau to a medical appointment in Hastings?

Access barriers and an inability to freely travel can lead to 'no shows' for booked treatment in Hastings. Of course, this is frustrating, as is the large productivity impact on residents seeking medical treatment beyond Wairoa (a full day is lost travelling to and from Hastings). Living in Wairoa imposes additional costs to access healthcare on top of already constrained finances.

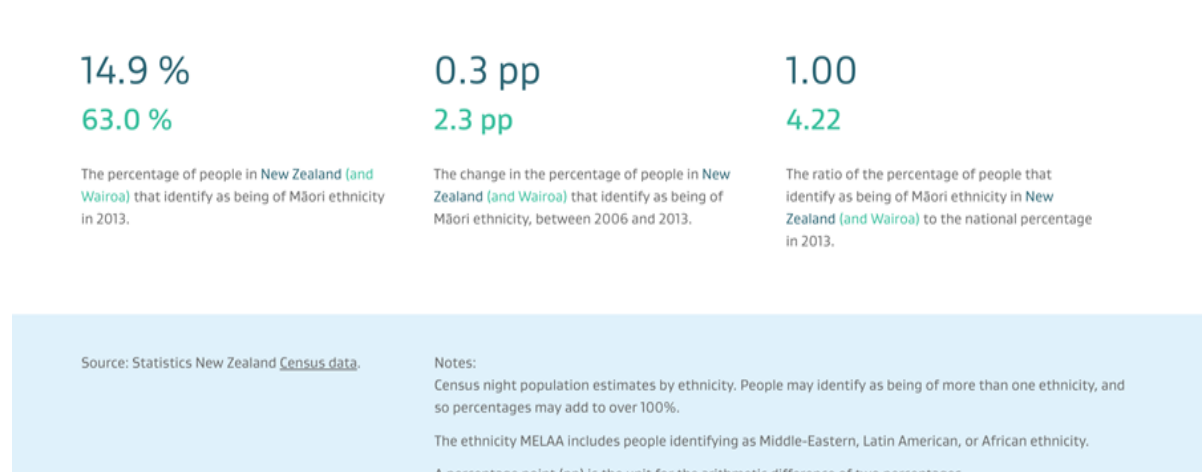
Policy makers' top-down perspective repeatedly appear to have little appreciation of the bottom-up challenges of living in Wairoa.

Wairoa District Health Needs Assessment Report 2015

(Prepared for Hawke's Bay DHB, released 06/16)

Authors Note: this study is 3-4 years old and some data and assumptions may have changed since the release date. For instance, Wairoa's population increased modestly in both 2017 and 2018. This is the first time consecutive annual growth has been recorded since 1996. In addition, residents of Māori ethnicity now make up 63% of a slightly higher Wairoa population base, and so forth. This is particularly important for policy makers if relying (solely) on older data.

Figure 18 Maori Ethnicity in Wairoa and New Zealand



Population Trends

Wairoa district is the smallest populated district in the Hawke's Bay District Health Board and has a population that is declining. Wairoa district population is projected to decline 8% in the next 14 years from 8,200 in 2014 to 7,540 people in 2028 and continue to decline a further 17% between 2028 and

2043 to 6,260. In the future, Wairoa district's population will be smaller with less people under the age of 65 years and more older people.

Nearly 60% of the Wairoa district population is of Māori ethnicity.

The number of Wairoa district births are trending downwards. Māori births make up a large proportion of the Wairoa district births.

Socio Economic Factors

64% of the Wairoa population live in NZDep2013 9 and 10 areas compared to 20% nationally. There has been an increasing proportion of the Wairoa population living in high deprivation areas between the 2006 & 2013 census.

The median income for Māori in Wairoa District is \$19,400 which is substantially lower (47% lower) than the national median income of \$28,500.

Wairoa has a high rate of single parent households.

Wairoa district households are more reliant on Work and Income benefits compared to overall Hawke's Bay households.

In 2001, 34% of Wairoa households did not own their own homes and by 2013 this had increased to 43%.

Nearly 17% of Māori in the labour force in Wairoa district are unemployed.

Smoking

Smoking prevalence rates in Wairoa remain 1.6 times the overall Hawke's Bay rates and 1.9 times over the National rates.

Smoking rates are highest in the 25 – 34 year age group.

Mortality Rates

Wairoa district has a lower life expectancy compared with all other territorial local authority areas within the Hawke's Bay Region.

Cancer is the top cause of death in Wairoa district and a major player in premature mortality rates in Wairoa district followed by Ischaemic Heart Disease.

Wairoa district have Intentional Self Harm mortality rates that are 3.3 times those of Central Hawke's Bay, 2.8 times those of Hastings District and 1.9 times those of Napier City rates.

Risk Factors

Wairoa Māori smoking prevalence rates are higher compared to Māori rates nationally.

Teenage birth rates in Wairoa district are 2.5 times those in Napier City and twice the overall Hawke's Bay rate.

Diabetes prevalence rates in Wairoa district are 36% higher compared to overall Hawke's Bay Diabetes prevalence.

Chronic Disease Hospitalisations

Ischaemic Heart Disease hospitalization rates are 20% higher than the overall Hawke's Bay rates.

Stroke hospitalisation rates are 50% higher compared to overall Hawke's Bay rates.

Diabetes hospitalisation rates are 70% higher compared to overall Hawke's Bay rates.

Chronic obstructive pulmonary disease (COPD) rates are 20% higher than overall Hawke's Bay rates.

Hospitalisation by Ambulance (ASH)

0-4-year olds ASH rates are 20% higher compared to the overall Hawke's Bay rates.

Wairoa district has the highest ASH hospitalisation rates in 0-4-year olds for upper respiratory tract infections and ENT infections and lower rates for gastroenteritis/dehydration, dental conditions and cellulitis.

45-64-year age group have increased. Current rates are nearly twice (90%) the overall Hawke's Bay rates.

Wairoa district has the highest rates for the conditions cellulitis, respiratory infections, pneumonia and gastroenteritis compared to other districts. Cellulitis rates are nearly 4 times those of Hawke's Bay rates. Wairoa cellulitis rates in this age group have averaged 2.6 times the Hawke's Bay rates each year for the last 6 years. Respiratory and pneumonia conditions are nearly 3 times the Hawke's Bay rates.

0-74-years remain 50% higher than overall Hawke's Bay rates.

Wairoa district has the highest rates of cellulitis, respiratory infections/pneumonia, and gastroenteritis / dehydration compared to other districts

Child Health

Oral health status of 5-year-olds is poor compared to other Hawke's Bay territorial local authority areas.

The principal reasons for acute hospitalisations in 0 - 14 year old's in Wairoa district are the respiratory conditions; respiratory infections/inflammations and whooping cough and acute bronchiolitis, bronchitis and asthma.

Source: Wairoa District Health Needs Assessment Report 2015

Identifying Populations with High Health and Social Needs

(Prepared for HBDHB, 29 October 2018)

Author's Note: *This recent study⁴ is important for Hawke's Bay generally and Wairoa's community in particular. It may be seen to complement the DHB's recently released Health Equities report referred to further below although the datasets are quite different.*

Identifying Populations with High Health and Social Needs uses a relatively new methodology called "Integrated Data Infrastructure" (IDI) to gain insights into society and the economy, which can help answer questions about complex issues affecting New Zealanders. Statistics NZ is the collection point and they provide the following explanation:

⁴ <https://www.health.govt.nz/new-zealand-health-system/health-targets/how-my-dhb-performing-2017-18>

Stats NZ collects data from different sources and links it together to create integrated data.

Linking data is a way for us to get maximum benefit for New Zealand from the data we manage. Researchers use integrated data for projects that are in the public interest.

The data comes from the surveys we run, other government agencies, and non-government organisations (NGOs). It is microdata, which means it's about units of a population, such as individuals, households, or businesses.

We link data records by using the variables they have in common. Then we remove personal information so individuals can't be identified.

[Data integration](#) has more information about what data integration is, our policy, and information about projects the Government Statistician has approved.

Source: <https://www.stats.govt.nz/integrated-data/>

IDI is able to shed light upon previously unknown but connected patterns, so that resources (health and social in this case) can be better directed towards those that need them.

In some cases, the need for more extensive support can be better predicted (within developing patterns when accessing services), in which case, earlier intervention should occur. This may prevent some conditions/issues becoming more serious over time. Being proactive should ideally replace the current approach where it often takes a trauma event before less coordinated support or care is provided.

The following graph indicates that overall health needs in Wairoa are similar to the rest of Hawke's Bay, at about 12-13% of the population in each area. Social services needs are different – about 28% of Wairoa's population have a need for support, equal to 2300 people.

Wairoa's current (2018) population of 8230 amounts for 5% of Hawke's Bay's total population (165,000). Population based funding to date has been a common means of allocating central government resourcing. IDI analysis in this instance indicates that Wairoa generates 8-9% of total Hawke's Bay social services demand before any assessment of severity.

When Health and Social needs are combined, IDI research confirms that Wairoa, on a relative basis, has a much greater requirement for services and resources than traditional, population-based apportionment.

Source: 'Identifying Populations with High Health and Social Needs' (Prepared for HBDHB, 29 October 2018)

- One-in-six people living in Hawke's Bay have high social need (27,000 or 17%);
- The 5% of the population with the highest social costs account for 61% of all social cost;
- Māori are over-represented amongst those people with high social need;
- One-in-eight people living in Hawke's Bay are high health service users (21,000 or 13%);
- The 5% of the population with the highest health costs account for 45% of all health costs;
- People with high social needs are 50% more likely to be high health service users compared to those that don't have high social need;
- 5,000 people have both high social need AND are high health service users (3%);
- This 3% of very high need people account for 17% of health and social costs;
- Almost half of this very high need group had changed address five or more times in the last five years;
- The very high need group has a much higher use of mental health services; those aged 40–65 years have 12 times the average number of mental health contacts compared to the Hawke's Bay population overall;

- People who have history with Oranga Tamariki are three times more likely to use mental health services;
- One in every five ED attendances is by someone who has been four or more times in the year.
- More than one-third of frequent attenders have high social need.

Source: 'Identifying Populations with High Health and Social Needs' (Prepared for HBDHB, 29 October 2018)

HBDHB – 'Third Health Equity Report'

(Released 17 December 2018)

A story on the Stuff website⁵ (published December 19th, 2018) referenced the Hawke's Bay District Health Boards equity report.

A report into the health of people in Hawke's Bay has revealed, again, how poorly Māori and Pacific are stacking up against others.

The Hawke's Bay DHB's third Health Equity Report⁶, released on Wednesday, was "a stark reminder that constant attention, and new ways of working are needed to maintain progress to eliminate inequities in health," said the DHB's clinical director of population health Nick Jones.

The report found that "large disparities in socio-economic conditions that affect health persist for Māori and Pacific people in Hawke's Bay", and these were associated with unequal health outcomes.

"The health of Māori whānau is deeply rooted in the impacts of colonisation. Epidemics brought by European settlers decimated Māori communities and losses of land, languages, traditions and economic livelihood followed. These ordeals and accumulated trauma have induced further illnesses present in Māori today," the report said.

It found that:

- *A quarter of Hawke's Bay 0-4 year olds were living in a household receiving a main benefit (compared with 18 per cent nationally).*
- *Māori children are three times and Pacific children are five times more likely to need to stay in hospital for bronchiolitis than NZ European/other children.*
- *Pacific five-year olds have the highest rates of tooth decay.*
- *Pacific children have the highest rates of avoidable hospital stays.*
- *40 per cent of Māori children aged 0-4 lived in a household receiving a main benefit compared to 19 per cent of Pacific children and 14.5 per cent of NZ European children).*
- *61 per cent of food grants are to Māori.*
- *One in three Māori school leavers do not have an NCEA level 2 qualification or equivalent (compared to one in four Pacific school leavers and one in seven NZ European school leavers).*
- *Māori women are three times more likely to smoke than non-Māori women.*
- *Māori under 18 are four times more likely to have a pregnancy than NZ European/others.*
- *Māori female rates of hospital stays due to assault are six times those of NZ European/others.*

"The bleakest message we still have, through this report, is Māori, Pacific people and people living in areas of greater socio-economic deprivation are still more likely to die early from avoidable causes," Jones said.

For Māori, avoidable deaths could be reduced by a quarter by improving heart health, and another quarter by addressing the current rates of mortality from lung cancer through smoke-free living and by addressing the underlying causes of suicide and vehicle crashes," he said.

"We know from successful programmes, both in Hawke's Bay and elsewhere, that tackling inequity needs system and culture change. There are many components to this - health can't do this without the support, focus and commitment of our community partners.

<https://www.stuff.co.nz/national/health/109487140/new-ways-of-working-needed-to-address-health-inequities-for-mori-and-pacific-people-says-hawkes-bay-dhb>

HBDHB "Clinical Services Plan (CSP): The Next Ten Years"

The DHB recently ratified its operating plan⁷, which will run from 2019-2028. The CSP signals that major, "directional change" is needed in the way the region's healthcare is delivered, noting a number of themes (Chapter 2, Page 5):

"Inequities persist for some groups in our population"

Key findings from our updated health equity monitoring include:

- Immunisation rates are high with no difference between Māori and Pasifika, and children of other ethnicity.
- Cervical screening rates for Māori and Pasifika women are only slightly lower than for women of 'other' ethnicity, however the rate for Asian women is low in comparison.
- There has been a trend towards a decrease in the prevalence of amphetamine use in Hawke's Bay, meaning equity compared to the rest of New Zealand is improving.
- Avoidable hospital admissions for children under five are low compared to national; however the reductions for Māori and particularly for Pasifika children have not been sustained.

There remain many areas of inequity amongst our population:

- Progress in reducing the gap in avoidable deaths between Māori and non-Māori has stalled since 2012.
- The prevalence of psychological distress among adults is higher in Hawke's Bay than any other DHB in the country and there has been no sign of improvement over time.
- Admissions to mental health inpatient services have increased significantly and Māori continue to be admitted at over twice the rate of non-Māori.
- Hazardous drinking is significantly higher amongst Māori compared to non-Māori.
- There has been no improvement in bronchiolitis admissions for 0-4 year olds since 2011, and no reduction of the gap between Māori and Pasifika, and other children since 2013.
- Despite a small improvement since 2015 in the proportion of Māori 5 year olds with no dental decay, a large inequity persists, and there has been no improvement for Pasifika children.

¹ <http://www.hawkesbay.health.nz/assets/Clinical-Services-Plan-External/FINAL-Clinical-Services-Plan.pdf>

- Māori and Pasifika in Hawke's Bay are less likely to have adequate diabetes control than European or Asian.
- Breastfeeding rates are lower than the national average and lower for Māori and Pasifika.
- Prevalence of obesity has increased across all ethnic groups in Hawke's Bay and our rate is higher than national. Pasifika and Māori, and those living in deprived areas, have higher prevalence.
- Tobacco smoking has decreased but is higher amongst Māori compared to non-Māori. Māori women are still nearly three times more likely to smoke than non-Māori women, and the proportion of Māori mothers smoking during pregnancy increased in the latest year.

The plan goes on to say:

- "We cannot continue with the status quo: If we don't change, the hospital will consume more and more resources as a 'provider of last resort'"
- "We need a new approach to achieve equity and meet future demand: we re-define the future we want for our health system - a person and whanau centred system"
- "We have pockets of service excellence already and will build on these in our new system:"

We are not starting from scratch—there are clear examples of service excellence within our system already. Just a few examples are: strong and innovative service provision amongst kaupapa Māori providers and some primary care centres, emerging workforce models such as nurse practitioners, close connections with inter-sectoral agencies by child development services, and the engAGE model of multi-disciplinary care for older people. Diabetes and respiratory nurses are working with primary care. We have a clinical support workforce that has much more to offer as an intrinsic part of health service delivery. Some of our services are held up nationally as best practice.

Now we need to redesign our health system for the future; retaining and growing the good things we're doing and taking bold and courageous decisions to ensure we deliver the best and fairest outcomes for all people in Hawke's Bay.

CSP Commits to Health Equity for All

Much has been made of the potential for Alaska's Southcentral Foundation *Nuka System of Care* (Nuka) to be adopted, given the similarities between it and HB, where 24.3% (40,000) of its population is of Māori ethnicity."

"Southcentral Foundation an Alaska Native-owned, non-profit health care organization serves nearly 65,000 Alaska Native and American Indian people. Nuka is a relationship-based, customer-owned approach to transforming health care, improving outcomes and reducing costs. Recognized as one of the world's leading examples of healthcare redesign ..."

The DHB's new CSP appears to signify however that Nuka will be a reference point rather than an adopted 'System of Care'. Instead the CSP gives "...primacy to Māori indigenous thinking, values and solutions" (which will incorporate Nuka System of Care guiding principles and HBDHB learnings). The CSP goes on to state:

We will develop our own local system based on our learning from indigenous models In Hawke's Bay, we will develop our own local model that embeds kaupapa Māori practice and builds on the strength of our iwi-led services. Our model will be based on a real understanding within the primary care team of who consumers and whānau are, and how to respond to their wellbeing needs. This includes easy access to advice around any social problems (e.g. social welfare, housing) and specific access equity components such as co-payment reduction or removal for priority groups.

We have learnt a lot from the Nuka System of Care at the Southcentral Foundation in Alaska.

We will take the lessons from Nuka but create a local system that is co-designed by our own communities and whānau and is completely in tune with our Hawke's Bay culture.

The Nuka System of Care incorporates key elements of the Health Care Home model, with multidisciplinary teams providing integrated health and care services in primary health centres and the community, co-ordinating with a range of other services. This is combined with a broader approach to improving family and community wellbeing that extends well beyond the co-ordination of care services—for example, through initiatives like Nuka's Family Wellness Warriors programme, which aims to tackle family harm, abuse and neglect across the population through education, training and community engagement. Traditional healing is offered alongside other services, and all services build on indigenous culture (The King's Fund, n.d.). Primary care will be at the heart of rural health service provision in Hawke's bay, with the development of outreach models to reach those in remote locations (for example, nurse-led care and mobile clinics). Scale and consistency of operating model and care philosophy is critical to allow more specialisms to be provided in and around the healthcare home. There may be cross-referral to other practices with special interests, where sufficient size allows this to develop.

Active involvement of consumers in the on-going development of primary health care

One of the key successes of Nuka, that we will adopt in Hawke's Bay, is actively involving consumers in its management in a number of ways. These include community participation in place-based planning groups, the active involvement of consumers in management and governance structures, and the use of surveys, focus groups and telephone hotlines to ensure that people can give feedback that is heard and acted on.

Stakeholder and community engagement will be undertaken in a far more responsive way than in the past. We will keep listening to what the community is saying, go away to find ways of meeting their needs, then report back on our progress. We will not be able to achieve everything that people want and we need to be transparent and realistic about the limitations we work within. The Nuka experience suggests that by listening, feeding back and being honest with our community, people can understand they are partners in the transformation and delivery of care, and walk with us through challenging decisions.

The CSP notes in Chapter 3 (Page 11), "...when we achieve *equity*, there are no avoidable or remediable differences in health outcomes between groups of people".

This is reinforced by the following:

Headline goals

- Community level plans are supported that promote and build healthy, safe and resilient whanau;
- Place-based initiatives operate in self-identified and high need communities, bringing local leaders together to address health and social issues and improve outcomes for individuals and whanau;
- Communities are activated with the tools and support to take ownership of their local service network.

What does the CSP mean for the people of Hawke's Bay and Wairoa?

The DHB is signalling:

- A commitment to health equity for all, (i.e. Māori no longer disadvantaged);
- The future importance of whanau-designed primary care;

-
- Care will be provided in its place of need;
 - Using mobile, nurse-focused, health services, that may be iwi-led;
 - It is committed to transparency and being responsive to consumers, and recognises that it needs to improve its past track record;
 - That there will still be limitations on the services provided; not everything will be possible.

(NB: in a recent Bay Buzz article covering the CSP (Issue 44, Nov/Dec 2018), the DHB's annual, \$600M budget will not be changing although how it is used will change; A desire to "partner" in delivery of care.

What Wairoa Needs

The CSP represents a welcome change in approach.

Delivering on the DHB's intent will be fraught with considerable challenges given current, very poor health and wellbeing levels in Wairoa.

Small changes to status quo health services in Wairoa will not achieve the desired outcomes. Wairoa needs to be a focus of regional health services' improvement. Some whanau are living in a constant state of crisis.

Partnering in planning with iwi provider groups is a necessary pre-condition to achieving ultimate health equity in Hawke's Bay and Wairoa. When it comes to service delivery however, the utmost care is needed. There could be a risk that partnering is viewed as an opportunity to shift health and social services responsibility, and funding of the same, to iwi groups.

Lower rates of pay for iwi health provider Māori nurses is currently the subject of a Waitangi Tribunal enquiry into health services, along with nursing and funding shortages. Future delivery of health services by iwi provider groups should factor in full funding and the likelihood that Māori nurses will soon achieve pay parity with their DHB counterparts. This seems the only equitable outcome and is consistent with the CSPs health equity goal.

He Korowai Manaaki (HKM): A Transformational Prototype

This initiative, a joint venture between Ngāti Pahauwera Development Trust (NPDT) and Victoria University's 'Centre for Women's Health Research' is a positive development within Wairoa. It aims to achieve a number of improved community outcomes viewed through a holistic health lens. Some aspirations look like economic development, i.e. new job creation, although they all have an improved health outcome.

This project appears more a vehicle for producing positive community change rather than it being a research-based venture. NPDP and Victoria University should be congratulated for their enterprise.

Three health-specific initiatives warrant special mention – telemedicine, improving oral health and pregnancy care.

Telemedicine is picked up elsewhere in this report - oral health and pregnancy care are examples of medical care which appear to sit outside current Ministry of Health definitions of what constitutes "health or sickness". A woman travelling to Hastings for routine pregnancy care, which is unavailable in Wairoa, does not qualify for transport assistance.

HKM is in preliminary discussions with the Health Research Council regarding investigation of the extent of P use at grassroots level. P addiction is damaging New Zealand society in a widespread fashion. Like Foetal Alcohol Syndrome, it has many innocent victims, most notably children of the addicted.

Proposal to Establish a Research Facility - Non-Urban Population Health and Well-Being, Government Social Initiatives

Wairoa represents a modest but manageable size of population with a number of special characteristics – 63% Māori ethnicity, town/rural mix, strong rural base, mix of working age receiving main benefit assistance (24%), contains an established, quite densely-housed township and series of communities (the unit of measure is a Statistics NZ “Meshblock”, which does not align to the grassroots definition of a kahui, other than the Wairoa township and Mahia below).

\

Table 11 District Population

| Communities | Population |
|-----------------------------|------------|
| Mahia | 723 |
| Maungataniwha-Tuai | 537 |
| Nuhaka-Whakaki | 993 |
| Raupunga | 630 |
| Ruakituri-Morere-Frasertown | 960 |
| Township | 4050 |

Source: 2013 Census, ‘Meshblocks’

The opportunity exists to form a government-backed research facility that can trial new approaches in a self-contained, cost-efficient rohe. Using IDI research methods as its backbone, the research facility can potentially trial anything from social and education research, new clinical methods, alternative social programmes such as assisting jobseekers to return to the work force, or it could handle the initial Health Research Council project mentioned above and assist further work piloting new addiction treatment methods for P at a grassroots level.

An example of research being undertaken on population health is the suggestion that a relationship may exist between respiratory health and the annual release of pine pollen throughout the region’s plantation forests. With most residents living to the east of forests, is it possible that prevailing winds carry pollen, leading to declining respiratory health?

The political risk to establishing the research facility is low and the gains significant. New methods can be field evaluated and finetuned on the basis of a continuous improvement approach, to ensure that their national rollout is successful from the beginning.

Wairoa Primary-Care Model

Another Wairoa reality is that an urban-based medical system does not meet Māori-dominant needs, given the poor state of health of many residents. Wairoa needs a different model of care than is currently available in order to see future improvements in health. Health parity in Wairoa is achievable with the combined use of:

1. A clear emphasis on high-quality, early intervention, primary care within Wairoa’s communities.
2. Technology, such as telemedicine facilities, to improve rapid community access to remote medical specialists. This should not be regarded as ground-breaking, as the tools already exist and are being used elsewhere to connect remote communities and general practice in New Zealand, i.e. Far North, Matakana Island (Bay of Plenty), Chatham Islands.
3. Objective policy making and resource allocation, using new IDI research methods which indicate the location of needs and the required level of care. If there was doubt in the past, IDI takes

away most of the guesswork. The next stage is to actively look for predictive patterns, so that crises can be prevented.

4. Whanau co-design and on-going engagement.

Next Steps

The preceding health-related commentary confirms that the people of Wairoa, particularly Māori, are being provided a health system that is not addressing the population's health issues and needs. Furthermore, Wairoa's many serious health and related social issues are a consequence of the current hospital-oriented method of care.

The new Clinical Services Plan, ratified in late 2018, acknowledges the key issues and will hopefully prove to be a positive change in care, once the intent to treat Māori/Wairoa residents in an equitable manner converts into practice and improved primary care is provided.

None of these issues are new, having been known since Census 2006, when a marked degradation in deprivation levels was recorded compared to Census 2001. The same occurred after Census 2013.

Since then, the HBDHB has commissioned various reports which continue to show that health inequity is significant.

It is now nearly 13 years since Census 2006 confirmed increased deprivation within Wairoa and of Māori especially. It is of concern that no improvement in Wairoa health care has occurred in this timeframe as deprivation is a well-accepted proxy measure of poverty and of a range of other serious, associated health issues such as high benefit dependency, the inter-relationship between poverty and mental health issues, high suicide levels (notably among young, Māori males), addiction and chronic health conditions.

Some years ago, Statistics NZ predictions were that Wairoa's population was likely to contract in the years to come. Consecutive population growth in Wairoa in each of the last two years now questions whether that predicted decline will now be quite as certain, or at least as low as previously thought. This trend change could be critical. Healthcare and social assistance staff resourcing in Wairoa has been reducing, currently it is 26% lower than at its 2011 peak.

The waiting time for Wairoa to begin receiving significantly improved primary health care is overdue. Given all the above, there can be no further reason to defer acting any longer.

Culture

Communities in Wairoa are effectively a cluster of extended family units, the frequent, conversational reference to “whanau”, “cousins” or “aunties” literally applying to any recognised blood relative, whether once removed or many times distant.

Māori possess a number of innate traits, which form a distinct ethos: concern for the environment, spirituality, respect for land/history/ancestors/elders, importance of children and whanau, care of older whanau, the approach to dying and death, reduced importance of work/careers/income, leadership implications, impact of tradition, youth cannot lead elders, inappropriateness of speaking for others beyond one’s whanau or hapū, leaders once empowered will bring many with them.

The practice of *keeping one’s whanau close* is a unique part of Wairoa’s identity. It is *the beating heart* of Wairoa – not a single community, but the kahui in which they were raised (notwithstanding the over-riding importance of one’s hapū).

Likewise, *staying close to one’s whanau* is also a distinguishing characteristic, being a reason for wanting to remain within their takiwa rather than moving away, or the key factor for whanau wishing to return home. This has multiple ramifications, notably papakainga housing as commented within *Role of Local Government*.

Wairoa consists of ten takiwa – Morere, Nuhaka, Mahia, Whakaki, Mohaka, Raupunga, Wairoa township, Frasertown, Tuai and Waikaremoana.

Understanding the dimensions of culture has widespread, fundamental implications for local and central government policy such as housing as noted above, employment, health, social services, education and transport. There is hardly a single issue which does not have a relationship to takiwa or ‘place’.

Residents participating for community good do so on the basis of fulfilling an obligation to help their wider whanau.

The lines between paid and/or volunteering (unpaid) work can become blurred. There are perhaps 50-60 people across the rohe who feature in multiple endeavours but putting a number on this group may be a disservice to some hardworking residents if the estimated number is inaccurate.

The point of highlighting the work of this group is that they are the ‘glue’ which binds Wairoa’s communities. Importantly, the danger that some will suffer burn-out is clearly visible as well as being spoken by others. One of the following recommendations is specifically designed to lighten the load on volunteers.

Government policy and funding needs to overtly factor in support of volunteer efforts, expectations of which in small areas like Wairoa, appear to be unreasonably high. On a single initiative, some volunteer input may be acceptable. When all government initiatives are massed and a small group of perhaps 50-60 residents shoulder most of the burden, it is not reasonable for government to continue to lean on low or no cost solutions.

Such policy or initiatives are typically geared to an urban setting, where there is much larger population base and individual/household/corporate resources are in relative abundance compared to small communities such as Wairoa.

Iwi and Hapū

What distinguishes Wairoa most? What is her most distinct characteristic or cultural feature? it is her people.

Her population is obviously Māori dominant. A visitor would however be forgiven for thinking the number is much higher, due to Pakeha-dominant farming families living beyond most built-up settlements of Wairoa, or whose older children may attend boarding schools outside the district.

To all intents, Wairoa is a homogeneous, Māori-influenced community. Te Reo is progressively becoming naturalised, rather than it being a taught school subject.

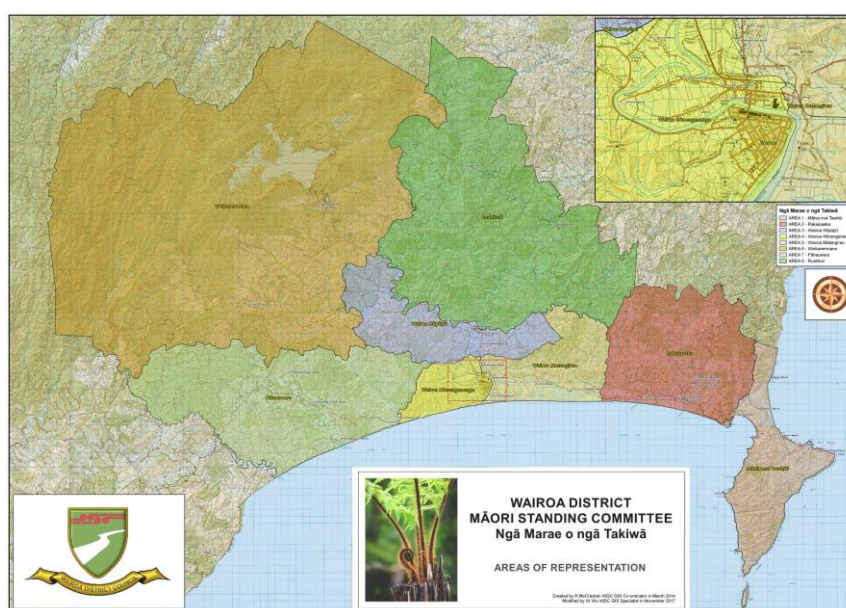
In time, Te Reo will be the normalised everyday language for all in Wairoa and a considerable, uniting strength.

Ten identified takiwa plus 38 marae and their people are the essence of Wairoa's Māori community, the primary units of Māori society.

As the Crown and Iwi have progressively agreed *Deeds of Settlement of Historical Claims over the last 20 or so years*, Iwi have come into greater prominence with the Crown's emphasis on post-Treaty settlement entities.

Each Iwi within Wairoa district appears have its own identity, with the timing of historical settlement claims a factor in current day identities, as is the post settlement process that each adopts.

Figure 19 Maori Standing Committee



Once all historical claims have been settled within Wairoa district, all Iwi will possess the improved financial means to eventually benefit their hapū, likely to be the next rather than the present generation. Iwi location and nature of assets acquired, and terms of settlement influence the growth opportunities each sees for itself. There is, however, a universal push to create employment opportunities for the current generation.

Each Iwi is an independent body with different tribal influences, both historical and contemporary. Whilst independence has a value, there is a question around whether there are opportunities for cooperation, and in the process reduction of the level of duplicated, unproductive resources. Furthermore, while the investment in land, which is important for kinship reasons and permanence is generally sound, taking a more balanced approach may provide better long-term yield, although the rising value of rural land has benefited most Iwi. Ngai Tahu is probably the best example of a PSGE that has employed a diversified (and centralised) investment approach.

TPK's 'Ikaroa-Rawhiti Regional Profile 2017' (appendix 1) provides an insight into a range of Māori-specific socio-economic measures. It reiterates the need for considerable improvement already covered within this report. Iwi groups should, in the course of time, become more capable of making a positive contribution to Māori well-being. Ideally this will be on top of, rather than in place of, government efforts to remedy existing deprivation issues which have been highlighted in Settlement processes.

Sport and Recreation

Elsewhere in the report, comment has been made a number of times about the pattern of “silos” throughout Wairoa, i.e. the tendency for individuals and groups to operate alone, in duplication of others. Silos exist because of an inability to find common ground, to work for a greater, shared purpose.

Those active in Sport and Recreation need to be recognised for their efforts at minimising silos, though more integration is still needed for activities, which have separate facilities such as those based at the Rowing Club building. The Community Centre is a facility which would be the envy of most communities in New Zealand. Thanks to WDC and Sport HB, previous funding issues have not stopped the Community Centre becoming an inclusive, genuinely open-door facility.

In one sense, Sport and Recreation has the advantage of being attractive to most people in the community, children especially. It does not take much persuasion to convince individuals, whanau and sports clubs of the important connection to social/community inclusion. Nonetheless, Community Centre and Sport HB staff are a very committed group who work hard to extend use of the facility and other related community activities. Their reach into schools, takiwa, and volunteering within the broader community is inspiring

Adventure Wairoa (AW), which includes Waka Ama, would not exist if were not for the significant efforts of a relatively small group of volunteers. Burnout within Sport and Recreation volunteering is an issue that needs addressing.

It is not hard to be impressed by what AW have achieved. AW have developed and funded a top mountain bike track using an internationally renowned track designer/builder. They have made their large pool of equipment accessible to Wairoa’s whanau and have a clear sense of purpose about their potential economic impact within Wairoa. AW want to become sustainable. Those interested in outdoor pursuits have high disposable income, and AW wants to be more attractive so that bikers will stay overnight and increase spending upon accommodation and food.

To this end, they are keen to lead a dual, walking/cycling trail using the rail corridor, Wairoa-Mahia, 110km return with a potential impact like the Otago Rail Trail, and new tracks. If an additional MTN track can be built for a similar sum as the first (circa \$300K) it represents good value economically once enthusiasts begin using overnight accommodation.

Whilst mountain biking is an individual sport, waka ama in contrast is a team sport which teaches skills such as water safety and teamwork beyond paddling. Waka ama appeals to a wide age range and it is quite a physical challenge moving craft into the adjacent river and return without a ramp. The Rowing Club building is now short of space, resulting in expensive WA craft being stored outdoors, without security and exposed to the sun.

Waka ama appears as though it has yet to fully reach its potential. While a minor sport nationally, it is “big” in Wairoa. AW recognises its economic potential as it tries to organise events in Wairoa, e.g. Mokotahi, Mahia, which will attract clubs from outside the district. A similar Raglan event used to attract 15-20 entries and now handles more than 100.

It was refreshing to hear more good ideas to help sports clubs to become more efficient and more volunteer-friendly, such as creating a central hub for sports club administration, pooling common work and using common (IT) processes.

Law and Order

It has been suggested that the *actual* level of crime in Wairoa may be higher than that reported due to some whanau closing rank to shield repeated sexual/substance/violence abuse. Whilst this is a valid point, it is also likely to be a nationwide issue, although in Wairoa and other similar New Zealand communities the prevalence of extended whanau units may lead to relatively more shielding.

Wairoa's level of *reported* crime per 10,000 population is currently lower than or equal to national measures on 5 of 7 key crime statistics, assault being the concerning anomaly. A factor of less than 1.0 notes an incidence of crime less than the 2017 national average: illegal use of property except motor vehicle (1.0); motor vehicle theft (0.63); robbery (0.20); sexual assault (0.52); theft except motor vehicles (0.87); unlawful entry with intent/burglary (1.19) and assault (2.07).

Source: MBIE Regional Economic Activity Web Tool

The key point is that Wairoa is far from being a lawless, gang-run town, a misconception shaped by media coverage over more than 20 years.

A recent NZ Police initiative to recruit a greater number of Wairoa residents should be acknowledged. On one hand it should lead to more staff stability within Wairoa. Being a local should have benefits as well, using empathy as part of the policing toolbox.

The other worthy point was the way in which the community rallied to help applicants become recruitment-ready. This example of community spirit is a strength of Wairoa.

Environment

Wairoa district contains approximately 25% of Hawke's Bay's total land area and two major river systems, the Mohaka and Wairoa rivers. Wairoa has significant eco-rich coastal areas, including Mahia Peninsula, which have plentiful wildlife. Whakiki Lagoon and surrounds, for instance, contain 46 different types of birdlife.

The majority of the district's landscape however is dominated by 'land use capability' that is classified as non-arable land with moderate-severe limitations for use under perennial vegetation such as pasture or forest, followed by land with very severe to extreme limitations or hazards that make it unsuitable for cropping, pasture or forestry.

Generally steep country with poor soils readily give up sediment, which makes its way into Wairoa River tributaries. Built-up silt then slumps into waterways. This is not an issue unique to Wairoa as it is believed to also occur in Taranaki, the East Coast (northern), and coastal Hawke's Bay (Waimarama). The impact of forestry slash and silt entering waterways however is an introduced degradation due to increased harvesting activity; this impact requires increased monitoring of production forestry's compliance (by HBRC?) with the National Environmental Standard.

In the upper reaches of the Wairoa River, spill from hydro dams also pressure riverbank stability on a daily basis. When the river mouth is blocked, water levels naturally rise and when it eventually breaches, the riverbank often slumps more than normal, taking adjacent vegetation with it.

Many willow and poplar trees, initially planted throughout the district to help contain erosion 30-40 years ago, are now 'turning their toes up' and falling over in large numbers. High water slumping in more recent times has increasingly led to willow and poplar also entering the river, most having seemingly seeded on their own. This is evidenced by the number of trees visible in the river downstream in the Kotare/Tinoroto Rd area to the river mouth. Production forestry slash has also been entering the river due to increased harvesting throughout the district.

Blockages of the river mouth have however been occurring since the 1880s. The frequency of blockages at the bar eventually led to the abandonment of coastal shipping in the 1920s, the former river wharf being located near AFFCO's present day site.

The river's twists and turns create deep under-scouring of some adjacent river banks. Water colliding with the river bank on tight turns leads to greater depth and the risk of more serious slumping. The area near the Ferry Hotel on the river's northern bank is possibly the most visible example of this hydrological phenomenon.

The Wairoa River – Long Water - is literally the centrepiece of the township, with its main commercial area, Marine Parade, facing onto the river. There are few towns in NZ with such a setting.

The Wairoa River is more than just a natural feature which bisects the town. She is a significant recreational facility with her lower reaches containing some of the best boating-suitable, flat water anywhere. She's also an essential part of Wairoa's southern gateway when she joins SH5 for the last few minutes of the road journey into town.

The River therefore holds significance for many people within Wairoa. The characteristics of the river described above may not be well understood, however there is widespread community concern and interest in the river's health. On one level it is quite specific, for instance, that AFFCO is able to discharge waste water into the river. More generally, community concern relates to E.coli levels and her suitability for recreational use in town (HBRC/NAWA: Rail Bridge monitoring site) where 'Very Poor' ratings are not uncommon i.e. unsuitable for swimming.

Figure 20 Example of River Monitor - Poor State

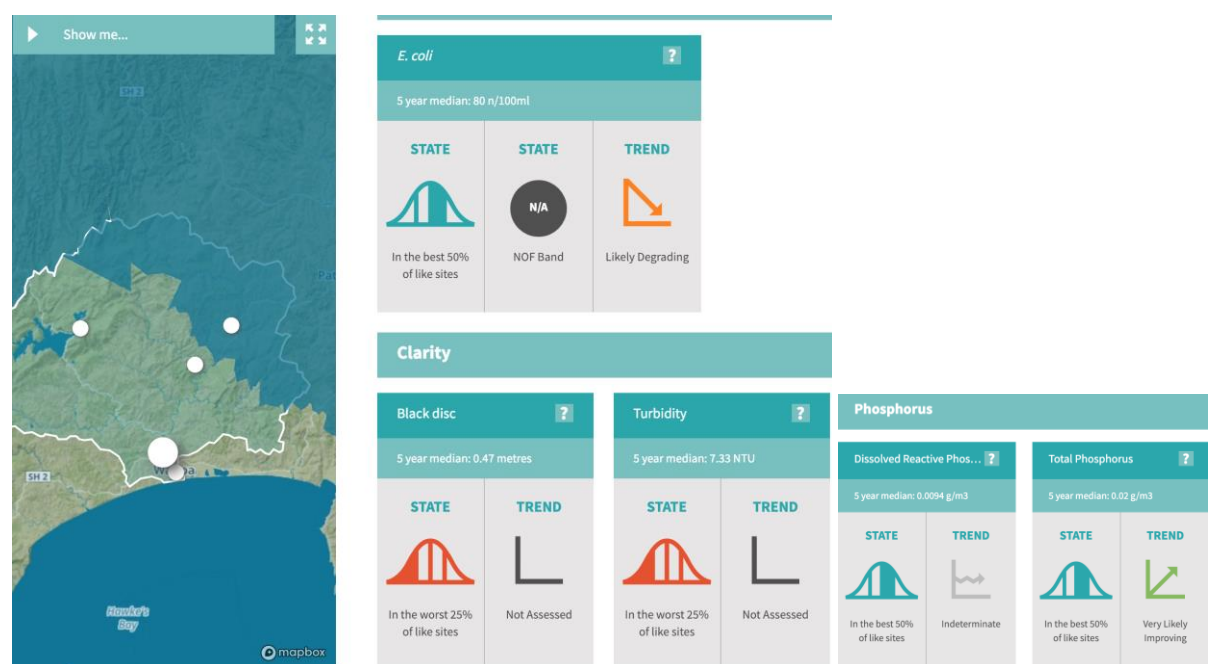
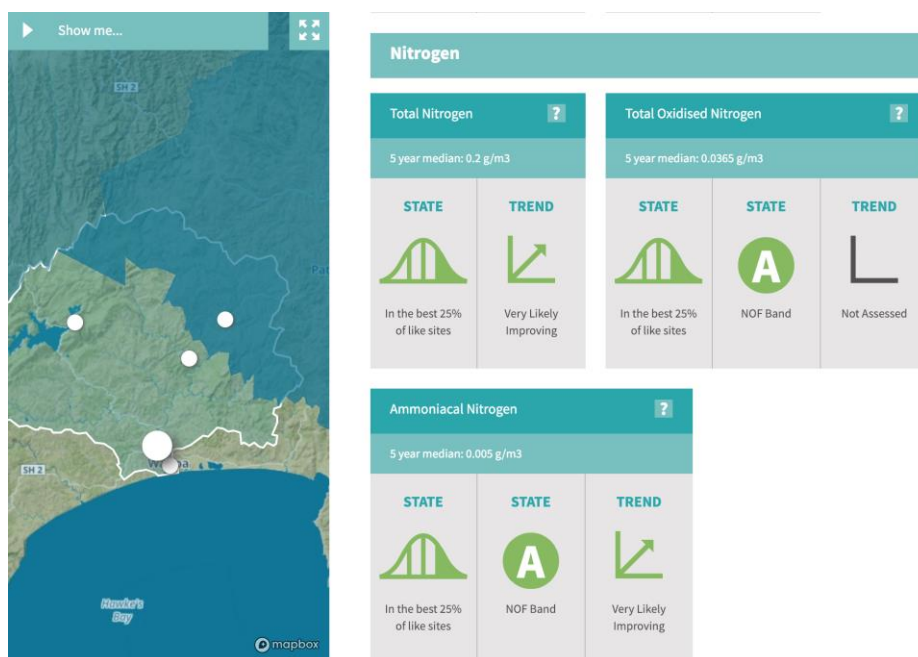


Figure 21 Example of River Monitor - Good State



The five-year trend data is one valid perspective but daily (here and now) data is what most in the community use, i.e. can I swim today? The five-year 'Likely Degrading' trend for E.coli confirms community concerns.

Further, the regularly Poor rating of the Nuhaka River site, where caution is advised, is also of concern, as well as variable historical ratings at most of the other six sites throughout the district.

In general, there appear to be a number of testing gaps at the six, river water quality monitoring sites, such that inconsistency appears to be an issue, e.g. Ruakituri – not assessed - no trend for Turbidity, Total Oxidised Nitrogen. E. coli NOF Band - not available. Wairoa Yacht Club– no Water Quality or Ecology information. Wairoa Rail Bridge (above) - no Ecology information. Not assessed - no trend for Black Disc, Turbidity, Total Oxidised Nitrogen. E. coli NOF Band.

Above all, there is an apparent absence of river health data as viewed through a holistic, Māori lens. There is a broad land, water, partial air focus, but biodiversity is lacking, especially the impact on traditional species of fish and plants, and traditional food sources, e.g. waterways. The Long Fin Tuna, as revered kai and the hierarchical head of traditional fish species, are being affected by degrading river health conditions Whitebait and koura are similarly affected.

Beyond the significant gaps just noted, efforts by several groups further demonstrate the general importance of environmental protection to the community.

Whangawehi Catchment Management Group (WCMG) efforts have recently been internationally recognised by winning the Pacific International River Awards in October 2018. WCMG is a unique initiative covering more than 6800 hectares and an exemplar in creating a shared sustainability vision within its community. The breadth of their work is deeply impressive.

NPDT's restoration of Mohaka's river systems represents another example of environmental leadership.

Hawke's Bay Regional Council (HBRC) is involved in a number of the coastal wetland projects thought the district - Wairoa River-Whakaki Lagoon, Maungawhio Lagoon & WCMG.

HBRC's \$4.86M project to make Hawke's Bay New Zealand's first 'Predator Free' region by 2050, includes an initial phase at Mahia Peninsula (14,500 hectares) focusing upon "a possum-free Mahia, with simultaneous control of feral cats and mustelids, low cost farmland suppression, incorporating the use of wireless trap technology, and learning to enable a pathway to eradication." (Source: HBRC)

Moreere is the largest pre-European indigenous forest on the East Coast, which the Department of Conservation (DoC) regards as a jewel in the crown. Current efforts to eliminate predators will enhance its ecological value. When combined with the adjacent hot springs, Moreere's best days should be in the approaching years and beyond.

Role of Local Government (WDC and HBRC)

Wairoa District Council (WDC, Council)

As one of the largest employers in Wairoa, the community views Council as being comparatively well resourced, which seems a pretty fair assessment. The difference between Council resources and those of most rate payers is significant.

This gap builds expectations about what Council should do for the community. The labels may be different but most "need" fall into one of four Council responsibilities, as laid out in the Local Government Act (social, cultural, economic and environmental).

Smaller Council's like WDC will always struggle to fulfil their full range of responsibilities on account of the district's relatively large, mostly rural geographic area, potential impact on infrastructure, (i.e. water, forestry use of roads) and declining rating base. In recognition, the Crown provides a range of assistance measures to smaller councils like WDC. There seems to be an opportunity however, to simplify the current approach, by moving from a wide-ranging set of actions, involving multiple ministries and agencies, to a single, pooled approach that is closely aligned with Council Long Term Plans (LTPs).

Infrastructure has a minimum fixed cost which is possibly higher than WDC's current ability to properly fund and maintain. In some cases, there may be under-utilised infrastructure capacity, which may mean WDC can handle a population increase without incurring additional fixed cost and/or capital.

Some of the above noted Local Government Act responsibilities appear to be excessive for a small, non-urban Council like WDC. When combined with an increasing workload on account of new or updated legislation, they create the perfect storm. Council is guaranteed to not please some of the community all of the time – someone/something will feel alienated.

Attracting staff is a constant challenge as it is with many other organisations in Wairoa because of its perceived isolation. Staff may view WDC as a career progression step, therefore high turnover is likely to be a constant issue for WDC, as is maintaining the right balance of capability and skill. This is more difficult with a relatively small number of staff required to cover a wide range of legislative activities, which seldom consider the capacity of small, non-urban Councils like WDC.

Issues facing Council which may have far-reaching impact for economic development, are:

- Forestry and/or rural roads: peak harvest in Wairoa district will be over within 4-5 years, therefore what 'Level of Service' is appropriate? A typical 100 or even 40-year upgrade solution may appear excessive when maintenance funds or capital may be better spent on benefiting Wairoa's wider community in the 25-year period between peak harvest cycles.
- Impact of changes on forestry activity throughout Wairoa district: there is understandable concern about the uplift of prime farmland recently being sold for production forestry. This now appears due to normally unconnected individual issues converging: the 2018 update of the National Environmental Standard (NES) for forestry (major impact on Class 8 land), and government policy – 1BTP and carbon credit valuation changes.
- Earthquake strengthening of commercial buildings: Wairoa has about 200 commercial buildings, with most likely to need strengthening, a cost that is likely to be prohibitive for most building owners let alone the alternative option of demolition. Most unstrengthened buildings appear to be currently worth only their underlying land value.

Each of the above examples plus others may individually have a major impact, but when rolled together they have the potential to completely change Wairoa as it stands today.

The timing of this report allows many issues to be picked up, however what happens in 6-12 months when the next pressing issue surfaces? In summary, sustained and focused leadership, aspiring to and delivering best practice, an early assessment of whether in-house resources are capable of resolving an issue, greater use of forums (such as a grouping of smaller councils within Local Government NZ), use of external, specialist resources as warranted (smaller councils within Local Government NZ sharing costs), and benchmarking organisational performance (Central HB could be a good match for WDC – similar size, within HB therefore facing similar challenges, making good gains in becoming customer focused, recently gained a BB endorsement from LGNZ’s CouncilMark Independent Assessment).

Engagement feedback suggested the work of the Community Development staff has been well received at a takiwa/grassroots level. The outcomes being achieved could be described as “economic” gains when considering the APPLab initiative for instance.

Council, however, has room to improve on a range of other issues:

- Customer Service: There is a need for more staff to embrace a positive, can do, customer-oriented attitude rather than looking for ways to potentially defeat something. This was the most frequently mentioned issue from the consultation. The need to initially achieve and/or remain compliant is of course critical; the challenge is to be creative whilst ensuring compliance, being the bridge to help customers achieve success, ideally at the least cost possible.
- A related issue is timeliness, responding promptly and proactively.
- Making decisions more promptly.
- Consider whether Council examines issues strictly through its own lens or that of the broader community, e.g. tender process for services and whether it (including QRS) can leverage its position to ensure a higher level of local service provision, or, perhaps, the apparent impact of contracting out Council’s landfill facility? Points to the need to demonstrate “whole of community” consideration when assessing options – what the social costs of various options?

WDC can also enable improved economic and community outcomes by its actions (and the converse due to inaction):

- Consideration of how to counter the loss of the district’s special rural character with prime farm land being purchased for production forestry use.
- Ensuring that planning provision for papakainga and land trusts is addressed at the earliest opportunity.
- Infrastructure changes needed to enable achievement of International Dark Sky Reserve status⁸⁹, which recognises pristine night sky without any degradation by artificial light spill. Please see later recommendation. NB: Estimated artificial brightness > 87 microcandelas per square metre ($\mu\text{cd}/\text{m}^2$), is the level at which the ability to see natural night sky is lost.

HB Regional Council

It is likely that most residents assess HBRC’s impact within Wairoa district on the basis of how it affects them directly, i.e. something as simple as recreation. In this context, the perceived health of Wairoa

⁸ <https://www.stats.govt.nz/indicators/artificial-night-sky-brightness>

⁹ <https://www.darksky.org/our-work/conservation/idsp/reserves/>

River is a community barometer, particularly as more than half of the district's population live in close proximity.

Whangawehi Catchment Management Group's (WCMG) mantra "*Ki te ora te wai, ka ora ai te katoa – if the waterway is healthy, then everything will survive*" seems to be a fitting mantra for any environmental endeavour, not least the Wairoa River.

It is suggested consideration be given to establishing a Wairoa River equivalent to WCMG. See recommendations for further detail.

HBRC has a network of six regional parks, however none are in Wairoa district. The nearest, Lake Tutira, is 77kms from Wairoa). It is suggested consideration be given to formalising a Wairoa Regional Park within the body of coastal wetland development that HBRC is currently involved with.

HBRC's LTP contains a number of programmes, with most importance being for Wairoa landowners:

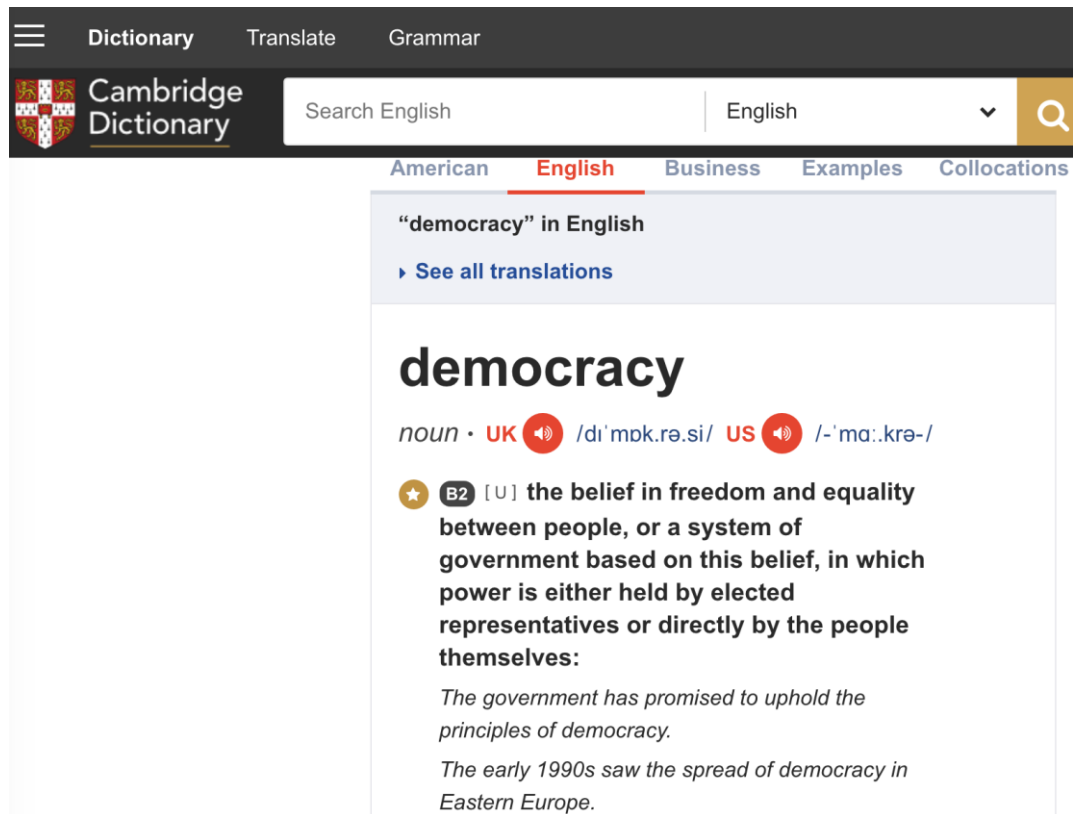
- Land, Water and Biodiversity – Farm plans, riparian fencing, planting and maintenance of planted areas, planting on steep, erodible land;
- Partnerships for Change - notably Future Farming;
- Sustainable Homes – Sustainable homes (solar heating, photovoltaic cells, domestic storage and septic tank replacement).

A number of these elements are picked up as recommendations later in the report, particularly adding additional resource in Wairoa to augment the work of HBRC's Northern Hawke's Bay team. These are designed to add further impetus, so that for instance, farming productivity is able to receive a higher, wider spread boost than current resources will allow.

Part 3: A New Way of Governing in Wairoa

Democracy in Action?

Kiwi's believe our national character is represented by a set of common values and which transcend ethnicity. We're moral, ethical and fair in our treatment of each, just as a democracy should treat its citizens (in line with the below Cambridge Dictionary definition).



Over time and a range of Wairoa specific socio-economic measures reported elsewhere in this report. These facts demonstrate marked differences to the expected equitable and just treatment principles that Kiwi's believe in and which governments are expected to provide, as a matter of course.

Political parties seeking to maintain - or aspiring to form a government - garner support by catering for the "majority" or mainstream, of NZ's increasingly, urban-based, multi-cultural population. In context, Wairoa resides firmly in the minority

The Crown's Obligations to Wairoa

Treaty Settlement documents contain freshly-made, unambiguous commitments by the Crown to the people of Wairoa. The most recent, signed in 2016, was the "*Deed of Settlement of Historical Claims between The Iwi and Hapū of Te Rohe o Te Wairoa and Trustees of The Tātau Tātau o Te Wairoa Trust and The Crown*"¹⁰.

The following excerpts highlight critical acknowledgements by the Crown:

Socio-economic opportunities

3.24 The Crown acknowledges that its policies have contributed to most individuals from the iwi and hapū of Te Rohe o Te Wairoa now living outside their rohe. The Crown also

3.31 The Crown seeks to restore its tarnished honour and to atone for its past failures to uphold the Treaty of Waitangi and its principles with this apology and settlement. The Crown hopes to build a new relationship with the iwi and hapū of Te Rohe o Te Wairoa based on the Treaty of Waitangi that will endure for current and future generations.

¹ <http://www.legislation.govt.nz/act/public/2018/0028/latest/whole.html>

In its strictest context, the Deed of Settlement applies only to the Iwi and Hapū of Tatau Tatau. It recognises historical wrong-doings on the part of the Crown and gives an undertaking to build a new, enduring relationship.

Pragmatically, it can be read as applying to any and all Iwi and Hapū within Wairoa's boundaries, regardless of affiliation. At the most liberal level, it applies to all residents within Wairoa district.

The wording is clear – the Crown acknowledges that living in Wairoa has resulted in *social-economic deprivation and reduced opportunities that many other New Zealanders have enjoyed*.

The Crown has not yet stepped forward and the acknowledged gap between Wairoa and the rest of New Zealand has not changed. According to the people of Wairoa, it has worsened. Since 2016, the Crown appears to have further reduced its socio-economic support of Wairoa as measured by reduced Crown employee numbers and worsening deprivation measures.

Relationships are an important element of Māori psyche and earning trust an essential precondition of relationships.

“Build(ing) a new relationship” with the people of Te Wairoa cannot start, let alone endure, in the absence of trust. Failing to honour even recently ratified Treaty Settlements commitments leads to continued distrust.

A Better Method than the Present

Central Government's “Bank of Social Services” (BoSS) supplies community services, including employment in Wairoa, in return for taxation revenue in one form or another (PAYE, GST, levies etc).

BoSS is a direct provider of reactive services. In Wairoa's case however, its community has a different set of requirements. There seems to be limited appreciation of the considerable indirect costs which fall upon Wairoa's community.

An underachieving secondary school student ending their formal educational at age 16, will likely endure financial hardship and poor health during most years of their lifetime. Government faces perhaps 50-60 years of cost dependency on health, community services and unemployment support, as well as foregoing income tax paid.

The alternative approach is a first principles or investment approach, taking a proactive approach across the breadth of services that government provides to society. Investing in services which are right-sized, e.g. early intervention primary care, or solutions which address root cause when dealing with an existing social issue.

As highlighted elsewhere in this report, use of new IDI research methodology demonstrates the presence of multiple links between members of the community who are heavily reliant upon health and social services support. Replacing the “Five cars down the drive” approach with intensive, wraparound support of tamariki and whanau by one navigator is a far more effective approach when backed by all the specialist support services being lined up, ready to help, in Wairoa.

In the medium term, school leavers need to enter the workforce fully work-fit. Significantly improved educational achievement is ultimately the only pathway to a healthier economy and community.

In Partnership with Wairoa's Communities - A New Method of Governing

"You never really understand a person until you consider things from (their) point of view. Until you climb inside of (their) skin and walk around in it." Atticus Finch, *"To Kill A Mockingbird"* (Harper Lee).

This simple philosophy encourages consideration of alternative perspectives, a means to diffuse long-held personal and institutional prejudices and to engage in fresh thinking.

A well-accepted, current day buzz-phrase for this age-old philosophy is "Human-Centred Design", a method and mindset about how any product, service and organisation should function. If we all embrace human-centred design, by "walking around in their skin", then the outcomes of our joint efforts will be much improved.

It is a universal approach, also known as "Design-Thinking" or User Experience, it applies to anyone and everything in society, including communities and governments. User experience of government services and support should be no different to any other entity, where continuous improvement and adaptability are important hallmarks of a good service "culture".

The purpose of the "*public service*" in Wairoa should literally be to *serve the public* of Wairoa. Effective government policies, services and support for Wairoa District, covering individuals and communities, are *designed* from the human point of view and then *consistently delivered* via close, ongoing engagement.

The main characteristics of a user-designed approach, when applied in Wairoa are:

- That it takes a holistic view of services and relationship-based, whanau orientated support, co-designed with the community. The Crown can be highly effective, creative and innovative if design-thinking, particularly of Māori needs is at the heart of its partnership with Wairoa's communities;
- That it considers the needs of all users, especially the non-voting young, who do not have a voice;
- That it is progressively improved using Lean principles, by comprehensively attending to all interlinked issues, i.e. early primary health intervention and on-going support = healthier communities; reduced smoking and alcohol consumption and improved diet = less poverty = better (mental) health;
- That co-design result will likely require a coordinated, community-wide programme of navigator support, kaiawhina, who are advocates for families, individuals and organisations. It is not intended that Education or Health necessarily has its own navigators in addition to, for instance, Social Services. All navigators to be part of an integrated, frontline method of care, providing single point, 24/7, "wraparound" support, where tamariki and whanau are the focus of all activities;
- That its design employs a "social investment" approach, which proactively anticipates needs, issues and opportunities. Social investment stems costlier, flow-on impacts, is fully integrated, centralised and gaps are eliminated by ensuring front-line staff operate on a wraparound basis;
- That it is fully funded by the Crown to demonstrate that it is not abrogating responsibilities for its citizens. The Wairoa-based governance model is directly linked to central Government and not through any intermediary arms. There is minimal "contracting out" to third parties, least of all with providers, who do not have a highly credible, long-established relationship with Wairoa's broader community or individual takiwa.

One, common (potentially Ngāti Kahungunu) boundary, organised into symbiotic “pillars”, each with its own hub, are the foundations underpinning a strong, healthy district. Collectively, the pillars represent more than 40 separate Crown ministries, agencies, commissions, organisations, and hundreds of policies and programmes:

1. Business, Employment and Economic Development
2. Education and Training
3. Health, Housing and Social Services
4. Māori Development
5. Sport and Recreation, Art and Culture
6. Environment and Sustainability
7. Community Development Agency

Hubs need to be located in shared workspaces in close proximity to each other, within the centre of town. So long as businesses are not displaced, the ideal location is on Marine Parade. This will bring more traffic to the town’s main gateway. To an extent, this is already happening with DoC and HBRC sharing premises for some time (although they are not located in town).

All regulatory functions plus law and order responsibilities i.e. Justice and Police, Fire and Civil Defence should continue unchanged. Police, however, are a vital part of the pillars, particularly supporting Health, Housing and Social Services.

The day-to-day responsibility for the Crown’s services and support should be delegated to a Wairoa District Commissioner, who will lead a team of seven Deputy District Commissioners, each responsible for one pillar and its relationships with the ministries which feed into that pillar. The model is “Bottom-Up Led” to deliver outcomes which are consistent with achieving government policy, particularly parity aims, as they prevail throughout the rest of New Zealand.

Each pillar would be governed by a six-person Advisory Panel, comprising two iwi representatives, two people with direct sector experience, and two Crown staff (one being the Deputy District Commissioner for the pillar plus one other senior staffer). The Chair to be elected from the pool of four iwi and sector representatives.

Advisory panel members can only be associated with one panel:

- a. Te Wairoa Communities Partnership (TWCP) would be the overarching governance body and formal link to central government and through which all funding passes directly from Wellington. TWCP has full accountability for the combined budget of the seven pillars. TWCP would comprise the chairs of all seven Advisory Panels, from which the Board chair is elected, plus the District Commissioner, Mayor and Deputy Mayor.
- b. In order to encourage and attract future leaders and planned succession, one alternate panel member to be appointed to each Advisory Panel. Support for leadership and governance to be provided by the Institute of Directors (IoD). Appointment of non-Crown appointees would be conducted through a search and application process culminating in final selection via interviews.
- c. A 4-year term for appointees would be preferable to a 3-year term, to encourage greater continuity.
- d. The prime task of pillars 1-6: (a) Be service orientated; (b) Provide a wraparound service within their pillar, without any gaps; (c) Link effectively with other pillars where any service gap or shortfall is identified.
- e. The Crown lead on each pillar (Deputy Commissioner) would be responsible for pillar strategy and annual budgeting, and appointing high performing staff, with a can-do, continuous improvement attitude, who are committed to making a difference to Wairoa’s communities.
- f. Pillar 7 – Community Development Agency - is a support structure for the other 6 pillars. This is suggested as:

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- Preparing business case support for new initiatives (using Treasury’s ‘BBC’ method);
 - Securing funding for new projects;
 - Managing projects through to handover to the pillar “owner”;
 - Having audit responsibility, based on Audit NZ standards, for all central government activities in Wairoa District, covering periodic internal audits and post-implementation audits of any recently commissioned project.
 - Providing centralised back office services and facilities.
 - Handling property matters in the course of delivering any newly-mandated community facilities.

Demonstrating Compliance:

With Provincial Growth Fund (PGF) Objectives

The PGF notes the need for work that it funds (which this strategy is) to demonstrate alignment with the PGF’s Objectives:

Jobs & sustainable economic development – the strategy identifies multiple new job opportunities.

The flagship strategy – “Whakarauora - the Regeneration of Long Water”:

1. Literally applies to funding the regeneration of Wairoa River, along Her entire 65 km length, from headwaters to rivermouth. This will create jobs and a new industry sector – environmental science. The flagship activity represents economic growth through sustainability;
 2. The majority of the forty or so recommendations are directly or indirectly connected to Whakarauora as a and/or sustainability;
 3. Is highly symbolic – Wairoa, Long Water, is the River personified;
 4. Awa have significant cultural importance for Maori.
- Social inclusion and participation – engagement consisted of 110 individuals/organisations. This is the community’s strategy. Part 1 recommendations are focused upon social-economic improvements (employment, health & social services, housing and education) which will produce a much higher level of social inclusion. The ultimate goal is to dramatically (and sustainably) lift the well-being of all residents.
 - Maori development – Wairoa is Maori-rich - there is no rohe quite like it elsewhere in NZ. Maori are ‘front and centre’ of the strategy and in Wairoa’s future.
 - Climate change commitments & environmental sustainability – Whakarauora is the means for Wairoa district to achieve environmental sustainability. A large part of its activities involves planting of native fauna and flora, deepening its carbon stocks. It’s likely that Wairoa district will set a benchmark for exceeding NZ’s climate change commitments.
 - Increasing the resilience of the regional & national economy, through (investment in) critical infrastructure and (economic) diversification – some infrastructure improvement will be required to help handle the approaching peak forestry harvest in 2020. Whilst this will improve the current state of infrastructure and add resilience, the main thrust of the strategy is to diversify the rohe’s economy – land use, eco-based tourism, emphasis on technology, higher education achievement, growing its population and Hapu capital (both cultural and social enterprise)

With Tairāwhiti, Matariki and HBRC Plans

Whakarauora represents the desires of Wairoa's community to guide Her future. As a unique rohe, the strategy is also unique, although many elements, where appropriate, align with all three Plans.

As an example of differing requirements - relative to Tairāwhiti in this case - Wairoa's need for improved transport infrastructure is lower due to not having continuous forestry harvesting. Once Wairoa's peak harvest is completed in 2025, it will take another 25 or so years before peak pressure on transport infrastructure re-occurs.

Whakarauora's environmental thrust links most closely to HBRC's LTP. The regeneration of Long Water builds on the following HBRC programmes:

- Land, Water & Biodiversity – Farm plans, riparian fencing, planting and maintenance of planted areas, planting on steep, erodible land
- Partnerships for Change - notably Future Farming
- Sustainable Homes - solar heating, photovoltaic cells, domestic storage & septic tank replacement

This strategy and its engagement process - giving voice to the community - have assisted Wairoa's contribution to Matariki's Strategic Framework (Work Area 1.5 - economic development and social inclusion).

Proposed Whakarauora actions reflect Tairāwhiti's 'Building our Capacity' (hard & soft skill development) and Matariki strategies to Improve Pathways to Employment (Work Areas 2.1-2.3) Project 1000 (Work Areas 2.1) already has a connection to Wairoa through MSD's existing partnership with Ngāti Pahauwera. Re the promulgated single community hub in Wairoa; the strategy now recommends these be established on a kahui by kahui basis, each with digital connectivity. In addition, the strategy recommends the establishment of a Community College (post-secondary school learning centre) effectively using existing infrastructure rather than requiring new.

Matariki Support of Existing Businesses Wanting to Grow (Work Areas 3.2-3.5) have clear links to Whakarauora, notably becoming the local "spoke" to BHB's suite of (Ahuriri) "hub" services/support.

Proposed Whakarauora transport infrastructure improvements and digital connectivity complements Matariki Provision for Physical, Community and Business Infrastructure (Work Areas 4.1 - 4.6) (as well as Tairāwhiti's 'Connecting with Markets & People'. The proposal to convert high-value Wairoa land into horticulture is likely to require localised water storage (the four identified prime areas are >90 km's apart).

Matariki (Work Area 5) Promoting Greater Innovation et al will be flavoured in Wairoa by proposals to improve farm productivity, intensive horticulture adoption and eco-systems/environment (Regeneration of Long Water)

Proposed Whakarauora actions reflect Matariki (Work Area 6) Inwards investment, Migrants and New Business, including involvement of Rocket Lab, attracting ex-city residents (seeking remote business relocation and creating a potential pool of buyers for existing Wairoa businesses for sale) and/or returning whanau (with particular attention to papakainga planning rules to encourage relocation).

Re Matariki (Work Area 7) Enhancing Visitor Satisfaction and Spend, proposed Whakarauora actions focus on the development of sectors which play to Wairoa's strengths (combination of eco-tourism, outdoor pursuits, Maori experiential). Tairāwhiti's 'Promoting Our Place' (tourism) is also likely to provide some collaboration opportunities as Wairoa's requirements are refined in the near future.

With the Local Government Act (LGA)

As this strategy has been commissioned by Wairoa District Council, sections of the document specifically address Social, Cultural, Economic and Environmental issues (and perhaps more critically, their inter-relationships), as the LGA requires of WDC.

Part 4 Appendix

1. Tables and Figures
2. Shareholders Met with in Wairoa
3. Wairoa High Value Land Overview (Lewis Tucker, December 2018)