



HERITAGE NEW ZEALAND  
POUHERE TAONGA

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# HERITAGE NEW ZEALAND POUHERE TAONGA



STATEMENT OF INTENT 2014 – 2018



## HERITAGE NEW ZEALAND POUHERE TAONGA STATEMENT OF INTENT 2014 - 2018

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### 1. STATEMENT FROM THE HERITAGE NEW ZEALAND POUHERE TAONGA BOARD

Our historic heritage plays a big part in defining who we are; as New Zealanders, as communities, and as individuals. There are places that serve as waypoints in our collective memory, where events occurred that shaped our society, its customs and traditions. They provide a collective sense of identity that is a foundation of our civil society.

**THAT OUR HERITAGE** places are highly valued by New Zealanders is borne out by the fact that in our annual survey of New Zealanders' attitudes to their heritage, those rating the need to protect it as high has increased from 47% to 57% over the past three years.

The passing of *Heritage New Zealand Pouhere Taonga Act 2014* (the Act), in May was a significant milestone for both the organisation and New Zealand's heritage. Not only do we have a new name and new governance structure, there are also significant and exciting changes to the way we recognise the most significant heritage in New Zealand. The establishment of the National Historic Landmarks List and the additional classification of wāhi tūpuna within the New Zealand Heritage List provide new frameworks to ensure the most significant heritage in New Zealand is recognised. In addition, changes to the timeframes for processing archaeological authorities will provide a more streamlined process for applicants.

In the coming four years we will be embedding the changes required as a result of the legislation changes as well as continuing to undertake our other ongoing statutory functions. These include establishing the new National Historic Landmarks List, managing the New Zealand Heritage List of historic places and areas, wāhi tapu, and wāhi tūpuna, regulating the modification of archaeological sites, providing advice and assistance to iwi Māori and other heritage owners and where necessary advocating for the protection of heritage places. We will continue to undertake educational and promotional activities and to administer the nationally significant historic places entrusted to our care.

While these activities all deliver significant benefits, their delivery also has a cost to owners and to the community. Combined with a strong public focus on the seismic resilience of unreinforced masonry buildings, an environment now exists in which the potential costs to heritage owners creates a greater

risk than ever before to the survival of our heritage places. The work of Heritage New Zealand will balance the heritage outcomes with the need to protect public health and safety and the interests of owners.

As an organisation, we share many of the experiences of other heritage building owners. In the last year we completed the post-quake reconstruction of Coton's Cottage. Having completed the deconstruction of the Lyttelton Timeball Station, we are now in the process of planning and fundraising for its rebuild. This organisation has also faced significant increases in insurance premiums, higher excesses and exclusions from coverage.

These circumstances present significant challenges, particularly in an environment where the *Resource Management Act 1991* and the earthquake prone buildings provisions of the *Building Act 2004* are under review.

While our Crown funding remains stable and we continue to experience the goodwill of the community through donations, grants and bequests, neither can be assured and we must prioritise expenditure and further improve efficiency to ensure we continue to focus on priority work areas that support the country as it builds our economy, and rebuilds Canterbury.

In May 2014, Heritage New Zealand also became the administrators of the Canterbury Earthquake Heritage Buildings Fund (CEHB fund). The purpose of the fund is to provide assistance to owners of heritage buildings to repair damage caused by the series of earthquakes in the Canterbury region since September 2010. While this remains a separate entity with its own trustees, it is deemed to be a controlled and managed organisation by Heritage New Zealand. However as this document is primarily for the strategic priorities of Heritage New Zealand parent, not group, the financial transactions and performance indicators of the CEHB fund have not been incorporated and consolidated.



The 1935 Church of the Good Shepherd on the shores of Lake Tekapo.  
IMAGE: ISTOCK

Reinforcing existing relationships and forging new ones, particularly with iwi and hapū, and new regional heritage organisations will continue to be a long term focus. The passing of the *Heritage New Zealand Pouhere Taonga Act 2014* has reinforced government expectations of how the heritage community will work together. While the new legislation has meant branch committees are now disestablished, the transition of most of the former branch committees to new regional trusts or incorporated societies in advance of the new act shows the commitment to increasing local heritage advocacy. This transition will take time, and our national network of

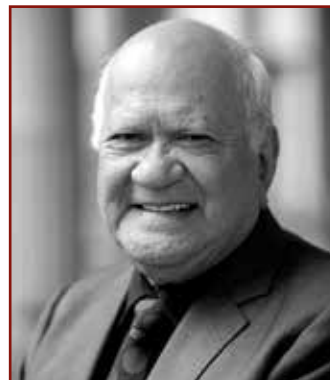
professional staff will continue to work with the new regional organisations on heritage issues.

Over the next four years New Zealanders will observe the 175th anniversary of the signing of the Treaty of Waitangi, the centenary of the First World War, the 150th anniversary of the New Zealand Wars (also known as the Land Wars) and the bicentennial of Samuel Marsden's first sermon. Let us not lose sight of the significance of the places where such events occurred and where they are commemorated. Along with so many others, they represent the shared moments in our history that made us who we are today - a nation that takes pride in being New Zealanders. ■



**RT HON WYATT CREECH**  
Chair Heritage New Zealand Board  
Tumuaki a te Poari te Pouhere Taonga

26 June 2014



**JOHN CLARKE**  
Board Member Heritage New Zealand and  
Chair Māori Heritage Council  
Mema o te Poari o te Pouhere Taonga me  
Tiamana o te Kaunihera Taonga Tuku Iho Māori

26 June 2014

## 2. CONTEXT, OUTCOMES AND STRATEGIC PRIORITIES

### 2.1 OVERVIEW

**NEW ZEALANDERS** are placing increasing importance on the places that symbolise their association with their own nation. These heritage places incorporate special values relating to our connection over time and the resulting pathways and traditions. Research undertaken on our behalf in 2010 established a benchmark from which to measure the importance of heritage to New Zealanders. The study demonstrated a very high level of concern for our historic places and their environment. These places provide a sense of identity to each of us as individuals, as families, as iwi/hapū and as communities. They tell stories that bind us together as diverse peoples sharing one country, and they provide places of interest to visitors that are increasingly recognised for the cultural and economic development opportunities they present. The current economic environment, increased population growth, ethnicity diversity and development intensification particularly in Auckland; combined with the increased perception of risk associated with older buildings and their context following the Canterbury earthquakes creates a very challenging environment in which to ensure the long term survival and appreciation of our heritage places.

This Statement of Intent (SOI) reflects each of these values and challenges, setting out our understanding of the environment in which we will operate, the responsibilities imposed by legislation, the expectations of Government and the Board's strategic priorities. It describes the things we will achieve and how we will achieve them over the next four years.

### 2.2 OUR STATUTORY CONTEXT AND ACCOUNTABILITY

**OUR ROLE**, as defined by the *Heritage New Zealand Pouhere Taonga Act 2014* (the Act), is "to promote the identification, protection, preservation and conservation of the historical and cultural heritage of New Zealand". Over the past 60 years we have become New Zealand's leading national historic heritage agency and are seen by the public as the guardian of this country's national historic heritage.

While our powers and functions are established within the Act, the organisation is also governed and managed as an autonomous Crown entity under the *Crown Entities Act 2004*. Our primary source of funding (80%) is the New Zealand Government through Vote Arts, Culture and Heritage and we are monitored by the Ministry for Culture and Heritage. Under the *Crown Entities Act 2004*, Board members must comply with the Board's collective responsibilities, their individual duties as members and any directions made by the responsible Minister.

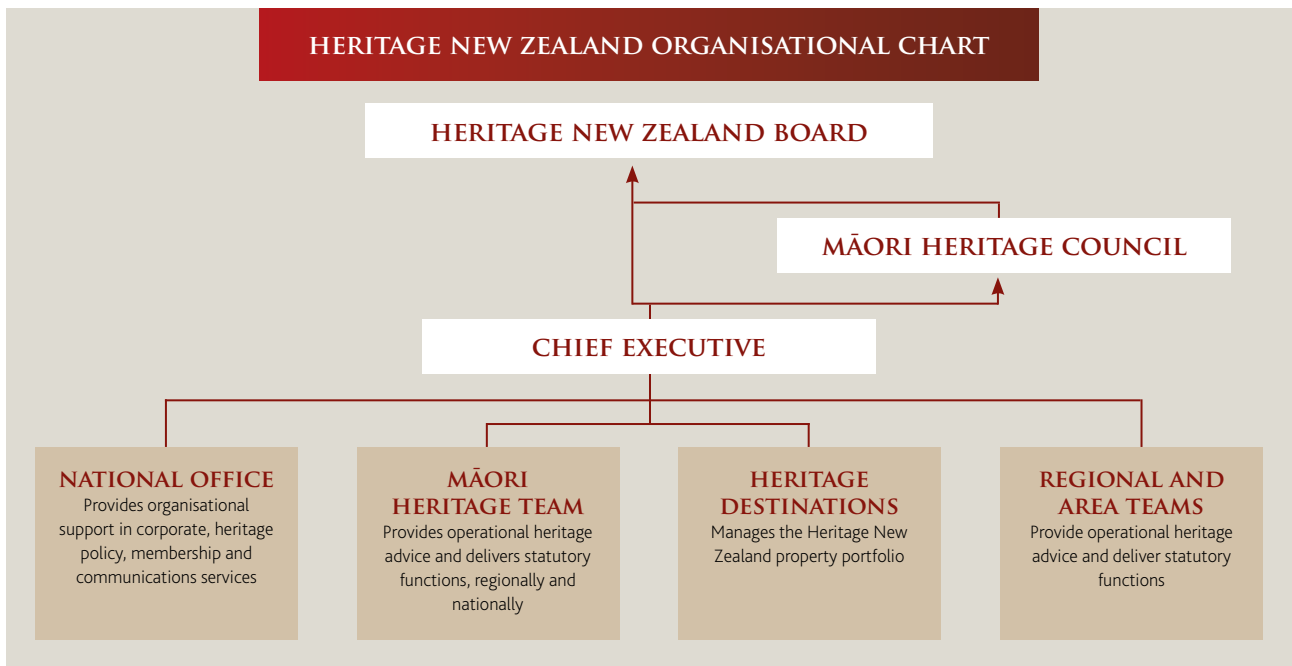
We report annually to Parliament on our performance against our Statement of Performance Expectations. In addition we provide a report every six months to the responsible Minister on progress towards achieving performance targets.

### 2.3 ORGANISATIONAL STRUCTURE

**HERITAGE NEW ZEALAND** is governed by a Board that, while taking into account government priorities and desired outcomes, is responsible for the organisation's strategic direction.

The Māori Heritage Council has specific statutory functions under the Act relating to the promotion and conservation of many aspects of Māori heritage. While not in a governance role, the Council works very closely with the Board to ensure Heritage New Zealand's work aligns strategically with both bodies' responsibilities and preferences.

The national office in Wellington provides key service, support and policy functions, and a Māori Heritage team operates throughout the management and organisational structure. There are regional and area offices located in Auckland, Wellington, Christchurch, Kerikeri, Tauranga and Dunedin. The Heritage Destinations Team enhances this national presence by caring for and managing 48 historic properties around the country, 15 of which are staffed (refer to back cover for the complete list of properties managed by Heritage New Zealand).



## 2.4 THE CULTURAL SECTOR, KEY STAKEHOLDERS AND HERITAGE NEW ZEALAND'S ROLE

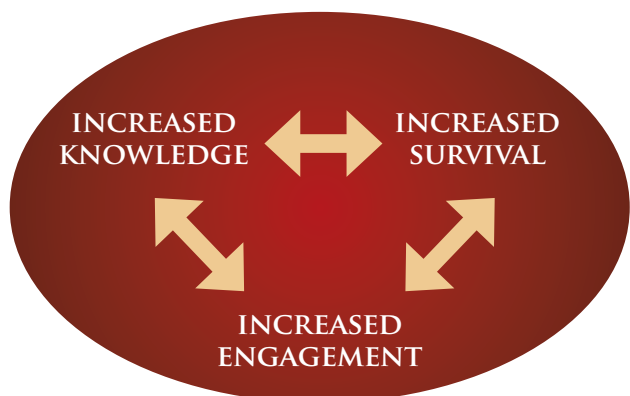
**WE DO NOT** operate alone to achieve positive outcomes for heritage. In contributing to the government goals for the cultural sector, we must work collaboratively with central and local government, iwi, community groups, and owners of heritage buildings (in both public and private ownership). We also provide input to central government policy to ensure heritage implications are considered. When government policy, local government policy and community engagement are aligned, optimal heritage outcomes have a greater chance of being achieved.

Our work can be broadly classified into three areas which are both distinct and interrelated:

- Increasing the body of knowledge about New Zealand's heritage:** This library of knowledge is necessary both to support the current work of heritage survival and engagement, but also as an outcome in its own right to ensure this information is captured before heritage is lost for future generations. This work involves identifying significant heritage, listing where appropriate and, where sites are unable to be avoided, capturing archaeological information before it is destroyed.
- Ensuring heritage survives:** Heritage New Zealand does this by informing the central and local government policy environment, advising on impacts to significant heritage places, regulating changes to archaeological sites and delivering direct conservation work at properties both within our own portfolio and alongside iwi for significant Māori built heritage. Heritage survival is critical to ensuring that future generations are able to appreciate the most important aspects of our history.

- Increasing public engagement and awareness of heritage:** Heritage New Zealand's role is to ensure heritage information and stories are accessible to enable New Zealanders to engage with and appreciate their heritage. We do this through providing access to heritage stories through our website, interpreting and opening our properties to visitors, working with community groups to help them manage their heritage, and providing seminars to facilitate wider understanding of specialist heritage knowledge.

The three broad areas of work can be depicted in the diagram below to show how they impact and contribute to each other. In combination they lead to Heritage New Zealand's overall outcome: 'Present and future generations of New Zealanders experience and enjoy a sense of place, identity and nationhood.'



While all Heritage New Zealand's operations are interrelated, for clarity, the remainder of this document discusses the specific outputs under these three intermediate outcome areas.

## 2.5 MEDIUM AND LONG-TERM OUTCOMES

OUR MEDIUM and long-term outcomes support the wider outcomes of the Ministry for Culture and Heritage and ultimately the Government's Goal for the Cultural Sector. These are defined as follows:

<b>GOVERNMENT'S GOAL FOR THE CULTURAL SECTOR:</b> New Zealand's distinctive culture enriches our lives		
<b>MINISTRY FOR CULTURE AND HERITAGE OUTCOMES:</b>		
Cultural activity flourishes in New Zealand (Create)	Our culture and heritage can be enjoyed by future generations (Preserve)	Engagement in cultural activities is increasing (Engage)
<b>HERITAGE NEW ZEALAND'S OUTCOMES:</b> Present and future generations of New Zealanders experience and enjoy a sense of place, identity and nationhood		
<b>KNOWLEDGE/ MĀTAURANGA</b> Places that contribute to New Zealand's culture and heritage are identified and their stories recorded  <b>Long term impact indicator</b> Knowledge about New Zealand's culture and heritage is increased and more accessible.	<b>SURVIVAL/ TIAKINA</b> Places that are significant to New Zealand's culture and heritage survive  <b>Long term impact indicator</b> Loss of heritage entered on the New Zealand Heritage List through demolition or destruction is minimised and the number of heritage sites protected or where damage is avoided is increased.	<b>ENGAGEMENT/ HONONGA</b> New Zealanders engage with those places that contribute to New Zealand's culture and heritage  <b>Long term impact indicator</b> Public engagement, awareness and understanding of heritage is increased.
<b>HERITAGE NEW ZEALAND STRATEGIC PRIORITIES</b> In delivering the outputs below to achieve the outcomes above, the following strategic priorities are used: <ul style="list-style-type: none"> <li>■ Implementation of the <i>Heritage New Zealand Pouhere Taonga Act 2014</i></li> <li>■ Improving the regulatory environment for historic heritage</li> <li>■ Building public support for historic heritage through engagement and appreciation             <ul style="list-style-type: none"> <li>■ Maintaining financial sustainability</li> </ul> </li> </ul>		
<b>HERITAGE NEW ZEALAND OUTPUTS</b>		
<ol style="list-style-type: none"> <li>1. Prepare heritage inventories</li> <li>2. Enhance the NZ Heritage List</li> <li>3. Establish a National Historic Landmarks List</li> <li>4. Capture heritage information.</li> </ol>	<ol style="list-style-type: none"> <li>1. Engage in heritage protection</li> <li>2. Conserve Māori Heritage</li> <li>3. Administer the National Heritage Preservation Incentive Fund</li> <li>4. Administer the archaeological authority process</li> <li>5. Conserve Heritage New Zealand's properties.</li> </ol>	<ol style="list-style-type: none"> <li>1. Encourage engagement with heritage in communities.</li> <li>2. Open Heritage New Zealand's properties to the public.</li> <li>3. Share heritage stories.</li> </ol>



## 2.6 STRATEGIC CONTEXT AND EMERGING CHALLENGES 2014-2018

**MANAGING THE** expectations of a diverse range of stakeholders in a tight fiscal environment remains a significant challenge. The following all have a major impact on the environment that we are currently operating in:

- Government's expectation that all state sector entities will deliver better public services and a more competitive and productive environment will be built
- Expectations that Heritage New Zealand will focus on national priorities and continue to develop the organisation as a respected adviser on heritage matters to government, iwi and property owners, providing constructive and timely advice and assistance wherever possible
- Ensuring heritage survival issues are considered in the rebuild of Christchurch in ways that facilitate the recovery of the region.
- An increasing concern from Māori communities to be more active in the protection and management of their heritage and increased expectations to be consulted and assisted
- Community pressure for us to take a more proactive heritage advocacy role that leads to greater heritage protection in resource management processes.

There are a number of emerging external challenges and opportunities that we must also take into account:

- Current public perception about the safety of older commercial building stock
- The Canterbury Earthquakes Royal Commission of Inquiry recommendations, particularly in regards to protecting public health and safety
- Market preferences, and insurance availability and cost for unreinforced masonry buildings
- Expectations that Heritage New Zealand will take an active role in policy development for the concurrent reviews of the Resource Management Act and Building Act to improve resilience of heritage
- Community pressure to review the limited economic incentives currently available to encourage owners to strengthen and adaptively reuse heritage buildings in a tight fiscal environment
- Timing of reviews of second generation district plans and the opportunity to integrate heritage listings in those plans
- Increasing pressure to capture significant archaeological information before its loss from increasing erosion and other natural processes.

In addition, there are a number of internal challenges and opportunities that will impact on our work priorities over the coming years:

- Implementation of the changes to process and reviews of policies resulting from the passing of the *Heritage New Zealand Pouhere Taonga Act 2014*
- Engaging with communities, in partnership with others, to encourage wider appreciation of our historic heritage
- Promoting the accurate perception of the role and functions of Heritage New Zealand as a crown entity
- Allocating limited resources to those heritage places that are most significant and most at risk and continuing to deliver heritage outcomes of a high standard within a climate of fiscal restraint
- Maintaining financial sustainability for the mandatory functions of the organisation, working to increase self-generated revenue wherever possible and appropriate, and allocating resources to discretionary functions on the basis of priorities assigned by the Board.

## 2.7 STRATEGIC PRIORITIES 2014 - 2018

**THE FOLLOWING** four strategic priorities have been determined by the Board as being necessary to achieve Heritage New Zealand's outcomes in light of the emerging challenges and strategic context of the organisation.

### (a) Implementing the *Heritage New Zealand Pouhere Taonga Act 2014*

The changes in the Act will require a number of processes to be implemented over the foreseeable future. Immediate changes to our governance structure and processes will need to be embedded expediently. Additionally over the next 18 months we will develop, consult and implement policies in accordance with the Act outlining how we intend to administer the:

- Archaeological site provisions
- New Zealand Heritage List provisions
- Management of Heritage New Zealand properties
- Advocacy provisions; and the
- National Historic Landmarks List provisions.



Alberton,  
Auckland  
IMAGERY:  
MARCEL  
TROMP

### **(b) Improving the regulatory environment for historic heritage**

There are currently two drivers of change in the policy and regulatory frameworks that affect the future of New Zealand's heritage places:

- The first is the significant change in the perception of safety risk in New Zealand's older commercial building stock, reasonably driven by concerns about safety of life, economic resilience, and the cost and availability of earthquake-related insurance following the Canterbury earthquakes.
- The second is that while significant heritage in private ownership may have high heritage value to the community, these values may not be capable of generating an economic return to the owner.

Heritage New Zealand will continue to engage with policy and regulatory reviews within both central and local government to help achieve positive outcomes for heritage. In considering changes to the regulatory framework affecting New Zealand's significant heritage, we will seek an appropriate balance between heritage values, public safety and the interests of owners.

### **(c) Building public support for historic heritage through engagement and appreciation**

Heritage New Zealand's Board recognises that New Zealand's historic heritage has a higher probability of survival and appreciation when these places and their stories are made more accessible to the public. Our most significant heritage places are also increasingly being recognised for the economic value

they can contribute through cultural tourism. We will therefore continue to develop new activities to engage both directly with the public and indirectly, through partnerships with local heritage organisations, and with central and local government organisations and private sector tourism operators.

### **(d) Maintaining financial sustainability**

The current financial strategy for the organisation is based around the need to manage three factors:

- no increase in government funding until at least 2018
- the opportunities and risks around increasing various forms of self-generated revenue which currently contribute 20% of baseline funding, and
- increased demands for spending on discretionary activities such as heritage engagement and the conservation and development needs of 48 properties and their collections.

These factors must be balanced whilst also sustaining the core mandatory activities of the organisation such as processing archaeological authorities. The uncertainty inherent in sustaining or further increasing the \$3 million of self-generated revenue requires that the financial and output management strategies retain a degree of flexibility at the margin and that self-generated revenue will be increased if possible.

We will prioritise and focus on core areas of statutory responsibility and on the most significant components of New Zealand's heritage including prioritising properties expenditure. We will continue to aggressively pursue third party revenue opportunities which deliver heritage outcomes. ■

### 3. ORGANISATIONAL CAPABILITY

Achieving the organisation's outcomes and outputs requires our people, infrastructure, systems and financial resources to be appropriately matched and prioritised.

#### OUR PEOPLE

Heritage New Zealand is fortunate to have a team of highly skilled, professional and dedicated staff made up of 107 permanent staff (full-time equivalents) and a number of seasonal and casual staff to assist at our properties during high visitor season or for one-off events and functions and a team of regular volunteers across the country. Short-term contractors are engaged as required. By using this matrix of resources Heritage New Zealand is able to be flexible and agile in allocating scarce resources to prioritised activities. It is anticipated that this mix of people capability will continue in the foreseeable future.

To ensure our staff are supported in their roles, a two-day induction programme is provided for new staff in permanent roles and regular performance reviews are undertaken. A national training programme is delivered to ensure capability is enhanced consistently across the organisation. Human resource policies are implemented in accordance with Equal Employment Opportunities and state sector guidance.

#### OUR INFRASTRUCTURE

Heritage New Zealand has 48 properties (15 of which are staffed) and leases six offices spread throughout the country. Heritage New Zealand operates a centralised information technology server environment in Wellington with a wide-area network connectivity to all staffed locations. A replicated server environment is being developed in Auckland to provide a level of assurance in case any severe interruption to the Wellington server environment should occur. It is anticipated that this IT environment, with annual cyclical upgrades and maintenance, will serve our needs for a further two to three years, at which time alternative options will be fully explored.

#### OUR SYSTEMS

To enable us to operate effectively as one organisation spread over many sites, which are often in remote locations, requires effective and consistent communication, processes and systems to be available to all staff. Heritage New Zealand develops annual budgets and business plans by operating

teams, and applies "RAISE" (Risk, Alignment, Impact, Significance, Efficiency) criteria to the prioritisation of work. A number of operating guidelines, a "decision support model" and "roles and responsibility matrix" have been developed to ensure consistency in the application of legislations and policy is applied across teams. Heritage New Zealand operates an intranet to enable all staff to have access to all published strategic documents, internal policies and procedures, and other organisation-wide communications.

#### OUR FINANCES

Government has clearly signalled that there will be no increase in Crown funding in the foreseeable future. This reinforces the need to maintain and preferably increase the already significant self-generated funding that the organisation raises each year. Non-Crown funding sources include membership subscriptions, donations, grants, sponsorships, bequests, property-based revenue from events, admissions and merchandising, and cost-recovered advisory services.

The demand for our services consistently exceeds our ability to supply. Rather than spreading our available funding too thinly across all our properties and functions we will continue to deliver the best value for money by being selective about the activities and properties on which we will focus our efforts. As a result of needing to balance priorities outlined in the new legislation we are now operating under and the increase in ongoing demand for our services with a projected flat line baseline budget, it is likely that a reprioritisation of the balance between outputs will be required in the near future. ■

## 4. FINANCIAL PLANNING ASSUMPTIONS

The Ratana Church  
IMAGERY: AMANDA TRAYES

### 4.1 OVERVIEW:

**THE MAJOR** assumptions that have been made in developing this Statement of Intent are:

- Total Crown baseline funding for Heritage New Zealand will remain constant over the next four years.
- A major capital fundraising campaign will be undertaken to raise the balance of \$2 million to enable the Timeball Station tower to be rebuilt. The actual construction of this project is scheduled to commence September 2015.
- Additional services required in the Canterbury region following the earthquakes continue to be absorbed within baseline by reprioritising other activities both in this region and across the organisation.
- Insurance premiums increased by an additional \$455,000 per annum in 2011/12. This annual increase continues to be partially absorbed within baseline, by delaying some non-urgent cyclical maintenance at some properties, and by funding some urgent projects at the properties using existing reserves where it is not viable to delay the project.
- While continuing to maintain delivery of core services in other output classes, there will be continued focus on delivering only key projects at a selected number of properties within the Heritage New Zealand portfolio.
- A small portion of deferred and cyclical maintenance will continue to be funded from special funds and reserves in the short term while alternative revenue streams are established.
- To the extent that the ongoing gap in cyclical maintenance is unable to be met from ongoing baseline funding and alternative strategies, certain properties currently managed by Heritage New Zealand may either be divested or continue to deteriorate.
- Property income from admissions, functions, and merchandising revenue is targeted to increase slightly by increasing visitor numbers but a plateau is likely to be reached without further significant investment.
- After a number of years of increased targets, Grant and Donation income is estimating to plateau in the 2014/15 year at a level that is believed to be realistically sustainable. However bequest income is projected to increase in out years.
- While Heritage New Zealand has been notified that a house has been left to us as a bequest, no allowance has been made in these financial estimates to bring in the value of this asset due to the uncertainty of the value and timing of the transfer. In the year that this asset is formally transferred to our ownership, it will also be assumed that significant additional expenditure will be required to be undertaken using some existing reserves to enable this asset to be upgraded prior to it being habitable.
- While interest rates are expected to rise, our investment base is anticipated to decline therefore total interest revenue will plateau over the next four years.
- The functions of Heritage New Zealand do not change.
- Outcomes sought by Government remain consistent.
- Heritage New Zealand will remain a going concern.

## 4.2 GOVERNMENT FUNDING

GOVERNMENT HAS confirmed the following funding for Heritage New Zealand over the next four years:

	Actual 2011/12 \$000s	Actual 2012/13 \$000s	Estimated Outturn 2013/14 \$000s	Prospective 2014/15 \$000s	Prospective 2015/16 \$000's	Prospective 2016/17 \$000s	Prospective 2017/18 and outyears \$000s
<b>TOTAL OPERATING BASELINE</b>	12,988	12,988	12,988	12,988	12,988	12,988	12,988

## 4.3 SELF-GENERATED REVENUE

HERITAGE NEW ZEALAND also relies on self-generated funding (2013/14 estimated \$5.5 million, \$3.3 million in 2014/15). Sources include membership fees, property income, grants, interest and bequests.

Although it is our intention to continue to pursue third party revenue options, it is not possible to accurately predict future targets, particularly for grant and bequest income, at this point. Planning therefore has been undertaken on the assumption of what can be delivered within agreed Crown funding and conservative third party revenue.

Additional revenue received in the 2012/13 year from a significant bequest and a donation specifically towards the rebuild of Timeball account for the variance in self-generated revenue projected over this two-year period. A major capital fundraising campaign will be undertaken during 2014/15 to raise an additional \$2 million required to complete the Timeball Station Tower rebuild.

	Actual 2011/12 \$000s	Actual 2012/13 \$000s	Estimated Outturn 2013/14 \$000s	Prospective 2014/15 \$000s	Prospective 2015/16 \$000s	Prospective 2016/17 \$000s	Prospective 2017/18 \$000s
<b>Membership, magazine advertising and magazine sales revenue</b>	568	569	563	568	570	570	570
<b>Merchandising</b>	519	516	470	581	585	595	595
<b>Property admissions and functions</b>	850	805	886	907	925	945	945
<b>Grants/Bequests/Donations</b>	1,038	2,646	1,033	2,671	1,000	1,000	1,000
<b>Interest</b>	332	366	388	400	350	350	350
<b>Sundry</b>	410	222	76	29	50	50	50
<b>Insurance claims</b>	202	-	-	-	-	-	-
<b>TOTAL</b>	<b>3,919</b>	<b>5,124</b>	<b>3,416</b>	<b>5,156</b>	<b>3,480</b>	<b>3,510</b>	<b>3,510</b>

#### 4.4 PROJECTED OPERATING EXPENDITURE (EXCLUDING EXTRAORDINARY ITEMS)

**AFTER ALLOWING** for a small increase in operating expenditure for inflation and salary increases across all outputs, it has been assumed that expenditure incurred as a result of flat base-line revenue will be prioritised to continue the delivery of services accordingly. Activities within the Canterbury region will continue to be reprioritised in the foreseeable future to assist with earthquake recovery but will progressively be reprioritised back to other service delivery areas over the life of this Statement of Intent.

The \$3 million one-off operating revenue received from Crown in Budget 2010 to specifically address prioritised deferred maintenance and safety issues at properties within the Heritage New Zealand portfolio has been substantially completed, with two remaining projects commenced in 2014 being scheduled to be completed in 2015.

	Actual 2011/12 \$000s	Actual 2012/13 \$000s	Estimated Outturn 2013/14 \$000s	Prospective 2014/15 \$000s	Prospective 2015/16 \$000s	Prospective 2016/17 \$000s	Prospective 2017/18 \$000s
Heritage Knowledge	2,379	2,542	2,406	2,477	2,515	2,525	2,525
Heritage Survival	8,183	8,789	8,226	7,829	7,743	7,753	7,753
Heritage Engagement	6,442	6,634	6,136	6,188	6,210	6,220	6,220
<b>TOTAL OPERATING EXPENDITURE</b>	<b>17,004</b>	<b>17,965</b>	<b>16,768</b>	<b>16,494</b>	<b>16,468</b>	<b>16,498</b>	<b>16,498</b>

#### 4.5 PROJECTED CAPITAL EXPENDITURE

**AFTER A** number of years of limited capital expenditure, new facilities at some key properties have been completed, including a new toilet block at Old St Pauls, visitor facilities at the Stone Store, new roof at Te Waimate, sprinklers at Hurworth, interpretation at Rangiriri, and signage along the Waikato war sites trail. Proposed capital works in the near future include completion of visitor facilities at Pompallier Mission and new roof at Fyffe House.

A significant capital project is scheduled for 2015/16 to rebuild the Timeball Station tower.

	Actual 2011/12 \$000s	Actual 2012/13 \$000s	Estimated Outturn 2013/14 \$000s	Prospective 2014/15 \$000s	Prospective 2015/16 \$000s	Prospective 2016/17 \$000s	Prospective 2017/18 \$000s
Capital expenditure	534	1,042	208	590	3,800	400	400

# HERITAGE NEW ZEALAND'S HERITAGE DESTINATIONS PORTFOLIO (48 PROPERTIES)

## HERITAGE NEW ZEALAND OWNED (16 PROPERTIES)

Alberton  
Alexandra (Pirongia) Redoubt  
Antrim House  
Bedggood Blacksmith Building  
Clark's Mill  
Clendon House  
Hurworth  
Kerikeri Mission House  
Melanesian Mission  
Ruatuna  
Southland Provincial Council Building  
Stone Store, Kerikeri  
Te Waimate Mission  
Thames School of Mines  
Timeball Station  
Totara Estate

## CO-OWNED (1 PROPERTY)

Highwic (with Auckland City Council)

## LEASED (2 PROPERTIES)

Ewelme Cottage  
Māngungu Mission House

## PRIVATE HISTORIC RESERVE (4 PROPERTIES)

Craigmore Rock Shelter  
Frenchman's Gully Rock Shelter  
The Cuddy  
The Levels

## HISTORIC RESERVE (22 PROPERTIES)

Brunner Industrial Site (Tyneside)  
Clifden Suspension Bridge  
Coton's Cottage  
Edmonds Ruins  
Gabriel Read Memorial Reserve  
Matanaka  
Old St Paul's  
Ophir Post Office  
Pencarrow Head Lighthouse  
Pompallier Mission  
Kaipara North Head Lighthouse  
Rai Valley Cottage  
Rangiriri Redoubt  
Runanga Stockade  
Seddon House  
Springvale Suspension Bridge  
Taupo Redoubt and Courthouse  
Te Porere Redoubt  
Te Wheoro's Redoubt  
Tikirere Mill Race  
Upper Hutt Blockhouse  
Whangamarino Redoubt

## MAORI RESERVE (1 PROPERTY)

Opotaka Pa

## SITES WITH MORE THAN ONE STATUS (2 PROPERTIES)

Fyffe House  
(part owned by Heritage New Zealand, part leased from Kaikoura District Council)  
Hayes Engineering  
(part owned by Heritage New Zealand, part historic reserve)

**Northern Regional Office**  
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Level 2, 2 Durham Street East  
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