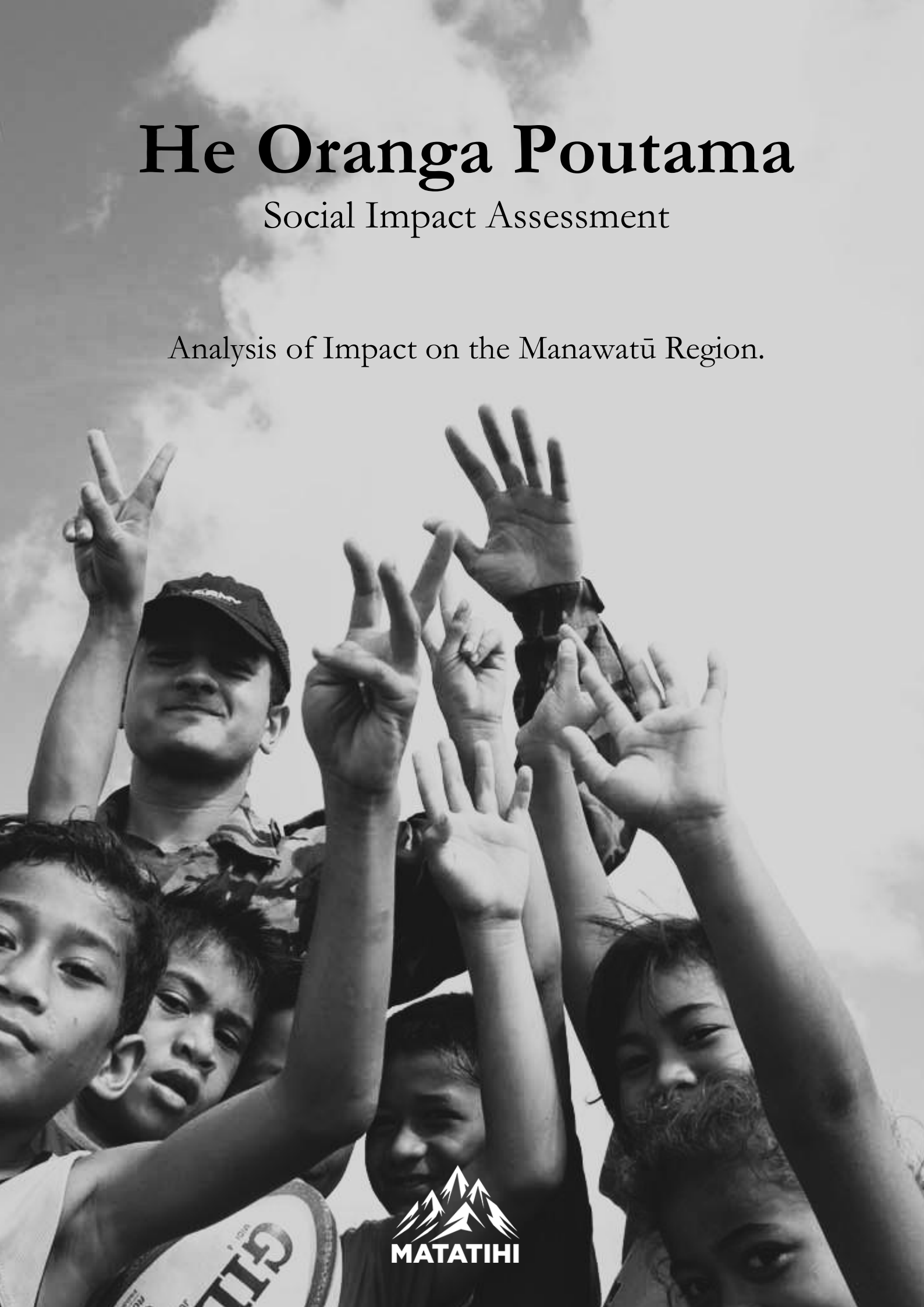
He Oranga Poutama

Social Impact Assessment

Analysis of Impact on the Manawatū Region.



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Matatihi partners with progressive enterprises to improve social, cultural, environmental, and economic wellbeing going beyond business as usual. Our approach to creating impact straddles multiple worlds, bringing together economic science, traditional knowledge, and new technologies.

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Executive Summary

He Oranga Poutama (HOP) is a collaborative initiative led by Te Pae Oranga o Ruahine o Tararua (Te Pae Oranga) in partnership with Sport Manawatū Trust and Sport New Zealand-Ihi Aotearoa. HOP is about supporting and growing community leadership and participation in play, active recreation and sport, and is intentionally designed to fill a gap for Māori communities, providing access to physical activities in culturally comfortable settings. It is one of Te Pae Oranga's local commissioning initiatives and reflects Te Pae Oranga's aspiration to ensure that whānau-led innovation is systemically supported.

The Te Pae Oranga approach to HOP is about whānau activation and ensures whānau are positioned to lead their own hauora solutions. This supports Te Pae Oranga's position that whānau-led and whānau-driven initiatives accelerate hauora outcomes.

This report examines the impact of He Oranga Poutama (HOP) in the Manawatū region, considering both its quantifiable economic benefits and its broader social and cultural contributions. These wider impacts identified include strengthened cultural identity, enhanced whānau and hapū leadership, revitalised marae engagement, and the intergenerational transfer of knowledge. Such outcomes align closely with the New Zealand Treasury's *He Ara Waiora* and the Living Standards Framework, reflecting dimensions of wellbeing that are deeply valued by Māori communities.

Financial benefits are calculated through a cost-benefit analysis (CBA), and the broader economic footprint is explored through a multipliers analysis. The CBA reveals a clear net positive benefit from He Oranga Poutama, even under conservative assumptions.

The total net present value (NPV) of these benefits is $904,000 over three years (real discount rate = 2%), with a benefit-cost ratio (BCR) of 5.1.

The five largest monetised benefit domains are physical and mental health, life satisfaction, social connectedness and volunteering. The most significant single contributor is improved physical health, with a net present value (NPV) of $441,000 over three years. These results hold across sensitivity scenarios, with net gains remaining under all but the most pessimistic assumptions. This return is underpinned by HOP's catalytic role in enabling

culturally resonant participation, developing leadership, and providing opportunities otherwise unavailable to Māori communities.

The multipliers analysis considers how this investment ripples through the economy. Again, this is approached through a kaupapa Māori lens that recognises the broader ecosystem of relationships, obligations, and collective outcomes. The direct investment of $221,800 is estimated to generate:

$397,000–$418,000 in total economic output – an amplification of nearly 1.8x the initial spend.

This includes $148,000–$198,000 added to GDP, $99,000–$118,000 in household incomes, and support for 2-4 FTE jobs.

Based on the evidence presented, He Oranga Poutama delivers substantial cultural, social, and economic returns. These are not isolated to individuals but move outwards - across whānau, hapū, and the wider region - affirming the value of investing in kaupapa Māori initiatives that enable Māori to flourish as Māori.

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1 Introduction

Te Pae Oranga o Ruahine o Tararua (Te Pae Oranga) operates under the authority of the seven mana whenua iwi and represents the hauora interests of Māori across the region. The region comprises five takiwā (territories) and includes Tararua, Manawatū, Papaioea, Horowhenua and Otaki.

Local commissioning is one of Te Pae Oranga's five impact outcomes. Te Pae Oranga's approach to local commissioning includes an intentional, ongoing process of planning, resourcing and evaluating initatives to ensure that initiatives are authentically whānau-led and achieves outcomes that reflect the aspirations of whānau across the region. He Oranga Poutama is an example of Te Pae Oranga's local commissioining approach.

He Oranga Poutama (HOP) is a collaborative initiative involving local iwi, regional sports trusts, and Sport New Zealand – Ihi Aotearoa, designed to support Māori wellbeing by improving participation and growing leadership through physical activity sportmanawatu.org.nz. The Te Pae Oranga approach to this seeks to support whānau control of their hauora outcomes by ensuring funded initiatives are whānau-led and whānau-driven.

This kaupapa (initiative) seeks to empower whānau Māori to get active, learn new skills, connect to *Te Ao Māori* (the Māori world), and achieve their goals through culturally-grounded activities. In essence, *He Oranga Poutama* – literally "stairway to wellbeing" – provides opportunities for Māori to ascend to better health, skills, and cohesion in ways that align with Māori ways of being and knowing.

This report investigates the broad economic, social, and cultural impacts of the HOP initiative. It combines mātauranga Māori with economic methods to reveal and sometimes quantify the broad impact of HOP. Where possible, the impacts are quantified in monetary terms; however, this is not always possible or desirable. In these cases, the report explores these important benefits qualitatively, incorporating participants' voices and drawing on established values-based frameworks such as the New Zealand Treasury's *He Ara Waiora*.

The report draws on two statistical methods: cost-benefit analysis (CBA) and multipliers analysis. Through these methods, the report describes how the presence of He Oranga Poutama stimulates numerous economic and social benefits for individuals, iwi and the Manawatū region. Although the CBA provides insights on the project's direct impact, it does not show how these impacts ripple through communities and the region. For this, we use a multipliers analysis, which considers how the direct economic effects stimulate indirect economic and employment growth in ancillary businesses and further induce economic growth in household incomes.

Taken together, these approaches aim to present a comprehensive picture of He Oranga Poutama's contribution to Māori wellbeing and regional vitality.

2 Broader Impacts - A Māori-Centred Perspective

Key Insights

- Culturally grounded wellbeing cannot be fully captured by monetary metrics. Many of HOP's most important contributions lie in intangible cultural, spiritual, and relational outcomes that underpin Māori wellbeing. These include strengthened cultural identity and participation in tikanga Māori.
- HOP is actively restoring and revitalising Te Ao Māori. Through initiatives like kapa haka, waka ama, and marae-based programmes, HOP is a catalyst for cultural revitalisation and intergenerational knowledge transfer.
- Leadership and whānau empowerment are central and multiplying impacts. Te Pae Oranga's whānau-led and whānau-driven approach to HOP nurtures local leadership, whānau empowerment, and rangatahi capability-building that could have flow-on benefits.
- HOP generates holistic, intergenerational and interconnected benefits that extend beyond the individual. The programme produces spillover effects through whānau involvement, inter-marae collaboration, and community engagement. These include enhanced whānau cohesion and food security via māra kai.

2.1 Mātauranga Māori and He Ara Waiora

Te Pae Oranga's whānau-led and whānau-driven approach to HOP incorporates Māori values, language and customary practices into sport and active recreation. This initiative seeks to empower whānau Māori to get active, learn new skills, connect to *Te Ao Māori* (the Māori world), and achieve their goals through culturally-grounded activities. Mātauranga Māori offers a holistic framing of wellbeing that centres the interconnectedness of spiritual, physical, mental, and collective dimensions of life. This worldview is reflected in He Ara Waiora, a mātauranga Māori wellbeing framework adopted by the Treasury to sit alongside the Living Standards Framework (LSF).

He Ara Waiora is a waiora framework that provides a holistic and intergenerational understanding of wellbeing. At its heart is Wairua (spirit), reflecting that spiritual wellbeing

is foundational to Māori conceptions of health and prosperity. Surrounding this are key domains of wellbeing: Te Taiao (the natural world) and Te Ira Tangata (the human domain), both essential and inextricably linked to overall wellbeing. Within *Te Ira Tangata*, people and collectives flourish when they experience identity and belonging (*mana tuku iho*), reciprocal relationships and obligations (*mana tautuutu*), self-determination (*mana āheinga*), and intergenerational prosperity (*mana whanake*). These outcomes are supported by core guiding principles – the *means* for creating waiora – including Kotahitanga (unity and collective action), Tikanga (working in the right way), Whanaungatanga (strengthening relationships), Manaakitanga (care and equity), and Tiakitanga (stewardship and protection).

He Oranga Poutama aligns strongly with this framework by embedding kaupapa Māori values and practices in physical activity, fostering wellbeing that is culturally resonant, environmentally connected, and socially cohesive.

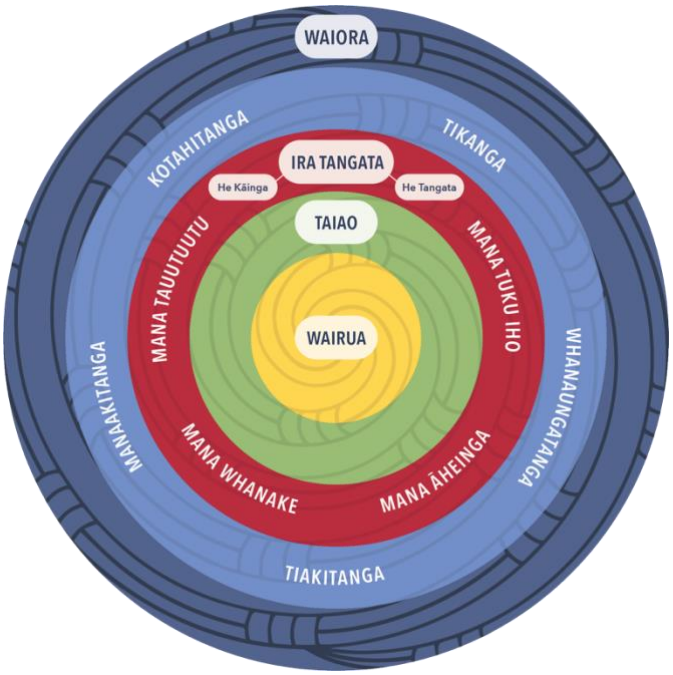

Figure 1. New Zealand Treasury's He Ara Waiora Framework

2.2 Cultural and Social Impacts

Not all of He Oranga Poutama's benefits can be meaningfully expressed in monetary terms. This section draws on qualitative data obtained through interviews and surveys of participants to explore the significant cultural, social, and relational outcomes that fall outside the scope of the cost–benefit analysis but are central to Māori wellbeing. While excluded from the CBA, these outcomes are assessed qualitatively through the Treasury's He Ara Waiora and Living Standards Framework (LSF), which provide a culturally grounded lens to understand their broader value.

2.2.1 Cultural Identity and Te Ao Māori Outcomes

Cultural identity and belonging are core dimensions of wellbeing recognised in the LSF. Participants who develop a stronger sense of identity and connection to their culture tend to enhance their overall life satisfaction and sense of purpose. In He Ara Waiora, this aligns with Wairua (spiritual wellbeing at the foundation of life) and Mana Tuku Iho (inherited authority and identity) – the idea that connecting with one's cultural roots and heritage builds mana and wellbeing. By supporting whānau to take control of their own hauora outcomes, the programme contributes to outcomes that are fundamental to *waiora* (holistic wellbeing), even if we cannot express them in monetary terms.

Many HOP participants experienced a strengthened cultural identity, increased pride in being Māori, and reconnection with te reo and tikanga. For example, the program incorporated Māori worldview practices (e.g. karakia, whakapapa narratives) that enhanced participants' sense of cultural belonging (1). For Māori, sport and physical activity are not just about movement—they are embedded within cultural practices, values, and mātauranga Māori, supporting health and wellbeing, culture and identity (2,3). When delivered in ways that are grounded in mātauranga Māori, these activities can support the transmission of culture. They provide spaces, particularly for rangatahi, to connect with whenua and whakapapa, build pride in their cultural identity, and facilitate the intergenerational transfer of knowledge. In this way, culturally grounded physical activity not only enhances wellbeing but actively contributes to the restoration and maintenance of Māori culture. As these benefits are often intangible and taonga, assigning a monetary value is not always possible or appropriate; however, it is emphasised that these benefits

are invaluable and underpin monetisable ones. Currently, no accepted CBAx values exist for "cultural connection" or "identity pride." Sport NZ has recognised this gap and proposed research that will help to determine the value of cultural belonging impacts for which values do not currently exist.

He Oranga Poutama has played a significant role in strengthening cultural identity and revitalising te ao Māori through the reintroduction and enhancement of kapa haka and other kaupapa Māori activities. In several communities, programme funding enabled the revival of kapa haka in schools where it had previously ceased due to the withdrawal of ministry support. This reconnection to cultural heritage through kapa haka, waka ama, and marae-based initiatives provided Māori students with meaningful opportunities to engage with their traditions, language, and identity.

> *"It's helped me a lot. I came from a really hard situation in Taranaki. I've just came and done Kapa Haka which has bought me back to my Māori culture and just being Māori. […] Kapa Haka bought me back to that." (He Oranga Poutama participant)*

The use of experienced external tutors with deep knowledge of kapa haka further enhanced cultural capability within schools, many of which previously lacked the internal expertise to deliver these practices effectively. Participants, particularly rangatahi, reported a renewed sense of pride in their Māori identity and a deeper connection to their cultural roots. Importantly, these initiatives supported intergenerational knowledge transfer, with kaumātua and other elders sharing waiata, mōteatea, and tribal histories with younger generations.

Engagement in marae-based activities also increased, encouraging whānau to return to and actively participate in marae life, thereby strengthening community cohesion and the ongoing vitality of local Māori cultural practices. The Wero ā-Marae initiative likely fostered inter-hapū competition, cultural revitalisation (through the use of marae for events), and whānau engagement in healthy lifestyles. It improved participants' knowledge of their marae, encouraged marae visits, and built hapū unity.

> *"I want people to get involved with their marae. So, if they are back in their marae. That will be the basis and a strong foundation to put their marae out because they have pride in their marae and they want to showcase just how good their marae is. Like with whanau and hapu. Because*

when we were at Wero a Marae yesterday we saw the competitiveness within whanau even they were mates – they were representing their marae, and you could see how proud they were of their own marae." (He Oranga Poutama participant)

2.2.2 POU and Leadership Empowerment Outcomes

He Oranga Poutama (HOP) fosters social capital by strengthening relationships within and between communities, building trust and connectedness—key contributors to wellbeing in both the LSF and He Ara Waiora. These enduring relationships reflect the principle of *Whanaungatanga*, which emphasises collective strength and interdependence. In this context, leadership is not just about individual advancement but about contributing to the shared wellbeing and empowerment of whānau and communities.

HOP emphasises growing Māori leadership (kaupapa "whānau-led and whānau driven" inherently develops local leaders) (1). HOP nurtured emerging Māori leaders, empowering them to design and deliver activities. Some of the initiatives such as, 'Wero-ā-Marae, had core aims focused on building leadership and capability building:

"Encouraging whānau to take on leadership roles within the marae and broader community, Empowering whānau to advocate for their individual and collective needs and interests to drive positive change." (He Oranga Poutama participant)

Benefits here would include youth development, leadership skills, and employment or education opportunities for those leaders (e.g. a young coordinator gaining experience). Leadership Development was cited as a key outcome of HOP in qualitative reports that delivered meaningful social value (1).

2.2.3 Environmental and Whānau Ora Outcomes

HOP supported initiatives that had indirect environmental benefits. For instance, the Māra Kai (gardening) project might have produced nutrition and food security benefits for participants (fresh vegetables, improved diets) and intergenerational knowledge transfer about traditional growing. The qualitative feedback of participants shed further insights:

"[..] What I observed was, Aunty showed manaakitanga & aroha about her garden. In planting & at harvest time loved to feed her whanau & the community, her fresh veges & fruit.

All her planting & harvest were done manually. I now save old buckets, removed the bottoms to protect the plants from the frost. [..] We are now eating lettuce & silver beet from our two vegie pods, started from our Maara group."

"I wasn't much of a veggie grower until I joined this group but now, I grow veggies with flowers. Experiences with other members in our group and making connections was exciting. Learning to compost and making our own was fantastic. [..] it was incredible I learnt how to grow kumara. I now have a kumara patch. Our asparagus I planted in pots have taken off. [..]." (He Oranga Poutama participant)

He Ara Waiora recognises *Te Taiao*—the natural environment—as a vital domain of wellbeing, emphasising the interconnectedness between people and the whenua, wai, and wider ecosystems. It reflects a Māori worldview in which environmental wellbeing is inseparable from human wellbeing, and where the health of the natural world underpins collective prosperity across generations.

2.2.4 Avoided Crime and Anti-Social Outcomes

Participation in sport and recreational physical activity has been linked to the development of valuable life skills and enhanced prospects. These include fostering positive character traits, teamwork, goal-setting abilities, emotional regulation, self-discipline, and increased confidence (Davies et al., 2023). At the same time, some sports programs cite reductions in youth crime as a benefit of engaging youth in positive activities. Research has suggested sports programmes can have a moderate positive impact, with participation linked to notable reductions in behaviours such as aggression and antisocial conduct (4).

HOP involved rangatahi in healthy recreation, e.g., like the rugby league teams under Raukawa Ki Runga), which could divert them from negative pathways. Qualitative excerpts gathered from the survey indicate HOP might have some impact in this space:

"It kept me out of trouble in the school holidays. I was happy hanging with old and new whanaunga and kept fit." (He Oranga Poutama participant)

2.2.5 Health Outcomes Beyond Participants

HOP might have spillover benefits, such as influencing the wider whānau (e.g. kids encouraging their parents to be active or marae communities adopting healthier practices).

Community-led, iwi-driven exercise and health initiatives have demonstrated significant long-term health benefits for Māori by embedding health promotion within culturally meaningful contexts that support sustained behaviour change. Evidence from Aotearoa New Zealand suggests that kaupapa Māori approaches—such as marae-based fitness programmes, waka ama, and frameworks like He Pikinga Waiora—enhance engagement by aligning with Māori values, promoting whānau involvement, and incorporating holistic wellbeing models like *Te Whare Tapa Whā*. Culturally tailored, iwi-led interventions are more likely to result in enduring health gains and reduced inequities when Māori are active partners in programme design and delivery.

3 Cost Benefit Analysis

Key Insights

- The total NPV of quantified benefits is $904,000 for 400 participants evaluated over three years with benefit decay. This contrasts with a total programme cost of $221,800, generating clear net benefits under base-case conditions.
- HOP delivers clear, measurable benefits across five wellbeing domains. The largest contribution comes from improved physical health, generating approximately $441,000 NPV.
- HOP shows net benefits under reasonable assumptions, and its economic viability remains positive across various scenarios, except for the most extreme pessimistic assumptions.

Cost-benefit analysis is foremost a method for organising information. We draw information from multiple sources in producing the CBA, inheriting the assumptions and uncertainties from those sources. Throughout the CBA we have been careful to document the assumptions and the limitations of the data used. CBA is employed to structure the best available information while acknowledging our uncertainties. We have also provided a range of scenarios to test the sensitivity of the CBA and whether the assumptions have led to an optimism bias.

This report utilises the CBAx model, which the New Zealand Treasury provided to undertake the analysis.[1] Benefits are modelled for up to three years. The continuing impacts diminish each year, in line with empirical retention evidence (see Table 1). A real discount rate of 2 % (Treasury 2024 default for social programmes) is applied. Attribution of outcomes to HOP is high, reflecting HOP's catalytic role, but we account for some deadweight (what might have happened anyway) where appropriate to ensure conservatism. Each of the main benefits used in the CBA has a series of supporting

[1] The Treasury. (2023). CBAx spreadsheet model. Retrieved from https://www.treasury.govt.nz/publications/guide/cbax-spreadsheet-model-0 Wellington: The Treasury

assumptions and justifications to support the impact and values assigned to each, which can be found in Appendix B.

Additionally, we are not accounting for the numerous additional social and cultural benefits He Oranga Poutama will stimulate beyond what we can quantify. As outlined in the previous section, qualitative outcomes that lack data and cannot be credibly monetised (e.g., cultural identity, community empowerment) are discussed separately rather than assigned a dollar value.

3.1 Model Development and Counterfactual

The Guide to Social Cost-benefit Analysis explains that the counterfactual is the situation that would exist if a policy does not go ahead (Treasury, 2020, p. 10). For the CBA provided here, the counterfactual scenario is that:

> **He Oranga Poutama was not established and participants were not able to realise any benefits from He Oranga Poutama.**

The CBA draws evidence from all available project documents – including the original proposal, outcome frameworks, values criteria, participant interviews and surveys, stakeholder meeting notes, and funding reports – to present a full picture of HOP's impact across all participating regions, covering every funded activity from its commencement to the present. These documents are drawn on to support some of the primary assumptions in the CBA. The interviews, surveys, and focus groups capture lived experiences and illustrate outcomes across key wellbeing domains. Quantitative data from programme reports supplements this with participant numbers, demographics, and session delivery statistics, offering useful indicators of reach and engagement. These findings are framed against He Oranga Poutama's internal outcome framework and Te Whetū Rehua values criteria, ensuring that the impacts assessed reflect the programme's intended cultural and social outcomes.

Across all HOP initiatives in the region, approximately 400 unique individuals (whānau members of all ages) participated during the year.[2] This figure is based on project reports (both completed and in progress) that show dozens of participants per initiative – e.g., 60 participants in a marae-based kapa haka event, 24 kaumātua in a regular exercise class, and 51 whānau in a Kauora Kohanga program, among others – totalling several hundred. Some individuals engaged in multiple activities; however, for benefit estimation, we treat participant counts in each benefit category as unique where possible (to avoid double-counting the same person for the same type of outcome).

[2] A table is provided in Appendix A which provides a more comprehensive breakdown of participant numbers involved with He Oranga Poutama.

3.1.1 Benefit Duration and Decay Assumptions

The CBAx model assumes that several HOP outcomes persist beyond the initial programme year but decay over time as direct engagement declines. Behaviour-linked impacts—such as physical activity, volunteering, and social connectedness—are modelled using decay rates supported by existing research. The model multiplies the undiscounted year-1 benefit by these coefficients for years 2-- 3 (where applicable) and then applies the 2% discount factor. For impacts not listed (e.g. avoided depression), benefits are restricted to a single year, consistent with Treasury CBAx guidance. Table 1 below shows the retention factors applied before discounting.

Table 1. The duration and decay rate of benefits associated with the HOP initiative over a three year period.

Scenario	Year 1	Year 2	Year 3	Evidence and Rationale
Adult Physical Activity	1.00	0.59	0.49	Two- to three-year follow-up of the *Green Prescription* primary-care intervention found 59 % of participants still met activity guidelines after 12 months and 49 % after 24-36 months (5).
Youth Physical Activity	1.00	0.64	0.52	Active NZ longitudinal tracking (2017-2023) shows that roughly two-thirds of tamariki/rangatahi who meet guidelines in one year are still active a year later, falling to just over half by year 3 (6)
Volunteering	1.00	0.51	0	Sport NZ's *Volunteers – Heart of Sport* survey reports that 49 % of sport volunteers remain in the same role after 12 months; most churn thereafter (7)
Social Connectedness	1.00	0.62	0	Stats NZ club-membership panel data show an average 38 % annual churn among adult members, implying 62 % retention into year 2 and rapid flattening beyond. (8)

3.2 Quantifiable Benefits

He Oranga Poutama achieved a range of participant-level benefits across physical health, mental wellbeing, overall life satisfaction, volunteering, and social connectedness. We estimate these benefits using CBAx-consistent metrics, applying 2025 NZD values. For each benefit type below, we document the number of participants affected, the definition of the benefit (with the corresponding CBAx or wellbeing valuation measure), the value per person per year, the duration of benefit, the baseline (counterfactual) scenario, and the attribution of the benefit to HOP.[3]

3.2.1 Physical Health Benefits

Description of Benefit: He Oranga Poutama delivers various initiatives focused on sport and active recreational activities, which likely had a positive impact on participants' physical health.

Participants Impacted: It is estimated that 200 participants (approximately 50% of the total participants) achieved significant improvements in physical activity due to HOP. This was further broken down into 100 adults and 100 tamariki/rangatahi.

Duration: Adult physical-health benefits are modelled for three years. A retention coefficient of 0.59 is applied in year 2 and 0.49 in year 3, mirroring the long-term evaluation of the Green Prescription programme, where 59 % of participants remained sufficiently active at 12 months and 49 % at 24-36 months (5). After year 3, the benefit is assumed to have fully tapered. For tamariki and rangatahi, the model adopts slightly higher persistence: 0.64 in year 2 and 0.52 in year 3. These factors reflect Active NZ longitudinal data, indicating that about two-thirds of young people who meet the guidelines in one year still do so 12 months later, with a further 12-point drop by the third year (6).

Baseline Assumption: In the absence of HOP, these participants would have remained insufficiently active (below guidelines) and thus would not have realised the health

[3] An in-depth explanation of evidence behind the assumptions for each benefit is provided in Appendix B.

improvements. We assume a zero baseline benefit, i.e., without HOP, they would have continued at their prior activity levels with associated status quo health outcomes.

Economic Value Per Person Per Year: The improved physical health is placed at NZ$1,742 per adult per year in 2025 dollars. The estimated impact of improved physical health for tamariki and rangatahi is placed at $1,223 in 2025 dollars.

Attribution: This report attributes 80% of the observed physical health benefits to HOP. It recognises it was the primary enabler, i.e., a programme "increased participation in physical activities" among Māori whānau who were not previously active (1). HOP is intentionally designed to fill a gap for Māori communities, providing access to physical activities in culturally comfortable settings.

3.2.2 Mental Health Benefits

Description of Benefit: The HOP initiative leads to improved mental health and reduced risk of depression/anxiety among participants. Many HOP activities appeared to improve mood and emotional resilience – for example, participants reported feeling "my ngākau (heart) is filled with joy" and experiencing reduced stress through the kaupapa.

Participants Impacted: It is estimated 10 participants avoided a diagnosable depression or anxiety disorder in the year because of HOP. This represents 3% of the 400 participants.

Duration: The duration of impact is set at 1 year (no decay assumptions required). This counts the avoided depression only in the program year. If HOP involvement builds lasting coping skills, some participants might continue to experience better mental health beyond the year; however, the benefit has not been extended into future years due to a lack of longitudinal data.

Baseline Assumption: Without HOP, those 10 individuals would have experienced depression or serious anxiety during the year. The baseline scenario is the status quo of high mental health needs in these communities (Māori have elevated rates of mental distress in NZ).

Economic Value Per Person Per Year: The improved mental health is set at NZ$20,000 per person per year in 2025 dollars.

Attribution: This report attributes 90% of the improved mental health outcomes to HOP. As outlined, this was achieved by providing regular physical activity (known to improve mood and reduce the risk of depression), enhancing meaningful social connections, supporting cultural identity, and providing a sense of purpose (9).

3.2.3 Life Satisfaction Benefits

Description of Benefit: The HOP initiative leads to improved subjective wellbeing among participants. In this case, it refers to an individual's overall life satisfaction or self-rated happiness and contentment with life.

Participants Impacted: It is estimated that 300 participants (approximately 75% of the total participants) experienced a meaningful improvement in life satisfaction as a result of HOP.

Duration: The duration of impact is 1 year (no decay assumptions required). The life satisfaction gain is applied only to the year of the program. People's happiness levels can change over time, and while HOP likely created lasting positive memories and perhaps changed their outlook, it is not assumed that a multi-year sustained jump in life satisfaction will occur without ongoing involvement.

Baseline Assumption: It is assumed that participants' baseline life satisfaction would have remained at their pre-program levels (or even declined slightly, given general trends) if HOP had not occurred. In short, the measured increase is entirely program-induced above baseline.

Economic Value Per Person Per Year: This report estimates the subjective wellbeing improvement at NZ$500 per person per year (in 2025 dollars). This is a conservative monetisation that roughly corresponds to a 0.1–0.2 point increase on a 0–10 life satisfaction scale.

Attribution: This report attributes 100% of this life satisfaction increment to HOP, after having made it intentionally modest to avoid overlap and ensure no double count.

3.2.4 Volunteering Benefits

Description of Benefit: The HOP initiative generated social value through the creation of volunteering opportunities. This refers to the benefits experienced by individuals who volunteered their time in HOP initiatives (as coaches, organisers, or helpers), as well as the value of their volunteer contributions to the community.

Participants Impacted: At least 30 individuals volunteered (8% of total participants) in some capacity across the various HOP projects. The project records show volunteer counts for a kapa haka initiative, a kura-based program, and community sports events.

Duration: The satisfaction and skills gained from volunteering are recognised for only two years. Survey evidence indicates that just under half of sport volunteers remain in their role after a year; we, therefore, retain 51% of the year 1 value in year 2 and assume the benefit ceases thereafter, reflecting Sport NZ's longitudinal data on volunteer drop-off.

Baseline Assumption: Without HOP, these volunteer activities would not have occurred. The baseline is that those 30 people would not have been volunteering weekly in similar roles otherwise.

Economic Value Per Person Per Year: This report estimates the value of volunteering at $745 per volunteer per year (in 2025 dollars). The $745 value assumes these individuals volunteered regularly (e.g., on a weekly or very frequent basis) during the program period.

Attribution: This report attributes 100% of the volunteering roles to the existence of the HOP programme and would not have existed without HOP funding and support. Therefore, the volunteering benefit – the enjoyment and fulfilment that volunteers experienced – is entirely due to HOP's facilitation; however, it is understood that some volunteers might have engaged in a similar role otherwise.

3.2.5 Social Connectedness Benefits

Description of Benefit: The HOP initiative created social value through the opportunities for strengthened social connectedness and community cohesion among participants. HOP intentionally fostered *whanaungatanga* – building relationships and a sense of belonging among whānau, hapū, and iwi.

Participants Impacted: This report assumes that 200 individuals (50% of total participants) experienced a meaningful increase in social connectedness as a result of HOP. In other words, about half of HOP's participants became significantly more socially connected – they developed stronger relationships, expanded their social networks, or deepened their sense of belonging to a community – through their involvement in the programme.

Duration: The benefits of social connectedness are assumed to have a two-year tail. Club-style benefits are carried over into year 2 at 62**%** of their original value, consistent with Stats NZ data on annual churn in group membership. No material benefit is assumed beyond two years because most new relationships will have either consolidated into normal life or lapsed

Baseline Assumption: The baseline is that these individuals would have remained at their prior level of social connectedness. We assume no improvement in social network size or quality would have happened.

Economic Value Per Person Per Year: This report estimates the social connectedness improvement at NZ$1,084 per person per year (in 2025 dollars). This value was derived from the wellbeing value of being part of an organised social group.

Attribution: This report assigns 90% of the improved social connectedness benefit to HOP. The initiative served as a catalyst for bringing people together, providing the funding, structure, and impetus (e.g., organising events and providing resources) that facilitated increased opportunities to develop social connectedness.

3.3 Summary of Estimated Benefits

Each of the above benefits is considered distinct and attributable to HOP. These have been structured to minimise overlap (for instance, physical and mental health are largely clinical or health outcomes, while life satisfaction and social connectedness are subjective or social outcomes; volunteering is a specific behavioural outcome). Where there could be potential double-counting (e.g. improved mental health also raises life satisfaction), we have either separated the mechanisms or used conservative values to avoid double-counting and ensure the overlap is minimal. A summary of benefits is listed below.

- Improved physical health (adults & young people): $441,000 NPV (years 1-3)
- Avoided moderate depression/anxiety: $214,000 NPV (year 1)
- Enhanced life satisfaction: $149,000 NPV (year 1)
- Volunteering: $35,000 NPV (years 1-2)
- Social connectedness/group membership: $288,000 NPV (years 1-2)

The net present value of these benefits over 3 years is **$904,000** based on 400 participants. [4]

[4] Please note the totals reconcile to $1.124m undiscounted and 904k NVP after discounting.

3.4 Programme Costs

The total programme cost entered into the CBAx model is $221,800. This funding was channelled through Te Pae Oranga o Ruahine o Tararua (the local Iwi Māori partnership board) in collaboration with Sport Manawatū (1). The investment was used to commission and deliver HOP initiatives across Horowhenua, Manawatū, Palmerston North, Tararua, and Ōtaki. The HOP funding was used to both directly support community projects and cover programme coordination and resources. Approximately half of the budget was allocated as grants to community-led initiatives, typically ranging from $5,000 to $10,000 per project. For example, a CrossFit "Te Whare o Hiwa" event in Palmerston North requested $22,800 and was granted $10,000. Many local activities (kapa haka, waka ama, marae sports events, etc.) each received around $10,000. In total, on the order of a dozen community projects were funded. The remaining funds ($100,000) supported HOP programme coordination, staff (Kaiwhakahaere) time, and resources (e.g. equipment, travel, training materials). This breakdown is consistent with HOP's commissioning approach, where the majority of funding is "directed into Māori communities" to deliver activities, with a portion retained for oversight and support.

The net present value of these costs over the three year period is **$222,000** (real terms) based on 400 participants.

3.5 Sensitivity Analysis

The final step in a cost-benefit analysis is to reflect on whether the assumptions in the analysis have unintentionally incorporated an 'optimism bias', leading to overestimation of benefits or underestimation of costs. To address this, we can consider more pessimistic or optimistic scenarios to understand the sensitivity of the result to key assumptions. Because the attribution of outcomes to the programme is a key assumption in the model, we tested how the results change under four different attribution scenarios. In all scenarios below, all other parameters remain the same as in the base case (e.g. benefit durations and programme cost are unchanged). Only the attribution percentages and participant impacts for outcomes vary. Table 2 illustrates the sensitivity of the Net Present Value (NPV) and Benefit–Cost Ratio (BCR) to the portion of benefits attributed to He Oranga Poutama. The key scenarios run are now discussed in greater detail.

Table 2. NPV and BCR under different modelled scenarios. Positive NPVs indicate net benefits; negative NPVs indicate net costs.

Scenario	Attribution/Participant Impact	NPV (NZ$)	BCR (ratio)
A. Very Optimistic	Highest levels of attribution and most participants impacted	+1,686,000	8.6
B. Moderately Optimistic	Slightly higher levels of attribution and participant impact than base case	+1,303,000	6.9
C. Base Case	Base attribution and participant impact	+904,000	5.1
D. Moderately Pessimistic	Slightly lower levels of attribution and participant impact than base case	+341,000	2.5
E. Very Pessimistic	Lowest levels of attribution and least participants impact	-95,000	0.6

Scenario A: Very Optimistic (Highest Attribution and Participant Impact)

Under this most optimistic setting, we assume HOP delivers the majority share of outcomes. We assume it scales rapidly, teams up with local schools and marae, and becomes the region's flagship kaupapa Māori recreation platform, with other services contributing little or nothing to the observed impacts.

Table 3. Breakdown of the very optimistic scenario showing attribution, decay rate, participants impacted and justifications.

Impact	Attribution	Participants Impacted (%)	Justification
Physical health (adults) Year 1	100%	35 %	Participants credit every observed health change to HOP's unique kaupapa; no credible alternative.
Physical health (adults) Year 2	59%	35 %	Participants continue to experience health benefits (41% decay)
Physical health (adults) Year 3	49%	35 %	Participants continue to experience health benefits (51% decay)
Physical health (youth) Year 1	100%	35 %	Participants credit every observed health change to HOP's unique kaupapa; no credible alternative.
Physical health (youth) Year 2	64%	35 %	Some participants continue to experience health benefits (36% decay)
Physical health (youth) Year 3	52%	35 %	Some participants continue to experience health benefits (48% decay)
Mental Health	100%	4 %	Qualitative feedback shows avoided depression episodes wholly linked to HOP support circles.
Life satisfaction	100%	90 %	Universal, programme-specific pride and joy reported; no overlap with other initiatives.
Volunteering Year 1	100%	13 %	All new volunteer opportunities were created within HOP activities.
Volunteering Year 2	51%	13 %	Some volunteer remain in their roles (49% decay)
Social Connections Year 1	100%	75 %	The programme is the primary social hub for participating whānau, bridging multiple iwi.
Social Connections Year 2	62%	75 %	Many participants continue to maintain memberships and involvement (38% decay)

Scenario B: Moderately Optimistic (More Attribution and Participant Impact)

In this scenario, nearly all benefits are attributed to the HOP initiative. In this scenario, factors such as good weather, strong kaiārahi continuity, and additional iwi promotion may have lifted engagement, while HOP's methods perhaps resonated more deeply with the local community. In this scenario, the attribution percentages are higher, while more participants benefit from engaging with HOP than in our base case scenario.

Table 4. Breakdown of the moderately optimistic scenario showing attribution, decay rates, participants impacted and justifications.

Impact	Attribution	Participants Impacted (%)	Justification
Physical health (adults) Year 1	90 %	30 %	Participants report nearly all fitness gains relied on HOP's culturally anchored activities.
Physical health (adults) Year 2	53 %	30 %	Participants continue to experience health benefits (41% decay)
Physical health (adults) Year 3	44 %	30 %	Participants continue to experience health benefits (51% decay)
Physical health (youth) Year 1	90 %	30 %	Participants report nearly all fitness gains relied on HOP's culturally anchored activities.
Physical health (youth) Year 2	58 %	30 %	Some participants continue to experience health benefits (36% decay)
Physical health (youth) Year 3	47 %	30 %	Some participants continue to experience health benefits (48% decay)
Mental Health	95 %	3 %	Safe, identity-affirming spaces viewed by participants as the critical protective factor.
Life satisfaction	100 %	85 %	Universal, programme-specific pride and joy reported; no overlap with other initiatives.
Volunteering Year 1	100 %	10 %	Extra events created new roles; volunteers state they would not have served elsewhere.
Volunteering Year 2	51 %	10 %	Some volunteer remain in their roles (49% decay)
Social Connections Year 1	95 %	65 %	HOP-run events were the main venue for new friendships across marae and different age groups
Social Connections Year 2	59 %	65 %	Participants continue to maintain memberships and involvement (38% decay)

Scenario C: Base Case (Current Model Estimates)

This scenario uses attribution and participant impacts as per the core analysis presented earlier. There are no changes or adjustments made any of the input in the CBAx model. A table with numbers and justification is not provided here as these were addressed earlier, while full justifications for the attribution percentages and participants impacted are explored in depth (Refer to Appendix).

Scenario D: Moderately Pessimistic (Lower Attribution and Participant Impact)

Scenario D explores a case where the programme's influence is more limited. In this scenario, the delivery was generally consistent but perhaps encountered some issues (e.g., transportation issues, venue clashes, etc.). This resulted in assigning lower attribution percentages and a reduced number of participants impacted.

Table 5. Breakdown of the moderately pessimistic scenario showing attribution, participants impacted and justifications.

Impact	Attribution	Participants Impacted (%)	Justification
Physical health (adults) Year 1	50 %	20 %	Half of gain is credited to HOP; the rest attributed to existing sports clubs or personal effort.
Physical health (adults) Year 2	25%	20 %	Participants continue to some experience health benefits (41% decay)
Physical health (adults) Year 3	25%	20 %	Participants continue to some experience health benefits (51% decay)
Physical health (youth) Year 1	50 %	20 %	Half of observed activity gain is credited to HOP; the rest attributed to existing sports clubs or personal effort.
Physical health (youth) Year 2	32 %	20 %	Some participants continue to experience health benefits (36% decay)
Physical health (youth) Year 3	26 %	20 %	Some participants continue to experience health benefits (48% decay)
Mental Health	60 %	2 %	HOP provided safe spaces, but neighbourhood support services explain a sizeable share of improved wellbeing.
Life satisfaction	60 %	63 %	Mixed delivery meant two-fifths of the uplift would likely have occurred via other community events.
Volunteering Year 1	70 %	6 %	HOP created roles, yet a third of volunteers would have found similar roles elsewhere.
Volunteering Year 2	36 %	6%	A few volunteers remain in their roles (49% decay)
Social Connections Year 1	50 %	38%	Roughly half of the new connections are still credited to HOP; the balance stems from existing iwi networks.
Social Connections Year 2	31 %	38 %	Participants continue to maintain memberships and involvement (38% decay)

Scenario E: Very Pessimistic (Very Low Attribution)

This scenario represents our *worst-case* assumptions. In this scenario, we reduce the impact of HOP even further by lowering the attribution and number of participants impacted. We assume HOP struggled to engage with whānau (e.g., bad weather, high staff turnover and event cancellation). Benefits do arise although most participants were already motivated meaning most gains would likely have happened anyway. Therefore, in this scenario HOP can only claim a very small effect.

Table 6. Breakdown of the very pessimistic scenario showing attribution, decay rates, participants impacted and justifications.

Impact	Attribution	Participants Impacted (%)	Justification
Physical health (adults) Year 1	20 %	13 %	Few adults obtain any measured fitness gain is clearly due to HOP; most active adults would have exercised elsewhere..
Physical health (adults) Year 2	12 %	13 %	Some continue to some experience health benefits (41% decay)
Physical health (adults) Year 3	10 %	13 %	Some continue to some experience health benefits (51% decay)
Physical health (youth) Year 1	20 %	13 %	Few youth obtain any measured fitness gain is clearly due to HOP; most active youth would have exercised elsewhere..
Physical health (youth) Year 2	13 %	13 %	Some participants continue to experience health benefits (36% decay)
Physical health (youth) Year 3	10 %	13 %	Some participants continue to experience health benefits (48% decay)
Mental Health	30 %	1 %	Some protective effect from limited activities, but other supports (whānau, GP visits) explain most of the avoided episodes.
Life satisfaction	25 %	30 %	Sporadic events delivered brief enjoyment but little enduring lift in overall life satisfaction.
Volunteering Year 1	0 %	8 %	In this downside case the same 30 people would have volunteered in other community sport anyway – no attribution is applied.
Volunteering Year 2	0 %	8 %	No volunteers continue (no attribution).
Social Connections Year 1	15 %	20 %	Few gatherings occurred; most new friendships would have formed through marae or kura without HOP.
Social Connections Year 2	9 %	20 %	Only a handful of participants continue to maintain memberships and involvement (38% decay)

The sensitivity analysis above demonstrates that the benefit-cost results are sensitive to the assumed attribution percentage (see Table 2). In the base case, the programme generates a healthy net benefit. If the programme's impact is greater than expected (Scenario A and Scenario B), the economic returns become very high. Conversely, if the programme's unique contribution is smaller (Scenarios D and E), the quantified returns diminish and could even turn negative in a very pessimistic case.

This range of scenarios highlights a critical point for decision-makers: the confidence in He Oranga Poutama's success should be grounded in evidence (e.g. pilot outcomes or past programmes) to justify the base-case attribution used. The more we can attribute positive change to the programme, the stronger the economic argument becomes. Nonetheless, even under conservative attribution, it's important to factor in the non-monetised benefits which are not captured in the BCR but are highly valued outcomes of the initiative. Including those qualitative benefits would improve the programme's overall value proposition, especially in scenarios where the monetised BCR is borderline.

In summary, He Oranga Poutama Manawatū shows net benefits under reasonable assumptions, and its economic viability remains positive across a range of plausible attribution scenarios – except under very extreme pessimistic assumptions – and even then the qualitative benefits could justify the investment.

3.6 Additional Benefits

In scoping HOP's impacts, there were several potential benefits that have not been included in the quantitative CBA due to insufficient data or suitable monetisation metrics. In many cases these were outcomes that were highly significant for Māori wellbeing but were excluded from the monetised CBA due to the difficulty of assigning them a credible monetary value. The non-monetised benefits are listed below. A full description of each benefit, the rationale behind their exclusion, and their significance to the LSF and He Ara Waiora can be found in Appendix C:

- **Cultural Benefits:** Strengthening of cultural identity, knowledge, and practises
- **Social Cohesion**: Whanaungatanga, community connections, networks, trust.

- **Identity & Self-Confidence:** personal growth, self-esteem, Māori pride.
- **Empowerment of Māori Communities:** Collective efficacy, leadership, rangatiratanga in decision-making.

The exclusion of the above benefits from the monetised analysis does not imply they are unimportant – rather, it reflects the limitations of monetary evaluation tools. By utilising frameworks such as the LSF and He Ara Waiora, we acknowledge that He Oranga Poutama delivers a wide range of benefits: it strengthens cultural identity, fosters social cohesion, builds confidence and capability, and empowers Māori communities. These outcomes contribute to individual and collective wellbeing in ways that are profound and enduring, even if they cannot be expressed in dollar terms. Decision-makers should weigh these qualitative benefits alongside the quantified economic returns. When viewed through a holistic wellbeing lens, the overall value of He Oranga Poutama is significantly greater than what the financial numbers alone can show. This reinforces the case for supporting the programme – not only does it pass the economic test of a cost-benefit analysis, but it also advances crucial social and cultural goals that align with Te Tiriti o Waitangi obligations and our broader aspirations for Māori thriving as Māori.

4 Multiplier Analysis

Key Insights

- The direct investment of $221,800 in HOP leads to an estimated $400,000–$420,000 in total economic output**.** This shows that for every $1 spent on HOP, around $1.80 of economic activity is generated in the broader economy.
- HOP contributes approximately $150,000–$200,000 to New Zealand's GDP and generate $100,000–$120,000 in household wages and salaries, highlighting the programme's real economic impact beyond its cultural and social value.
- The investment supports the equivalent of 2 to 4 full-time jobs (FTEs) across the economy, including both direct roles and those created through downstream effects in the supply chain.

4.1 Impacts Considered

A multipliers analysis considers both the immediate financial and employment impacts of business activities and the beneficial ripples through the community that these activities can generate. The analysis is based on isolating the effects of He Oranga Poutama's contribution to the Manawatū economy. Multipliers are a measure of an industry's connection to the broader economy by way of input purchases, payments of wages and taxes, and other transactions.

Using the 2020 multipliers for this sector, we estimate the flow-on effects of HOP's spending. All results are expressed in 2025 NZD for consistency with the HOP report. The analysis covers:

1. **Direct Expenditure** – the initial spending (investment) on HOP.
2. **Total Output Effect** – the total value of goods and services supported in the economy (direct + indirect + induced output).
3. **GDP (Value Added) Contribution** – the contribution to Gross Domestic Product (value added) from the activity (direct + ripple effects).
4. **Household Income Effect** – the labour income (wages, salaries) generated for households through direct and downstream effects.

5. **Employment Effect** – the number of jobs (FTEs) supported, as a result of direct and wider economic impacts.

4.2 Multiplier Results (2025 NZ$)

This multiplier approach assumes that the $221,800 direct investment in HOP acts as an exogenous increase in final demand. The multipliers then scale this up to capture economy-wide effects. For example, studies show that each dollar spent in recreation can generate roughly $1.8 in overall economic output once indirect and induced effects are included (10) (One New Zealand study found that about $946 million in recreational spending stimulated $1.7 billion total output – 1.8× the direct spending – alongside substantial GDP and job impacts (10). We apply similar logic here to HOP's expenditure.

- **Direct Expenditure (Direct Impact):** HOP's total direct spending is NZ$221,800. This is the immediate economic injection – funding for program staff, events, resources, and other operational costs.
- **Total Output Effect:** Using the national input-output multipliers, the total output supported by HOP is estimated at approximately NZ$397,000–$418,000 in 2025 dollars.
- **Value Added (GDP Contribution):** The GDP contribution (value added) from HOP's activity is estimated at roughly NZ$148,000–$198,000 in total value added.
- **Household Income Effect:** The HOP investment supports additional household incomes (wages) of roughly NZ$99,000–$118,000 in total.
- **Employment Effect (FTEs)**: Employment impacts are expressed in full-time equivalent jobs (FTEs) supported by the HOP expenditure. Based on multiplier-derived ratios, the $221,800 spending supports roughly 2–4 FTE jobs in total (direct plus indirect/induced) over the year.

4.3 Multipliers Summary

In summary, the multiplier analysis provides a defensible estimate of He Oranga Poutama's economic footprint despite making some assumptions and encountering some limitations.[5] The direct investment of NZ$221,800 yields in the order of $0.4 million in total output, contributes around $0.17 million to GDP, generates around $0.1 million in household incomes, and supports 2-4 FTE jobs in the New Zealand economy (all in 2025 dollars). These figures highlight that beyond its cultural and social benefits, HOP also delivers tangible economic value through the communities it engages and the wider supply chain. The assumptions made (national multipliers, sector selection, 2025 dollars) are documented above to ensure transparency. Future analyses could be refined with actual HOP expenditure breakdowns and any available regional or employment data to further validate these impact estimates.

[5] A full description of these limitations and assumptions can be found in Appendix D.

5 Conclusion

Based on the analysis undertaken in this report, He Oranga Poutama has demonstrated it delivers meaningful economic, social, and cultural benefits. By adopting a mātauranga Māori lens - one that values connection, leadership, and identity - the report presents a compelling case for continued investment in initiatives that enable Māori to participate as Māori.

HOP generates a range of benefits that are highly valued but currently difficult to quantify. These include the revitalisation of te reo and tikanga, stronger connections to marae and whenua, intergenerational knowledge transfer, fostering leadership, and the restoration of pride and identity. These are aligned with Māori values and frameworks such as He Ara Waiora, which recognise that wairua, mana, and whanaungatanga are foundational to Māori wellbeing.

The cost-benefit analysis (CBA) showed a net present value of $904,445 for a cohort of 400 participants, with a strong benefit-cost ratio across key wellbeing domains. This includes gains in physical health, mental health, life satisfaction, social connection, and volunteering. These benefits were calculated using conservative assumptions, including a one-year duration of impact and standardised Treasury wellbeing values. Only under the most pessimistic assumptions did the sensitivity analysis result in a negative net present value. With the CBA, it is important to note this analysis excludes a wide range of social and cultural benefits. If these had been included, they would likely have materially improved the programme's assessed value.

The multipliers analysis reinforced these findings. Based on an annual programme spend of $221,800, the analysis estimates an economic output of $397,000–$418,000, with $148,000–$198,000 in GDP contributions, $99,000–$118,000 in household income, and 2–4 full-time equivalent (FTE) roles supported each year. This economic ripple effect reflects how HOP contributes not only to individual wellbeing but also to local economic vibrancy.

In combining robust economic evaluation with a kaupapa Māori framing, this report has demonstrated that He Oranga Poutama creates substantial and wide-reaching impact.

These benefits extend beyond individual participants to whānau, hapū, and the wider region - amplifying wellbeing, strengthening cultural infrastructure, and delivering returns that are both measurable and deeply meaningful.

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7 Appendices

Appendix A – Participant Numbers

Table 7. Estimated participants involved across various activities of He Oranga Poutama

	Tamariki/ Rangatahi	Pakeke	Kaumātua	Total
Ka Piki Ake	14	43	8	65
Kaumātua Māra Kai	-	-	-	30-40
Kauora Kaupapa	21	30*		51
Kori Kaumātua	-	-	24	24
Pahiatua School	60	-	-	60
Pō Matariki	-	-	-	33+
POU	-	-	-	17**
Te Awahou Waka Ama Club	103****	32	20	163***
Te Whare o Hiwa	60	130	10	200+
Tu Mai Aorangi (Marae)	26	28	6	60
Were a Marae	-	-	-	500*****
Kotiro Rugby League Wananga	-	-	-	5
Kapa Haka in Ruahine School	-	-	-	100
Te Puanga	-	-	-	60
Te Puāwhai	-	-	-	600
Ka Piki Ake	14	43	8	65
Kaumātua Māra Kai	-	-	-	30-40
Kauora Kaupapa	21	30*		51

*Includes Kaumātua
**Approx figure based on average attendance across multiple sessions.
***Include 8 trainee trainers
****Includes 2 Tangata Whaikaha
*****Estimate based on previous years

Appendix B – Justifications and Assumptions of Benefits

Quantifiable Participant-Level Benefits

He Oranga Poutama achieved a range of participant-level benefits across physical health, mental wellbeing, overall life satisfaction, volunteering, and social connectedness. We estimate these benefits using CBAx-consistent metrics, applying 2025 NZD values. The following section documents the following for each benefit: the number of participants affected, the definition of the benefit (with the corresponding CBAx or wellbeing valuation measure), the value per person per year, the duration of benefit, the baseline (counterfactual) scenario, and the attribution of the benefit to HOP (including justification).

Physical Health Benefits

The HOP initiative leads improved physical health from increased physical activity, resulting in increased aerobic fitness, improved strength/flexibility, weight loss or improved BMI, better management of diabetes or blood pressure, fewer injuries, or simply enhanced self-rated health. Using the CBA approach this could be mapped to achieving recommended physical activity levels (e.g. "Physically active – meets national guidelines") which is associated with gains in health-adjusted life years and avoidance of illness (9).

Participants Impacted

It is estimated that 200 participants (50%) attained significant physical activity improvements due to HOP. In the context, significant implies a meaningful and sustained change in physical activity behaviour. These are individuals who, through regular involvement in HOP programs (weekly classes, training for events, ongoing sports), achieved at least the Ministry of Health guideline of 150 minutes of moderate exercise per week, or a marked increase in frequency/ intensity of activity and fitness. An improvement of this magnitude would be evident in participants' self- reports or health measures (e.g. increased weekly exercise duration, improved endurance).

He Oranga Poutama employs many different initiatives focused on physical health. For example, the Kori Kaumātua fitness group met weekly (enabling elders to become regularly active), and many whānau trained for events like waka ama or Marae sports challenges, substantially increasing their activity levels. We assume the remainder of participants had more sporadic involvement (one-off events) not reaching the threshold for major health impact. For example, Maara Kai for Kaumātua sought to encourage kaumātua to actively engage in maintaining and establishing their own gardens. The initiative was unlikely to meet the threshold of moderate exercise, but undoubtably promoted greater physical activity amongst participants. Therefore, while it is assumed that more than half of participants increased their physical activity, it is estimated that only half became noticeably more active or fitter because of HOP. It is also assumed that the number of participants could be split approximately 50:50 adults and youth.

Justification for Impact

There is considerable evidence linking sport and recreation initiatives to positive physical health benefits for both adults and children. Sport New Zealand's 'Value of Sport' review found literature that identified an association between physical activity and reduced risk of disease e.g., type 2 diabetes (11). Additionally, further research has demonstrated the positive impacts of sport and recreational physical activity on physical and mental health (12,13).

Therefore, a 50% success rate is plausible given HOP's targeted, supportive approach. For context, New Zealand's Green Prescription programme (a primary-care physical activity intervention) reported around 42% of its active participants increased their physical activity levels, compared to 29% in a control group (5). Those who completed the programme over the 2–3 year period were physically active for an additional 64 minutes per week, on average, compared to individuals who did not complete it (95% confidence interval: 16 to 110 minutes) (5). Additionally, never2old Active Ageing Programme, a community-based exercise programme for older adults demonstrated significant improvements in physical functional scores after 12 weeks of training. Participants showed enhancements in strength, balance, and overall functional performance. Additionally, the programme had high retention rates, with 57% of participants still engaging in the programme at the end of a

two-year period (14). This mirrors outcomes observed in HOP's Kori Kaumātua fitness groups, which also offer ongoing, age-appropriate physical activity opportunities.

HOP is a culturally tailored, community-based programme; it could reasonably achieve equal or higher impact than the outlined generic interventions. HOP's strategic goal is "increased participation… in sport and traditional physical recreation at community level" (15). The programme invests in culturally appropriate physical activities (marae-based sports, kaupapa Māori fitness programmes, etc.) which are designed to engage Māori who might not join conventional sports clubs (16)(17). Given that mission, it is expected that a large proportion of participants would indeed become more physically active. The 2012 HOP developmental evaluation (covering 2009–2012) tracked progress in increasing participation and HOP providers have continued to report positive shifts in community activity levels. In addition, HOP's focus on whānau-centric engagement – many participants join as families or hapū groups, reinforcing each other's involvement. Overall, the assumption reflects both evidence from similar programmes and HOP's own kaupapa of using Māori cultural contexts ("as Māori") to successfully boost physical activity participation.

Duration

Adult physical-health benefits are modelled for three years. A retention coefficient of 0.59 is applied in year 2 and 0.49 in year 3, mirroring the long-term evaluation of the Green Prescription programme where 59 % of participants remained sufficiently active at 12 months and 49 % at 24-36 months (5). After year 3 the benefit is assumed to have fully tapered. For tamariki and rangatahi the model adopts slightly higher persistence: 0.64 in year 2 and 0.52 in year 3. These factors reflect Active NZ longitudinal data indicating that about two-thirds of young people who meet the guidelines in one year still do so 12 months later, with a further 12-point drop by the third year (6)

Baseline Assumption

In the absence of HOP, these participants would have remained insufficiently active (below guidelines) and thus would not have realised the health improvements. This is supported by the context that HOP explicitly targeted communities with lower physical activity engagement – "*providing equitable access to resources and opportunities"* that did not exist

otherwise (1). We assume zero baseline benefit, i.e., without HOP they would have continued at prior activity levels with associated status quo health outcomes.

Economic Impact of Improved Physical Health

The estimated impact of improved physical health is placed at NZ$1,742 per person per year in 2025 dollars. This figure is based on the wellbeing value of being physically active at recommended levels (+150 minutes of moderate and vigorous physical activity per week). Sport NZ's wellbeing valuation estimated an annual value of $1,472 (2022 NZD) for an adult meeting physical activity guideline (18). This was adjusted to roughly $1,742 for 2025 (to reflect wage and inflation growth). This monetised benefit primarily captures the improved health-related quality of life from regular exercise for adults. It is broadly consistent with the health system perspective: increased physical activity helps prevent diseases like heart disease, diabetes, certain cancers, and stroke, which has an economic value (through reduced future health costs and QALY gains)(9).

It is also recognised that tamariki and rangatahi were involved extensively with HOP. The estimated impact of improved physical health is placed at $1,223 in 2025 dollars. This figure is based young people are getting enough physical activity, and specifically how much of that activity is occurring during their free time (leisure). Sports NZ wellbeing valuation estimated an annual value of $1,034 (2022) for young person meeting this threshold (18).

Justification for Value

The selected value lies in defensible range given international evidence that meeting activity guidelines yields on the order of 0.05–0.06 QALY gain per year, which (at $50k per QALY) equates to $2,500 – we use a somewhat lower figure for adults ($1,742) recognising not all participants achieved full compliance or immediate health cost savings (19). In addition, a UK-based community-based physical activity initiative aimed at increasing activity levels among adults. Participants experienced an increase in quality-adjusted life expectancy by 0.06 years. The program achieved a cost-effectiveness ratio of £400 per QALY, which improved to £16 per QALY when start-up costs were excluded (20). These figures also broadly align with the figure selection for this wellbeing outcome.

Evidence for the link between HOP and health comes from the documented increase in activity – HOP participants engaged in everything from weekly exercise sessions to traditional games like kī-o-rahi and waka ama, leading to *"positive impacts on balance, strength… endurance, flexibility"* and other health markers, especially for older adults (9). In addition, there is also strong evidence showing sport and exercise participation helps prevent diseases and even dementia and depression (9). Griffith et al (2023) highlights the health benefits of physical activity, while the NZ Transport Agency report highlighting the cost of physical inactivity on specific conditions (9). In addition, New Zealand's 'Healthier Lives' National Science Challenge explored culturally-centred community-focused interventions like Kimi Ora and Te Kāika DiRECT, targeting Māori and Pasifika populations and demonstrated the effectiveness in improving health behaviours and outcomes in high-risk communities (21).

Attribution

This report attributes 80% of the observed physical health benefits to HOP. It recognises it was the primary enabler, i.e., a programme "increased participation in physical activities" among Māori whānau who were not previously active (1). HOP is intentionally designed to fill a gap for Māori communities, providing access to physical activities in culturally comfortable settings. It encouraged sustained behaviour change and health outcomes that participants would struggle to achieve alone. Without HOP, many participants would likely face barriers to being active (e.g. cost, lack of culturally appropriate options, discomfort in mainstream gyms). HOP encouraged whānau training and exercising regularly together, and offered opportunities for outdoor activities that likely delivered improved physical wellbeing, fitness and flexibility for participants.

HOP's reports often highlight participants' improved health and fitness as success indicators, such as kuia/koroua enhancing mobility through marae exercise classes, or rangatahi gaining fitness through haka and sports. This was consistent with HOP coordinators that also observed participants' health improvements (like weight loss or increased stamina) can be traced to their involvement in HOP-led activities. A 20% deadweight is used to account for other contributing factors that improved health outcomes. For example, some participants might independently increase physical activity due to personal motivation or access to general health resources, such as self-initiated

exercise or dietary changes. Existing community or whānau-driven activities, like informal sports or cultural events, could contribute to health improvements without HOP's intervention. Broader societal trends, including national health campaigns or workplace wellness programs, may also encourage some participants to become more active.

Justification for Attribution

HOP provides culturally anchored motivation, structured activities, and community support that would not exist otherwise for most participants. It is reasonable to believe the health improvements participants have achieved are due to their participation with HOP. It's role in getting people active "as Māori" – through marae-based sports, kapa haka, hunting, waka ama, and other culturally relevant activities – is a unique catalyst for health changes that likely would not have happened otherwise for this population. Many HOP participants were previously not engaged in regular exercise or were unaware of culturally appropriate options; HOP's presence is the key new factor in their lives.

Evaluation of similar initiatives have shown considerable health benefits. For instance, an evaluation of 38 whānau-driven initiatives for Te Pūtahitanga o Te Waipounamu found that whānau health improved because of the investment, with clear evidence of increased physical activity, better management of chronic conditions, and reductions in smoking and substance use (22). Those outcomes were directly attributed to the initiatives – indicating high additionality (portion of outcomes that happened because of the intervention).

Mental Health Benefits

The HOP initiative leads to improved mental health and reduced risk of depression/anxiety among participants. This benefit category covers clinical-level outcomes (e.g. avoiding an episode of depression) attributable to HOP participation. Many HOP activities seemed to improve mood and emotional resilience – e.g. participants reported feeling "*my ngākau (heart) is filled with joy*" and reduced stress through the kaupapa. We translate these into a quantifiable outcome of fewer cases of mental illness (depression/anxiety) due to the program with avoidance of future healthcare costs and productivity losses.

Participants Impacted

It is estimated 10 participants avoided a diagnosable depression or anxiety disorder in the year because of HOP. This is roughly 3% of the 400 participants. In any given year, approximately 1 in 5 New Zealand adults experiences a mental illness, with anxiety and depressive disorders being the most common. Māori have significantly higher rates of mental health issues – about 50% higher prevalence of mental distress compared to non-Māori – and face disproportionate risks of depression, anxiety, and suicide (23). Young rangatahi are particularly vulnerable experiencing poor mental health outcomes. Poor mental health outcomes are particularly common among rangatahi. A Waitangi Tribunal report on *Māori Mental Health* revealed young people aged 15-24 years had the highest suicide mortality rates, but Māori males within this age group had the highest total rate of suicide (24). Against that backdrop, it is reasoned that without HOP, a certain number of participants would have developed a diagnosable depression or anxiety condition during the year.

Existing research has shown regular physical activity and social engagement are known to reduce the risk of clinical depression by upwards of 30% for active adults (25). This existing research provides some basis for extrapolating the impact of the participants of He Oranga Poutama. Based on population-based figures of mental health outcomes, it suggested that 50 participants were predisposed to depression and/or anxiety (based on approx. 12% prevalence for general population and 18% for Māori populations annually). It is recognised that Māori rates of mental distress are higher compared to the general

population in New Zealand, however, the more conversative figure was selected to avoid overstating the mental health benefits associated with HOP. A 30% risk reduction implies would lead to approximately 10-15 fewer cases due to the protective benefits for hauora hinengaro (mental wellbeing) afforded through HOP.

Justification for Impact

There is strong evidence that physical activity and social/community engagement – both key elements of HOP – have protective effects on mental health. The relationship between exercise and depression prevention is well-established. Sport NZ's submission to the 2018 Mental Health Inquiry noted that the most compelling evidence for physical activity preventing mental illness is for depression: people who are physically active have a 17% lower chance of developing depression overall, with adult active participants seeing about a 22% reduced risk (26).

Existing research supports these findings. Bizzozerio-Peroni et al (2024) conducted a systematic review and meta-analysis of studies exploring the relationship between daily step count and depression in adults. Evidence from their cohort research suggests that increasing daily steps by 1,000 and reaching a total of more than 7,000 steps per day is linked to significantly lower chances—9% and 31% respectively—of developing depression (27). Similarly, a comprehensive analysis of 15 studies involving over 191,000 participants found a strong relationship between physical activity and depression. Engaging in half the recommended volume of physical activity (approximately 75 minutes per week) was associated with an 18% lower risk of depression, while meeting the full recommended volume (150 minutes per week) correlated with a 25% reduction in depression risk. The study suggests that even modest increases in physical activity can yield significant mental health benefits. This evidence suggests that if a person stays active, their likelihood of experiencing clinical depression drops significantly. As outlined earlier, HOP helped many participants to become more active and therefore fewer cases of depression. Therefore, if 200 participants became physically active and each experienced a 17–22% reduction in their risk of depression, this would amount to a cumulative risk reduction across the group equivalent to approximately 10 prevented cases of depression. This is a rough estimate, based on the understanding that not all individuals were at equal risk to begin with.

HOP's culturally grounded, socially connected approach likely enhances mental health protection beyond exercise alone. HOP provides a chance for Māori to engage in sport and recreation as Māori, strengthening cultural identity (through tikanga, te reo use, whanaungatanga) while being active. This combination can build self-esteem, a sense of belonging, and purpose – all factors that reduce the risk of depression and anxiety. In HOP, participants also often join in groups (whānau, hapū) and support each other creating a protective social fabric around individuals. This is consistent with whānau interviewed for Te Pūtahitanga initiatives who noted increased hope, confidence, and reduced stress thanks to programme involvement (implying better mental health trajectories) (22).

Existing research supports this connection with the Mental Health Inquiry report emphasizing that regaining cultural identity and participating in cultural activities is important for wellbeing and recovery (23). In addition, Williams et al (2018) highlights the connection between cultural identity and mental health in Māori youth, using data from the Youth'12 national survey of secondary school students. It found a strong Māori cultural identity was significantly associated with better mental health outcomes (28). Specifically, students with a strong cultural identity had higher wellbeing scores and were less likely to exhibit depressive symptoms. These associations remained significant even after adjusting for factors such as age, sex, ethnic discrimination, and socioeconomic deprivation.

Duration

The duration of impact is set at 1 year (no decay assumptions). This counts the avoided depression only in the program year. If HOP involvement built lasting coping skills, some participants might continue to have better mental health beyond the year, however, the benefit has not been extended into future years due to lack of longitudinal data. This one-year approach aligns with taking a "snapshot" of social value in the given year (25).

Baseline Assumption

Without HOP, those 10 individuals would have experienced depression or serious anxiety during the year. The baseline scenario is the status quo of high mental health need in these communities (Māori have elevated rates of mental distress in NZ). HOP's absence would mean no change in protective factors – so no improvement, and those cases would occur

at full impact. Indeed, New Zealand's mental health services have been described as overwhelmed; HOP's culturally safe environment likely prevented some people from reaching crisis (29). We assume no other intervention would have stepped in for these individuals in that year.

Economic Impact of Improved Mental Health

This represents the societal value of avoiding one case of moderate depression for a year. It encompasses healthcare cost savings (GP visits, counselling, medications, etc.), productivity gains, and especially the quality-of-life improvement for the individual. New Zealand's Treasury CBAx impact database shows a one point change in life satisfaction can result in between $5,212 and $26,060 of income. A figure of $20,000 NZD fits within this range and is conservative given the severe impact depression has on life satisfaction (often a drop of 0.7–1.0 points on a 10-point scale, which in wellbeing economics can equate to a large income compensation).

Justification of Value

Avoiding depression has a high intrinsic value – research shows that relief from depression/anxiety is one of the most valuable wellbeing improvements, often valued at tens of thousands of dollars per year in willingness-to-pay terms. For instance, UK studies using life satisfaction valuation have implicitly valued a year of depression-free life on the order of £10k–£25k (30). A Swedish study found that individuals experiencing depression would require an additional income of approximately €17,000 per year to offset the associated decrease in life satisfaction. The variation depends on the severity and definition of depression used in the analysis (31). A longitudinal study published in *PLOS Medicine* analysed linked health and tax data for New Zealanders aged 25 to 64 between 2006 and 2016. The study found that individuals diagnosed with mental illnesses, including depression, experienced significant income losses, which for males equated to approximately $5,300 per year and for females approximately $4,100 per year (32).

The link between physical activity and reduced depression is well-documented – HOP's active recreation focus addresses known risk factors for mental illness (9). The Sport England SROI analysis found a 30% risk reduction of clinical depression for those achieving 150min+ activity, which we base our effect estimate on (25). By preventing

depression, HOP not only improves quality of life but also avoids associated costs – a point supported by mental health research citing the large economic burden of mental illness in NZ (on the order of 5% of GDP across society) (33,34). The $20k valuation aligns with these insights and available evidence.

Attribution

This report attributes 90% of the improved mental health outcomes to HOP. As outlined this was achieved by providing regular physical activity (known to improve mood and reduce depression risk), improving meaningful social connection, supporting cultural identity, and providing a sense of purpose (9). Participant testimonies provided further evidence the kaupapa was linked to improved mental states:

> "*Kua kī tōku ngākau i te hari me te koa" – my heart is filled with happiness.*"

The qualitative results of the HOP Whānau survey (2024), where 100% of respondents answered "Yes" to questions about whether the kaupapa improved their mental and emotional wellbeing (indicative from survey excerpts).

> *"If it wasn't for this opportunity, I don't know where I would be right now. I came into this kaupapa, very strung out, I felt like I had lost myself because I didn't really have a friend group outside of sports. And being amongst this kaupapa, and the coaches and managers they helped me not just with kai, but also with my mind when I felt like I wasn't good enough."*

It is unlikely that, without HOP, individuals would have found an equivalent source of support. However, it is acknowledged that other factors can also influence mental health — for example, personal resilience or motivation to become more active or socially connected; support from whānau or the wider community outside of HOP; and engagement with other services such as churches, marae, or health providers. Therefore, a 10% deadweight is in recognition of these additional factors.

Life Satisfaction Benefits

The HOP initiative leads to improved subjective wellbeing among participants. In this case it refers to an individual's overall life satisfaction or self-rated happiness and contentment with life. Subjective wellbeing is often quantified in WELLBYs (wellbeing-adjusted life years) or using life satisfaction scales (for example, 0 to 10 where 10 is "extremely satisfied with life") and can be assigned monetary values

Increased Life Satisfaction of Participants

HOP had a significant impact on overall life satisfaction of many participants - experiencing an increase of one or more points on this scale, or a shift from a neutral/low satisfaction category to a higher one. This improvement was likely due to improvements in health, social connections, cultural identity, and confidence gained through HOP. It is estimated that 300 participants (75% of total participants) experienced a meaningful increase in life satisfaction due to HOP. The qualitative feedback showed nearly all surveyed participants expressed positive life changes (inspiration, pride, enjoyment) from the program. For many HOP was a highlight of their year – especially as it occurred during a time when positive outlets for Māori communities are greatly valued. Whānau reported feeling proud, happy, and grateful because of the program – e.g. *"Our whānau are proud… it created growth, resilience and positive mindsets"*. It is also recognised that some participants took part minimally or had neutral or negative experiences. It is therefore estimated that 25% of participants did not experience an increase in life satisfaction.

Justification for Impact

Empirical research in New Zealand strongly supports the link between active community participation and higher life satisfaction. A scoping review of the social value of recreational physical activity in Aotearoa found compelling evidence of links between sport/physical activity and enhanced life satisfaction and social wellbeing (9). Similarly, Sport NZ's Value of Sport findings found that being physically active and involved in sport makes people happier overall. It reported that 88% of research participants believed that being active through sport helps build confidence and provides them with a sense of achievement – factors that feed into one's satisfaction with life (11). It also found 89% believe being active keeps them physically healthy and relieves stress, which undoubtedly

contributes to feeling satisfied in life (11). When people feel healthy, connected, and confident, their overall life satisfaction rises. Conversely, those who are inactive tend to have declining happiness and life satisfaction over time (6). Many international studies similarly conclude that exercise and social engagement lead to greater happiness. For example, a study examining the effects of a 16-week recreational games intervention found that participation significantly improved both life satisfaction and self-efficacy among elderly adult tribal women. Following the programme, the intervention group showed a notable increase in life satisfaction scores from 54.15 to 54.60 (C.D. = 0.45, $p<0.05$) and self-efficacy scores rose from 77.95 to 78.40 (C.D = 0.45, $p<0,05$) (35).

HOP is not solely about physical fitness; it explicitly seeks to improve wellbeing of Māori individuals and communities through physical activity and leadership opportunities (16). The name "He Oranga Poutama" itself implies a journey to wellbeing. The programmes focus on achievable challenges (e.g. fun runs, Pā Wars competitions, learning new gardening skills) gives participants a sense of accomplishment and joy. Its fostering of whanaungatanga means participants gain friendships and support networks that make life more enjoyable. All these elements contribute to one's satisfaction with life. According to Stats NZ data, people who participate in cultural and recreational activities report higher levels of life satisfaction than those who do not (28). In fact, around 8 in 10 adult Kiwis engage in some cultural activity and those engaged tend to be happier with their lives. HOP participants are engaging in both cultural and recreational activity (sport as Māori), putting them squarely in the demographic that enjoys above-average life satisfaction. Another relevant comparator is the Whānau Ora approach – it measures success partly through improvements in "whānau wellbeing" (a broad concept akin to life satisfaction). Evaluations of Whānau Ora initiatives in Te Waipounamu identified outcomes such as "improved whānau well-being" and greater life purpose accruing from participation (22). Given HOP shares a similar community-driven ethos, we expect it to yield significant well-being gains.

In summary, a 75% life satisfaction improvement rate reflects HOP's broad impact on participants' lives, turning the dial on overall wellbeing, which is exactly what a well-run, culturally resonant programme is expected to do. It recognises HOP's contribution to the social capital and happiness of participants, which is consistent with existing literature and both qualitative reports and quantitative measures in the sector.

Duration: The duration of impact is 1 year (no decay assumptions required). The life satisfaction gain is applied to the year of the program only. People's happiness levels can change over time, and while HOP likely created lasting positive memories and perhaps outlook changes, it is not assumed a multi-year sustained jump in life satisfaction without ongoing involvement.

Baseline Assumption

It is assumed that participants' baseline life satisfaction would have remained at their pre-program levels (or even declined slightly given general trends) if HOP had not occurred. Baseline is "no change" in life satisfaction (or whatever small improvements might come from other life events, which is considered part of the background and not overlapping with HOP). In short, the measured increase is entirely program-induced above baseline.

Economic Impact of Improved Life Satisfaction

This report estimates the subjective wellbeing improvement at NZ$500 per person per year (in 2025 dollars). This is a conservative monetisation of a modest life satisfaction increase. It roughly corresponds to an increase of 0.1–0.2 points on a 0–10 life satisfaction scale, based on typical well-being valuation studies. According to New Zealand's Treasury CBAx impact database, a one-point increase in life satisfaction is associated with a substantial economic value, equivalent to several thousand dollars in individual annual consumption. International research has also concluded with similarly high values. For example, a UK Treasury discussion paper estimated the central value for a one-point shift in life satisfaction on a 0–10 scale over the course of a year—equivalent to one WELLBY—is £13,000, with a suggested range spanning from £10,000 to £16,000 (based on 2019 price levels) (36). A large Australian study followed over 28,000 people between 2002 and 2015. It found that, on average, people were willing to pay about $42,000 to $67,000 AUD for one extra year of good health (a QALY) (37).

Therefore, the valuation of $500 for a 0.1–0.2 improvement is conservative (implying $5,000 per full point). This lower value was selected to avoid overlapping with specific benefits already counted (mental health, etc.), yet still capture some residual well-being gain. The $500 represents the general happiness boost participants got from HOP that is not otherwise accounted for. It might come from things like increased confidence,

enjoyment, a sense of achievement, and cultural fulfilment – all contributing to life satisfaction.

Attribution

This report attributes 100% of this life satisfaction increment to HOP, after having made it intentionally modest to avoid overlap and ensure no double count with the Simetrica-Jacobs values used elsewhere. The $500 value per person is meant to represent precisely those aspects of wellbeing that HOP alone provided (e.g. the enjoyment of participating as Māori, the pride in representing iwi/hapū, the emotional reward of whanaungatanga at events).

> *"All the whanaungatanga within our big whanau."*
>
> *"Thank you for making this journey easier… we really appreciated it".*

These are unique to the HOP experience. Other factors in participants' lives are assumed to be unchanged on average. A deadweight adjustment has been incorporated by selecting a conservative per-person value. This approach implicitly acknowledges that only a portion of the broader potential improvement in life satisfaction can be directly attributed to He Oranga Poutama. In doing so, HOP is credited with the entire small gain. The absences of a direct baseline vs post-program LS measurement warranted a more cautious and conservative value which can be fully attributed to the HOP programme.

Volunteering Benefits

The HOP initiative created social value through the volunteering opportunities created. This refers to the benefit experienced by individuals who volunteered their time in HOP initiatives (as coaches, organisers, helpers), as well as the value of their volunteer contributions to the community. HOP's model of whānau-led and whānau driven meant many community members stepped up in unpaid roles – for example, marae volunteers coordinating events, whānau coaching rangatahi sports teams, or elders leading gardening projects.

Participants Impacted

At least 30 individuals volunteered (8% of total participants) in some capacity across the various HOP projects. The project records show volunteer counts such as 2 volunteers for a kapa haka initiative, 10 for a kura-based program, 6 for a community sports event, etc., summing to around 26 reported. For example, one volunteer hosted a wānanga at her garden (Aunty's Garden, Waipatu Marae) and shared mātauranga on kūmara growing. It's likely a few additional unreported helpers were also involved delivering programmes. These include both formal volunteers (people explicitly listed as giving time) and informal ones (e.g. parents and kaumātua who helped run activities). It is assumed the 30 are distinct from the "participants" counted above, however, some volunteers also likely participated in activities. Here we treat "volunteer" as a role; someone who was both a participant and volunteer can have both sets of benefits (this is acceptable if we account for the roles separately).

Justification for Impact

Volunteering is known to confer personal benefits (sense of purpose, skills, social connections) and also has an economic value by replacing labour that would otherwise cost money (9). In New Zealand volunteers provide 231 million hours of formal volunteer labour annually. At a living wage this is valued at $6.4 billion (38). An integral part of this is the volunteering in the community-based sport and recreation space. Sport New Zealand's volunteering report found that 20% of New Zealand adults are spot volunteers (39). Māori are also more likely to be sport volunteers compared to other groups. The Clearinghouse for Sport in Australia addressed social and economic value associated with

volunteering in sport (40). It outlined that volunteering in sport delivers wide-ranging benefits at the individual, community, and societal levels. Individually, it supports personal development by building skills, strengthening social connections, and improving mental and physical wellbeing. Volunteers often report a sense of fulfilment, purpose, and increased life satisfaction. At the community level, volunteers are vital to the delivery of local sport and recreation activities—ensuring they remain accessible, inclusive, and culturally relevant. Their contributions help build stronger, more connected communities. On a broader scale, sport volunteering contributes significant economic value through unpaid labour, supports major events, and fosters a culture of service and participation that benefits society. These layered benefits demonstrate the unique and powerful role of volunteering in driving both social and economic outcomes through sport.

Duration:

The satisfaction and skills gains from volunteering are credited for **two years** only. Survey evidence finds just under half of sport volunteers remain in their role after a year; we therefore retain **51 %** of the year-1 value in year 2 and assume the benefit ceases thereafter, reflecting Sport NZ longitudinal data on volunteer drop-off.

Baseline Assumption

Without HOP, these volunteer activities would not have occurred. The baseline is that those 30 people would not otherwise be volunteering weekly in similar roles. This is reasonable because HOP created specific opportunities that did not previously exist – e.g. a new waka ama club that needed volunteers to coach, or a marae event that needed organisers. We assume a small portion might have volunteered elsewhere anyway (people who are community-minded might find other outlets), but since our volunteer count is directly tied to HOP events, baseline volunteering in those roles is zero. (If anything, there is likely some substitution – a person who volunteered for HOP might have volunteered less in another area due to limited time. However, given the culturally specific nature of HOP, we treat it as an additive opportunity, not a substitute for other volunteering.)

Attribution

This report attributes 100% of the volunteering roles to the existence of the HOP programme and would not have existed without HOP funding and support. Therefore, the volunteering benefit – the enjoyment and fulfilment volunteers experienced – is entirely due to HOP's facilitation, however, it is understood that some volunteers might have engaged in some similar role otherwise.

Justification of Attribution

The benefits of volunteering are well established. The MDPI review notes *"higher levels of social inclusion and trust"* result from sports participation and related community engagement (9). Other studies find volunteering improves mental and physical health and even longevity (41). Our specific value source is Sport NZ's 'Wellbeing valuation – regular volunteering' figure.

The programme data collected lists actual volunteer involvement, e.g. "Te Whare Tapa Whā in Kura – 10 volunteers", indicating community members actively contributing. We also have qualitative evidence: volunteers expressed pride and satisfaction – one respondent wrote showing how valued and empowered volunteers felt.

> *"The RKR crew (volunteers) are amazing role models for our kids… I believe our success was due to their dedication",*

In addition, there were also participants that expressed a desire to support HOP further in the future through volunteering:

> *"As a whānau we really enjoyed being a part of this experience! In the future I would love to be involved and tautoko kaimahi and see whānau and kaimahi work together ultimately relieving kaimahi from additional roles such as prepare kai, stage design features by ringa toi for example."*

While it is plausible that some individuals may have volunteered in other capacities elsewhere, these specific roles would not have existed without HOP. The programme initiated, enabled, and coordinated the volunteering infrastructure. In counterfactual terms, without HOP, there events – and the associated volunteer benefit – would not have occurred in this form. This justifies assigning the entire volunteering impact value to HOP, within the context and timeframe of this programme.

Economic Value of Volunteering

The economic value of the volunteer work is often valued using traditional approaches, such as the opportunity cost approach or the replacement cost approach. These can provide useful estimates for volunteering in sport and recreational contexts. For example, Orlowski and Wicker (2016) found obtained an interval of €17.51-€61.26 on one hour of voluntary work among German volunteers in sports clubs (42). It's important to recognise that these methods may underestimate the full value of volunteering, as they often overlook the personal, intangible benefits individuals gain through their involvement.

This report estimates the value of volunteering at $745 per volunteer each year (2025 dollars). The $745 value assumes these individuals volunteered regularly (e.g. on a weekly or very frequent basis during the program period). Some HOP volunteers indeed put in substantial hours (for instance, organizing five wānanga/workshops over several weeks). If a volunteer's contribution was more occasional, the value would likely be a bit lower—but conversely, some volunteers likely gained immensely e.g. youth mentors building leadership skills. The value assigned is based on the wellbeing value of regular volunteering. Sport NZ's updated valuation gives $630 (in 2022 NZD) as the annual value of being a weekly volunteer (18). We adjust to $745 for 2025. This figure reflects the improved life satisfaction, self-esteem, and social rewards that volunteers typically experience by contributing to their community. Existing research has applied a wellbeing-based approach (WBA) to valuing volunteers. For example, Lawton et al (2021) found volunteering wasn't just linked to people already feeling better—it leads to improvements in wellbeing. On average, this boost in subjective wellbeing was valued at £911 per volunteer each year (43). In addition, Kokolakakis et al (2024) applied a WBA finding that 8.7 hours of volunteering per four weeks corresponds to a monetary value of €16–€50 per hour, or €1,700–€5,200 annually, depending on nationality. These studies highlight the value assigned in this report is conservative and likely underestimating the true value.

Social Connectedness Benefits

The HOP initiative created social value through the opportunities for strengthened social connectedness and community cohesion among participants. HOP intentionally fostered *whanaungatanga* – building relationships and a sense of belonging among whānau, hapū, and iwi. This benefit encompasses reduced social isolation, increased social support networks, intergenerational connection, and cultural social capital. The social connectedness outcome aligns with indicators such as 'improved social capital or reduced loneliness'. For this particular project the proxy of being involved in a group/community (like a sports club membership) will be used as a measurable indicator of social connectedness. The use of the club membership proxy already isolates the effect of "being in a group" from other confounds, so double-counting with other benefits is minimal (18).

Participants Impacted:

This report assumes that 200 participants (50% of the total) experienced a meaningful increase in social connectedness as a result of HOP. In other words, about half of HOP's participants became significantly more socially connected – they developed stronger relationships, expanded their social networks, or deepened their sense of belonging to a community – through their involvement in the programme. These individuals included those who joined new community groups or teams (e.g. a newly established waka ama club, or a kapa haka roopū formed for competition), those who broadened their social circle via HOP events, and those who re-engaged with their marae or iwi networks through the program. These had meaningful impact with real implications for wellbeing by enhancing subjective assessments of culture and identity (44); improve family bonding (45), and enhance community cohesion (46). Research also shows social isolation has detrimental health effects, whereas strong social connections improve health, wellbeing, and even longevity (22). This can be particularly important for kaumātua (elders) who experience disproportionate health and social inequities and face challenges including chronic illness, isolation and loneliness (47). HOP is contributing to those kinds of life-improving connections.

Justification of Impacts

Many of HOPs initiatives were group-based and had communal participation at their core. The programme leverages tikanga Māori (protocols and values like manaakitanga, Kotahitanga/unity) that inherently create bonding experiences. For many participants, this is a key draw of the programme: the opportunity to connect with others "as Māori" in a positive setting. For instance, multiple hapū came together for *Pā Wars* (inter-marae sports) – forging connections among hundreds of whānau. Likewise, the *Kauora Kaupapa* in Ōtaki involved Kohanga Reo families collectively, and *Māra Kai* projects engaged groups of kaumātua and their helpers. Even accounting for overlap, we estimate roughly half of all participants gained new or significantly stronger social ties. (The other half may have already had strong networks or participated in more individual-focused activities.) Families came together at sports events, hapū members reconnected via marae activities, and participants formed new friendships. One participant noted:

> *"Whānau have shared how the initiative has brought them closer together, fostering intergenerational connections and shared experiences."(1)*

The increase in social connectedness from HOP is evidenced qualitatively by participant testimonies but also by outcomes observed in similar programmes. The Te Pūtahitanga o Te Waipounamu evaluation (Waves 2 and 3) explicitly noted "increased social connection" as a common outcome across numerous whānau initiatives (22). These initiatives (some of which involve physical activities, like community gardens or fitness groups) showed that previously isolated whānau members came together and built supportive relationships. One finding was that whānau who were isolated experienced increased social connection and improved well-being through healthy activities and newfound purpose (22). This mirrors HOP's structure – bringing people out of isolation into a communal, supportive environment.

On a broader scale, Stats NZ reports that almost two-thirds (64%) of New Zealand adults belong to at least one group, club or organisation, with sports clubs being the most common. Belonging to such groups is associated with better social support and trust. HOP effectively introduced many participants to group membership (either joining an existing club or forming a new group under HOP). In addition, Sport NZ's *Voice of Rangatahi* survey found that sport is a great way for young people to make friends and expand their social

circles (48). Sport NZ's *Value of Sport* research underlines how strongly Kiwis believe in the social benefits of sport. Notably, 84% of people surveyed said that sport and physical activity bring people together and create a sense of belonging (49). Additionally, nearly 74% agreed that sport helps build vibrant and stimulating communities (49).

Therefore, the expectation that 200 participants gaining meaningful new connections or a stronger sense of belonging is supported by insights from existing research. This report has estimated that at least half of the participants likely started HOP with some degree of disconnection e.g. youth not in any teams, kaumātua feeling lonely, and subsequently emerged with improved social connectedness; while the other 50% either were already well-connected or did not substantially change.

Duration of Impact and Decay Assumptions:

The impact of the social connectedness benefits is assumed to have a two-year tail. Club-style belonging benefits are carried into year 2 at 62 % of their original value, consistent with Stats NZ data on annual churn in group membership. No material benefit is assumed beyond two years because most new relationships will have either consolidated into normal life or lapsed

Baseline Assumption:

Baseline is that these individuals would have remained at their prior level of social connectedness. Many rural Māori communities suffer from fragmentation and isolation; people may not frequently engage outside their whānau or immediate circle. For example, without HOP's marae-based activities, whānau would not have "come closer together" as they did (1). No alternative platform was providing the cross-iwi gatherings or regular group exercise sessions that HOP did. So we assume no improvement in social network size or quality would have happened otherwise. In fact, some traditional gatherings (sports, cultural events) might have been declining pre-HOP, so baseline might have seen further weakening of social ties. HOP reversed that trend. For CBAx, we take baseline benefit as zero – these social ties and community engagements are new gains, not shifts from something else.

Economic Value of Social Connectedness

This report estimates the social connectedness improvement at NZ$1,084 per person per year (in 2025 dollars). This value was derived from the wellbeing value of being part of an organised social group. A useful proxy is *Sports club membership*, valued at $916 per year in the 2022 values (18). This figure is rounded up to $1,084 for 2025. It reflects the increase in social trust, sense of belonging, and happiness one gets from regular group involvement (controlling for physical activity itself). Essentially, it monetizes social connectedness. We opt for the club membership proxy because joining a HOP initiative often functioned similarly to joining a club: participants regularly met, shared goals, and built camaraderie "as Māori." Another proxy could be "group activity participation" valued around $800, but we choose the slightly higher club value to account for the deeper cultural bonding in HOP (being part of a kaupapa Māori group likely has even more significance) (18). By assigning $1,000, we acknowledge that social connectedness is a key benefit – research shows it strongly correlates with life satisfaction improvements – yet we remain moderate (we are not, for instance, valuing it as high as alleviating loneliness in the elderly, which some studies peg higher) (9).

Existing research presents strong evidence linking sport and active recreation with social connectedness. A study for Sport New Zealand found sport and active recreation generated $1.13 billion in social capital which consisted of social trust, belonging, and community engagement. Simetrica Jacobs' analysis for Sport NZ included an estimated annual value of $831 (in 2019 NZD) for each sports club member, which was understood to largely capture the wellbeing gains from increased social connectedness. Davis et al (2023) referenced an unpublished Australian report by Gratton et al. (2018), which had calculated a comparable value in the Australian context. After adapting that estimate to suit the New Zealand context, the team derived a figure of approximately $608 per person per year (50). International research has also assigned monetary values. For example, Orlowski and Wicker (2015) found social capital had significant monetary value to individuals and placed one standard deviation increase in the importance of family was worth €7312 (51).

Attribution

This report assigns 90% of the improved social connectedness benefit to HOP. The initiative was the catalyst for bringing people together: *"The programme's expansion... enabled*

more whānau to engage… strengthening cultural identity and pride among participants" (1). The unique features of the initiative such as kaupapa Māori design, local delivery and marae-based activities. It provided the funding, structure, and impetus (e.g. organizing events, providing resources) that facilitated increased opportunities to develop social connectedness.

Justification of Attribution

The high level of attribution is based on the lack of community initiatives trying to achieve the same thing. A deadweight of 10% is applied, reflecting the possibility that a small proportion of participants may have engaged in other forms of community activity or social interaction in the absence of HOP. However, such alternatives would likely have lacked the cultural grounding and relational approach central to HOP's design. Given the scarcity of equivalent kaupapa Māori-led initiatives, and the direct alignment between HOP delivery and the social connectedness outcomes observed, a 10% deadweight is viewed as an appropriate and conservative estimate.

The benefit of social connectedness is supported by participant feedback and literature. The Te Pae Oranga blog on HOP has direct testimony linked to increased social cohesion (1).

> *"Whānau have shared how [HOP] brought them closer together, fostering intergenerational connections."*
>
> *" Our Tamariki are really proud. It has given them a real sense of belonging. Being able to be them[selves].".*

As previously outlined it is well-established that sport and active recreation programmes deliver better social connections, higher levels of social inclusion and trust (9). In a Māori context, these connections also reinforce cultural bonds (e.g. knowing one's iwi members, feeling part of a collective). Additionally, by engaging multiple generations (kaumātua and Tamariki interacting), HOP created social value that likely extends into stronger support networks (for example, elders mentoring youth).

Summary of Benefits Linked to HOP

Each of the above benefits is considered distinct and attributable to HOP. These have been structured to minimize overlap (for instance, physical and mental health are largely clinical/health outcomes, while life satisfaction and social connectedness are subjective/social outcomes; volunteering is a specific behavioural outcome). Where there could be potential double-counting (e.g. improved mental health also raises life satisfaction), we have either separated the mechanisms or used conservative values to avoid double counting and ensure the overlap is minimal.

Appendix C – Non-monetised Benefits

This section highlights those non-monetised benefits and explains why they were left out of the quantitative analysis. It also discusses each benefit through the lens of broader wellbeing frameworks – the Treasury's Living Standards Framework (LSF) and He Ara Waiora – to illustrate their importance in a non-monetary sense. These frameworks help evaluate cultural and social outcomes in terms of wellbeing, even when we cannot put a dollar figure on them. The key excluded benefits of the programme include: cultural development, social connectedness, personal identity strengthening, and empowerment of Māori. Table 8 below provides an overview of each, including the reason for exclusion from the cost–benefit calculations and how each contributes to wellbeing in LSF and He Ara Waiora terms.

Table 8. Key benefits of He Oranga Poutama that were not monetised in the CBA, with reasons for their exclusion and their relevance to wellbeing as understood in the Living Standards Framework (LSF) and He Ara Waiora.

Non-monetised Benefit	Why Excluded from Monetised CBA	Wellbeing Significance (LSF & He Ara Waiora)
Cultural Benefits (strengthening of cultural identity, knowledge, and practices)	*Intangible value:* There is no market price or straightforward way to quantify cultural pride, knowledge of whakapapa, use of te reo Māori, or the intrinsic value of preserving and practicing Māori traditions. While clearly valuable to participants and whānau, these cultural gains don't have a dollar equivalent for input into the CBA model.	Cultural identity and belonging – a core dimension of wellbeing recognized in the LSF (52). Participants developing a stronger sense of identity and connection to their culture enhances their overall life satisfaction and sense of purpose. In He Ara Waiora, this aligns with Wairua (spiritual wellbeing at the foundation of life) and Mana Tuku Iho (inherited authority/identity) – the idea that connecting with one's cultural roots and heritage builds mana and wellbeing (53). By enabling Māori to live as Māori, the programme contributes to outcomes that are fundamental to *waiora* (holistic wellbeing), even if we cannot express them in monetary terms.
Social Cohesion & Whanaungatanga (community connections, networks, trust)	*Diffuse and unpriced:* The programme brings people together and strengthens whanaungatanga (kinship ties and relationships), but the benefits of having a more connected, cohesive community are not easily measured in dollars. These effects are collective – e.g. increased volunteerism, community support, reduced social isolation – and there is no	Social capital and connections – in the LSF, strong social connections and trust within communities are vital for wellbeing, though not traded in markets. Participants and whānau form enduring relationships through HOP, enhancing social support networks. From a He Ara Waiora perspective, this reflects Whanaungatanga, the principle of fostering strong relationships that provide a shared sense of wellbeing (53). A more

Non-monetised Benefit	Why Excluded from Monetised CBA	Wellbeing Significance (LSF & He Ara Waiora)
	single metric to monetize them within the CBA.	cohesive community improves resilience and quality of life for Māori, reinforcing collective wellbeing (a value captured in neither GDP nor our NPV, but nonetheless critical in evaluating the programme's success).
Identity & Self-Confidence (personal growth, self-esteem, Māori pride)	*Hard to quantify personal development:* Improvements in an individual's confidence, sense of self, and pride in being Māori are profound outcomes that don't have a direct monetary proxy. These changes are often revealed in personal testimonies and life choices (e.g. pursuing further education or leadership roles) rather than immediate financial gains, making them unsuitable for inclusion as "monetised benefits" in the model.	Human capital and subjective wellbeing – Under the LSF, an individual's skills, confidence, and sense of self-worth contribute to their human capital and overall life satisfaction. A participant who gains confidence or discovers pride in their identity may be more likely to engage in society, pursue opportunities, and lead a healthier life, which are long-term contributions to wellbeing not immediately captured in income. In He Ara Waiora, this can be seen through Mana – the personal mana (authority, dignity) that is enhanced when individuals feel confident and secure in who they are (53). HOP helps nurture that mana by affirming participants' identities as Māori and as capable individuals. This empowerment at the individual level is invaluable for wellbeing, even though we have not assigned it a dollar value.
Empowerment of Māori Communities (collective efficacy, leadership, rangatiratanga in decision-making)	*Long-term systemic change:* Empowerment outcomes – such as communities gaining greater control over local initiatives (rangatiratanga) or increased capacity of Māori organisations – unfold over years and are not readily quantifiable in monetary terms. These benefits involve shifts in governance, leadership skills, and community agency that extend beyond a single individual or timeframe, making them impractical to monetize in a standard CBA.	Civic engagement and social cohesion – In the LSF, empowered communities correlate with higher civic participation, better local governance, and social cohesion, all of which improve societal wellbeing but are not priced in markets. Community empowerment through HOP means that iwi, hapū, and whānau have greater voice and leadership in outcomes affecting them, which aligns with Kotahitanga (collective unity) and Manaakitanga (uplifting others through care and respect) principles in He Ara Waiora (53). These principles reflect the importance of communities working together and caring for their members. The programme's role in building local leadership and organisational capability strengthens the social infrastructure of Māori communities – a benefit that, while not in the cost–benefit ledger, is crucial for long-term wellbeing and equity.

Appendix D – Multiplier Explanations

Impact Estimates (2025 NZ$)

Direct Expenditure (Direct Impact)

HOP's total direct spending is NZ$221,800. This is the immediate economic injection – funding for program staff, events, resources, and other operational costs. It represents the direct output of the HOP initiative in the year. This $221,800 is the basis for calculating flow-on effects in the wider economy.

Total Output Effect

Using the national input-output multipliers, the total output supported by HOP is estimated at approximately NZ$397,000–$418,000 in 2025 dollars. In other words, the $221,800 spent on HOP is expected to generate around 1.8× that amount in gross output across New Zealand. This includes the original $221,800 (direct output) plus about NZ$180k–$200k in additional industry output generated via supply-chain purchases (indirect effects) and increased household spending (induced effects). The output multiplier for community sport/recreation services is relatively high (on the order of 1.8), reflecting the labour-intensive nature of these services and subsequent spending cycles (10).

Value Added (GDP Contribution)

The GDP contribution (value added) from HOP's activity is estimated at roughly NZ$148,000–$198,000 in total value added. This represents HOP's contribution to Gross Domestic Product after accounting for direct and downstream effects. It includes the wages, salaries, and profits generated by HOP and its suppliers (minus intermediate costs). In ratio terms, the value-added multiplier for sport/recreation services is around 0.7–0.9 per dollar of output. Based on our $221,800 spend, direct value added might be on the order of $100k (if, say, nearly half of HOP's spending goes to salaries and local providers), and when including indirect/induced value added in other sectors, the total GDP effect rises to the $148–198k range. In sum, about $0.7–$0.8 of GDP is generated per $1 of HOP spending, once all ripple effects are included.

Household Income Effect:

The HOP investment supports additional household incomes (wages) of roughly NZ$98,000–$118,000 in total. This is the labour income earned by individuals as a result of the direct program spending and the follow-on economic activity. It includes the salaries paid to HOP staff/contractors (direct) as well as wages supported at suppliers (indirect) and in consumer-facing businesses due to re-spending (induced). The household income multiplier for the selected sector is on the order of 0.5–0.6, meaning around 50–60 cents of every $1 of spending ultimately becomes household earnings in the economy. Our estimate indicates that the $221,800 investment generated a bit over $100k in wages and salaries for New Zealand households in 2025. This aligns with similar analyses – for instance, recreational spending of $946m was found to generate $342m in labour income (about 36% of the spend) (10). HOP's smaller-scale program, being service-oriented, likely has a slightly higher labour share, hence our 50% assumption for wages.

Employment Effect (FTEs)

Employment impacts are expressed in full-time equivalent jobs (FTEs) supported by the HOP expenditure. Based on multiplier-derived ratios, the $221,800 spending supports roughly 2–4 FTE jobs in total (direct plus indirect/induced) over the year. This includes any people employed directly by the HOP program (for example, coordinators or facilitators funded by the $221,800) as well as jobs sustained in supplier industries and through the wider consumer spending of wages. We estimate the employment multiplier for sport/recreation services at around 10–15 FTEs per NZ$1 million of final demand. This implies approximately 2–3 FTEs per $0.224m of spending. Given HOP's focus on community delivery (often involving part-time or volunteer contributions), direct paid FTEs may be low; however, when counting all economic activity generated, on the order of a few jobs are supported for that year. (By comparison, $946m in recreational activity spending was estimated to support about 8,000 jobs – approximately 8.5 jobs per $1m – indicating our assumed job intensity for HOP's sector is reasonable, if not somewhat conservative)(10).

Multiplier Assumptions and Limitations

- Industry Classification: We assumed HOP's activities fall under the *sports and recreation services* domain (within the broader arts/recreation services sector). If HOP's spending pattern differs (e.g. more like education or social services), the multipliers might change slightly. We chose the classification that best fits HOP's description and outcomes.
- Multiplier Source: The multipliers are national-level (2020) estimates. They capture Type II effects (including induced household spending). We did not regionalize the multipliers due to lack of regional data – so the results reflect a national impact. In reality, if HOP's activity is concentrated in specific regions, local multipliers could be lower due to leakage to other regions. Our use of national averages provides an upper-bound assuming the economy can supply the needed goods/services.
- 2025 Dollar Values: All monetary values are expressed in 2025 NZD. The input-output multipliers from 2020 have been applied to 2025 spending with the assumption that price levels and economic relationships are broadly similar (any inflation between 2020 and 2025 is modest for our scale of analysis). If anything, we might slightly understate impacts by using 2020 multipliers on 2025 dollars (since inflation would make $221,800 in 2025 worth slightly less in 2020 terms). Given the small magnitude, we did not adjust for inflation explicitly, but this introduces minimal error (a few percentage points).
- Direct Employment Data: We lacked specific FTE employment data for HOP (e.g. number of staff or contractors funded by the $221,800). Therefore, the employment effect is an *estimated FTE count* derived from industry averages (jobs per dollar). We assume an average output-to-employment ratio for the sector. If HOP relied heavily on volunteer labour or part-time roles, the direct paid FTE count would be even smaller, but the multiplier still captures the jobs supported economy-wide (including fractional and part-time jobs summed into FTEs). Our estimate of 2–4 FTEs is *indicative* – actual direct jobs might be, say, 1–2 FTEs, with the rest coming indirectly.
- Scope of Impact: The analysis measures economic contribution, not a benefit-cost ratio or "return on investment." We are capturing how the $221,800 circulates and

contributes to economic activity (output, GDP, incomes, jobs). This is not the same as saying HOP generates a profit or has a certain social ROI – rather, it quantifies the gross economic activity associated with the spending. Additionally, we assume the $221,800 is additional final demand (not crowding out other spending). If the funds came at the expense of other activity, net impacts would be lower.

- Data Quality: Input-output modelling is a *simplified representation* of the economy. It assumes linear relationships and fixed coefficients (no capacity constraints, price changes, or productivity gains). For a small project like HOP, this is acceptable, but results should be seen as rough estimates. Given the modest scale ($221,800), even small absolute differences in multiplier values can shift the results. We have rounded figures to avoid false precision.

Despite these limitations, the multiplier analysis provides a defensible estimate of He Oranga Poutama's economic footprint. The direct investment of NZ$221,800 likely supports on the order of $0.4 million in output, contributes around $0.17 million to GDP, and sustains a few jobs in the process. These figures highlight that beyond its cultural and social benefits, HOP also delivers tangible economic value through the communities it engages and the wider supply chain. The assumptions made (national multipliers, sector selection, 2025 dollars) are documented above to ensure transparency. Future analyses could be refined with actual HOP expenditure breakdowns and any available regional or employment data to further validate these impact estimates.


MATATIHI