

13 September 2021

Adam Irish

**By email:** [fyi-request-16491-0c13b59f@requests.fyi.org.nz](mailto:fyi-request-16491-0c13b59f@requests.fyi.org.nz)

Dear Mr Irish

### **Official Information Act Request: ESR Kenepuru Redevelopment**

On 25 August 2021 you sent a request for information under the Official Information Act 1982 to ESR as follows:

*"I request under the Official Information Act what process has been made towards the property development at Kenepuru, given the Hon Dr Megan Woods committed \$25 million towards the full redevelopment of the site and facilities in June 2020. Additionally, since the pandemic and operational demands placed on ESR's facilities what controls and contracts have been established or put in place to ensure costs do not blow out the budget for the redevelopment."*

#### **Our response to your request:**

As you will appreciate the design and construction process for buildings of the size and scale of the ESR facility occurs over an extended period, and this project is in the early design stage.

The project management team was assembled in late 2020 to commence work on managing the planning and design for the new facility at ESR's Kenepuru campus. Since then, the following work has been delivered:

- a Return Brief, outlining ESR's needs and aspirations for the new building prior to design work commencing;
- a Cultural Values assessment, which was developed after manawhenua engagement with Ngāti Toa Rangatira providing a cultural overview for ESR and the project development and applies principles of Mātauranga Māori (Māori knowledge base) and considers Te Ao Māori (Māori world view) to elevate and integrate the aspirations of iwi;
- a functional brief which sets out overall functional and spatial needs and details the types of spaces and areas ESR requires in the new facility;
- studies analysed a range of bulk and location options on ESR's Kenepuru site, considering budget, ease-of-construction, impact on day-to-day operations on-site during construction, environmental design, long-term outcomes for ESR and aspirational design drivers such as those identified in the cultural values assessment;
- concept options provided an overview of the concept direction and explored formative design ideas;
- a Full Concept Report; and
- a Detailed Business Case was submitted to MBIE on 31 August 2021, seeking formal approval for the \$25m funding the Minister committed to in June 2020.

Work on the Preliminary Design phase will commence in September 2021. Two further stages of design will follow, before construction is intended to commence in mid-2023, subject to appropriate approvals, with completion expected late 2025.

The pandemic and operational demands placed on ESR facilities have not impacted the programme from an operational perspective as the project is managed separately from business-as-usual facilities operations.

Some cost escalation has been factored into the project budget, and the design team has completed cost forecasts at each stage of the project to-date to ensure that it remains affordable, and this will continue throughout the remaining design and construction phases. Given current market conditions, there will be an ongoing risk around cost escalation throughout the programme and ESR will continue to monitor and manage this closely.

### **Your right to seek a review**

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or freephone 0800 802 602.

Thank you for your request.

Yours sincerely



Mark Ottaway  
**General Manager Business Services**  
**ESR**