



Meeting of the Hawke's Bay Regional Council

Date: Monday 11 June 2012
Time: 9.00am
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Attachments Excluded From Agenda

ITEM	SUBJECT	PAGE
3.	Submissions on the Draft Long Term Plan 2012-22	
	Attachment 1: Verbal Submissions Timetable	2
	Attachment 2: Staff Responses to Submissions	6

Time	Submission #	Submitter
09.00	<i>Meeting Commences</i>	
09.10	Staff Internal Submission	
09.40	521	Paddy Maloney
09.50	520	Katherine Halliday
10.00	179	Chelsea Fisher
10.10	184	Tom Belford
10.20	79	Barry Crabbe
10.30	<i>Morning Tea</i>	
10.50	617	Kees van den Munckhof
11.00	618	Wendy Hutchins
11.10	168	David George
11.20	191	John Cheyne - Te Taiao Hawkes Bay Environment Forum
11.30	<i>Deliberations / Decision Making</i>	
11.40	29	Rosemary Marriott
11.50	6	Mark von Dadelszen
12.00	193	Christine Cheyne – Massey University
12.10	<i>Deliberations / Decision Making</i>	
12.30	<i>Lunch</i>	
1.00	76	M P Hickey
1.10	75	Lindsay Price
1.20	187	Trevor Taurima
1.30	<i>Deliberations / Decision Making</i>	
1.40	121	Tania Hopmans - Maungaharuru-Tangitu Incorporated (Tutira)
1.50	62	Barbara & Jack Gilberd
2.00	61	Ann Wilson
2.10	60	Allen Den Boer
2.20	8	Campbell Chard - Ruataniwha Water User Group
2.30	108	Larry Dallimore
2.40	136	Roy Fraser – Rotary Club Waipukurau
2.50	13	Colin Stone – Sport Hawke’s Bay
3.00	<i>Afternoon Tea</i>	
3.20	28	Matthew Lawson - ECOED
Enviroschools		
3.30	106	<i>Kristen Price - The Enviroschools Foundation</i>
3.45	96	<i>Christine Morrison – Enviroschools Facilitator</i>
3.50	148	<i>Girvan Roberts – Enviroschools Facilitator</i>
3.55	104	<i>Fleur Wainohu - Te Kura Kaupapa Maori</i>
4.00	103	<i>AJ Egalstine on behalf of Jenny Prebble – Pukeho School Students will help present their submission</i>
4.20	58	Reginald and Natalie Corbett
4.30	<i>Deliberations / Decision Making</i>	

Time	Submission #	Submitter
09.00	Meeting reconvenes	
09.10	114	Lex Verhoeven - HDC
09.20	126	Bearnie Gunn
09.30	131	Phyllis Tichinin
09.40	132	Sarah Millington
09.50	130	Pete McIntosh Hawke's Bay Fish and Game
10.00	<i>Deliberations / Decision Making</i>	
10.10	169	Des Ratima - Te Roopu Kaitaki O Te WaiMaori
10.20	63	Robin Gwynn
10.30	Morning Tea	
10.50	10, 11	Brett Gilmore - Pan Pac Forest Products Ltd; Hawke's Bay Forestry Group
11.00	50	Derek Williams
11.10	35	John Warren
11.20	17, 127	Neil Eagles
11.30	135	Mike Connor
11.40	202	Dean Hulls – Hastings Boys High School (Hockey Turf)
11.50	147	Xan Harding - Hawke's Bay Winegrowers' Assn Inc.
12.00	143	Dianne Vesty - The Hawke's Bay Fruitgrowers Assn Inc.
12.10	621	Margaret Gwynn
12.20	<i>Deliberations / Decision Making</i>	
12.30	Lunch	
1.00	49	Barbara Arnott & Lawrence Yule - Napier City & Hastings District councils
1.10	9	Ann Redstone
1.20	37	Keith Newman – WOW (Walking on Water) Inc
1.30	38	Mark Lawrence
1.40	111	Rod Heaps
1.50	44	Raewyn Nelson
2.00	149	Representative on behalf of Philippa Barribal - Fontera
2.10	152	Angela Hair – Concordia Health
2.20	174	Sharleen Baird
2.30	175	Grenville Christie
2.40	<i>Deliberations / Decision Making</i>	
2.50	Afternoon Tea	
3.10	145	Marie Taylor
3.20	189	Terry Kelly
3.30	118	Nicholas Jones & Medical Officer on behalf of Kevin Snee, Hawke's Bay DHB
3.40	159	Diane Charteris
3.50	120	Simon Lusk
4.00	182	Chris Perley
4.10	185	Erin Simpson – Sustaining Hawke's Bay Trust
4.20	117	Bruno Chambers – Te Mata Park Trust
4.30	80	Dionne Thomas – Clifton Reserve Society

Time	Submission #	Submitter
09.00	Meeting reconvenes	
09.10	138	Tessa Tylee – Film Hawke’s Bay Trust
09.20	153	Guthrie-Smith Trust
09.30	31	Chris Ryan
09.40	234	Iain Taylor – Hawke’s Bay Hockey
09.50	204	Hilary Poole – Hockey New Zealand
10.00	226	Neil Edmundson – Hawke’s Bay Hockey Artificial Surface Trust
10.10	200	Jock Mackintosh – Sports Park Hawke’s Bay
10.20	119	Dan Bloomer – LandWISE Inc
10.30	Morning Tea	
10.40	128	Mike Halliday
10.50	107	Julianna Dawson – North Clyde In Focus
11.00	78	Peter Moore
11.10	160	Pauline Elliot
11.20	113	Barry Ridler
11.30	170	Douglas Lloyd Jenkins on behalf of HB Museum & Art Gallery
11.40	186	Andrew Wilson
11.50	180	Meihana Watson – Omaha Marae
12.00	4	Paul Bailey
12.10	115	Maria van Dien
12.20	14	John Bostock & Ors – Pure Hawke’s Bay
12.30	Lunch	
1.00	197	Seth Davenport
1.10	137	Brent Linn
1.20	116	Aaron Duncan
1.30	1	Dennis Mitchell – TB Free New Zealand
1.40	2	Representative on behalf of William McCook – TB Free New Zealand
1.50	146	Sally Jackson – Art Deco Trust
2.00	77	Marei Apatu – Te Taiwhenua o Heretaunga
2.10	32	Napier Motel Association
2.20	227	Anne Waapu
3.00	Afternoon Tea	
3.20	36	Mac Kirkwood – Karamu Enhancement Group
3.30	192	Bruce Wills – Federated Farmers
3.40	30	Pauline Tangiora
3.50	161	Video presentation by MATES Trust – no presenter -
4.00	Deliberations / Decision Making	

Time	Submission #	Submitter
09.00	Meeting reconvenes	
All submissions relating to Hydraulic Fracturing		
09.10	637	Helen Yensen
	613 & 614	Richard Marshall
	347	Richard Ryan
	460	Filipa Hope
	615	Marie Dunningham – Grey Power Hastings & Districts
	493	Michael Francis
	543	Paddy Cooper
	612	Pat Mawson
	319	Jane Smart
	304	Barry Warren
	554	Beate Bergdolt
	463	Kevin Simpson
10.30	Morning Tea	
10.50	402	Angus Macdonald
	558	Maxine Boag
	639	Aki Paipper
	619	Lesley Redgrave
	422	Camilla Samper
	379	Ann Marie Chapman
	386	Patricia Webley
	473/611	Sigi Ziegler
	368	Greg Hart
	478	Roger Millward
	480	Carol Millward
	461	Ken Keys
	638	Brian Mangin
11.30	622	Pauline Doyle
	568	Trevor Good
	616	Vanessa Boakes
	380	Anne Michelle
1210	Deliberations / Decisions	
1230	Lunch	
1.00	Deliberations / Decisions	

Staff Responses to Submissions on the Draft Long Term Plan 2012-22

Item 3

Attachment 2

Topic	<i>Afforestation</i>
Submitters:	<i>8, 10, 11, 21, 31, 48, 76, 114, 126, 128, 130, 131, 132, 133, 139, 141, 142, 151, 154, 155, 156, 157, 158, 162, 163, 169, 171, 173, 174, 175, 177, 178, 182, 184, 185, 191, 194, 195, 197, 198, 199, 611, 621</i>

Issues Requiring Response

Submissions on the Regional afforestation project are generally supportive of the concept, however raise a number of issues.

1. Potential for the consequential impacts of water yield from re afforested catchments to such an extent that it reduces the reliability of water supply to water ways lower in the catchment.
2. The potential for additional woody debris to enter waterways through natural events or through harvesting.
3. If erosion prone land is to be planted then this should be for carbon credits only as harvesting would defeat the purpose of the planting.
4. More work needs to be done around the profitability of hill country farming and the effect on total farm income before it can be assumed the region's farmers will be better off after committing their land under this project.
5. While it is beneficial to encourage as much tree planting on erodible hill country as possible, the range of trees planted needs to be as broad as possible. There would be concern if the focus was on poplars, willows and radiata pine.
6. Blanket forestry would adversely impact on rurally based communities such as Wairoa.
7. Water quality benefits from this initiative may not eventuate if the project is not focused on effective riparian fencing and planting on farms, rather than traditional large forestry plantations.
8. That the project does not proceed until the proposed Biodiversity Strategy is completed.
9. That any blocks considered for planting are not already covered by native vegetation.
10. That current District Plans may limit the amount of forestry that may occur within certain districts.
11. The carbon market too controversial and uncertain for carbon credits to be taken into account in any HBRC investment.

Comments and Proposals by Staff

1. It is acknowledged that extensive areas of forestry in the upper catchments can impact on water flows from the catchment. Both low flows and flood flows can be reduced. This project will promote the integration of forestry with pastoral farming and will be targeted at the steepest 10 to 20% of individual farms. While this may over time reduce the quantity of water flowing from a catchment, the water quality can be expected to improve. It is expected that the positive impact of the initiative will far outweigh any negative impacts.
2. Submitters suggest that there needs to be increased education to address some of the potential implications of increased afforestation on hill country. This includes a potential for an increase in woody debris on the region's beaches. Currently HBRC regularly receives complaints about debris on beaches and requests for beaches to be cleared of that debris. Staff agree that there could be an increased likelihood of woody debris on the region's beaches as even though there will be a reduction in soil erosion as a result of the steepest hill country being planted, some erosion will continue to occur, particularly during severe weather events.
3. A number of submitters have raised concerns about the risks of increased soil erosion at harvest time. It is acknowledged that there is a high risk period for erosion, even though over the total rotation of any tree crop erosion is likely to be less than if the land remains farmed.

The erosion risk at harvest will need to be considered as part of the assessment of each block considered for planting.

4. In determining the feasibility of this project considerable work has been done to determine whether or not the project will provide a financial benefit to individual land owners. That work has shown that improved farm returns can be achieved if the worst performing, often the steepest and most susceptible to erosion portion of the farm, is put into forestry. This will form a key message in any marketing/communication strategy that will be developed to promote the initiative.
5. The regional afforestation project is proposed to be funded from HBRC investment funds. As such it is expected that there will be a commercial return on that investment. While the vision is to encourage planting of as broad a range of species as possible, the project investment constraints will only allow extensive planting of slower growing species if returns from the carbon market allow. The range of species will be limited to faster growing species while the carbon price is depressed. In addition however there is recognition from a number of submitters that high UMF manuka also has significant potential as an alternative source of income, while providing a nurse crop for self establishment of native bush in the long term. Permanent forest sink initiative forests with longer harvest rotation periods are an option.
6. The project is designed around a concept of planting only the steepest and most erodible 10 to 20% of any one farm. This will allow the landowner to concentrate their farm inputs into the more productive parts of their farms and gain increased returns from them. The project could therefore improve the viability and vibrancy of the region's rural towns.
7. The assessment of individual blocks will consider how planting on the block will assist with the project objectives of reducing erosion and the sediment loading in water courses. Possible additional water quality and biodiversity benefits on the property will be promoted through RLS subsidy.

There are strict criteria around eligibility for claiming of carbon credits. Under the ETS, forest land is defined as being at least 1 hectare with forest species that has, or is likely to have tree crown cover of more than 30% on each hectare. Forest land does not include land that has, or is likely to have tree crown cover with an average width of less than 30 metres. Therefore much riparian planting is unlikely to be eligible under the ETS.

8. There will be significant biodiversity benefits if this project proceeds. Aquatic (both fresh water and marine) biodiversity will benefit from reduced sediment loads in the region's waterways and marine environment; water quality will benefit from improved on farm management of fertiliser and stock access to waterways particularly where this project partners with projects subsidised through the Regional Landcare Scheme; soil biodiversity will benefit from reduced erosion and the potential for improved management of less steep parts of individual farms; and terrestrial biodiversity will benefit from increased areas of potential habitat.
9. Any planting under this project will be done on steep hill country susceptible to erosion that is currently being farmed. Any areas that have high conservation values and are already occupied by native vegetation are unlikely to fall within these criteria.
10. Regional Council planning staff are actively engaged in district plan review processes currently being undertaken by Hastings and Central Hawke's Bay District councils (for example, providing feedback and subsequent discussions on the district councils' respective rural issues discussion documents). HBRC's senior planning staff also convene the Hawke's Bay Council Planners Forum – a forum focussing on opportunities and initiatives to harmonise regional and district plans. Forestry as a land use will be one issue that the Forum discusses in the near future.

In addition to liaising with city and district councils in the region, senior staff are also involved in discussions with representatives from other local authorities, forestry companies and Ministry for the Environment regarding revisions to the proposed National Environmental Standard for Plantation Forestry.

11. Risks around the carbon market and price of carbon will be taken into account when HBRC make decisions on this project. A carbon trading strategy will form an integral part of the

project. This strategy will examine all of the potential risks associated with the carbon market and provide guidance on the best approach to mitigate those risks.

Recommendations

That Council considers the submissions relating to Afforestation and any comments and proposals made by staff.

Topic	<i>Biodiversity and the Biodiversity Strategy</i>
Submitters:	<i>10, 11, 17, 31, 36, 114, 126, 127, 130, 131, 132, 133, 134, 142, 145, 151, 154, 155, 156, 162, 163, 169, 171, 174, 175, 178, 182, 184, 185, 189, 191, 197, 198, 199, 611, 633</i>

Issues Requiring Response

All submitters support the need for a Regional Biodiversity Strategy and all but a couple questioned the adequacy of the funding provided in the Draft Long Term Plan to deliver the strategy and the three year timeframe for completing the Strategy. A number of submitters noted that funding has not been provided on an ongoing basis for implementation of the strategy. A couple of submitters referred to the Greater Wellington Biodiversity Strategy as a good template to use.

Key requests are:

1. Increase the funding to \$100,000 per year for the three years
2. Reduce the timeframe from three years to 12-18 months
3. Provide funding for the implementation of the strategy.

Comment and Proposals by Staff

The funding identified in the Draft Long Term Plan relates to the development of the inventory. In addition to that, an amount of \$30,000 for each year in the Strategy and Planning project had been tagged for the development of the Biodiversity Strategy. This project budget must also deliver on the resource management plan changes as detailed in Part 3.1, Pages 8-9 (except for the Regional Coastal Environment Plan which is covered by another project).

Given the proposed collaborative nature of the development of this strategy, this is a reasonable level of contribution by the Council.

The proposed time frame of three years reflecting the priority and urgency of other plan change activities and staff believe it is realistic. The question of funding for implementation is best considered as part of the development of the strategy itself and any funding requirements dealt with as part of the next Long Term Plan process.

Recommendations

That Council considers the submissions relating to Biodiversity and the Biodiversity Strategy and any comments and proposals made by staff.

Topic	<i>Catchment Based Plan Changes</i>
Submitters:	<i>130, 150, 169, 152, 154, 191, 197, 198, 199</i>

Issues Requiring Response

The submissions generally support catchment based plan changes recognising that the timeframe might be shorter than a region wide plan change. The support was also conditional that catchment based plan changes took a broad approach to integrate land and water to manage water quality for productive uses, recreation, biodiversity and cultural purposes. Some submitters consider the Tukituki plan change could be used as a template and that additional staff resources might be required.

One submitter raised concerns about the length of time it will take for new policy to be introduced, how consistency will be achieved between plans, and how proposed water storage projects will be included in plan reviews.

One submitter sought an accelerated timeframe for the proposed catchment based plan changes if this helps to resolve over-allocation and environmental issues.

Comment and Proposals by Staff

Staff acknowledge the general support for catchment based plan changes and also acknowledge the challenge of ensuring consistency. Catchment based changes to regional plans will generally focus on water allocation limits, minimum flow limits and water quality limits that will be specific to that catchment, and will be set having regard to the contribution the catchment may make to regional values alongside the values within the catchment. Where policies are relevant across the region, the plan change will be structured so that is clear. As such, the issue of inconsistency will be prevented.

The timeframes have been set in order for new policy to have been publicly notified in time for the next round of consent applications from existing consent holders. This timeframe is already ambitious and is unlikely to be able to be brought any further forward.

Recommendations

That Council considers the submissions relating to Catchment Based Plan Changes and any comments and proposals made by staff.

Topic	<i>Coastal Erosion and Protection – Haumoana and Clifton</i>
Submitters:	<i>9, 18, 20, 37, 38, 80, 81, 82, 111, 112, 159, 611</i>

Issues Requiring Response

- 1 Halt gravel extraction from HB rivers and beaches as it's exacerbating erosion on the coastline.
- 2 Clifton Reserve

Comment and Proposals by Staff

Gravel extraction and its impact on coastal erosion

The current understanding of the mechanisms resulting in erosion at Haumoana do not support the theory that gravel extraction from the Tukituki River exacerbates the problem.

The current understanding is that:

- The region's rivers reduce in bed slope as they get closer to the sea. At each point where there is a reduction in bed grade, the river flow velocity reduces and as a result sediment is deposited in the river channel. In times before the rivers were confined by stopbanks the river channels would slowly build up at each change of grade as a result of this sediment deposition until they were higher than the surrounding land, when the river would find a new course and recommence the process. As there is a change in bed grade in the Tukituki River where it enters the Hertaunga Plains this is where the natural build up would occur. This is the process through which the Heretaunga Plains were formed. Only in very large floods would significant amounts of sediment be transported to the coast by the river.
- Over the past 100 years settlement of the Heretaunga Plains has increased and the public have become less tolerant of frequent flooding from the rivers. As a result of this stopbanks have been built to reduce the flood risk to the surrounding plains. However the process of sediment deposition at the change in bed grade of the river continues. Thus if no gravel is removed from the river, its bed level would build up and the flood capacity provided by the stopbanks would be reduced.
- Gravel extraction is therefore continued to maintain the flood capacity of the stopbanked river channel.
- In significant floods, as in 1993, significant quantities of river sediment are transported by the river to the coast. This is little different than before stopbanks were built.

HBRC have recently completed a scoping study of gravel management issues in Hawke's Bay. This study recommends a programme of research and investigation over the next 6 years with one objective of that research to increase the level of understanding of the sediment supply to the coast and any possible effects on coastal stability. This programme commenced in the 2011/12 financial year, and is planned for completion in 2017/18.

The feasibility study for the Ruataniwha dam project includes a full assessment of the impact of the proposed dam on river flows and sediment transport. Such information is essential for determining the feasibility of the project and to support a resource consent application should the project proceed. The feasibility study is expected to be completed by end of August 2012

Clifton Camp

Hastings District Council has been working with the Clifton Reserve Society who manage the Clifton Camp. HDC in making decisions on Clifton Reserve lease arrangements a couple of years ago accepted that erosion will continue to take place at Clifton and within the context of the lease prohibited any erosion protection works without the prior written approval of both HBRC and HDC.

The lease agreement between HDC and Clifton Reserve Society makes it clear that at some point in the future erosion could mean the camp was not tenable. The Council expected a managed retreat approach to be taken. It is fair to say that erosion over the last twelve months has affected the access to the camp and boat ramp quite a lot faster than was perhaps envisaged at the time the lease agreement was signed.

The construction of any physical protection works will almost certainly require a resource consent. Both the Regional Coastal Environment Plan and the NZ Coastal Policy Statement state that “hard engineering” is the least preferred option for managing coastal erosion and should only be used as a last resort. However there would be a very high bar in any resource consent process to justify hard engineering as a solution to coastal erosion.

This is very similar to the situation at Haumoana where any solution would need to address the coastal processes and the likely impact of their proposal on the environment including adjoining lands. It would be a requirement of any consent process to demonstrate that there would be no “downstream” effects, further, there would need to be an understanding of what happens to the “beach” access as a consequence of any solution.

The investigations necessary to support any resource consent application would be a significant cost.

A number of submissions refer to the boat ramp and the risk of loss of access. In an earlier decision HDC agreed to assist the Reserve Society with \$10,000 towards meeting the costs of leasing land from the adjoining property to enable access to the reserve to be maintained. Ensuring access to the Eastern portions of the Reserve that includes the boat ramp was part of the reasoning for that decision. Staff understand from coastguard representatives that the ramp is not used by coastguard for launching their craft, and is not considered suitable for ship to shore transfer as part of an emergency response.

The agreement between HDC and the Clifton Reserve Society includes the following clauses:

- Compliance with all existing HBRC consent conditions including for onsite wastewater systems.
- A record, including photographs, to be taken and copied to both Councils, of the current foreshore of the camp area and access road is to be submitted with specific agreement from the Trust not to undertake any repair or maintenance on the foreshore area (including all existing sea protection works) without consent. The Trust must recognise that existing use rights do not apply to any unconsented structures, and hence any maintenance or new work on these structures requires resource consent.
If the Trust wish to be proactive they should obtain an engineering assessment of the current foreshore and protection works, including the potential damage that may occur as a result of a moderate heavy swell event over the period of the lease, and submit a resource consent application of a plan to Council for the types of repair works that would be undertaken in possible damage scenarios. Note however that retreat will be the favoured option, and this should be provided for wherever possible, and resource consents will be required for some works.
In addition there needs to be an agreed protocol between HBRC and the Trust for whenever damage to the foreshore does occur.
- Immediate and continued removal of all concrete with protruding reinforcing from the seawall and beach front.

- Removal of all debris arising from failed camp coastal protection works from foreshore within 2 weeks of it being washed onto the beach, or the provision of a bond of \$5,000 to cover the costs of removal and disposal of such debris, and agreement to meet the costs of such works.

Recommendations

*That Council considers the submissions relating to **Coastal Erosion and Protection** and any comments and proposals made by staff.*

Topic	Community Engagement
Submitters:	10, 11, 119, 160, 174, 175, 182, 185, 191

Issues Requiring Response

1. Formation of a regional primary sector committee
2. Inclusion of performance target in LTP that actively seeks feedback on HBRC communications and community engagement
3. Include stakeholder groups in the level of service statement (p85) for providing opportunities for involvement in decision making processes
4. Support for community engagement, regional leadership, partnerships
5. Inclusion of Community and Environment Sectors as “critical” strategic alliance
6. Greater staff resource directed to hands on work

Comment and Proposals by Staff

The support by submitters for the general direction of Council’s community engagement activities is acknowledged and appreciated.

1. A primary Association Sector alliance is to be formally developed as one of the Performance Targets for Community partnerships. This group will meet twice each year in addition to any separate engagement Council may undertake with individual stakeholder groups.
2. The existing performance targets for community engagement are largely quantitative in nature. The inclusion of a performance target to seek feedback on HBRC communications and community engagement could be “percentage of residents satisfied they have had an opportunity to participate in decision making”. There would need to be a baseline established in 2012/13, with increases in that over the succeeding years. The optimal way of sourcing this feedback is through surveys and Council would need to consider whether or not it wishes to re-establish funding for a regular public survey.
3. The term “community” implicitly includes stakeholder groups. For major projects and key work programmes Council prepares communications plans that focus on the identification of stakeholders and Council’s interaction with them.
4. Support is acknowledged.
5. Council has undergone a process of defining its strategic alliances around partnerships that are institutionally-based. This does not preclude significant community engagement elsewhere. All partnerships Council has are important and need to be acknowledged. Council has identified:
 - a. Strategic partners – where the partner is integral to assisting Council achieve its outcomes;
 - b. Strategic relationships – where the stakeholder/ Council relationship forms an important part of Council’s management of an issue;
 - c. Operational partnerships – where Council provides the partner with funding assistance to benefit that organisation in undertaking operational aspects which have a link to Council’s functions and activities.
6. With respect to greater staff resources for hands-on community engagement work Council’s focus must be on a “one-to-many” approach around community engagement rather than the “one-to-one” that has tended to be undertaken in the past. The resources that are required to deliver a one-to-one approach are significant and Council has engaged expertise in coordination and consider that is the role it can best fulfil.

Recommendations

That Council considers the submissions relating to Community Engagement and any comments and proposals made by staff.

Topic	<i>Economic Development</i>
Submitters:	<i>114, 119, 141, 194, 195, 199</i>

Issues Requiring Response

7. Support for increase in targeted economic development rate
8. Allocation of Tourism funding proportion from targeted rate
9. Hastings District Council adoption of Regional Economic Development Strategy
10. Debt servicing from targeted rate
11. Primary sector growth – collaborative approach
12. Support for high tech primary sector service companies

Comment and Proposals by Staff

Submitters largely supported the proposed increase of the economic development targeted rate and its intended use particularly to support primary sector growth.

One submission asks that support for primary sector growth includes not only research and development related organisations, but also involves local providers as they have intimate knowledge and relationships with the farming community.

HBRC staff agree. The initial intention is to engage large research and development organisations in order to get participation from these well resourced organisations. As projects are scoped and implemented greater engagement with local and well connected providers is important to assist delivery.

Another submission asks that support is offered to high tech companies that support the primary sector in order to help them grow nationally and internationally.

HBRC staff believe that this support is better offered through Business Hawke's Bay who already has business growth initiatives and is considering business cluster activities around technology companies.

Several submissions challenged the disproportionate allocation of funds toward Tourism as opposed to economic development initiatives, especially those that assisted growing the primary sector.

HBRC staff believe that the split between the Tourism and economic development proportion of the targeted rate aligns with how this was allocated within Venture Hawke's Bay and reflects the costs of organisational structures established to deliver Tourism and economic development. With the establishment of Tourism Hawke's Bay, HBRC agreed to continue the level of funding at \$850,000 for 3 years. The increase to the economic development rate requested in HBRC's LTP is partly aimed at re-balancing this allocation.

One submission requested background and clarification of the amount for debt servicing (\$80,000) and the appropriateness of it being funded through the targeted rate.

Staff respond that Venture Hawke's Bay spent above its budget on Tourism and economic development related activities. Additional funding was required over budget to support rugby world cup activity. HBRC agreed at the time to fund this overspend by way of a debt to be repaid over 5 years out of future economic development budgets.

Hastings District Council, in its submission, clarified that the HBRC Regional Economic Development Strategy (REDS) has not been adopted by HDC. They are however working constructively to advance economic outcomes in the region and seek to work collaboratively in doing this.

HBRC staff accept that HDC may not have formally adopted the strategy, although: HDC officers participated in development of REDS including a place on the Steering Group; that REDS was presented to the HDC Councillors; and that a portion of HDC's economic

development activity is delivering against actions contained in REDS under Business Hawke's Bay as intended by REDS. In recent discussions with HDC and other organisations involved with Business Hawke's Bay about a refresh of REDS, the parties acknowledge that moving forward REDS is less an economic development strategy and more a "framework" for collaborative effort by various organisations to progress economic development initiatives. The "framework" identifies regional priorities for which individual strategies are to be developed.

Recommendations

That Council considers the submissions relating to economic development and any comments and proposals made by staff.

Topic	<i>Environmental Education</i>
Submitters:	<i>12, 17, 27, 28, 33, 34, 46, 96-106, 148</i>

Issues Requiring Response

13. Enviroschools

14. FRESH Ed programme

Comment and Proposals by Staff

1. In 2010 the Council agreed to financially support the continuation of the Enviroschools programme through an annual contribution of \$14,000, in partnership with the Nina Brathwaite Trust which committed \$21,000 per annum for a total of \$35,000 p.a. In that time participation in the Enviroschools programme in Hawke's Bay has grown from 18 to 30 schools (just over 20% of schools in the region). HBRC's involvement in Enviroschools regionally has allowed the Enviroschool Foundation to leverage several other partners both locally and nationally providing for further growth.

The Enviroschools Foundation is seeking a 15% increase in Council's contribution in recognition of the increasing costs of running the programme, and of its growth. This would mean an extra \$2,100 in Project 895 (general funding- contributions).

A number of the submissions seek the continuation of the regional coordination of the Enviroschools Programme by HBRC's Community Engagement Coordinator, Pip Green. This is programmed to continue as part of her role.

2. The FRESH Ed programme is a new concept for Hawke's Bay, and is currently being trialled at a primary school in Wairoa. It is targeted at primary and intermediate levels and focuses on the core elements of sustainability focussing on the social, cultural and environmental elements.

At first glance it appears to offer a similar range of matters as Enviroschools. If Council wishes to pursue this any further arrangements could be made for a presentation in the future.

Recommendations

That Council considers the submissions relating to Environmental Education and any comments and proposals made by staff.

Topic	Hydraulic Fracturing
Submitters:	4, 30, 39, 40-45, 47, 109, 115, 116, 118, 126, 129, 131, 143, 150, 152, 154, 159, 160, 188, 189, 194, 197, 198, 224, 600-639

Issues Requiring Response

Strategic Planning

1. Amendment to Regional Resource Management Plan (RRMP) rule 6.3.1 (Bore Drilling & Bore Sealing), (*staff note, this is actually rule 1 of the RRMP*). Amend by an addition to the conditions/standards/terms as follows:
 - a. If fluids are to be injected into the bore for the purpose of hydraulic fracturing (HF) then the effects of the bore are deemed to be more than minor for the purposes of S95A(2)(a) of the Resource Management Act and any Resource Consent application shall be publicly notified.
2. Declare a moratorium or halt processing any consent for further oil exploration until the report on HF by the Parliamentary Commissioner for the Environment is received.
3. Identify mineral/resource exploration as a significant regional issue in the Regional Policy Statement, and include policies that provide direction to HBRC and local councils when responding to applications for mineral/resource exploration.
4. Include rules in the Regional Resource Management Plan to regulate any mineral/resource exploration where there could be adverse effects from contamination of soil or water.
5. Advocate for rules in District Plans to regulate the use of land for any mineral/resource exploration where there could be adverse social, cultural, environmental or economic effects from contamination of soil or water.
6. Submit to the Environment Protection Authority opposition to any application for mineral/resource exploration where there could be adverse social, cultural, environmental or economic effects from contamination of soil or water.
7. Request a precautionary principle approach to applications for oil and mineral exploration, this to be added to part 2 of the plan (*staff note exactly which plan was not specified*).
8. That the LTP references the potential for the Hawke's Bay to become an oil and gas producing region and outlines how it would resource and manage this and what statutory plans would need to be changed.
9. That HBRC changes plans/policies to make HF a prohibited activity
10. That broader policy tools be developed for HF as consents are unable to mitigate hazards
11. To put specific policies in the Regional Policy Statement to direct control and monitoring over water and air quality around oil exploration sites.

Statutory Advocacy

12. Support a Frack Free Region – we need to protect our land and our waterways for future generations from the often irreversible damage of HF.
13. Declare Hawke's Bay 'Frack Free' as a signal to central government and potential mineral/resource applicants, and as a branding exercise to enhance international marketing opportunities for tourism and for our high quality food, wine and dairy produce.

Environmental Regulation

14. Risk of over allocation of water through high volumes being requested for HF.
15. In order to ensure that HBRC always has available the latest information relating to mineral/resource exploration and extraction HBRC will increase the Regulation Funding by an additional \$50,000 per annum to consider any such application. Addition under the heading of

Performance Targets: No applications for mineral/ resource exploration and extraction are to be approved

Comment and Proposals by Staff

General comments

It is evident that many submitters consider that the submission process for the LTP offers an opportunity to submit for changes to the RRMP. While it is possible to request additional funding and resources for plan changes or variations, the LTP process is not the place to develop policy for the RRMP. Staff note that HBRC is not currently proposing a change to the RRMP specifically for oil or mineral exploration.

HBRC is not proposing to undertake HF as part of its operations and has not proposed to allocate resources to conducting HF. Resourcing matters around HF or any other activity requiring consent are ones that are dealt with as the consent applications arrive and are not subject to Council funding as the costs are borne by the applicant.

It is the view of staff that the current RRMP has strong controls around any activity relating to oil or mineral exploration and no further rules or policies are currently required. Staff acknowledge that the RRMP is generally 'silent' on the matter of HF, but has considered the possibility of oil or gas exploration, as evident in examples such as rule 3 and footnote 22.

When any resource consent application is lodged, HBRC will have to decide on matters such as whether to notify or not notify the application and whether to approve or decline it. The RMA and the RRMP set out the procedures that must be followed when processing resource consent applications and also the matters for consideration. Application of these procedures depends on the activity and is assessed when the application has been lodged. This is a **legal** process and one that occurs **after** a consent application is received.

In order for a change to be made to the Regional Policy Statement and/or rules in the RRMP, a statutory Plan Change process must be undertaken. If submitters are seeking a plan change, they could at any time request and fund a private plan change. The request must:

- be in writing
- explain the purpose of and reasons for the change
- describe any anticipated environmental effects of the proposed change, taking into account the matters listed in the Fourth Schedule of the RMA
- include an evaluation under section 32 for any objectives, policies, and/or rules of other methods proposed

Staff note that any cost associated with a private plan change would be borne by the applicant and that HBRC would be required to assess the request per schedule 1 of the RMA and accept or reject it in part or as a whole (see S25 Sched 1).

HBRC cannot choose to refuse applications for consents for HF (or any other consent for that matter). Section 88 of the RMA requires HBRC to process all applications if complete. There are now strong timeframes for consent processing and penalties that apply for HBRC if the timeframes are not met (S88 and 92 of the RMA are relevant here).

Specific staff responses to the issues raised above

1. No plan changes are proposed by HBRC. A rule change that determines effects ahead of any application is, in the view of staff, probably *ultra vires*.
2. HBRC cannot declare moratoria and are obliged to receive and process any consent applications for oil or mineral exploration received. Staff note that they have a legal opinion that confirms that processing any consent cannot be held up pending the PCE investigation.
3. Changes to the Regional Policy Statement are not proposed as an activity in the LTP. Staff consider that the current RRMP has appropriate policies, objectives and rules to manage the effects of oil and mineral exploration in the region.
4. The RRMP already has rules that appropriately manage the effects of oil or mineral exploration.
5. HBRC advocates for changes to Territorial Authority plan changes as and when required. Staff do not consider any changes to TA plans are currently required to manage the effects of oil or gas exploration.
6. The EPA has a role to administer the Hazardous Substances and New Organisms Act. They do not consider applications for oil or mineral exploration permits or consents within the HBRC jurisdictional boundary, but do administer the area beyond the HBRC 12 mile limit offshore.
7. Any application for oil or mineral exploration in the Hawke's Bay would be considered against the RRMP framework. Staff consider that sufficient rules exist now to appropriately manage the effects of oil and mineral exploration.
8. It is possible to acknowledge the potential for oil and gas to develop as an industry over the life of the LTP. Staff would question the value of this statement though given the potential for many other unstated industries to develop in the region during the life of the LTP. Staff consider that no changes are currently required to the RRMP to manage this industry should it develop in the region. Finally, HBRC has acknowledged the need for preparation around the development of a potential new industry by agreeing at a meeting of HBRC on 21 March 2012 that Council:
 - a. Contributes to a gap analysis of all regulations managing all of the aspects of the oil/gas industry to avoid a disjointed approach to this industry.
 - b. Agrees that New Zealand regulatory agencies should consider adopting overseas standards, where applicable, to ensure consistent regulations rather than develop our own standards
9. This matter is beyond the scope of the LTP and would need to be considered as part of a change to the RRMP. Staff do not consider that this level of control on this activity is currently required.
10. Staff consider that the current RRMP has appropriate policies, objectives and rules to manage the effects of HF. These controls are able to be exerted through a consent process.
11. As part of any consent issued for oil or mineral exploration, appropriate pre, during and post activity air and water quality monitoring would be included as conditions of consent.
12. Staff do not have a view on this matter but would question the legitimacy of it when the current RRMP does not automatically preclude this activity from occurring.

13. Same response as to number 12.
14. Water allocation is controlled through RRMP policies and objectives. Any requirements for water for HF would need to either meet the permitted activity status or require resource consent, depending on the rates and volumes required.
15. Staff do not consider that additional funding to regulate this activity is required. All costs of regulating this activity are met by the applicant. Staff do not believe HBRC can state that no consents for HF would be approved. Consent applications will be considered on a case by case basis and assessed on an effects basis.

It is the view of staff that no amendments to the LTP are required as no matters raised by submitters are relevant to the Long Term Plan process.

Recommendations

That Council considers the submissions relating to oil/gas and mineral exploration and hydraulic fracturing and any comments and proposals made by staff.

Topic	<i>GMO Free Hawke's Bay</i>
Submitters:	<i>4, 10, 11, 14, 22, 24, 25, 30, 40, 41, 42, 43, 44, 45, 47, 63, 114, 116, 131, 132, 133, 140, 141, 142, 147, 150, 151, 152, 154, 155, 156, 158, 162, 163, 165, 171, 172, 174, 175, 178, 182, 184, 185, 188, 189, 191, 194, 196, 197, 198, 199, 612, 627, 629, 631, 634, 636</i>

Issues Requiring Response

In the Right Debate section of the Draft Long Term Plan the Council sought feedback on options for how it might respond to the management of Genetically Modified Organism within Hawke's Bay.

The options put forward in the Right Debate were:

- Identify GMOs as a significant regional issue in the Regional Policy Statement
- Include rules in the Regional Resource Management Plan to regulate GMOS where water quality or ecosystems in water bodies are at risk
- Advocate for rules in district plans to regulate land use for GMOs
- Submit to the Environment Protection Authority in opposition to any applications for the use of outdoor GMOs in the region
- Declare Hawke's Bay "GM-Free"
- Do Nothing (status quo)

A total of 57 submissions have been received on this matter. Of these 90% support Council taking some form of action (or combination of actions) rather than doing nothing. The view of the remaining six submissions is that the matter should either be left in the hands of national policy-makers, or considered by the region's councils collectively, or that HBRC should not ban GMOs.

Comment and Proposals by Staff

Genetic modification is a technology developed in the past 30 years for altering the characteristics of living organisms, such as plants and animals, in order to make them capable of making new substances or performing new or different functions. Genetic modification is sometimes called GM, genetic engineering or GE.

In New Zealand genetically modified organisms (GMOs) are strictly controlled by national legislation, the Hazardous Substances and New Organisms (HSNO) Act 1996. This legislation is administered by the Environmental Protection Authority (the "EPA"). Any person wishing to introduce develop or grow a GMO must apply to the EPA for permission.

The EPA then undertakes a risk assessment procedure and public notification process. This assessment covers not only environmental assessments but also the magnitude, likelihood and distribution of any costs and benefits of an application both to the applicant and to New Zealand as a whole.

The application will be approved if the benefits are considered by the EPA to outweigh the risks and costs, or if risks are not considered "significant". To date no applications have been received to grow a GMO in Hawke's Bay.

GMOs are supported by the Government. It set up a Royal Commission in 2000 to report on genetic modification "to receive representations upon, inquire into, investigate, and report upon the following matters:

- "the strategic options available to New Zealand to address, now and in the future, genetic modification, genetically modified organisms, and products; and

- any changes considered desirable to the current legislative, regulatory, policy, or institutional arrangements for addressing, in New Zealand, genetic modification, genetically modified organisms, and products.”

The Royal Commission’s Report in 2001 concluded that “New Zealand should keep its options open. It would be unwise to turn our back on the potential advantages on offer, but we should proceed carefully, minimising and managing risks.”

GMOs and the Resource Management Act

There is no requirement or obligation on a council under the RMA to manage the environmental effects of GMOs. If councils want to introduce controls on GMOs through either regional policy statements, or through rules in regional or district plans they would be required by section 32 of the RMA (coasts and benefits section) to evaluate why the controls are the most appropriate to achieve the purpose of the RMA. Any controls would need to be consistent with the purpose of the RMA i.e to promote the sustainable management of natural and physical resources. Further councils would need to provide sufficient evidence to support such controls as an appropriate planning tool. The Ministry for the Environment considers that a council may find it difficult to provide such evidence given the EPA’s responsibilities in approving GMOs.

Despite this view there remain a number of sources of risk from the outdoor use of GMOs which the RMA could address:

- The risk that the cultivation of GM crops will cause economic damage through trace GM contamination appearing in non-GM crops
- Environmental risks – including adverse effects on non-target species (e.g. birds and insects), GM plants becoming invasive and disrupting ecosystems, and altered genes transferring to other organisms
- Cultural concerns – preserving the integrity of nature, the mixing of genes from unrelated species, and which parts of the community stand to benefit from the technology.

Summary

The options canvassed for public feedback can be classified under two categories:

Statutory options – RPS Change, RRMP Change, District Plan Advocacy

The inclusion of provisions in any or all of the major RMA documents (the RPS, regional plans, and district plans) – are feasible. As with changes to any RMA Planning documents significant work would need to be undertaken to prepare the changes. Regulation can only be included in a regional or district plan if it can pass the tests under section 32 of the RMA requiring that regulation be appropriate in terms of achieving the purpose of the RMA and the objectives of the Regional/District Plan. One of the tests in s.32 is whether the regulation would be efficient and effective. Factors to consider in this regard would be the availability of necessary expertise to Council to assess applications for GMO, or the justification to go over the top of HSNO regulation and “prohibit” outright GMO in the district or region.

In the case of the RPS and regional plans there is a significant existing workload over the next few years in terms of HBRC’s resource management planning (particularly driven by the national freshwater management agenda) and that if the status of GMO in Hawke’s Bay is considered sufficiently important to be addressed sooner rather than later provision will need to be made in the LTP to resource this.

Non-statutory options – Submissions to EPA, declaration of “GM-free” region

HBRC undertakes statutory advocacy at a national and local level. At a national level Council submits on proposed legislation and changes to legislation as well as on specific initiatives such as land transport funding proposals and strategies. The EPA is required to publicly notify applications received under the HSNO Act and Council could develop a policy of submitting against any applications received which would apply in Hawke’s Bay.

The declaration of Hawke’s Bay as a “GM-free” region could be a major selling point for locally-produced food. In practice this would mean endorsing the status quo as there are currently no GMOs

in the outdoor Hawke's Bay environment. But as a branding exercise it would provide significant marketing opportunities. "GM-Free" status would have potentially significant economic benefits, as well as reducing the potential for economic damage resulting from any contamination of non-GM food crops by a GMO. GM-free status represents an economic opportunity for all producers, processors and those who market the products. The introduction of a voluntary GM-free food label would provide untapped opportunity for the region's farm, food and tourist industries to grow their market share and secure a unique selling point. There is an extensive network of GE-free zones throughout Europe and increasingly such a status will be seen advantageously by consumers.

Conclusion

The options are not mutually exclusive. Many of the submissions sought more than one action from Council on this matter.

The issues for Council to consider in reaching a decision include:

- Financial cost
- Complexity of process
- Priority

The least complex and financially costly options are the non-statutory options. These are also the options selected by a significant majority of submitters. A decision to move in this direction would ensure a GM-Free Hawke's Bay could be "branded" within a short space of time (Yr 1 of the LTP) and allow for Pure Hawke's Bay to introduce a voluntary GM-free food label for marketing purposes. A provisional estimate of \$10,000 in Year 1 only (general funding) is made for this option, largely for marketing and publicity. Submissions to the EPA could be absorbed within existing staff costs.

Changes to RMA plans, including the Regional Policy Statement and Regional Resource Management plan are more complex and costly, and will be subject to further public consultation and likely appeals to the Environment Court. In terms of Council priorities the planning resource will be fully extended over the next three years with freshwater and natural hazard plan changes. To make provision for RMA-based changes on GMO status over the next three years would require, at a minimum, an additional \$300,000 in general funding, based on the average cost of a plan change through the First Schedule process.

Recommendations

That Council considers the submissions relating to GMO Free Hawke's Bay and any comments and proposals made by staff.

Topic	Heat Smart
Submitters:	31, 36, 39, 114, 116, 118, 131, 132, 133, 141, 142, 154, 155, 158, 162, 163, 178, 195, 199

Issues Requiring Response

15. Support for continuation of Heat Smart programme
16. Exemption from airshed rate if heat pump previously installed
17. Encouragement to budget for increased levels of grants or increased interest rate subsidy to encourage further uptake
18. Loans should be applied to heat pumps only.
19. Programme should not use ratepayer funds as private benefits only.

Comment and Proposals by Staff

The support of many of the submitters for the continuation of funding for the HeatSmart programme is acknowledged. Awareness of the programme and the number of enquiries and funding applications continues to increase year on year.

In 2005, the Hawke's Bay Regional Council commissioned work on an "Air Emissions Inventory" to provide information on the sources of air pollution in the Hawke's Bay Region. The Air Emissions Inventory focussed on PM₁₀ emissions due to the National Environmental Standard for PM₁₀. The emission survey results indicate that in Napier and Hastings domestic heating contributes to around 88% of wintertime PM₁₀ emissions. Given that domestic fireplaces contribute to the vast majority of PM₁₀ emissions in Napier and Hastings new rules introduced through the Air Quality Plan Change focus on open fires and wood burners.

It is acknowledged that the rating for the Heat Smart programme does not take into account what type of heating system is currently in a property. Significant expenditure by individual homeowners will still be required to meet the new Standards and the public good through improvements to outdoor air quality is recognised by the rating area. The provision of funding makes it easier for individuals to make the improvements needed. Although the commitment from Council is in the order of \$11.6 million over the ten year programme period the commitment from individual homeowners over that time has been estimated at \$54 million.

The link between the burning of dry wood and the level of PM₁₀ emissions has been established through research and, through the Heat Smart programme, Council has already commenced a public education programme on the burning of dry wood and an accreditation system for wood merchants.

New wood burners have been required to meet national standards for emissions since 2005 or else they are not eligible for government and HBRC subsidies. For many households this is the preferred option as they have access to cheap or free wood for burning.

The ratepayer contribution to the Heat Smart recognises the public good from improved outdoor air quality and meeting the NES. Significant private costs are still incurred.

Recommendations

That Council considers the submissions relating to the Heat Smart Programme and any comments and proposals made by staff.

Topic	<i>Heretaunga Plains Flood Control Scheme levels of service</i>
Submitters:	<i>31, 35, 38, 78, 114, 131, 147, 152, 154, 178, 185 195, 621</i>

Issues Requiring Response

20. An increase of the level of flood protection is important due to the predicted impacts of climate change including increased sea levels and more frequent and intense heavy rain events
21. All projects should be subject to a sensitivity analysis based on resource costs and projects be designed to minimise risks from potential cost changes.
22. Using climate change as a reason to improve flood protection level of service is flawed. Rainfall records would be the more accurate way to measure to need using records from cyclone Bola and all rain events since.
23. A more holistic approach to flood management to include natural wetlands and low lying areas and prohibiting further development in those areas or holding more water in the landscape.
24. The timescale over which the work is undertaken with a number supporting option 2 as set out in the Draft LTP and one supporting a more rapid programme of improvement.
25. If the driver for the proposal to upgrade the stopbanks is the proposed water storage schemes then the costs of the upgrade should be met by those schemes.
26. Question the basis for the current split in funding for the Scheme (70% targeted rates; 30% general funding), given the flood control measures protect both urban and rural land and livelihoods.
27. Objection to the proposal because of the potential impact of this project on coastal erosion.

Comment and Proposals by Staff

The majority of submitters support the proposal to increase the level of service (level of flood protection) provided by the stopbanks protecting the Heretaunga Plains from frequent flooding from the 3 major rivers crossing the plains.

However a number of submitters question the reasons for the proposed increase in level of service, or are opposed to the proposal. The following bullet points address the concerns raised.

- Climate change is predicted to result in sea level rise of at least 0.5m by 2100, and more frequent and intense storms. Sea level rise will result in an increase in flood levels in the lower reaches of the rivers. More frequent and intense rainfall results in increased runoff from the land and therefore higher flood flows in the rivers.
- The rivers crossing the Heretaunga Plains are characterised by having steep catchments. A major flood in any one of these rivers will result from intense rainfall over at least a day or several days. Such an event will saturate the ground. Once the ground is saturated it has little capacity to take up more water, and therefore the majority of rain falling on the ground will run off. An increase in rainfall of 10% over and above that which would be expected to cause a flood with a 1% chance of occurrence in any one year (a 100 year flood) is calculated to result in a 20% increase in flow. Accordingly the prediction that climate change will result in more frequent and more intense rainfall events, will have a significant impact on river flood flows.
- Cyclone Bola resulted in a flow in the Ngaruroro River of an estimated 2,078 m³/sec at the Fernhill Bridge. The Stopbanks are designed to convey 4,500 m³/sec safely to the sea. A flow of 2,000m³/sec is expected to occur in the Ngaruroro River on average once every 15 years. To estimate the flood flow that is likely to occur once every 500 years, weather patterns, historic flood events, and rainfall records for considerably longer than the last 25 years need to be assessed.
- Because of the relative steepness of the river catchments large dams or wetland areas would be required to have any significant impact on river flood flows. The concept of “making room

for the river” is widely used in Europe and to some extent in USA, where rivers are long and catchments relatively flat. Land areas set aside to temporarily store flood water are effective in these rivers.

- The quantity of gravel transported by the three rivers is also significant and therefore the size of any dams necessary to reduce sediment flows would need to be large. The volume of material used to construct the dams would therefore be likely to be significantly greater than the volume of material necessary to increase the height of the stopbanks.
- The estimated cost of the total project is \$15m. The economic benefits for the Heretaunga Plains area include the “saved” economic impact losses of up to \$468m (as estimated for a breach of the stopbank on the true right bank of the Ngaruroro River at Roys Hill which would impact Flaxmere and the Hastings urban area); as well as savings in flood damage costs to individual properties, both residential and commercial/industrial, and community assets and infrastructure; avoided or reduced business losses; avoidance of increased insurance premiums; and maintenance of business operation and existing/new business development and investment confidence.
- The Scheme is funded 70% from targeted rates calculated on the basis of capital value from all properties that receive direct or indirect benefit from the scheme; and 30% from general funding sources. The direct beneficiaries are those properties that are at risk from flooding from the major rivers, or from the rivers changing their course. This includes both urban and rural properties. Indirect beneficiaries are those that benefit because of the increased economic activity and community facilities that provide increased opportunity for those ratepayers. All properties within the Hastings District Council and Napier City Council boundaries are deemed to receive indirect benefit from the scheme.
- Proposed water storage schemes will have a very small impact on flood flows in the rivers and are not part of the reasoning for this proposal.
- The total quantity of material estimated to be required to increase the stopbank size is 2,000,000m³. The work will be completed over a 15 to 20 year timeframe, if it is to be rate funded. This means that approximately 100,000m³/year will be used for stopbank construction. This will mainly be silt and will be taken from the river berm areas rather than from the active channel. Approximately 400,000m³ gravel is extracted annually from the Heretaunga Plain Rivers. The proposal will not have any impact on coastal erosion as the majority of material used for stopbank construction will be silt, which is highly mobile in the marine environment. In fact, the proposal could result in increased amounts of sediment reaching the coast in a major flood as there will be less chance of a flood exceeding the capacity of the stopbanks and flooding the Heretaunga Plains. If such a flood did occur significant amounts of sediment would be spread across the Heretaunga Plains and would not reach the coast.

Recommendations

That Council considers the submissions relating to the Heretaunga Plains Flood Control Scheme and any comments and proposals made by staff.

Topic	<i>Community Facilities funding for Hockey Turf at Regional Sports Park</i>
Submitter:	<i>200 Jock Mackintosh on behalf of Sports Park Hawke's Bay</i>
Related:	<i>201-267</i>

Issues Requiring Response

Funding for a Hockey Turf at the Regional Sports Park

Comment and Proposals by Staff

Over the course of the 2009-19 Ten-Year Plan HBRC approved a significant expenditure borrowing facility to help in the development of community facilities that have regional or sub-regional benefit. \$3M has been allocated to community project funds already, having been consulted on in previous Annual plans. This comprises \$2.5M as a contribution toward the redevelopment of the Hawke's Bay Art Gallery and Museum and \$.5M towards the refurbishment of the Waipawa Town Hall.

In the Draft Long-Term Plan 2012-22 a further \$3.0M has been provisionally earmarked for projects in the Wairoa District (\$0.5M) and Hastings District (\$2.5M). Under its current policy HBRC requires projects eligible for the community facilities funding meet the following criteria:

- The facility must be owned or managed by a Territorial Local Authority or a Council Controlled Organisation, residing in the Hawke's Bay region.*
- The facility should be of benefit to the whole Hawke's Bay region or at least of benefit to a significant sub-region (eg: Wairoa or Central Hawke's Bay).*
- The facility should have a minimum capital value of \$5 million in the instance of Napier City or Hastings District or \$500,000 in the instance of Wairoa or Central Hawke's Bay.*
- The fund will support projects to establish or upgrade community infrastructure such as halls, museums, sports facilities, community centres, which are available for use by the community at large*
- The fund would not normally support basic local authority infrastructure such as drainage, water supply, sewage or waste disposal or roading*
- The fund would contribute to capital costs of facilities but not to operating costs*

Other Criteria:

- The project should demonstrate local community support through the applicant's LTCCP or Annual Plan process*
- The sponsoring TLA must undertake responsibility for maintenance and renewals, preferably with depreciation funded*
- The Regional Council should be satisfied that management and/or governance of the facility will be competent*
- The Regional Council would expect the sponsoring Council to be directly funding or have receiving funding for at least 75% of the value of the project and the Regional Council would in no instance contribute more than 50% of the cost of the project*

11. *The Regional Council would normally conduct no more than one funding round in each financial year and allocate in total in each funding round no more than that recommended by the Council's Chief Executive.*

In November 2011 the Chairman of Hawke's Bay Regional Council invited the Wairoa and Hastings District Councils to submit projects for funding for inclusion in the Draft LTP.

Hastings District Council responded that they wished to see the \$2.5M for Hastings district remain allocated to the Regional Sports Park (following the non-selection of Hastings for the North Island velodrome, for which the fund had previously been allocated). The Sports Park Trust has developed a proposal for an international standard hockey turf. While HBRC has not received a full proposal to assess information obtained from the Hastings District Council Draft LTP includes the following information:

Hockey	\$000
Hockey Turf and Lights	1,600
Hockey Grandstand	1,000
Hockey practice	500
Hardscape/Landscape	140
Contingency	<u>200</u>
Total	3,460
Other Expenditure at Park	<u>850</u>
	\$4,290
Funded by	
Hastings District Council	1,513
HBRC	2,500
Other Grand Funding	100
Operational Surpluses	<u>177</u>
	\$4,290

If Council was to approve this funding as it stands there would need to be some amendments to the existing policy for the Community Facilities Project Funds, including minimum capital value and the maximum percentage that HBRC would be expected to contribute. The major project funded through Napier City was required to provide a letter of support from Hastings District Council and we would anticipate a similar letter of support from Napier City Council as part of the process.

Most of the submissions are pro-forma and support the establishment of both a Tier 1 hockey facility and note that the addition of a further hockey turf will make the sport more accessible and economic for Hastings and Central Hawke's Bay players, giving it a district and sub-regional benefit.

The submission from the Hawke's Bay Hockey Artificial Surface Trust opposes the construction of a Tier 1 turf at the Regional Sports Park and the proposal of HBRC to fund 70% of that. It does support the establishment of a hockey turf in the Hastings area. The principal reason given for the opposition to the Tier 1 turf is the replication of high quality facilities approximately 10 minutes drive from each other.

Council could give consideration to making a financial contribution that fits within the criteria outlined above (i.e no more than 50% of the total cost of the facility). For example Council could decide to invest in a hockey turf that meets sub-regional needs but is not at the standard of an international turf. This would potentially leave funding available for one or more other projects within Hastings District.

Recommendations

That Council considers the submissions relating to Communities Facilities Projects- Hockey Turf and any comments and proposals made by staff.

Topic	Investment Strategy
Submitters:	35, 36, 63, 78, 114, 115, 116, 119, 132, 133, 140, 141, 142, 154, 155, 160 162, 163, 171, 174, 175, 181, 186, 197, 198, 199

Issues Requiring Response

As part of the Right Debate in Council's Long Term Plan 2012-11 (LTP), Council sought feedback on the proposed investment strategy which included the investment in the Ruataniwha water storage project and the involvement in this strategy by the Hawke's Bay Regional Investment Company (HBRIC). Furthermore, feedback on options available to Council for the Port of Napier Limited (PONL) investment was sought as was feedback on options covering the realisation of value from Council's investment in leasehold properties in Napier and Wellington.

The following issues were received from submitters to the LTP:

1. Concern by submitters on the process to be undertaken if the shareholding in PONL were to be reduced by Council.
2. Concern by submitters over the proposed high debt levels required to be undertaken by Council to fund Council's investment strategies, specifically the Ruataniwha water storage project.
3. Submitters require clarification of the role of HBRIC, accountability to the people in the region etc.
4. Submitters require clarification on the realisation of value from Council's Napier leasehold land portfolio.

Comment and Proposals by Staff

1. Port of Napier Limited

Fifteen submissions were received that did not support a reduction by Council of the shareholding in PONL. A number of the submitters questioned the process that would need to be undertaken by Council before any reduction in shareholding could be approved. Under the provisions of the Local Government Act 2002 Council is required to adopt an investment policy, and this investment policy includes Council's policy on the disposal of any of Council's investments. In regard to Council's shareholding in PONL, this policy states:

"Hawke's Bay Regional Council (HBRC) regards PONL as a strategic asset and will retain beneficial control of it through its wholly owned investment company. In the event it contemplates reducing its interest in PONL from its present 100% shareholding to not less than 51% (i.e. still retaining control) by selling shares to a third party (or parties), it will comply with the provisions of Section 97(1)(b) of the Local Government Act 2002 where "a decision to transfer ownership or control of a strategic asset" is to be considered and use whichever of its Annual or LTP processes, or a separate Special Consultative Process, it deems appropriate at the time, to obtain the views of ratepayers and stakeholders on its proposed sale of shares before committing to it."

If such a special consultative process was to proceed, then this process would involve a full statement of proposal, which would detail the reasons for any reduction in shareholding, the costs of benefits, and the impact on Council's finances and on the region's ratepayers.

2. Investment Strategy – High Debt Levels

There was concern by a number of submitters on the debt levels that would be required of Council if Council's proposed investments were to proceed. Conversely a number of

submitters supported the high debt levels in order to achieve long term financial gains for Council and economic gains for the Hawke's Bay region.

The draft LTP sets out a proposed new borrowing programme of \$121.7m over the 10 Year Plan. An analysis of the purpose of this borrowing provides a better understanding to the exposure of the regional ratepayer to each type of proposed borrowing of Council.

- 2.1 The Council proposes to borrow \$2.7m for Council operational assets and this sum will be serviced for the most part by Council ratepayers.
- 2.2 Council proposes to borrow \$36m to provide funding for community loans for clean heat/insulation and solar hot water loans. Security for these loans is the legal commitment of the property owner deriving the benefit from clean heat/insulation/solar, to service these loans as part of the rates set on that property.
- 2.3 Council proposes to borrow \$83m to fund its proposed investment activities. The servicing of these loans will be made from the revenue generated from these investment activities and should not impact on the region's ratepayers.

Council has set out in the financial strategy, which is part of the Right Debate section of the draft LTP, the proposed investment areas which includes water harvesting in the Ruataniwha plains (\$80m), water harvesting for the Heretaunga plains (\$27m) and logistics/commercial buildings (\$32m) making a total of \$143m proposed investment which will be managed by HBRIC. Furthermore, Council proposes to directly manage the investment of \$47m in forestry in the region's steep hill country.

The strategy specifically states the Council will only approve funding of these investments after receiving a sound business case which will include a comprehensive risk analysis, therefore financial returns from each project must, at a minimum, cover Council's costs of providing the funding to those investment projects. Further, in the case of the proposed Ruataniwha and Ngaruroro water harvesting projects, commitment from shareholders other than the Council would need to be evidenced.

3. HBRIC

Three submitters expressed concern regarding the operations and accountability of HBRIC. By way of background HBRIC commenced business on 1 February 2012 and has had a number of Board meetings since that date. There are seven appointed Board members – three independent directors with significant commercial experience, the Chairman of the Regional Council and two Councillors and the Council's Chief Executive as Managing Director. Council has set up this Company to ensure that a Board with suitable commercial experience will be analysing the business cases presented to them on proposed investments. This Board will then present their view to Council where it is proposed that Council take up a shareholding in the project.

The public will have access to HBRIC's annual Statement of Intent signed off between HBRIC and the Council, and also the annual financial statements which include the Directors' report and Audit report.

4. Council's Napier Leasehold Land Portfolio

Council's proposal to offer substantial discounts to current lessees to encourage freeholding was supported. Two submitters sought additional clarification on the sale of residual cash flows from rents paid by the remaining Napier leaseholders. This proposal involves the sale of long term cash flows that will be received from rents paid by the remaining (subsequent to the freeholding of lessees) Napier leaseholders to an investor who will pay to Council, a lump sum at the time of the assignment of the cash flows, in consideration for the rights of that investor to those cash flows in the future.

Leaseholders will continue to have the same rights as they do currently, namely to freehold their property in the future, and pay rent to Council as determined at rent reviews. Council will remain as landlord, all leases will continue to be between the lessees and Council.

Item 5**Recommendations**

That Council considers the submissions relating to Investment Strategy and any comments and proposals made by staff.

Attachment 2

Topic	Rates
Submitters:	63, 164, 192, 195,

Issues Requiring Response

28. New Emergency Management rate.
29. Concern from submitters that rate rises should be limited to the rate of inflation and, in some cases, growth could be added.
30. Increased disclosure in the Long Term Plan 2012-22 (LTP) covering the Uniform Annual General Charge (UAGC) method of calculation and 30% of total rates legislative maximum.

Comment and Proposals by Staff

1. Emergency Management Rate

The purpose of introducing this new rate was to provide increased transparency of the rates required to fund costs of providing Emergency Management services in the region. Accordingly this rate will be shown separately on rate assessments.

This rate is proposed to be set as a targeted Uniform Annual Charge of \$13.01 (including GST) for each rateable unit within the region served by Emergency Management. The funding required for Emergency Management was previously collected through the UAGC and it will be noted that the proposed revised UAGC for the 2012/13 year reflects a reduction of \$13 from the levels set in the previous financial year of 2011/12.

2. Proposed Rate Increases

The effect of inflationary pressures on Council's costs are included as part of the BERL forecasts provided to all Councils within Local Government. These cost adjustors reflect the inflationary pressures on the basket of input costs used by regional councils.

The Council is forecasting rate levels and rate increases for general rates that are planned to not exceed the movement in the BERL price level adjustments for each year of the LTP.

The proposed increases in targeted rates only exceed the BERL cost adjustors in the first two years of the Plan by approximately 1%, this level being required to allow provision for enhancement work for flood and drainage schemes and for service increases in relation to the provision of bus subsidies.

3. UAGC (Fixed Rate) Disclosures

The submitters' recommendation that the level of UAGC and other fixed charge rates should be shown as a percentage of total rates revenue and reported in the LTP, so the reader of the Plan can monitor the actual percentage proposed with the 30% legislative maximum, will be included in the final LTP.

One submitter claimed that Council had not disclosed how the UAGC is calculated in accordance with schedule 10, clause 15(3)(b)(i) of the Local Government Act 2002. Council staff and its auditors, Audit New Zealand, consider that the disclosures made in part 4.9, page 32 of the draft LTP meet this requirement.

Recommendations

That Council considers the submissions relating to Rates and any comments and proposals made by staff.

Topic	<i>Regional Alliances</i>
Submitters:	<i>10, 11, 21, 31, 39, 79, 126, 130, 153, 156, 158, 169, 178, 189, 191, 193</i>

Issues Requiring Response

- 31. Strategic Alliances
- 32. Research Alliances
- 33. Stakeholder Groups
- 34. Amalgamation (21, 79)

Comment and Proposals by Staff

There is support for both the research alliance with Massey University and the establishment of strategic alliances.

Several submitters have questioned why NGOs such as Fish and Game and Forest and Bird are omitted from the section on strategic alliances. In fact an environmental group essentially representing the broader NGO sector has recently been formed “*Te Taiao Hawke's Bay Environment Forum*” for the region's conservation/environmental groups and HBRC staff contacts have been appointed.

In relation specifically to representation of Fish and Game in the alliance between regional councils and the DoC the alliance focuses on the shared functions of central and local government organisations and, as Fish and Game states at the front of its submission, it is a *non-governmental organisation* with specific advocacy responsibilities.

Details of the alliance known as “Nature Central” will become publicly available as due diligence exercises are completed.

The Regional Prosperity Study currently underway is reviewing current and future options and impediments to improved regional social and economic performance. As part of that study it is expected that both Central and Local government and private sector contributions to these issues will be examined.

Recommendations

That Council considers the submissions relating to Regional Alliances and any comments and proposals made by staff.

Topic	<i>Regional Landcare Scheme</i>
Submitters:	<i>10, 11, 31 114, 119, 126, 128, 130, 134, 139, 141, 154, 156, 169, 178, 182, 184, 185, 191, 199</i>

Issues Requiring Response

1. Additional approaches to encourage land owners to improve practice are needed because currently of significant areas are not being farmed sustainably. An increase in the pace of change will result in more rapid environmental improvements.
2. An increased number of field days would assist transferring knowledge. The Waihapua, Tangoio and Guthrie-Smith properties offer huge potential.
3. The outcomes of improved biodiversity and water quality that will arise from this project are supported. A number of submitters suggest increased funding of the RLS because of increased pressures on our soils and waterways.
4. The proposal to focus part of the RLS investment on areas where land use intensification is likely to occur and where it poses a risk to soil and water quality is supported. This would require a different approach than the traditional soil conservation focus.
5. Continuation and further promotion of the RLS are vital to the productive and environmental well-being of the region. Examples such as upper Mangaone, Mangahina, Mangarangiora, Mangahouhou/Waiiti and Waihau are good examples of what has been achieved.
6. Some concern of the potential for the RLS funds to be watered down over the years due to the addition or increase in focus of activities other than the historically funded remnant forest and wetland protection, riparian planting and fencing and soil conservation.
7. The RLS is one of the best ways to encourage erosion control work and environmental protection and links well and is consistent with the proposed catchment based plan changes.
8. That HBRC considers native species which may be suitable, in preference to poplars and willows, or which are bird friendly such as flowering gums.
9. Concern that some areas that have been supported by the RLS will be deprioritised. Areas of considerable importance such as landscape water retention, biodiversity, ecosystem services, reducing energy use, increasing terrestrial and soil carbon, run-off reduction, collaborative active research, soil function and soil conservation could suffer if RLS more focussed.
10. HBRC is creating a problem through its irrigation proposals and is therefore encouraging a decline in environmental standards.
11. Encouraging high-energy industrial commodity agriculture as a strategy is not only encouraging less resilience to biophysical and market shocks but has a consistent and real trend of reducing real prices requiring social and environmental compromise.

Comment and Proposals by Staff

1. As outlined in the right debate HBRC are seeking to increase its capacity to influence change in land use in HB. It is recognised that to be effective any change in land use should result in increased environmental and economic sustainability.
2. To be effective in transferring of knowledge HBRC will need to use a number of approached including demonstrations and farmer meetings, field days, and media. HBRC will where utilise Tutira Country Park and Waihapua where these are appropriate to demonstrate specific approaches or examples. The Guthrie – Smith property will also be approached

should it be felt that activities can be best demonstrated using the good work that has been done on that property.

3. There are a number of significant issues that HBRC proposes to address over the 10 years of the LTP. This must be achieved with a finite amount of money. The suggestion that more money should be allocated to land improvement needs to be weighed up against public expectations of HBRC on a huge range of other subjects.

The LTP signals a small reduction in expenditure on Land management issues in the 2013/14 financial year, however other than this reduction, expenditure continues to increase in line with inflation. The reduction in the 2013/14 year is because externally funded research projects will be completed and external sources of funding from those initiatives will stop. HBRC will continue to pursue funding of research and other initiatives to improve its knowledge of sustainable land management issues in Hawke's Bay, and particularly where additional funding can be secured from other sources.

4. The objective of refocusing of the RLS initiative is to ensure that the emphasis in the future will be to more effectively aligned to:
 - a. HBRC's environmental protection priorities and the region's most sensitive natural habitats
 - b. Areas where land use intensification is most likely to occur and where it poses the greatest risk to soil and water quality
 - c. Achieving greater integration with the HBRC's afforestation and riparian projects
 - d. Supporting biodiversity strategies in the region.

To achieve this effectively will require that a different approach than the traditional one on one farmer contact. HBRC have made changes to the staff resource in the land management team over the past two years and to the administration arrangements for the RLS, and are well positioned to implement the proposed refocusing of the RLS.

5. In making the changes outlined in 4 above, HBRC have not lost sight of the need to continue with the traditional focus of the RLS, albeit with less direct input from HBRC land management staff. It is expected that there will continue to be fine examples of soil conservation and environmental enhancement work, resulting in improved biodiversity, achieved in conjunction with the farming community.
6. The protection of remnant forest and wetlands, riparian planting and fencing and soil conservation will continue to occur where farmers recognise the environmental and biodiversity benefit that can result from these, without an adverse impact on farm income. Farmers wishing to undertake work will still be eligible for subsidy under the RLS, however the level of subsidy will be determined after assessment of the potential of farm benefit (eg environmental and water quality) of the work proposed. HBRC land management staff will where appropriate discuss proposals with individual farmers and where appropriate may offer an increased level of subsidy where the farmer is willing to make changes to their proposals that could increase those benefits.
7. Water storage, catchment based plan changes and refocusing of the RLS are all part of a more integrated approach to resource management proposed in the draft LTP. It is pleasing that this approach is recognised and appreciated by submitters.
8. Willows and poplars are ideal species for soil conservation and river control. They are quick growing, able to be planted in a stocked paddock and can be made relatively resistant to stock damage, they have extensive root systems, they are able to be used as fodder during drought, and they thrive if a layer of silt is deposited around their base. The species used widely today have been genetically engineered over more than 40 years so that the best attributes of these species are maximised. While there is a place for other species (e.g. more bird friendly species) they do not have the necessary attributes for use in soil conservation plantings and river control work. It should also be noted that willows are valuable in building health and strength in bees in the early part of the honey harvesting season.

9. The refocusing of the RLS and its more holistic approach is designed to provide increased diversity of the outcomes of the RLS. In addition the integrated approach outlined in 7 above will, in time, result in improvements in all of the areas all of the areas which the submitters (182 – Chris Perley and 185 Sustaining Hawke's Bay Trust) suggest will result in reduced investment or effort into the wider landscape.
10. In proposing a more integrated approach to land and catchment management, HBRC will more effectively address issues that have developed over approximately 130-160 years since the Hawke's Bay countryside was first farmed. HBRC acknowledges that much farming practice in Hawke's Bay is not sustainable, and there is room for improvement in the environmental impacts of current farming practices. This is an immense challenge. The specific projects and programmes set out in the draft LTP aim to commence addressing this.
11. It is notable that the most recent PWC report on the primary productive sector states that New Zealand still did not recognise the economic and social benefits that more extensive irrigation infrastructure could bring to the economy. The risk of increased irrigation is the potential to increase nutrient runoff and thus reduce water quality. HBRC recognises this risk and is addressing it in detail through the Ruataniwha Water Storage feasibility project. Furthermore, storage projects, assuming they proceed, are explicitly targeted at reducing the reliance of irrigators on surface and groundwater takes which in some instances significantly compromise river health.

The RLS can assist with nutrient management under irrigated systems through riparian management assistance and other related management practices.

Recommendations

That Council considers the submissions relating to the Regional Landcare Scheme and any comments and proposals made by staff.

Topic	Resilience
Submitters:	109, 182

Issues Requiring Response

35. Definition of resilience, attributes of resilience

Comment and Proposals by Staff

Both submitters indicate that while Council has used the word Resilient in its strategic goals and as a concept throughout the document, there is no definition of resilience in the document. One submitter refers to the IPCC (2007) definition and the Resilience Alliance definition. The other submitter identifies key attributes of resilience as including:

- Ability to foresee potential opportunities and threats
- Capacity to buffer shocks
- Capacity to visualise, adapt and innovate
- Ability to motivate self and others.

The majority of the initiatives in the Long Term Plan are considered to reflect these attributes but it is useful to have a definition which defines the characteristics of resilience. This could be included in the Glossary or in the introduction to the Right Debate.

Recommendations

That Council considers the submissions relating to Resilience and any comments and proposals made by staff.

Topic	Solar Hot Water Scheme
Submitters:	3, 4, 24, 25, 31, 40-45, 47, 63, 114, 116, 131-133, 140-142, 150, 152, 154, 155, 158, 162, 163, 171, 178, 195, 196, 198, 199, 611, 617, 618, 621, 627, 630, 631, 633

Issues Requiring Response

36. The establishment of, and funding assistance for, a Solar Hot Water Heating Scheme

Comment and Proposals by Staff

Hawke's Bay Regional Council has been working collaboratively with Hastings District and Napier City Councils, to develop a proposal to assist ratepayers on those parts of the region to consider the option of installing solar hot water heating in residential properties.

Residential solar hot water heating provides an opportunity to achieve energy efficiencies using a natural renewable resource available in abundance in Hawke's Bay and to reduce community dependence on other forms of energy.

The Solar Hot Water Heating Scheme is a combined initiative of the Napier and Hastings councils as well as the Regional Council. The territorial authorities (Napier City and Hastings District) would provide the project management and direct liaison with the customer/homeowner through the building consent process. The regional council would provide the funding facility through an individual targeted rate on a property for the repayment of a loan to install the solar hot water heating.

The rationale for the Regional Council's involvement is that its ratepayer base covers both interested territorial authorities and provides scope for additional territorial authorities (Wairoa and Central Hawke's Bay) to join the scheme. However if only one territorial authority decided to proceed with the scheme there would no longer be the justification for the Regional Council to fund a single territorial authority activity.

The proposal is that HBRC borrows \$6 million to lend to individual ratepayers who take up the offer of installing solar hot water heating. Long-Term Plan. The long-term effect of the borrowing is cost neutral to Council. It is anticipated that the rate of uptake of the scheme will increase over the first 3 years from 100 in year 1 to 300 in year 3 where it will then be capped. This cap will allow the Council to spread the borrowing of the funds over a 5 year period, and will also enable the increased workload of Council finance staff to be appropriately managed.

Scheme set up costs are not expected to be significant as a large amount of the work has already been undertaken by Nelson City Council and would be transferable to a Hawke's Bay Scheme. Costs will be incurred in developing the Request for Proposal (RFP) for the preferred suppliers and the evaluation of the tenders received. It is estimated that total set-up costs would be approximately \$35,000, shared across the three councils.

Recommendations

That Council considers the submissions relating to a Solar Hot Water Heating Scheme and any comments and proposals made by staff.

Topic	<i>TB Free programme</i>
Submitters:	<i>1,2, 149</i>
To be heard:	<i>Yes</i>

Issues Requiring Response

1. Support for HBRC's ongoing involvement in the TB Free programme in Hawke's Bay
2. Support for the regional contribution to the National Bovine TB Pest Management Strategy

Comment and Proposals by Staff

Comments from submitters that Council's Biosecurity and Vector Management teams work closely together implementing both the Animal Health Board and the Councils own strategy are noted and appreciated.

Appreciation of the mutual benefits this delivers for both organisations and land owners in the region is provided and a request made that their thanks are conveyed to Council and relevant staff for the own going support.

Ongoing contributions to the National Bovine Tuberculosis Pest Management Strategy are provided for throughout the 10 years which are covered by the plan. 70% of this funding is raised through targeted rates on all properties over 4 hectares, and the remainder funded through general funding sources which includes dividends and interest received from HBRC investments.

Recommendations

That Council considers the submissions relating to the TB Free programme and any comments and proposals made by staff.

Topic	Community Facilities funding for Te Mata Peak Visitor Centre
Submitter:	117 Bruno Chambers on behalf of the Te Mata Peak Trust
In Support:	129, 184, 185, 196, 500-541

Issues Requiring Response

1. Funding contribution for a Visitor Centre at Te Mata Peak

Comment and Proposals by Staff

The Te Mata Park Trust has requested Council to consider funding a Visitor and Education Centre at the entrance to Te Mata Park and that the project is supported by the Community Facilities Fund where the funds are earmarked for a regional project in Hastings District. The amount of funding requested is \$1.2 million. The Trust made a presentation to Council at the Annual Plan submission meeting in June 2011 on the concept for the Visitor Centre.

In the Draft Long-Term Plan 2012-22 a further \$3.0M has been provisionally earmarked for projects in the Wairoa District (\$0.5M) and Hastings District (\$2.5M). Under its current policy HBRC requires that projects eligible for the community facilities funding meet the following criteria.

1. *The facility must be owned or managed by a Territorial Local Authority or a Council Controlled Organisation, residing in the Hawke's Bay region.*
2. *The facility should be of benefit to the whole Hawke's Bay region or at least of benefit to a significant sub-region (eg: Wairoa or Central Hawke's Bay).*
3. *The facility should have a minimum capital value of \$5 million in the instance of Napier City or Hastings District or \$500,000 in the instance of Wairoa or Central Hawke's Bay.*
4. *The fund will support projects to establish or upgrade community infrastructure such as halls, museums, sports facilities, community centres, which are available for use by the community at large*
5. *The fund would not normally support basic local authority infrastructure such as drainage, water supply, sewage or waste disposal or roading*
6. *The fund would contribute to capital costs of facilities but not to operating costs*

Other Criteria:

7. *The project should demonstrate local community support through the applicant's LTCCP or Annual Plan process*
8. *The sponsoring TLA must undertake responsibility for maintenance and renewals, preferably with depreciation funded*
9. *The Regional Council should be satisfied that management and/or governance of the facility will be competent*

10. *The Regional Council would expect the sponsoring Council to be directly funding or have receiving funding for at least 75% of the value of the project and the Regional Council would in no instance contribute more than 50% of the cost of the project*
11. *The Regional Council would normally conduct no more than one funding round in each financial year and allocate in total in each funding round no more than that recommended by the Council's Chief Executive.*

The submissions received on the Te Mata Park Visitor Centre have all been in support of the project receiving Council funding and most cite the regional significance of Te Mata Peak, and its role as a destination for visitors and locals, as a key justification for such consideration. The submission from Hastings District Council supported a contribution from this Council outside of the community facilities fund. Hastings district Council has earmarked a further \$750,000) for the Centre in its Draft LTP, on top of \$350,000 already spent.

Should Council wish to give consideration to funding of this project in addition to that of the hockey turf, the community facilities fund policy may require amendment. The Te Mata Park Trust is a Council-controlled organisation, so meets criteria 1, but clarification would be required around the status of Hastings District Council as a sponsor of the project.

Recommendations

That Council considers the submissions relating to the Te Mata Park Visitor Centre and any comments and proposals made by staff.

Topic	Tourism
Submitters:	32, 49, 110, 164, 167, 168

Issues Requiring Response

Submissions related to Hawke's Bay Tourism, are based around funding for the Regional Events Strategy and concern about lack of promotion for Napier.

Comment and Proposals by Staff

1. Regional Events Strategy

The Regional Events Strategy is a project that Hawke's Bay Tourism (HBT) has been tasked with delivering on behalf of HBRC. HBT's current funding does not allow for fully maximising the opportunity to realise this strategy and deliver growth for the region without reducing other marketing activity. The beneficiaries of a successful and well run events strategy are the venues (their owners), accommodation, transport and food and beverage providers as well as the local community who gain access to staged events.

Taxing the visitor economy is a much bigger discussion. Based on a tax to commercial paying guests and the actual make-up of visitors to Hawke's Bay - a very large portion of visitors would be excluded. These include those staying with friends and family and cruise passengers. Alternative funding models should be explored that allow capture of a broader visitor audience.

From a national perspective the New Zealand Tourism Industry Association has made the following comment relating to a bed tax: *"A bed tax as a form of taxation is highly distortionary and economically inefficient in that it bears no relationship between the payer and the supposed benefits. The benefits of tourism flow across many sectors, yet the costs of a bed tax are concentrated only on commercial accommodation types such as motels and hotels, which comprise only a percentage of wider tourism services and infrastructure. Many visitors stay privately with friends and family - a bed tax would not capture these people and nor would it capture visitors staying in rented homes, campervans or cruise ships, for example. In short, a bed tax poses the following risks:*

- *Risks to commercial rates revenue through declining business activity.*
- *Risks to regional economic growth due to decline in visitor numbers.*
- *Risks to investment, especially by the commercial accommodation sector who already pay commercial rates.*
- *Risks to individual businesses' viability through cost absorption and extra administrative compliance.*

2. Questions relating to alternative strategies for promoting tourism

Hawke's Bay Tourism is tasked with promoting the region of Hawke's Bay of which Napier is a major part of the marketing message. Hawke's Bay Tourism is at the beginning of a three-year funding agreement with HBRC and like all tourism regions is operating in a tough economic environment driven by many external factors.

Hawke's Bay Tourism's strategy is very clear; get more visitors to Hawke's Bay now, doing more (spending money) and coming back. This strategy was developed by the HBT Board, in collaboration with the Hawke's Bay Tourism Association and with input from a large cross section of the tourism industry. This strategy was approved by HBRC. Both NCC and HDC were also across the strategy and agreed to the direction.

The direction HBT takes in its marketing communications is based around the “experience” the region offers. This is based on the premise that visitors choose a destination for what it offers the traveller in terms of the visitor experience. Functional infrastructure such as accommodation and transport are exceptionally important in the decision to visit a region but the first reason one chooses a place to visit is based around the “experience” it offers. Am I going to Paris to stay in a hotel room? Some accommodation is unique in that can offer the “experience” along with the accommodation, i.e. The Farm at Cape Kidnappers, Mangapapa Hotel, or any number of B&B’s properties. Tourism New Zealand, the national organisation tasked with promoting New Zealand also follows this rationale.

HBT acknowledges the importance of Napier as a key tourism centre for the region and promotes it as such. Napier is at the heart of most of HBT’s tourism promotion and the organisation receives good support from Napier entities, such as the tourism facilities that make up Napier Tourism Services and the Art Deco Trust not to mention a great many Napier based tourism businesses.

Napier has most recently been featured by HBT in their national online advertising campaign, through extensive search engine marketing and been the hero in two major international media articles in both The Los Angeles Times (readership 907,000) and The Telegraph UK (readership 2m) as well as being the focal point of a visit by over 25 travel sellers from NZ, China, USA and Europe.

Tourism destinations around New Zealand are facing a tough environment. The NZ dollar has and is encouraging Kiwis to travel offshore foregoing holidaying in New Zealand, the price of fuel is at incredibly high levels thus deterring travel by car and NZ’s traditional long-haul markets (UK, US, Europe) are also Hawke’s Bay’s long-haul markets - these are well down also. The weather over the New Zealand summer has also caused many cancellations and changes to holiday plans.

Factors specific to Napier that will not have helped the decline in commercial visitor nights in Napier:

- The closing of Marineland in 2008 – a family oriented tourism attraction that was the singular draw for family visitors to Napier for more than 30 years. Over 100,000 visitors visited Marineland annually; this dropped to 70,000 people then 45,000 in its last year of operation.
- The closure of the Hawke’s Bay Museum and Art Gallery late 2010 for refurbishment. This facility was generating 36,000 visitors a year. The Century Cinema, also closed for refurbishment was generating 25,000 visitors a year.
- The growth of tourism infrastructure outside Napier – major investment in tourism infrastructure has mainly occurred outside Napier, for example Elephant Hill, Craggy Range Winery, Black Barn (accommodation/winery/gallery/market), Sileni, Te Awa, The Farm at Cape Kidnappers and Splash Planet.
- The growth in cruise travel has meant an increase in visitors to Hawke’s Bay via the Port of Napier but this is day visits only. This type of traveller would have traditionally travelled by coach or rental car and stayed in local accommodation.
- The closure of the Manawatu Gorge which has meant a major obstacle for those coming from regions such as Taranaki, Palmerston North and the Kapiti Coast.

On the positive side the Hawke’s Bay Museum will reopen in 2013, the new art deco buses will be a feature for Napier starting in October this year and the new penguin enclosure at the Aquarium will also help to generate reasons to visit the region.

Hawke’s Bay Tourism is also working with Central Hawke’s Bay in developing their tourism proposition and relevant tourism products. Discussions with Northern Hawke’s Bay are centred around Lake Waikaremoana and HBT is working with DOC on tourism packages to open up the national park and its status as a Great Walk of New Zealand.

HAWKE'S BAY REGION VISITOR PROFILE

Visitation patterns within the region differ slightly between domestic and international visitors. According to the Hawke's Bay Visitor Survey published in August 2011, overall visitation patterns (including day and overnight visits) in the Hawke's Bay region are dominated by the 'big three': Napier, Hastings and Havelock North. International visitors surveyed incorporated Napier in their visit more often than their domestic counterparts, and were also more likely to visit outer lying locations.

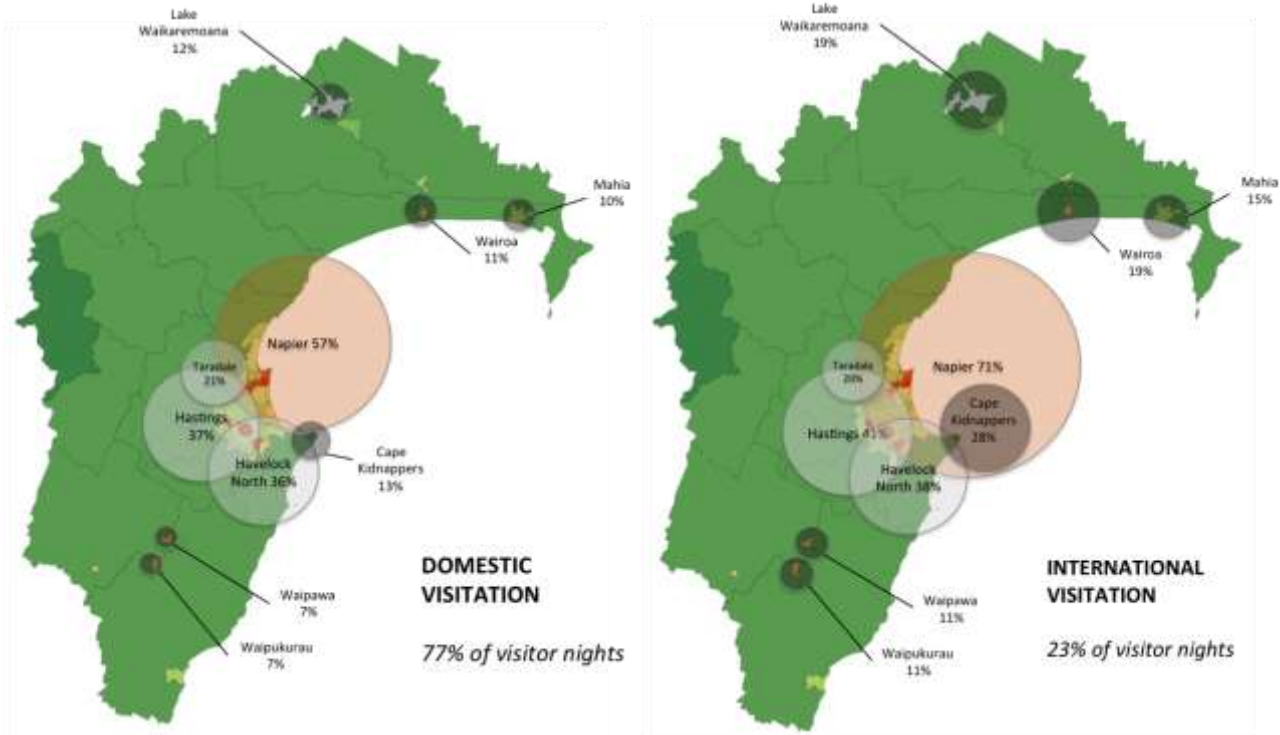


Figure 5. Visitation patterns within Hawke's Bay – major locations¹

Commercial visitor arrivals to the region are measured via the Commercial Accommodation Monitor which is managed by Statistics New Zealand. It relies on data supplied by hotels, motels, backpackers and holiday parks. All Regional Tourism Organisations in New Zealand including Hawke's Bay Tourism use these figures as a base for understanding visitation to their respective regions. This is the only monitor of its kind. Hawke's Bay is also part of a national survey which collects data on visitors who choose to stay in private accommodation. This is collated by APR Consultants and offers HBT a guide to monitor this group of travellers. The Hawke's Bay Visitor Survey 2011 indicates that those staying in private accommodation is 32% of all domestic visitors.

Hawke's Bay Tourism welcomes discussion with the tourism sector and holds regular industry updates as well as sending regular communications via email to those involved in the sector. HBT is a membership organisation with a growing membership base, currently around 170 members and for the membership fee there is a range of benefits provided by HBT. HBT continues to engage outside its membership base for the good of tourism generally however some operators purported to be acting on behalf of the Napier Motel Association and the Napier Tourism Association, who HBT has not heard of previously, have chosen not to engage with HBT. Invitations to engage have been sent and ignored. HBT is more than willing to engage with any group wishing to grow tourism to Hawke's Bay. It should be noted that HBT has a strong and good working relationship with the Motel Association of New Zealand and they support the work of the regional tourism organisation.

Recommendations

That Council considers the submissions relating to Tourism and any comments and proposals made by staff.

¹ Source: NZTRI - Hawke's Bay Visitor Survey, August 2011

Topic	Transport
Submitters:	15, 51-75, 79, 115, 118, 131, 154, 185, 195, 199

Issues Requiring Response

- 37. General comments on public transport
- 38. Extension of bus services
- 39. Bikes on Buses
- 40. Bus terminal in Napier

Comment and Proposals by Staff

General Comments

- The New Zealand Transport Agency submission states it considers the Hawke's Bay public transport network to be fit for purpose and delivers an efficient and effect service for the region. They also support the integration between public transport and other active modes. These comments are appreciated and agreed to by HBRC.
- Support for the proposed trial bus service in CHB and the investigation of the use of school buses to cater for rural needs.
- Support for the continuing promotion, development and maintenance of public transport networks as a vital strategy to reduce energy use and create community engagement, noting that public transport can create multiple benefits through design that integrates transport to other functions such as recreation; walking and cycling; and community gathering areas.
- Support for better integration with cycling and walking; including the provision of secure bike stands at major bus stops; and options for carrying bikes on buses.
- Suggestion that a "rover" ticket system be introduced. Council has implemented and committed to providing a simple two zone fare structure, the introduction of other fare systems (like those suggested by submitter 74) will be considered when Council reviews its fare structure. Council is required to do this every two years and this is next planned for 2013.
- Suggestion there needs to be a smart card system throughout NZ. The New Zealand Transport Agency is currently leading a national ticketing system project to introduce a ticketing system that can be used inter-regionally, this is scheduled to first be rolled out in Auckland, Wellington and Christchurch, with smaller regions coming on board after implementation in the larger regions. It is not anticipated Hawke's Bay would be part of this for 3 - 5 years, but staff are continually updated on the results and progress of this project.

Bikes on Buses

- A number of submitters, though this process and other public consultation, have requested Council look at carrying bikes on buses. Council and the bus operator have now reached an agreement and this will be done in mid 2012. It is proposed that buses on main routes including Route 12 (the services between Napier and Hastings), services to Havelock North, Tamatea/Taradale, Ahuriri / Westshore and Maraenui/Onekawa will be fitted out to enable buses to carry 2 bikes on the front of each of these buses. This is a more economic and safe option than retrofitting the inside of the buses to enable bikes to be carried on board. After monitoring the success (or otherwise) of this initiative other bus routes may be looked at in the future.
- Council has also allowed for the carriage of folding bikes since 2011.

Extension of Bus Services

Parkvale, Hastings

- A number of submitters have requested Council consider extending the current bus services in Parkvale to include Ada Street, Kathleen Street and Louie Street in Hastings. Staff are currently investigating the cost for this extension. The submitters will be kept updated on any progress with this request. It should be noted that any change to this service would be done on a trial basis to see whether there is actual demand for the increase in service. Staff investigate any request for a new service or extension to a current service on its own merit and also whether it is affordable.

Other

- A submission requested a more frequent bus service between Napier, Hastings and Havelock North. In 2011 four extra buses were put onto route 12 (between Napier and Hastings) and this resulted in an increase to 15 minute frequency at peak times on this route, these improvements are proving to be extremely successful. Therefore there is no immediate plan to increase these services any further but to allow these improvements to be consolidated.
- A submitter requests Council establish, between 2012 and 2022, more frequent bus services, using Wellington CBD bus services as the example. The Council has increased the size of its bus fleet by five buses in the last two years, the demand for services is constantly being monitored and responded to, but this is very reliant on funding from the New Zealand Transport Agency and HBRC through its targeted rates.
- Bus / Railcar Services between Eskdale and Paki Paki –The development of a rail commuter service was investigated as part of the Heretaunga Plains Transportation Study 2012. This study concluded that a commuter service as is suggested by the submitter, would not be economically or practically viable. The line is not located for easy commuter access nor are there sufficient commuter facilities along the route to generate sufficient patronage to justify the considerable capital cost of setting up a service and operating it to modern standards. In regard to implementing any bus services to this area staff are continually looking at any improvements across the urban network when funding allows.

Size of Bus Fleet

- A number of submissions make reference to Council providing for smaller buses; and ask for a more modern bus fleet. Council has a service level requirement in its Regional Public Transport Plan, under the “Bus” section, that states “Ensure the appropriate size bus is used on each service by catering for peak loadings at the service peak time”.
 - Full size buses are needed, and are supplied, on Routes 12, 13, 14, 20 and 21 to meet peak loadings. Smaller vehicles are used on Routes 10, 11, 15, 16A, 16B and 17.
 - The capital cost of purchasing one full size (45 seats) vehicle is in the region of \$400,000, the capital cost of purchasing a smaller (30 seater) vehicle is around \$330,000. The labour and operating costs for both a 45 and 30 seater vehicle are very similar, as the labour cost is the same.
 - It is widely recognised in the bus and coach industry that larger vehicles are more economical as they can do what a small bus can, whereas a small bus can't do what a large bus can.
 - The current contract implemented in February 2009 required that buses on Council's services met the latest emission standards. “Euro 5 standard” buses were put into Council's service on that basis. Currently there are 25 vehicles in the fleet, 19 of these are either 2008, 2009 or 2011 models.

Bus Terminal in Napier

- A submitter suggests that any new bus terminal in Napier be funded from tourism. In the Regional Public Transport Plan, adopted in 2011, the following is to be investigated in the long term: “improved main bus terminus facilities in both Hastings and Napier, for urban services

and long-distance bus and/or tourism services.” At the time of this investigation all potential funding sources will be considered, including tourism funding.

Recommendations

That Council considers the submissions relating to public transport, and any comments and proposals made by staff.

Topic	<i>Tutira Property Transfer</i>
Submitters:	19, 121, 132, 133, 155, 171, 182, 187, 197, 198, 199

Issues Requiring Response

41. The proposal is not supported because of a number of reasons as set out in submission 19 from Garth Eyles.
42. Support the proposal because of the importance of Treaty Settlements for all Hawke's Bay citizens.
43. The Lake is a major asset, and any restriction on public access for using the lake and surrounding land would not be supported.
44. The potential effect that any transfer may have on the current management plan for the Tutira Country Park.

Comment and Proposals by Staff

The majority of submitters support the proposed transfer of a portion of Tutira Country Park to Maungaharuru Tangitu Inc. The proposal is subject to HBRC gaining ownership of Tangoio Soil Conservation Reserve.

The Tangoio Soil Conservation Reserve is currently owned by the Crown, with responsibility for its ownership under government department Land Information New Zealand (LINZ). The land is available for Treaty Settlement purposes. HBRC currently has responsibility for the management of the Reserve. That responsibility includes an expectation that covenants associated with its Soil Conservation Reserve status are adhered to.

HBRC is unable to utilise any revenue gained from the Reserve other than to meet the costs of the management of the Reserve. Currently HBRC holds approximately \$3m in an account associated with the Reserve. It is estimated that approx \$2m of this money will be utilised for management of the Reserve prior to the next major income from harvesting of the exotic forest planted on the land.

HBRC believes the Tangoio Soil Conservation Reserve could provide significant recreational benefits for the public of Hawke's Bay particularly if linked with other HBRC assets (Waihapua and Tutira Country Park), and that these could be provided in conjunction with the Reserve being managed as a commercial forest while meeting the Soil Conservation covenant requirements expected by its current status.

Accordingly HBRC believes that there would be benefit for the region if the Treaty Settlement deal with Maungaharuru Tangitu Inc where:

1. That ownership of the Tangoio Soil Conservation Reserve be transferred to HBRC.
2. Maungaharuru Tangitu Inc gain ownership of approx 20ha of land adjacent to Lake Tutira, because of the significance of the Lake to that hapu.
3. Any funds held by HBRC which have been earned from revenue from the Tangoio Soil Conservation Reserve and are not required for its management, are utilised for environmental and recreational enhancement within the Tutira catchment.

Note that the deal will only proceed if all of these issues are part of the deal.

It should be noted that while there are a number of multiple ownership Maori land blocks in the vicinity of the Lake (mainly at its northern end) these blocks are not owned by Maungaharuru Tangitu Inc.

The location of the land proposed to be transferred has yet to be finalised. HBRC staff are currently working with Mangaharuru Tangitu Inc representatives and advisors, Office of Treaty Settlements, and Land Information New Zealand on this issue.

HBRC staff and representatives from other organisations involved in progressing the deal are well aware of the high public usage and enjoyment of Tutira Country Park and are seeking to minimise any possible impact that any transfer of land would have on that.

There are significant opportunities for the enhancement of public recreational opportunities from Tangoio to Tutira. These are currently being explored. The Management Plan for Tutira Country Park will be reviewed in the future to incorporate any change in ownership or use of the land, and to incorporate any opportunities for enhanced public use.

There is approximately 140 hectares of exotic forest within Tutira Country Park. This will be harvested over the next 5 to 10 years. As part of the discussions with Maungaharuru Tangitu Inc staff are considering options for transportation of the logs from the Park, and for the replanting of areas harvested.

Recommendations

That Council considers the submissions relating to the Tutira Property Transfer and any comments and proposals made by staff.

Topic	<i>Water Management – Water allocation</i>
Submitters:	<i>135, 143, 147, 176</i>

Issues Requiring Response

1. The need to recognise the economic value of water from the Ngaruroro and Heretaunga aquifer.
2. Concern about giving too much weight to environmental and cultural values, potentially at great cost to economic and social values, and the need for HBRC to investigate economic impacts of increased minimum flows in the Ngaruroro River without full investigation of impacts on irrigators and the associated economic value of the horticultural and viticultural sector to the region.
3. Support for metering and telemetry as a means of gathering knowledge of resource use rather than a compliance tool.
4. Support for HBRC to actively promote global consents for the flexibility they would provide over the current system of individual consents.
5. Support for HBRC to promote Water User Groups. The submitter suggests an overarching group with a number of smaller community water user groups
6. Concern that HBRC has set higher standards for water metering than the National Regulations with no analysis or justification.
7. Suggests that HBRC consider budgeting for providing lower cost water meters for consent holders through bulk purchasing.

Comment and Proposals by Staff

The issues raised by the submitters have been the subject of a number of meetings with the horticulture and viticulture sectors over recent years, and specifically in relation to the Twyford consents and the development of the HB Land and Water Management Strategy.

Staff recognise that assessing the economic value of water and the impact of water management options is a critical part of the planning process and are keen to engage the submitters as part of the development of a strategy/plan change for the Heretaunga Zone which includes the Ngaruroro River and the Heretaunga Plains aquifer system as well as other rivers which cross the Heretaunga Plains. Economic impacts are also driving much of the effort to find solutions such as water use efficiency and storage. Specifically a significant economic study is scheduled as a precursor to commencing any further work on the Ngaruroro water storage feasibility project. This study which Ministry of Primary Industries has agreed to fund 50:50 with HBRC should assist significantly in better determining the value of secure water for irrigators. This study which has been placed on hold due to the demands of the Ruataniwha project should be commenced early in the 2012/13 financial year.

Through these meetings, HBRC has been pushing the industry to support and promote water metering and telemetry to enable better understanding of water use and demand and therefore better management of the water resources.

It is noted that in 2009, a Water Information Services unit was set up by Council to provide assistance to consent holders specifically requiring water metering. Where a collective number of growers has been organised and a water user group established, Water Information Services has been in a position to help facilitate cost reductions for water meters and telemetry equipment and in the future will continue to do so. HBRC is currently exploring a number of options that may help lower the costs of metering and telemetry equipment further. It is expected that this piece of work will be complete by August 2012.

At the most recent meeting, HBRC has committed to quantify water meter installation requirements for the balance of the Heretaunga Plains, establish the likely costs of bulk purchase of water meters and a telemetry system to assist in the speed and affordability of this infrastructure and to develop a joint communication strategy with the horticultural sector around water metering, telemetry and compliance. Once this piece of analysis has been done it should be possible to assess options for incentivizing small water users (below the NES for water metering threshold) in particular to adopt the technology.

HBRC confirmed its recognition of the value of good water use data both for the irrigators, industry and for HBRC on behalf of the community. Equally water meters are also a compliance tool and HBRC has a responsibility to monitor consents and enforce if necessary. However, HBRC has been pushing the concept of global consents where an allocation of bulk water might be made to a group of users who are taking water from a particular resource so that the question of individual allocation can be devolved to the entity that holds the consent. This would increase flexibility and efficiency of water use and also reduce HBRC's compliance role from multiple individual takes to a single take with potentially a verification rather than traditional compliance focus. The ability to do this depends on whether the resource can be managed in such a way and the consent holder entity having the capacity and capability of administering such a system. We urge the horticultural and viticultural sector to take a proactive role alongside the HBRC is implementing this option where it makes sense.

Recommendations

That Council considers the submissions relating to Water Management-Water allocation and any comments and proposals made by staff.

Topic	Water Management
Submitters:	8, 10, 11, 17, 31, 40, 41, 42, 43, 44, 45, 115, 118, 127, 135, 149, 159,

Issues Requiring Response

Draft Long Term Plan does not acknowledge any prospect of needing to find a balance between social and cultural, environmental and economic outcomes, nor does it provide any indication of Council's aspirations in the context of statutory requirements, particularly with regard to National Water Standards.

Support for Council's research, investigation and monitoring programmes.

Concern has been raised around groundwater modelling and potential effects on abstractors in the Ruataniwha Basin.

More clarity is sought on what the Environmental Benchmarks are and how far away we are from the target. The submitter suggests that a broad scale historical analysis should inform the debate and if it is not readily available, resources should be made available to sourcing and reporting on that information.

General call for cleaner rivers and the role of riparian and stock management, regulation including land use controls.

Dairy Industry led water quality programmes – The Dairy and Clean Streams Accord, Every Farm Every Year (Effluent Management Programme), Nitrogen Management Programme.

Recognise the health impacts that might arise from inadequate water supplies and wastewater disposal, use of water in food production and the impact of rating schemes on the poorer sectors of the community, and a request for continued monitoring of the community outcome indicators.

Comment and Proposals by Staff

1. While the Draft Long Term Plan may not explicitly acknowledge the need to find a balance between social, cultural, economic and environmental outcomes, the Hawke's Bay Land and Water Management Strategy certainly does. In relation to the use, development and protection of natural resources, it is through processes and documents such as the Regional Policy Statement and Regional Plans that articulate the balance that is acceptable to the community. It is through these documents that the National Policy Statement for Freshwater Management is also given effect to.
2. Staff acknowledge the support for the research, investigation and monitoring programmes.
3. The technical reports and models that underpin them for groundwater have been peer reviewed nationally and internationally. Staff are committed to working with technical experts from the Ruataniwha Water Users to ensure that the models are robust and well understood. To date no issues have been identified with the modelling approach.
4. Broad catchment based approaches to understanding current ecological resources are underway. The submitter appears to want to context the current ecology against what occurred historically, and certainly prior to any significant modification. Staff do not see the value in this approach as there are not currently any proposals to try and revert ecosystems to historic levels given the degree of modification that exists to most of them now.
5. Staff acknowledge the role of riparian stock management in improving the quality of the rivers and lakes in the region. Through the programmed plan changes, water quality limits will be set and a range of methods will be considered as means to stay within those limits or as a means to get within those limits over time. Riparian management has been incentivised through the Regional Landcare Scheme for many years.
6. Staff acknowledge the programmes identified within the Fonterra submission and look forward to continue working with the dairy sector on its environmental management.

7. The submitter Hawke's Bay District Health Board brings to the Council's attention that water has been identified as a priority focus area for Population Health in Hawke's Bay and anticipates working closely with HBRC and other councils in developing an implementation plan. HBRC looks forward to working with HBDHB on this issue. Of relevance is the National Environmental Standard for Human Drinking Water Sources; this is implemented through resource consent processes and also through regional plan rules and therefore need to be considered as part of the Tukituki plan change.

In terms of monitoring the community outcomes indicators, staff did think that there was value in the first report that was completed in 2009 while noting that data for some indicators was not readily available. However, it is no longer a statutory requirement to report on community outcomes. This could be a collaborative funded activity if other councils and the district health board could contribute towards the costs. It does not appear that the submitter has requested this monitoring report from other councils. Last time it cost in the order of \$30,000 and our contribution was in the order of \$6,000. If costs are in this order, this could be funded from current budgets.

Recommendations

That Council considers the submissions relating to Water Management and any comments and proposals made by staff.

Topic	<i>Water Storage</i>
Submitters:	4, 8, 9, 16, 23, 24, 25, 26, 31, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 47, 63, 76, 77, 78, 79, 109, 112, 113, 114, 115, 118, 119, 120, 127, 129, 130, 131, 132, 133, 135, 140, 141, 142, 143, 147, 149, 150, 151, 152, 154, 155, 156, 159, 160, 162, 163, 165, 169, 171, 174, 175, 176, 178, 181, 182, 184, 185, 186, 189, 190, 191, 192, 194, 195, 196, 197, 198, 199, 611, 617, 618, 621, 623, 625, 630, 633, 634

Issues Requiring Response

12. Ruataniwha Water Storage Project

A wide range of themes and issues have been raised but can be summarised as follows;

- Support for investment in water storage feasibility studies for long term sustainable economic, environmental and social wellbeing outcomes for the region.
- Storage can contribute to the wellbeing of the river.
- Increasing availability of irrigation water is one of the few ways that Hawke's Bay can quickly build economic growth.
- Commend Councils leadership and commitment to the initiative.
- Opposes the allocation of \$80m to the project prior to the completion of a comprehensive feasibility study and prior to these studies being available for public consultation.
- Can't make an informed decision until there are resolutions on Treaty of Waitangi Claims settlements (may impact proposal) and co management models with maori.
- Storage must be accompanied by a concerted move to clean up present agricultural practices.
- Robust regulations must accompany any land use intensification.
- Have no doubt that geological assessments will be robust and reliable.
- Existing users may come under financial strain if they are required to invest into the scheme.
- Concerns around the consequences of land use intensification and the deterioration of water quality for other users of the resource.
- Questions around how the project will be addressed through the proposed plan change for the catchment.
- Oppose water storage investment if water is to provide for fracking.
- Supports small scale off-river and on-farm storage.
- Fonterra working on a number of initiatives with suppliers to achieve best on-farm practice with respect to water quantity and quality and would like opportunity to be involved in intensive agriculture and water quality decisions.
- Potential for massive public debt to potentially enrich a small number.
- Costs of water storage should be predominantly borne by new users.
- Maintain a clear distinction between water storage initiatives and water allocation but not averse to both being resolved in parallel.

- Draft LTP does not provide evidence of assured benefits.
- Draft LTP does not clearly communicate how this project will be funded or how costs will be recovered.
- Transparent consultation process needed when feasibility studies and consultants reports have been made public.
- What point will the public be involved in the decision.
- Recommend biodiversity offset plan to compensate the loss of native bush through water inundation.
- Concern that if the ownership is a partnership between public and commercial interests, commercial interests eventually predominate. Ownership should be either local/regional government, central government or a combination of the two. Iwi should be invited to participate in funding the dam.
- The only way to control environmental outcomes is to control the water supply from the dams. i.e. Control of tap as an enforcement tool. This can only be achieved by full public ownership of the dam.
- Leave it to the private sector to enable HBRC to represent the interests of the region as a regulator without any perceived conflicts of interest.
- After dam completion, commercial recreation activities will become an attractive option. These activities need to be environmentally neutral.
- No cost/benefit analysis to support that it could double the irrigated land in HB; Increase crop processing and port exports; and have flow on effects for the regional and national economy.
- No indication how the water will be allocated.
- Too many critical questions remain unanswered although recognises that the full feasibility study process is designed to address them.
- Effect on sediment transport and supply, particularly to the coast.
- Not conceivable the HBRC would expect intelligent, informed public submissions on this scheme during this LTP. No way can submissions, pro or con, be taken as evidence of where the public stands on this potential investment.
- For growing pasture in CHB, irrigation is a high capital cost that is seldom justified.
- Reports giving details on the social impacts of intensive agriculture on the employment opportunities of more value-adding enterprises, wages and conditions, and effects on cultural expression are needed.
- Electricity generation useful side benefit in terms of clean renewable energy.
- If it has power generation capability, power companies may elect to invest.
- If there are significant dairy conversions, how will Fonterra intend on managing increased milk volumes and where will they process the milk.
- Concerned that the cost of \$170 Million is extremely optimistic, and that the true cost could be a lot higher.
- Not convinced that water takes in the Ruataniwha Basin are unsustainable and that existing users must become part of a water storage scheme.
- Agriculture is the mainstay of the district and has a vital role in the growth and development of the CHB community and economy.
- Storage will see a return of natural flows to the Tukituki and Waipawa Rivers.

- If the project is found to be feasible, the project should be completed quickly. Farms and businesses wanting to develop opportunities need to start on proposals as soon as a timeline for available stored water is known.
- Will be a need to go beyond narrow riparian strips and develop much wider cropping or forestry areas to reduce nutrient load in waterways.
- HBRC should discontinue using the Tukituki Rivers possible gains in improved flows as a reason for the water storage plan.
- Staged approach to water management needed with a range of approaches and options.

13. Ngaruroro Water Storage

A wide range of themes and issues have been raised but can be summarised as follows;

- Support for investment in water storage feasibility studies for long term sustainable economic, environmental and social wellbeing outcomes.
- Effect on sediment transport and supply, particularly to the coast.
- Opposes the allocation of \$27m to the project prior to the completion of a comprehensive feasibility study.
- Requirement to consult with Tangata whenua.
- Water quality issues due to land use intensification, downstream nutrient affects and possible health impacts.
- Concern about the implications on Water Conservation Order application for all or part of Ngaruroro River.
- Supports small scale off-river and on-farm storage.
- Strong emphasis and commitment to Ruataniwha project. Would like to see similar commitment to Ngaruroro project.
- Costs of water storage should be predominantly borne by new users.
- Maintain a clear distinction between water storage initiatives and water allocation but not averse to both being resolved in parallel.
- Fonterra working on a number of initiatives with suppliers to achieve best on-farm practice with respect to water quantity and quality and would like opportunity to be involved in intensive agriculture and water quality decisions.
- Potential for massive public debt to potentially enrich a small number.
- Oppose water storage investment if water is to provide for fracking.
- Cultural concerns around ownership of water, wananga and consultation, water storage an admission of failure such as managing growth, sustainability, quality of water and environmental management.
- Does not support water storage without necessary supporting documentation.
- Not enough information to make an informed decision, major reports not yet available.

Comment and Proposals by Staff

Water storage has been identified through Hawkes Bay Regional Councils Strategic Plan, Long Term Plan and Water Management Strategy as a potential solution to current and increasing allocation and sustainability issues in the region. Hawkes Bays water allocation issue is important in the context of water storage.

Some catchments have water allocation issues and the impact of irrigation in particular occurs at times of the year when river flows are low and other uses for amenity and

recreation are paramount. Water storage seeks to provide water security for irrigators whilst reducing abstraction of water from rivers and groundwater, thereby leaving higher flows in the rivers during those high use periods.

Ruataniwha

1. The Ruataniwha Water Storage Project prefeasibility level investigations into winter flow harvesting to storage dams in Central Hawke's Bay, were completed in June 2009. As a result of this initial study, six off-river storage dams with a total capacity of 75 million m³, and associated distribution to serve approximately 22,500 hectares of irrigated land were identified. Reports were also compiled on the value proposition and suggested commercial arrangements; and an environmental gap analysis was completed.
2. The first stage of the full feasibility study (known as the 'advanced pre-feasibility' phase) established the Leadership and Stakeholder Groups, and saw the completion of an initial water demand assessment to identify the irrigation zones to be served. An initial fatal flaw analysis to identify the costs and most economic dam sites and distribution layout was completed. Geotechnical and seismic issues saw the number of potential dam sites decrease over the course of the advanced pre-feasibility phase of investigations and a shift from considering only land-based storage options to consideration of in-tributary options also. The advanced pre-feasibility phase of work was completed in December 2010 and identified two preferred storage options; the Makaroro and Makaretu dam sites.
3. The subsequent stage of the full feasibility study was initiated in early-2011 and is currently underway. The purpose of the full feasibility study is to undertake sufficient investigation and assessment of effects to be able to prove the technical and environmental feasibility, and commercial viability, of the development of a storage dam at the favoured Makaroro site (the Makaretu site was also disregarded due to geotechnical concerns); and the associated supply distribution to the farm gate across the proposed irrigation zones making up the likely Ruataniwha Plains service area. The full feasibility study is scheduled for completion in August 2012; at which point Council will decide whether or not to proceed to the detailed design and consenting phases.
4. If the Ruataniwha Water Storage Project is deemed to be feasible in August 2012, there will be a period of consideration for Council, stakeholders and the community. This will provide the opportunity to consider all of the information obtained through the feasibility study, prior to applications for resource consent being lodged. It is anticipated that the period of consideration may extend for 2 months.
5. There are more than thirty key environmental (including social and cultural), technical, and economic assessments running concurrently throughout the full feasibility phase, involving as many consultant teams. Expertise from a wide cross-section of HBRC is also being utilised.
6. The land use intensification study is a large and important component of the environmental study package, drawing significant resources to advance knowledge and understanding of the potential effects associated with more intensive land use on the Ruataniwha Plains. Scientists from NIWA, AgResearch and Plant and Food Research are leading this work. The Land Use Intensification Working Party (LUI WP); a sub-group of the Ruataniwha Stakeholder Group has also been established to help develop mitigation options. Members of the Stakeholder Group that are also involved in the LUI WP include: Pete McIntosh, Benita Wakefield, Campbell Chard, Hugh Ritchie and Tom Belford.
7. Construction costs for the dam and headrace are currently estimated at \$230 million, as reviewed in April 2012. The increase in project cost from the indicative cost of \$170 million determined at the end of advanced prefeasibility is accounted for by an increase in storage volume from 75 to 90 million m³, the addition of hydro generation infrastructure, additional reticulation and geotechnical requirements. It should be noted that the revised estimate is

similar to the figure determined at prefeasibility of \$212 million, particularly when taking account of the additional elements now included in the project. There are a number of economic assessments underway to determine on-farm costs for individual landowners in joining the scheme; associated regional and national economic benefits; commercial investment opportunities and risks; and costs associated with transferring current consent holders to scheme water.

8. Environmental studies associated with the full feasibility phase of investigations will also assess the effects of the project on terrestrial and aquatic ecology; groundwater and surface water flows; river geomorphology; recreation; landscape; and historic sites. Pre and post construction noise, traffic and social effects are also being assessed and will be reported to Council in August 2012.
9. Engagement through Stakeholder, Leadership, Taiwhenua, Pan Sector and landowner groups has been ongoing from the outset of the full feasibility process.
10. A wide range of the issues and subject matter raised by submitters are being addressed by the current feasibility process and will be reported at the end of feasibility in August 2012. These include overall scheme economics, river flow improvements, land use intensification and water quality concerns, offset mitigation approach to dealing with affects, sediment supply and management, allocation of water and regulation on use, financing/governance/ownership models, business growth and opportunities, multiple use opportunities, social impact assessment, hydro generation and existing consent holders. These concerns are all being addressed within various scheme reports and will form part of the information provided to Council for their decision making process and to the public as part of a consultation and consideration period after August 2012.
11. Other issues raised specific to this project are commented on as follows;
 - Can't make an informed decision until there are resolutions on Treaty of Waitangi Claims settlements (may impact proposal) and co management models with maori – Various discussions in a number of forums have been undertaken with tangata whenua over recent years, including the implications of treaty settlement and co management processes. There is a general belief that the concerns, opportunities and timelines for both maori and water related issues, such as the storage project, are relatively well aligned and can be managed and accommodated to the satisfaction of both parties.
 - Oppose water storage investment if water is to provide for fracking – This storage project does not have a focus on providing water for fracking.
 - Supports small scale off-river and on-farm storage – The genesis of this project commenced with a range of off-river storage sites and evolved through various phases to the current position of one large on-river storage site. Economics and geotechnical issues have been the primary driver determining how the project has evolved. Work carried out in the advanced prefeasibility phase where a range of out of river storage sites were investigated indicated that costs were in the order of 2 – 3 times more than on-river based costs due to geotechnical, scale and pump filling requirements.
 - Fonterra working on a number of initiatives with suppliers to achieve best on-farm practice with respect to water quantity and quality and would like opportunity to be involved in intensive agriculture and water quality decisions – Fonterra is represented on the pan sector group as part of the Ruataniwha storage project. This group is contributing to the land use intensification programme, where issues of best farm practice, farming to limits and nutrient management are being considered.
 - Maintain a clear distinction between water storage initiatives and water allocation but not averse to both being resolved in parallel – It is acknowledged that these process need to have clear and transparent paths for each but it is also clear that both form part of

Councils wider integrated strategic view on water within the region. Council is currently considering the most appropriate path for this.

- Questions around how the project will be addressed through the proposed plan change for the catchment – addressed above.
 - Draft LTP does not provide evidence of assured benefits – This evidence will be provided as part of reporting scheme feasibility in August 2012.
 - Draft LTP does not clearly communicate how this project will be funded or how costs will be recovered– This evidence will be provided as part of reporting scheme feasibility in August 2012.
 - Leave it to the private sector to enable HBRC to represent the interests of the region as a regulator without any perceived conflicts of interest – Council through its strategic planning process has identified and committed to an integrated approach to dealing with water issues within the region.
 - Concerned that the cost of \$170 Million is extremely optimistic, and that the true cost could be a lot higher – The submitter is correct in questioning the scheme costs as evidenced by the more recent cost review to \$230 million and the explanation for this is covered in paragraph 7 above. The scheme will be assessed on its ultimate viability and cost as part of the economic review being undertaken over the next 2 months and will form part of the information being provided to Council for its decision making in August 2012.
 - If the project is found to be feasible, the project should be completed quickly. Farms and businesses wanting to develop opportunities need to start on proposals as soon as a timeline for available stored water is known – Councils preference is to maintain pace and momentum if the project is proven feasible, with opportunities around access to funding, election timelines and economic drivers being of significance.
12. The budget figure of \$80 million included in the Long Term Plan is a provision based on a percentage of the total prefeasibility project estimate and is subject to the scheme successfully progressing through the feasibility, financing and procurement stages prior to Council further considering this investment decision specifically. It was clearly noted in the draft LTP that capital and structuring options would be a focus of going forward. This provision is one of 4 provisions, with the others being Ngaruroro storage, Trees on farms and the Logistics hub, all of which will be subject to the same rigour and decision making process.

Ngaruroro

1. There is a need to establish a long term, sustainable irrigation supply for the productive land in the Ngaruroro catchment as it is currently limited by water restrictions in dry summers. In addition to this, consideration is being given to a potential increase of environmentally based minimum low flows in the lower reaches of the Ngaruroro.
2. Hawke's Bay Regional Council has been working with the Ngaruroro Irrigation Society to develop and implement practical initiatives (rostering and rationing) for the sustainable management of the Ngaruroro River. It is intended that these efficiency measures will benefit river flows and associated in-stream habitat; and slightly improve the certainty of supply for users. However, whether these efficiency initiatives will be enough is uncertain.
3. In conjunction with initiatives around rostering and rationing, Council has committed to investigate community water storage options as a further means of addressing current, and increasing, allocation and sustainability issues in the region. Pre-feasibility level water storage investigations in the Ngaruroro Catchment were completed in 2011, and a number of storage dam sites and options were shortlisted. These were then refined to two preferred sites, storing 32million m³ of water servicing approximately 10,000ha of new irrigation plus providing additional security to the existing 14,000ha, at a prefeasibility capital estimate of \$82 million.

4. The findings of the prefeasibility phase of the project were presented to potentially affected landowners, the stakeholder group and the wider community in July 2011. The response from these meetings were generally supportive of the project however there was a strong interest in having an initial level of on-farm economic assessment undertaken to help inform the decision as to whether to proceed to the full feasibility phase for this project. This work has been scoped out and is estimated to cost \$70,000. An application for 50% funding for this work has been prepared but not yet submitted to the Ministry of Primary Industry Irrigation Acceleration Fund. It is proposed to undertake this work in the early stage of the 2012/13 financial year.
5. Subject to the completion and analysis of this work, Council will then need to make a decision to commit to the full-feasibility phase of investigations, which would include engineering, environmental, geotechnical, economic, ecological and cultural values assessments, similar to those being currently undertaken for the Ruataniwha project.
6. This structure would ensure the range of more generic issues raised above, such as sediment transport, land use intensification and nutrient affects, scheme affordability, cultural concerns and consultation would all be included in this comprehensive feasibility work programme.
7. Other issues raised specific to this project are commented on as follows;
 - Implications of the storage proposal on F&G Water Conservation Order application for all or part of Ngaruroro River.- Council has significant responsibilities with respect to the Ngaruroro River and is an important player. Council will keep a watching brief as to the progress of the water conservation order and will represent its interest as necessary.
 - Support small scale off-river and on-farm storage – There is the possibility that the on-farm economic study and rostering and rationing study could justify further consideration of smaller community storage options in areas within the catchment. Indications to date have supported size and scale as a key affordability driver.
 - Costs should be predominantly borne by new users – This will generally be the case on the premise that access to water will be charged on a volumetric basis so new users will pay for the greater volume required when compared with existing users who will be paying for smaller volumes associated with providing increased security only.
 - Maintain a clear distinction between water storage initiatives and water allocation but not averse to both being resolved in parallel – It is acknowledged that these processes need to have clear and transparent paths for each but it is also clear that both form part of Councils wider integrated strategic view on water within the region. Council is currently considering the most appropriate path for this.
 - Fonterra working on a number of initiatives with suppliers to achieve best on-farm practice with respect to water quantity and quality and would like opportunity to be involved in intensive agriculture and water quality decisions – Fonterra is represented on the pan sector group as part of the Ruataniwha storage project. This group is contributing to the land use intensification programme, where issues of best farm practice, farming to limits and nutrient management are being considered. We see the same opportunity for Fonterra to participate in the Ngaruroro Storage project should it proceed to full feasibility.
 - Potential for massive public debt to potentially enrich a small number – Significant economic work is yet to be undertaken for this project before any decisions are made re investment. Council would contribute to this project from its investment portfolio with an expectation of a commercial rate of return.
 - Oppose water storage investment if water is to provide for fracking – This storage project does not have a focus on providing water for fracking.
 - Cultural concerns around ownership of water, wananga and consultation, water storage an admission of failure such as managing growth, sustainability, quality of water and environmental management – Iwi have been represented within the stakeholder group

as part of the prefeasibility work to date, however the more specific issues raised above would be dealt with during the more comprehensive feasibility phase.

8. The budget figure of \$27 million included in the Long Term Plan is a provision based on a percentage of the prefeasibility project estimate of \$82 million and is subject to the scheme successfully progressing through the on-farm economic, feasibility, financing and procurement stages prior to Council further considering this investment decision.

Recommendations

That Council considers the submissions relating to Water Storage and any comments and proposals made by staff.

Topic	Webcasting of Council and Committee Meetings
Submitters:	4, 17, 24, 31, 47, 63, 83-95 131, 152, 154, 158, 174, 175, 179, 184*, 194, 199 607, 617, 618, 621, 622, 627, 631, 633, 634 (Note: *Sub 184 supported by 78 further individuals)

Issues Requiring Response

In the Right Debate section of the Draft Long-Term Plan Council put forward a proposal for consultation on the recording and subsequent broadcasting of Council and major Committee meetings via the internet.

Of the submissions received 97% support the introduction of webcasting, and accepted it as a cost of running a strong democratic process. One submission (#622) considered webcasting to be an unnecessary expense and sought instead that full written transcripts be provided of every meeting.

Comment and Proposals by Staff

Prior to initial consideration of webcasting Council sought expert advice from a company that specialises in online audio and video and whose recent projects include the broadcasting of Parliament and of the Royal Commission of Enquiry into the Canterbury Earthquakes.

The company prepared an initial assessment of Council's likely needs and this was used as the basis for the cost estimates presented in the Draft Long-Term Plan. Final determination of costs would require a site visit and full assessment of Council's needs.

Ratepayer expectations demand an efficient, cost effective undertaking of Council operations in a way that also meets their needs in terms of levels of service. The scheduling of Council meetings is seen as a barrier for people who may wish to attend but are unable to because of other commitments. Council's reputation and response on matters is under constant scrutiny. Communications between Council and the public, in whatever form, needs to be efficient and effective.

A comprehensive rich web content package to connect to an online audience requires both capital (set-up) funding and ongoing operational funding.

Features:

Both video and audio options require hosting facilities via the internet and the report covers the technical requirements for these, including the building of a multi media website for the streaming, hosting, playing recorded video and creating a searchable database for archiving of all video

The video option could provide for live streaming of Council and Committee meetings, with recorded footage edited into "bite sized" segments on a specifically created Council website

For audio recordings the meetings would be recorded, then edited, and then made available for playback via the internet within 48 hours.

Both options provide a high-quality, user-friendly service that enables playback of selected agenda items without the need to play the entire meeting.

The costings upon which the Right Debate proposal was formulated as set out in the following table:

	<i>Two-camera video option</i> \$	<i>Audio only option</i> \$
One-off establishment costs		
<i>Site visit, consultation, final plan with full costs</i>	5500	4500
<i>Multi-media website creation</i>	4900	4900
<i>You-Tube channel creation and set up</i>	500	N/A
<i>PC and camera needs, installation of required equipment</i>	10,000-15,000	N/A
<i>Audio equipment set-up and installation</i>	N/A	10,000
Capital Cost Estimate	\$20,900-25,900	\$19,400
Ongoing Operational Costs (p.a.)		
<i>Streaming ongoing</i>	200-400 per meeting (7,200 – 14,400 p.a.)	200-400 per meeting (7,200 – 14,400 p.a.)
<i>Website maintenance, back up, updates and hosting</i>	2400	2400
<i>Video or audio edit and uploads</i>	\$21,600	\$21,600
On-going operational costs Estimate	\$31,200-38,400	\$31,200-38,400

* Based upon 36 meetings per year and 5 hours per meeting.

Many of the submissions consider that the ability of the public to participate effectively in Council work would be enhanced greatly by their ability to “attend” the meetings via the internet. As a number of them quoted conflict between meeting times and their own responsibilities the viewing of the meeting at a later time would be of great advantage to them.

If Council is to favourably consider the webcasting of meetings but is concerned at the cost impact on general rates it could reduce the ongoing operational costs by removing the option for live streaming of meetings. This would reduce expected operational costs to approximately \$24,000 per annum, yet would still provide for the participation sought by many ratepayers. This (or any) operational cost would require an increase to the funding for Project 895 – Community Engagement.

One submitter sought the preparation of written transcripts as an alternative to webcasting. This would not be consistent with Council’s desire to be a responsive organisation and meet the communication needs of many in our community.

If Council agrees in principle to webcasting, and provides an allocation for it, staff would seek further estimates to ensure the best value for money.

Recommendations

That Council considers the submissions relating to the Webcasting of Council and Committee meetings and any comments and proposals made by staff.

Topic:	<i>Smokefree</i>
Submitter:	<i>5 Rebecca Bramley on behalf of The Cancer Society of NZ Hawke's Bay Centre</i>
To be Heard:	<i>No</i>

Issues Requiring Response

45. Hawke's Bay should be Smokefree

Comment and Proposals by Staff

Unlike the territorial authorities within Hawke's Bay Council does not manage sports grounds and has few reserves and country parks.

Council has a smoke-free workplace policy and complies with all relevant legislation.

Council may wish to include financial provision for signage or other work if they consider it appropriate after considering the submission.

Recommendations

That Council considers the submission from Rebecca Bramley on behalf of the Cancer Society of NZ Hawke's Bay Centre and any comments and proposals made by staff.

Topic:	Waste Wood
Submitter:	6 Mark von Dadelszen
To be Heard:	No

Issues Requiring Response

46. Mr von Dadelszen asks that Council instruct staff to investigate whether timber from trees removed from Council property can be made available to interested parties for productive use.
47. Mr von Dadelszen states that the HB Wood turners Guild became aware of a number of elm trees being felled and as a result the guild removed the logs and the timber will be used productively.
48. HBRC did fell trees upstream of Crosses road adjacent to the Karamu Stream during the past year and made those trees available to interested parties. During any one year Council staff are involved in significant amount of tree work mainly however to do with willows along our streams and rivers throughout the region.

Comment and Proposals by Staff

49. Staff would be happy to discuss a protocol through which the guild can be informed of works and be involved where appropriate in recovery of timber where that recovery has little significant impact on the efficiency of HBRC undertaking its operation.
50. Staff will contact Mr von Dadelszen and arrange a meeting between members of the guild and appropriate staff.

Recommendations

That Council considers the submission from Mark von Dadelszen and any comments and proposals made by staff.

Topic:	<i>Zone based water science charges</i>
Submitter:	<i>7 Bill Withers</i>
To be Heard:	<i>No</i>

Issues Requiring Response

51. Multiple Domestic Dwelling, Wastewater Discharge Exclusion

Comment and Proposals by Staff

1. Multiple Domestic Dwelling, Wastewater Discharge Exclusion

- a. Single domestic effluent wastewater discharges were excluded from the zone based water science charges following submissions on the 2010/11 charging proposal.
- b. The main reasoning behind the exclusion was noted as the inequity between consented and non consented activity – charging the new and well-maintained consented systems while not charging the pre-plan poorly operating un-consented systems.
- c. There are 15 current consents classified as “discharge to land from multiple dwellings”, the average science charge was aprox \$198.00 (Excl GST) per consent last year.
- d. Multiple discharge consents range from three to forty eight dwellings
- e. All pre-plan multiple lot subdivision discharges are required to have consent under rule 36 of the current RRMP, this means the inequities illustrated with the single dwelling discharge situation are not shared with multiple dwelling discharges.
- f. There is a greater risk of environmental effect of multiple domestic discharged due to higher discharge volume.
- g. This submitter is in line to connect to the Mahia reticulated system in 2013/2014, at this time the consent can be surrendered and water science charges will not apply.

Staff recommend that it is fair and reasonable for multiple domestic dwelling wastewater discharge consents to be included in the charging system.

Recommendations

That Council considers the submission from Bill Withers relating to Zone based water science charges and any comments and proposals made by staff.

Submitter:	10 Brett Gilmore on behalf of Hawke's Bay Forestry Group
To be heard:	Yes

Issues Requiring Response

1. HB Forestry Group supports the Council's River Gravel Review Programme. As a gravel extractor, PanPac wants to ensure its allocation does not impact on the river system or users.

2. Biosecurity

HB Forestry Group supports the Council's Regional Pest Management Strategy, but is concerned that climate change and increased global mobility will increase the risk of unwanted organisms coming into the region. PanPac is also concerned about the significant issues outlined in part 3.5 page 56 of the draft LTP document. These are:

- a. The successful transition of rateable land from the AHB Vector Control Operations to Hawke's Bay Regional Council Possum Control area programme. While maintaining low possum numbers
- b. Unclear responsibilities for regional councils for new pest incursions and for the transition of specific pest control responsibilities between government agencies and council.
- c. Any transition away from HBRC managing on behalf of the Animal Health Board the Vector Control Programme in Hawke's Bay.

Comment and Proposals by Staff

1. HB Forestry Group's support for the gravel review is noted and appreciated.
2. HB Forestry Group support for Council's Regional Pest Management Strategy is appreciated. HBRC staff are proactively working to identify and address the significant issues identified.

Recommendations

That Council considers the submission from Brett Gilmore on behalf of Hawke's Bay Forestry Group and any comments and proposals made by staff.

Submitter:	11 Brett Gilmore on behalf of PanPac Forest Products Ltd
To be heard:	Yes

Issues Requiring Response

1. PanPac supports the Council's River Gravel Review Programme. As a gravel extractor, PanPac wants to ensure its allocation does not impact on the river system or users.

2. Biosecurity

PanPac supports the Council's Regional Pest Management Strategy, but is concerned that climate change and increased global mobility will increase the risk of unwanted organisms coming into the region. PanPac is also concerned about the significant issues outlined in part 3.5 page 56 of the draft LTP document. These are:

- a. The successful transition of rateable land from the AHB Vector Control Operations to Hawke's Bay Regional Council Possum Control area programme. While maintaining low possum numbers
- b. Unclear responsibilities for regional councils for new pest incursions and for the transition of specific pest control responsibilities between government agencies and council.
- c. Any transition away from HBRC managing on behalf of the Animal Health Board the Vector Control Programme in Hawke's Bay.

Comment and Proposals by Staff

1. PanPac's support for the gravel review is noted and appreciated.
2. PanPac support for Council's Regional Pest Management Strategy is appreciated. HBRC staff are proactively working to identify and address the significant issues identified, and will involve PanPac where appropriate.

Recommendations

That Council considers the submission from Brett Gilmore on behalf of PanPac Forest Products Ltd and any comments and proposals made by staff.

Topic:	<i>Sport and Active Recreation; Open Spaces; Partnerships</i>
Submitter:	<i>13 Colin Stone on behalf of Sport Hawke's Bay</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

3. **Open Spaces** – Sport Hawke's Bay would welcome the chance to contribute to any open space vision and management plan.
4. **Regional Sport and Active Recreation Strategy** – include reference to new Strategy
5. **Resilient Communities** – role of Council in investing in sport and recreational infrastructure
6. **Community partnerships** – support for HBRC community facilities funding
7. **Transport** – support for greater integration for public transport and walking/cycling

Comment and Proposals by Staff

1. **Open Spaces** – HBRC has initiated the development of a regional parks network plan which will enable Council to establish a clear direction and have broad options and vision for developing each of its open space areas and how best to link those. It will be essential that HBRC obtains input from organisations such as Sport HB as the concept is developed. At this stage it is expected that this will occur during the second half of the 2012 year.
2. **Regional Sport and Active Recreation Strategy** – Council has committed to providing funding for the re-development of the Regional Sport and Active Recreation Strategy and to working collaboratively with other partners to achieve this. The outcomes of the Strategy should be considered for inclusion in future Annual Plans when they are known, and can be assessed as to their specific relevance to Council's outcomes.
3. **Resilient Communities** – the submitter seeks reference in the Draft LTP to Council's role in investment in sport and recreational infrastructure. Reference is made in part 3.3 (p.45) to council actively looking for opportunities to provide and enhance open space for the public to enjoy within the region.
4. **Community partnerships** – support for the use of the community facilities fund in Wairoa District and at the Regional Sports Park is acknowledged.
5. **Transport** – support for greater integration is acknowledged. This issue is identified in the Draft Regional Transport Strategy which is open for public submission at present.

Recommendations

That Council considers the submission from Sport Hawke's Bay and any comments and proposals made by staff.

Topic:	<i>Transport</i>
Submitter:	<i>15 Delaney Myers on behalf of NZ Transport Agency</i>
To be Heard:	<i>No</i>

Issues Requiring Response

Transport

Comment and Proposals by Staff

NZTA supports the priority given to transport in the Draft Long Term Plan.

It considers the public transport network to be fit for purpose and delivering an efficient and effective service for the region and supports the emphasis to integrate public transport with other active modes.

NZTA supports the integration of the Heretaunga Plains Urban Development Strategy into statutory documents.

NZTA encourages HBRC to continue rigorous assessment and consideration or optimisation and timing in the development of transport initiatives.

NZTA's support for HBRC performance in the transport area is acknowledged and appreciated and HBRC looks forward to working with NZTA on transport issues.

Recommendations

That Council considers the New Zealand Transport Agency's submission and any comments and proposals made by staff.

Topic	<i>Cycleway Project for CHB</i> <i>Ruataniwha Dam Project</i>
Submitters:	<i>16 Peter Butler, Central Hawke's Bay District Council</i>

Issues Requiring Response

- 52. Ruataniwha Dam Project
- 53. Cycleway Project for CHB

Comment and Proposals by Staff

1. See group response on Ruataniwha Water Storage.
2. Central Hawke's Bay District Council states that they support the Hawke's Bay Regional Councils ongoing involvement in assisting in the provision of cycleways within the region. They ask Council to continue to roll out the regional cycle trails by considering completion of NZTA cycle route on state highway 2 between Waipawa and Waipukurau.

HBRC was originally involved in the development of cycleways in Hawke's Bay in conjunction with Rotary organisations in both Napier and Hastings specifically for the establishment of cycleways on HBRC owned or administered land provided they did not impact on the integrity of flood control assets already on that land. While HBRC did contribute financially to these projects a large portion of the funding was sourced directly from the community through the Rotary clubs and to some extent the relevant local authority.

Subsequent to that HBRC has been instrumental in facilitating government funding to support the development of the water ride, landscape ride and the wineries ride. A large portion of funding for these has been provided through Central Government.

There is no indication from Central Hawke's Bay District Council as to what sort of involvement in assisting in the provision of cycleways in Central Hawke's Bay may take and no indication as to what financial or physical support Central Hawke's Bay District Council may offer. While staff are willing to assist with the establishment of cycleways in Central HB, guidance is sought from Council on their expectations of the CHB community to fund these.

Recommendations

That Council considers the submission from Peter Butler on behalf of Central Hawke's Bay District Council and any comments and proposals made by staff.

Topic	<i>EcoEd Funding</i>
Submitter:	<i>28 Matthew Lawson, Chairman of EcoEd</i>
To be heard:	<i>Yes</i>

Issues Requiring Response

EcoEd seeks \$35,000 per annum for three years towards ongoing pest control development and project support.

Comment and Proposals by Staff

The submission outlines a number of projects which EcoEd is currently involved in in Hawke's Bay. These projects contribute to the enhancement of biodiversity and public education associated with that biodiversity. In the past several months the Poutiri Ao O Tane project (of which HBRC is a stakeholder and contributor) have employed EcoEd staff to assess the feasibility of broad scale animal pest control. This work is programmed to continue for a further two years with HBRC contributing through Biosecurity budgets \$20,000 per year to the initiative. The objective of the programme is to determine the feasibility of controlling other large pests other than possums i.e. ferrets, stoats, feral cats and to determine the impact of that control on biodiversity, particularly native birds.

EcoEd list a number of specific projects that they wish to continue to be involved with or initiate over the next three to five years. Staff believe that where these projects are specifically related to animal pest control, the projects can be considered on a project by project basis, and where appropriate may wish to work with EcoEd and assist with funding.

Recommendations

That Council considers the submissions from EcoEd and any comments and proposals made by staff.

Topic:	Smokefree
Submitter:	29 Rosemary Mariott on behalf of Hawke's Bay & Chatham Islands Smokefree Coalition
To be Heard:	Yes

Issues Requiring Response

54. Adoption of smokefree policy and installation of signs at Council parks and reserves

Comment and Proposals by Staff

Unlike the territorial authorities within Hawke's Bay Council does not manage sports grounds and has few reserves and country parks.

Council has a smoke-free workplace policy and complies with all relevant legislation.

Council may wish to include financial provision for signage or other work if they consider it appropriate after considering the submission.

Recommendations

That Council considers the submission from Rosemary Mariott on behalf of Hawke's Bay & Chatham Islands Smokefree Coalition and any comments and proposals made by staff.

Submitter:	36 Mac Kirkwood – Karamu Enhancement Group
To be heard:	Yes

Issues Requiring Response

55. Appreciation of HBRC staff involvement
56. Assistance provided by Karamu Enhancement Group to developers and groups
57. Cows/stock in stream – This submitter states that stock in water is no longer acceptable and that enforcement should be as much a part of the action as warnings and education.

Comment and Proposals by Staff

1. KEGs appreciation and thanks to individual staff members and Council as a whole is noted and appreciated. Council appreciates the efforts of community groups such as KEG in developing a shared vision for enhancement works and in being proactively involved in the implementation of that vision.
2. Activities, achievements and future plans – submitter raises a number of points under this heading the majority of which are self explanatory and need no response from staff.

The comments on part 3.3 activity 6 open spaces does however require comment. Other than the Te Karamu report which sets out the vision for a long term enhancement project for the Karamu there is no Karamu management plans. HBRC has initiated the development of a regional parks network plan. From this, park specific management and business plans can be developed. The development of individual plans for areas such as the Karamu will be developed once the network framework has been developed. The development of individual plans for each open space area administered by Council will however take time as there a number of plans to be reviewed or developed and these will need to be done over a period of time as staff resource and finances allow.

Council sets aside in each year of the LTP \$100,000 specifically for ongoing capital enhancement work on the Karamu Stream floodway. Staff are working with a number of community groups and marae in developing enhancement on the floodway with significant areas of planting achieved to date. KEG is involved in the area in close proximity to Havelock North. Since the commencement of this programme of works Council has increased the level of maintenance funding specifically for Karamu enhancement work by \$10,000 per year. In the 2012/13 year provision of \$70,000 has been provided specifically to cover maintenance work.

Maintenance of planted areas has been a challenge however through proactive trialling of various approaches to weed control and different planting techniques staff are confident that the maintenance provision is adequate. As a result of a recent assessment of enhancement areas along the Karamu staff now believe that maintenance in areas that receive some of the earliest planting can be reduced in the near future as those plantings have now become well established and are naturally suppressing weed growth.

3. HBRC can assure the submitter that HBRC is not turning a blind eye to stock in waterways. The region has approximately 70,000 kms of waterways and it would be unreasonable to expect that all of these will be fenced over a short time frame. As a result of enhancement undertaken to date significant lengths of river berm land are being managed through planting of vegetation with effective management of the river berm weed growth through that process. All of the major rivers across the Heretaunga plains are now fenced preventing cattle from entering those waterways. These fences do however take considerable maintenance as they are regularly cut by members of the public wanting to gain access to the river. In addition HBRC staff field a number of complaints from public asking that fences be removed.

Clearly there are consequences for any actions taken whether they be further restrictions of public access or costs that must be borne because grazing is no longer able to manage vegetation and weed growth along river berm areas. A managed transition from grazing to alternative management of river berm areas is well underway. If ratepayers wish to see a more rapid transition this would require additional funding focussed on that area with that funding sourced either from additional rates or from a reduction of other improvement works undertaken.

Recommendations

That Council considers the submission from Mac Kirkwood on behalf of the Karamu Enhancement Group and any comments and proposals made by staff.

Topic	<i>Tutira water quality monitoring, Rubbish Dumping, CHB Water Issues</i>
Submitters:	<i>50 Derek Williams</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

58. The issues the submitter wishes to raise are not clear in the submission. The narrative suggests that the substantive submission will be presented by audiovisual means. However it appears that the following general matters are raised for consideration;

- a. Opposes the proposed use of 'worm farms' for the treatment of municipal waste water from the Central Hawke's Bay District Council (CHBDC) towns of Waipawa and Waipukurau.
- b. May be supporting the change in sample frequency at Lake Tutira to monthly.
- c. Is concerned that the covert camera surveillance around parks and highways is no longer occurring.

Comment and Proposals by Staff

The final choice of approach on treatment of Waipukurau and Waipawa waste water is an issue for CHBDC directly. HBRC has a role to ensure that the proposed treatment system will reliably meet the 'end of pipe' standards as issued in consents for the two towns that are due to take effect from 2014. HBRC have been proactive in assisting CHBDC in the preparation of a resource consent application for land based treatment and in the purchase and planting of two blocks upon which treatment could occur. HBRC continues to work with CHBDC to identify an effective and affordable approach to treatment of waste water for both Waipukurau and Waipawa.

As monthly sampling at Tutira is already confirmed and resourced no changes are required.

There are currently no proposals to reinstate covert camera operations in HBRC administered land. Camera operations on roads are the responsibility of either the Territorial Authorities or the New Zealand Transport Agency.

No changes to the LTP are required on the basis of the current understanding of these submissions.

Recommendations

That Council considers the submission from Derek Williams relating any comments and proposals made by staff.

Topic:	<i>Meaningful Maori Participation</i>
Submitter:	<i>77 Marei Apatu on behalf of Te Taiwhenua o Heretaunga</i>
To be Heard:	Yes

Issues Requiring Response

14. Upcoming Plan Changes
15. HPUDS Implementation
16. Seeking \$100k per year funding for the next 3 years

Comment and Proposals by Staff

1. Staff recognise the requirement to consult with tangata whenua on the programmed plan changes and had engaged Te Taiwhenua o Heretaunga to prepare a cultural value and uses report jointly with the Tamatea Taiwhenua for the Tukituki Plan Change. Using a collective such as the taiwhenua is an efficient and effective means of engagement.
2. As part of the HPUDS implementation, the establishment of a Manawhenua Forum has been identified. This is currently being considered by the Manawhenua representatives on the Implementation Working Party to determine the best way to effectively engage manawhenua in HPUDS implementation
3. Council has recognized the partnership role and resource management aspirations for tangata whenua under the Treaty of Waitangi and has significantly expanded its proactive engagement with tangata whenua for a mutually beneficial partnership.

Council entered into an agreement with *Taiwhenua o Heretaunga* in 2009 for the resourcing of a Community Development Unit principally to provide support to various / hapū in their role as kaitiaki in managing and responding to development needs, aspirations and pressures through the provision of advocacy and advice. Staff at the Unit provide liaison, advisory and resource management consultancy services to local government.

In the 2009-12 period Council allocated \$150k per annum from Project 874 for contributions to iwi. Of this amount \$100k p.a. has been paid to Te Taiwhenua o Heretaunga for the work of the Community Development Unit.

One of the most significant focuses for Council has been working with the Crown and the treaty claimant groups to establish the joint Regional Planning Committee. It is anticipated that some funding from the \$150k will be required to support the Treaty claimant group members in their roles on the Committee. This will include commissioning of advice and training. \$100k per annum has been allocated for that. At this stage it is unknown how much demand will be placed on this funding.

The commitment to Te Taiwhenua o Heretaunga is in place until December 2012 and \$50k from the 2012/13 budget is allocated for that purpose. However it may be that the Regional Planning Committee seeks to commission the Heretaunga Taiwhenua to undertake work on its behalf, thereby increasing the actual investment in TToH accordingly.

Recommendations

That Council considers the submission from Marei Apatu on behalf of Te Taiwhenua o Heretaunga and any comments and proposals made by staff.

Item 5**Attachment 2**

Topic	Zone Based Water Science Charges
Submitter:	78 Peter Moore
To be Heard:	Yes

Issues Requiring Response

- 59. Legalities for Charging Benefit Greater Than the Community or Council
- 60. Water Take Consents
- 61. Pollution Indexing
- 62. Rates Reduction
- 63. Science Cost Increases
- 64. Water Meters

Comment and Recommendations by Staff

2. Legalities for Charging

- a. Section 36(1)(c) allows Council to charge consent holders directly for its monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment)
- b. Staff confirm that the requirements for setting charges under sections 36 of the Resource Management Act 1991(RMA), and Section 150 of the Local Government Act 2002 (LGA) have been satisfied in full.

Benefit Greater Than the Community or Council

- i. 36(4)(b)(iii) of the RMA states “A person or persons should only be required to pay a charge to the extent that the monitoring relates to the likely effects on the environment of those persons’ activities, or to the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole”
- ii. Staff believe the water science charging calculation criteria individualise the charges to a level that satisfies section 36(4)(b)(iii) of the RMA. 35% of the total recoverable costs are split into 26 science sub projects which are all assigned a weighting to groundwater and surfacewater based on attributable benefit, charges are then individualised further by the zone based approach, the pollution index scoring for discharges and the volume weighting for water takes.
- iii. Consent holders have a distinct benefit greater than the public for the work Councils science department performs, and certainly to a level of 35%. These benefits include staff access to replacement consenting science information (that the applicant would otherwise need to provide), science projects which were initiated to monitor cumulative consented activities effects and consent holder access to catchment wide information in preparing their assessments of environmental effects (RMA section 88 – schedule 4).
- iv. The original staff submissions presented to this Council on the charging proposal in 2010 outlining basis for user pays benefit is attached as appendix 1.

3. Water Take Consents

- i. Water take consent charges have their individual charges weighted based on consented activity and not actual use. Staff consider this is fair and practical for a

variety of reasons, primarily due to the consent holders ability to use that allocation at any time and that in sensitive catchments no one else may be able to hold that allocation.

- ii. Local authorities (TLA's) are charged under the zone based water science charging scheme, and are charged for the taking of water for public supply.
- iii. Any consent holder can surrender all or part of their allocation at any time, thus effectively reducing the science charge weighting.

4. Pollution Indexing

- i. Olivier Ausseil who designed the pollution index scoring, in line with national best practice, has completed the first annual review of the index scoring for the 2011/2012 financial years billing. Staff asked Olivier to pay particular attention to pumped sub surface drainage. Olivier agrees with staff that there are some limitations and inequities with the overall charging scheme which primarily stem from the reliance on the current policy framework. Rules require that only some of the activities related to non-point source discharges from the agricultural landscape currently require resource consent. Staff advise that this issue is inherent in the charging policy regardless of consent type, and is not possible to accurately remedy consistently across all consents.

- ii. Olivier has recommended a further level of assessment for pumped sub surface drainage consents, based on land use type, as follows:

Land-use type	Eutrophication score	Faecal Contamination score	Sediment Score	Toxicity Score	Attenuation factor	Pollution Index
Drystock (non-irrigated)	3	2.5	3	2	1	2.6
Drystock (Irrigated)	4	3	3	2	1	3.0
Orchards, vineyards	2	1	2	3	1	2.0
Dairying	4	3	3	2	1	3.0
Cropping, vegetable growing	5	1	3	3	1	3.0

- iii. Mr Moore's pumped sub surface drainage consents scores have been updated, along with all other consents, to reflect these revised scores.

- iv. Orchards and vineyards now have a pollution index score of 2.

5. Rates Reduction

- i. Mr Moore suggested that the 2010 slight reduction in general rates was linked to Councils charging for water science work, This is incorrect. Staff have confirmed with the rates department that the reduction in the general rate was caused by the introduction in the targeted rate for economic development which was added to the demands to cover Hawkes Bay incorporated's costs. Rates are calculated based on rateable land value averages; this naturally changes over the course of a year. Rates were not decreased to offset targeted charges to consent holders and no communication was circulated to ratepayers about this.

6. Science Cost Increases

- i. The total costs recovered from consent holders for the 3 years known or projected is as follows:
 - a. 2010/2011 - \$880,155.92
 - b. 2011/2012 - 1,010,000
 - c. 2012/2013 - 1,180,000
- ii. The change represents a 34.1% increase over the three financial years, an average of 11.4% increase per year; any increase in spend is budgeted for through the annual plan departmental costing.
- iii. Provided zone project weightings remaining constant, the funding increase equates to an average cost increase per consent of \$74.9 over three financial years, an average of \$25 extra per year.

Staff do not recommend any change to the zone based water science charging system at this time.

7. Water Meters

- i. The increase in Water Information Services charges reflects that there has been no change for the past 3 years.
- ii. Council has worked hard to reduce costs associated with water metering monitoring; 2009-10 annual plan charges were \$370 per consent.
- iii. The average forecasted monitoring charge for 2012-13 is approximately \$284 if this cost was attributed to 4 consents this would attract a charge of \$1136
- iv. The fixed annual monitoring charge over 6 years (the water metering implementation period) apportions the costs over all consent holders, Water Information Services budget initially runs at a loss but over time is recovered in the fixed annual monitoring charge.
- v. The charges have been developed to reflect the time taken, both for reporting methods (web/telemetry or manual paper) and numbers of consents, the more consents equates more meters and more associated staff time and therefore attract higher costs.

Staff do not recommend any change to the Long Term Plan.

Recommendations

That Council considers the submission from Peter Moore relating to Zone Based Water Science Charges & Water metering costs and any comments, recommendations and proposals made by staff.

Appendix 1 – Staff submission outlining consent holder benefit 2010/11

Draft Annual Plan 2010/11 Submissions

<i>Submission Categories</i>	<i>Basis of beneficiary pays apportionment</i>
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Issue Requiring Response**Basis of beneficiary pays apportionment**

The submitter supports neither the Zone based, nor Region wide approaches proposed by HBRC. The submitter considers that the Section 36 management water should be spread over all users in Hawke's Bay.

Comments and Proposals by Staff**Basis of beneficiary pays apportionment**

For a number of years HBRC's monitoring and investigation charges were recovered from the Hawke's Bay community from general funding sources. As a result of the recent increase in costs associated with these programmes (approx \$800,000) HBRC decided (2009/10 LTCCP) to review this work in order to establish how the distribution of benefits from this work relate to the community as a whole and any identifiable part of the community. This consideration is dictated by Section 101(3)(a) of the Local Government Act 2002.

HBRC will undertake four Investigation and five Monitoring Projects in 2010/11. As part of process of establishing whether a proportion of these costs could be justifiably allocated to consent holders, these projects were segmented into 26 sub projects and reviewed on that basis.

In order to determine an allocation of costs consistent with the requirements Section 36(4), Staff individually evaluated each of the identified 26 monitoring and investigation sub projects. An appropriate consent holder allocation for each sub project was determined following careful consideration in accordance to the requirements outlined in Section 36(4) of the Act. Some projects attracted a consent holder allocation higher than 35% whereas other projects were allocated lesser percentages.

As a result of this analysis, Staff allocated 65% of the Section 36 water charges to general funding sources. This allocation recognises the wider direct/indirect economic and other benefits members of the general community obtain from HBRC's monitoring and investigation programmes. Staff have established that some programmes have been implemented to address the cumulative effects of consent holder activities. Staff have also identified situations where consent holders obtain a distinct benefit from these water management programmes. In the circumstances, staff allocated 35% (weighted average across all projects) of the monitoring charges to consent holders. Staff consider the proposed allocation to be fair and reasonable and consistent with the requirements of Section 36(4) of the Resource Management Act.

Recommendation

That Council considers this submission from RG & DL Streeter, and any comments and proposals made by staff.

Notes: Specific Charging Legalities - Noted in Submission 78

- a. Section 36(1)(c) states: A local authority may from time to time fix charges of all or any of the following kinds:

“charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to the administration, monitoring, and supervision of resource consents (including certificates of compliance and existing use certificates), and for the carrying out of its resource management functions under section 35”

- b. Section 36(2)(a),(b) & (c) states: Charges may be fixed only:

“in the manner set out in section 150 of the Local Government Act 2002; and after using the special consultative procedure set out in section 83 of the Local Government Act 2002; and in accordance with subsection (4)”

- c. (Sub) Section 36(4) states:

When fixing charges referred to in this section, a local authority shall have regard to the following criteria:

(a) the sole purpose of a charge is to recover the reasonable costs incurred by the local authority in respect of the activity to which the charge relates:

(b) a particular person or persons should only be required to pay a charge—

(i) to the extent that the benefit of the local authority's actions to which the charge relates is obtained by those persons as distinct from the community of the local authority as a whole; or

(ii) where the need for the local authority's actions to which the charge relates is occasioned by the actions of those persons; or

(iii) in a case where the charge is in respect of the local authority's monitoring functions under section 35(2)(a) (which relates to monitoring the state of the whole or part of the environment), to the extent that the monitoring relates to the likely effects on the environment of those persons' activities, or to the extent that the likely benefit to those persons of the monitoring exceeds the likely benefit of the monitoring to the community of the local authority as a whole,—

and the local authority may fix different charges for different costs it incurs in the performance of its various functions, powers, and duties under this Act—

- d. Section 150(3) of the Local Government Act states:

“Fees provided for in subsection (1) must be prescribed either; in bylaws; or using the special consultative procedure set out in section 83”

- e. Section 83 states:

Where this Act or any other enactment requires a local authority to use or adopt the special consultative procedure, that local authority must—

(a) prepare—

(i) a statement of proposal; and

(ii) a summary of the information contained in the statement of proposal (which summary must comply with section 89); and

(b) include the statement of proposal on the agenda for a meeting of the local authority; and

(c) make the statement of proposal available for public inspection at—

- (i) the principal public office of the local authority; and*
 - (ii) such other places as the local authority considers necessary in order to provide all ratepayers and residents of the district with reasonable access to that statement; and*
 - (d) distribute in accordance with section 89(c) the summary of the information contained in the statement of proposal; and*
 - (e) give public notice, and such other notice as the local authority considers appropriate, of the proposal and the consultation being undertaken; and*
 - (f) include in the public notice a statement about how persons interested in the proposal—*
 - (i) may obtain the summary of information about the proposal; and*
 - (ii) may inspect the full proposal; and*
 - (g) include in the public notice a statement of the period within which submissions on the proposal may be made to the local authority; and*
 - (h) ensure that any person who makes a submission on the proposal within that period—*
 - (i) is sent a written notice acknowledging receipt of that person's submission; and*
 - (ii) is given a reasonable opportunity to be heard by the local authority (if that person so requests); and*
 - (i) ensure that the notice given to a person under paragraph (h)(i) contains information—*
 - (i) advising that person of that person's opportunity to be heard; and*
 - (ii) explaining how that person may exercise that person's opportunity to be heard; and*
 - (j) ensure that, except as otherwise provided by Part 7 of the Local Government Official Information and Meetings Act 1987, every meeting at which submissions are heard or at which the local authority, community board, or committee deliberates on the proposal is open to the public; and*
 - (k) subject to the Local Government Official Information and Meetings Act 1987, make all written submissions on the proposal available to the public.*
- The period specified in the statement included under subsection (1)(g) must be a period of not less than 1 month beginning with the date of the first publication of the public notice*

Staff confirm that the requirements set out above for setting charges under sections 36 of the Resource Management Act 1991, and Section 150 of the Local Government Act 2002 have been satisfied in full.

Topic:	<i>Environmental Issues affecting residents of North Clyde</i>
Submitter:	<i>107 North Clyde in Focus Inc</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

- 65. Air Quality
- 66. Pest Management/Road Safety
- 67. Public Transport
- 68. Compliance Monitoring
- 69. State of the Environment reporting
- 70. Regional Natural Hazards Plan

Comment and Proposals by Staff

1. With regards to your submission on this subject, the matters you raised are more appropriately dealt with by the Pollution Response team rather than a matter to be considered under the LTP process. At the same time, staff will look into your concerns around flood protection and drainage and discuss them with our Asset Management team.
2. These are matters to be addressed with Wairoa District Council directly.
3. The issue around the railway line being used for public transport is a significant issue that is largely in the hands of KiwiRail and all rail use of that line is dependent on the decision on whether the line between Napier and Gisborne will be repaired. This is currently under consideration.
4. Staff will discuss your concerns when they undertake a site visit in relation to your air management concerns and explain relevant processes to you.
5. The issues you have raised relate to District Council zoning and impacts of industrial zones being located next to residential zones. This needs to be dealt with through district planning processes and any actual health concerns should be raised with the Public Health Unit of the HB District Health Board.
6. The matter you have raised here is not a natural hazards plan but is related to the conflicting zoning issues noted above.

Recommendations

That Council considers the submissions relating to North Clyde in Focus Inc and any comments and proposals made by staff.

Topic:	<i>Westshore Beach Erosion</i>
Submitter:	<i>108 Larry Dallimore</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

Mr Dallimore states “we are no closer to a remedy after 27 years of erosion, 15 years of pondering solutions and now, after almost 3 years the Napier City Council and HBRC continue with the pathetic dispute over legal definition”. He further states that “both Councils have not grasped the urgency of the problem which may be due to local engineers not completely understanding the cause, actual damage and the proposed solution”. He suggests the assistance of the Regional Council and or the Port of Napier could be instrumental to finding a timely, affordable, ratepayer agreeable, environmentally friendly, and the best permanent solution for a once treasured regional asset.

Comment and Proposals by Staff

The nourishment of Westshore beach commenced in 1986. The level of service statement as set out in HBRC’s draft Long Term plan states that HBRC will ensure that the beach at Westshore has erosion checked to the 1986 erosion line. Except for a few short term periods when small sections of the beach had eroded beyond the 1986 line, the annual re-nourishment programme has achieved these objectives for the past 25 years.

There have been many reports done regarding possible alternatives to re-nourishment. These have shown that the potential cost of alternatives would be well in excess of \$2 million. The cost of money associated with a \$2 million investment is approximately the same order made by Napier City Council and Hawke’s Bay Regional Council in the annual re-nourishment programme i.e. \$120,000/year).

The sustainability of continuing to win re-nourishment material from pacific beach immediately south of Port of Napier is currently being thoroughly investigated. If this source is shown to be unsustainable it will be necessary to consider alternative sources for re-nourishment material, and this may result in an increase in cost of the annual re-nourishment programme. The assessment of sustainability is expected to be completed during the 12/13 financial year.

Other than this study staff are unaware of any new information that has come to light since Professor Paul Komar completed his report that would justify any further investigations and reports being undertaken on Westshore.

Staff are aware of a proposal from Mr Dallimore for the construction of a seawall along Westshore. This has been provided in subsequent information provided by Mr Dallimore. Staff have pointed out to Mr Dallimore that a seawall will result in the loss of beach in front of that seawall due to wave action. The principle reason for undertaking re-nourishment at Westshore is to retain as far as possible the current beach environment. The beach is valued because this is the largest safe swimming beach easily available to Napier residents. The safeness of the beach coupled with the relatively fine sediment which makes up the beach was one of the key reasons why re-nourishment was preferred as the most favourable option when the re-nourishment scheme was initiated over 25 years ago.

Mr Dallimore’s reference to a “pathetic dispute” between HBRC and Napier City Council possibly refers to the proposal by NCC to construct a groyne structure in the vicinity of Whakarere Avenue. HBRC staff and advisors are working with NCC staff and advisors on this issue and are unaware of any dispute.

Other than for the ongoing re-nourishment programme, no provision has been included in the Draft LTP for further investigations into erosion mitigation measures at Westshore. Council may wish to

include financial provision for further study or work if they consider it appropriate after consideration of the submission.

Recommendations

That Council considers the submission from Mr Larry Dallimore and any comments and proposals made by staff.

Topic:	<i>Various</i>
Submitter:	<i>114 Lex Verhoeven on behalf of Hastings District Council</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

17. Support for Hill Country Afforestation and improved focus of Regional Landcare Scheme
18. Supports development of a regional biodiversity strategy
19. Supports Water Storage projects
20. Heretaunga Plains Flood Control scheme
21. Regional Economic Development Strategy
22. Investment Strategy and Council Investments
23. GMO Free Hawke's Bay
24. Regional Alliances
25. Community Facilities grants
26. Organisational efficiency
27. Public Transport
28. Catchment based plan changes
29. Regional natural hazards plan
30. Heat smart
31. Solar hot water scheme
32. Emergency management funding
33. Biosecurity

Comment and Proposals by Staff

1. HDC's support for the Hill Country Afforestation Proposal and the improved focus to the Regional Landcare Scheme and the improved biodiversity and water quality outcomes is acknowledged and appreciated.
2. HDC's support for the development of a Regional Biodiversity Strategy to clarify roles and avoid duplication is acknowledged and appreciated.
3. HDC's support for the Ruataniwha and Ngaruroro Water Storage initiatives is noted. HDC would value engagement with HBRC so that the economic and social benefits and impacts on the Hastings District can be co-ordinated and planned for.
4. *See group response on Heretaunga Plains Food Control scheme.*
5. Hastings District Council has clarified that the HBRC Regional Economic Development Strategy (REDS) has not been adopted by HDC. They are however working constructively to advance economic outcomes in the region and seek to work collaboratively in doing this.

HBRC staff accept that HDC may not have formally adopted the strategy although: HDC officers participated in development of REDS including a place on the Steering Group; that REDS was presented to HDC Council; and that a portion of HDC's economic development

activity is delivering against actions contained in REDS under Business Hawke's Bay as intended by REDS. In recent discussions with HDC and other organisations involved with Business Hawke's Bay about a refresh of REDS, the parties acknowledge that moving forward REDS is less an economic development strategy and more a "framework" for collaborative effort by various organisations to progress economic development initiatives. The "framework" identifies regional priorities for which individual strategies are to be developed.

6. See group response on Investment Strategy.
7. Staff agree with the submitter that further discussion is required before any regulatory approach is taken to the management of genetically Modified organisms,
8. HDC's support for regional alliances, both the strategic alliances and our research alliance with Massey University, is acknowledged.
9. The submitter's support for the use of the Communities Facilities Funds at the Regional Sports Park is noted.
10. Support for HBRC joining a HBLASS is noted.
11. HBRC notes the importance HDC gives to streamlining the public transport service against need and publicising the routes well.
12. HDC's support for catchment based plan changes which allow for differing environmental values rather than a blanket approach is noted.
13. While HDC acknowledges the benefit of regional consistency in approach to natural hazards, it is questioning whether advocacy would be adequate to achieve the outcomes desired, as opposed to a change to the Regional Policy Statement, particularly given current interaction and information sharing. HDC suggests that further discussion on the benefits and costs of the two options occur before committing resources to a statutory plan change.

The Joint Regional Natural Hazard Strategy included a recommendation to embed some guidance in the Regional Policy Statement to give it more weight, and a statutory foundation against which to consider Council initiated and private plan changes and development. This was supported by the Civil Defence and Emergency Management Group.

Effective advocacy still requires a statutory foundation from which to advocate a particular policy or outcome.
14. HDC's support for the Heat Smart programme is noted and the support given to ratepayers in terms of consent fast tracking is appreciated.
15. HBRC looks forward to working with HDC and NCC in establishing and implementing the Solar Hot Water Heating Scheme. We note the need to consider new technologies where they have become more affordable.
16. HDC agrees with the move to a targeted rate for emergency management funding.
17. HBRC are monitoring the passage of the Biosecurity Amendment Act and have had meetings with industry groups at which HBRC has advised them of the potential implications of that review. Those initial discussions traversed how HBRC and industry groups could work together to implement the changes that are expected as a result of that review.

Recommendations

That Council considers the submission from Hastings District Council and any comments and proposals made by staff.

Topic	<i>Climate Change</i>
Submitters:	<i>119 Dan Bloomer, Landwise</i>
To be heard:	<i>Yes</i>

Issues Requiring Response

71. Climate Change

Comment and Proposals by Staff

The submitter states that “Council has a key role in increasing the community resilience to climate change and indeed to climatic events that occur currently. The submitter states that reducing energy and fuel use, enhancing soil resilience and optimising water through irrigation and drainage should be actively encouraged. Achieving a desired change requires little additional research, but progress is constrained by lack of funding for extension”.

Many of Council’s current programmes of work incorporate addressing the potential impacts of climate change and seeking opportunities that may arise as a result of them. HBRC is aware that considerable additional work could be undertaken if funding was available, as funding is always limited and must be prioritised across many aspects of HBRC work. HBRC are continually reviewing and refining their programmes of work to ensure their relevance and ability to achieve the stated outcomes.

HBRC staff are always willing to discuss new projects or alternative approaches to current projects in order to maximise the effectiveness of the money spent.

Recommendations

That Council considers the submission from Mr Dan Bloomer, LandWISE and any comments and proposals made by staff.

Topic:	<i>Consultation on issues within the Tukituki Catchment</i>
Submitter:	<i>120 John Scott, Simon Lusk on behalf of the Friends of the Tukituki</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

The submitter believes that HBRC has failed to adequately consult the public on water quality issues, land intensification and water use in the Tukituki catchment, expresses concern that plans do not change in response to submissions previously, and that believes HBRC needs to be more open with its processes and state where submissions have been accepted and changed accordingly.

The submitter further comments that the council should not be issuing non-notifiable consents the make major changes to the environment.

Comment and Proposals by Staff

As expressed, the submitter does not appear to be seeking any change to this Draft Long Term Plan.

In relation to consulting the public on issues in the Tukituki Catchment, both named representatives were members of the Tukituki Liaison Group that met and developed a set of recommendations in 2008 for the management of the Tukituki River for the Council to consider. It is noted that at that time, Mr Lusk representing the Friends of the Tukituki was a party in dissent.

While this set of recommendations was not consulted on with the public, the Council's strategic water programme as outlined in the last Long Term Plan was largely aligned to giving effect to the recommendations.

A multi-sector stakeholder group has been established for each of the Ruataniwha Water Storage Feasibility Project and the Tukituki Plan Change development project.

In terms of both Long Term Plans and Resource Management Plan all decisions on submissions are responded to indicating what changes were made in response, if any.

Recommendations

That Council considers the submission from John Scott and Simon Lusk on behalf of the Friends of the Tukituki and any comments and proposals made by staff.

Topic:	<i>Tutira</i>
Submitter:	<i>121 Tania Hopmans on behalf of Maungaharuru-Tangitu Inc</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

72. Transfer of Tutira properties

73. Identify Tutira catchment as a priority catchment

Comment and Proposals by Staff

The submitter supports the proposed transfer of a portion of Tutira Country Park to Maungaharuru Tangitu Inc. The proposal is subject to HBRC gaining ownership of Tangoio Soil Conservation Reserve.

The Tangoio Soil Conservation Reserve is currently owned by the Crown, with responsibility for its ownership under government department Land Information New Zealand (LINZ). The land is available for Treaty Settlement purposes. HBRC currently has responsibility for the management of the Reserve. That responsibility includes an expectation that covenants associated with its Soil Conservation Reserve status are adhered to.

HBRC is unable to utilise any revenue gained from the Reserve other than to meet the costs of the management of the Reserve. Currently HBRC holds approximately \$3m in an account associated with the Reserve. It is estimated that approx \$2m of this money will be utilised for management of the Reserve prior to the next major income from harvesting of the exotic forest planted on the land.

HBRC believes the Tangoio Soil Conservation Reserve could provide significant recreational benefits for the public of Hawke's Bay particularly if linked with other HBRC assets (Waihapua and Tutira Country Park), and that these could be provided in conjunction with the Reserve being managed as a commercial forest while meeting the Soil Conservation covenant requirements expected by its current status.

Accordingly HBRC believes that there would be benefit for the region if the Treaty Settlement deal with Maungaharuru Tangitu Inc provides that:

- Ownership of the Tangoio Soil Conservation Reserve be transferred to HBRC.
- Maungaharuru Tangitu Inc gain ownership of approx 20ha of land adjacent to Lake Tutira, because of the significance of the Lake to that hapu.
- Any funds held by HBRC which have been earned from revenue from the Tangoio Soil Conservation Reserve and are not required for its management, are utilised for environmental and recreational enhancement within the Tutira catchment.

It should be noted that while there are a number of multiple ownership Maori land in the vicinity of the Lake (mainly at its northern end) these blocks are not owned by Maungaharuru Tangitu Inc.

The location of the land proposed to be transferred has yet to be finalised. HBRC staff are currently working with Mangaharuru Tangitu Inc representatives and advisors, Office of Treaty Settlements, and Land Information New Zealand on this issue. Subject to agreement to proceed with the proposal, it is hoped that the deal can be progressed significantly over the next 3 months.

HBRC staff and representatives from other organisations involved in progressing the deal are well aware of the high public usage and enjoyment of Tutira Country Park and are seeking to minimise any possible impact that any transfer of land would have on that.

There are significant opportunities for the enhancement of public recreational opportunities from Tangoio to Tutira. These are currently being explored. The Management Plan for Tutira Country Park may be reviewed in the future to incorporate any change in ownership or use of the land, and to incorporate any opportunities for enhanced public use.

There is approximately 140 hectares of exotic forest within Tutira Country Park. This will be harvested over the next 5 to 10 years. As part of the discussions with Maungaharuru Tangitu Inc staff are considering options for transportation of the logs from the Park, and for the replanting of areas harvested.

With respect to the prioritisation of the Tutira catchment Council has identified several key catchments through its Land and Water Management Strategy and these have been programmed for Plan Changes as part of the Draft Long-term Plan. The Tutira catchment is not among these, however the Regional Council has an active role in the catchment as a land owner and as land management advisers in improving water quality.

Recommendations

That Council considers the submission from Tania Hopmans on behalf of Maungaharuru-Tangitu Incorporated and any comments and proposals made by staff.

Submitters:	127 Neil Eagles, Forest & Bird Napier
To be heard:	Yes

Issues Requiring Response

74. Karamu Stream Riparian Project

Comment and Proposals by Staff

4. HBRC can assure the submitter that HBRC is not turning a blind eye to stock in waterways. The region has approximately 70,000 kms of waterways and it would be unreasonable to expect that all of these will be fenced over a short time frame.

As a result of enhancement undertaken to date, significant lengths of river berm land are being managed through planting of vegetation with effective management of the river berm weed growth through that process. All of the major rivers across the Heretaunga plains are now fenced preventing cattle from entering those waterways. These fences do however take considerable maintenance as they are regularly cut by members of the public wanting to gain access to the river. In addition HBRC staff field a number of complaints from public asking that fences be removed.

Clearly there are consequences for any actions taken whether they be further restrictions of public access or costs that must be borne because grazing is no longer able to manage vegetation and weed growth along river berm areas. A managed transition from grazing to alternative management of river berm areas is well underway. If Council wish to see a more rapid transition this would require additional funding focussed on that area with that funding sourced either from additional rates or from a reduction of other planned improvement works.

Recommendations

That Council considers the submission from Mr Neil Eagles on behalf of Forest and Bird Napier and any comments and proposals made by staff.

Topic	Various
Submitters:	130 HB Fish & Game, Pete McIntosh
Wish to be heard:	Yes

Issues Requiring Response

75. Land Management Funding

Comment and Proposals by Staff

1. The draft LTP shows expenditure on land management to be \$3.23 million in 2012/13 dropping to \$2.9 million in 2013/14 and then increasing roughly in accordance with inflation. HBRC has over the past several years secured significant funding from Sustainable Farming Fund specifically for Huatokitoki Research project and the Wairoa Hill Country Erosion project. Both of these projects will be completed during the 12/13 year and accordingly funding from those grants will stop.

Council will continue to seek to gear its research funding through other funding sources to gain the benefit of research relevant to Council's land management goals and objectives within Hawke's Bay, however no major projects have been committed in the 2012/13 year and following years and therefore funding from Council sources only is provided for in those years.

Recommendations

That Council considers the submission from HB Fish & Game and any comments and proposals made by staff.

Topic:	<i>CHB Cycle trail</i>
Submitter:	<i>136 Roy Fraser on behalf of the Rotary Club of Waipukurau</i>
In support:	<i>Peter Butler, Mayor, Central Hawke's Bay</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

The Rotary club of Waipukurau seeks HBRC support for the development of cycleways in CHB.

Comment and Proposals by Staff

HBRC was originally involved in the development of cycleways in Hawke's Bay in conjunction with Rotary organisations in both Napier and Hastings specifically with regard to the establishment of cycleways on HBRC owned or administered land. The provision was that they did not impact on the integrity of flood control assets already on that land.

While HBRC did contribute financially to these projects a large portion of the funding was sourced directly from the community through the Rotary clubs and to some extent the relevant local authority.

Subsequent to that HBRC has been instrumental in facilitating government funding to support the development of the water ride and landscape ride and the wineries ride.

It is not clear from the submission what funding is being raised from the Community or being made available from the Central Hawke's Bay District Council.

Staff have provided some assistance to the Rotary Club in the way of estimated costs for various options. Staff would be happy to provide further assistance but seek some guidance from Council with regard to what level of funding they would expect to be contributed from the local community.

Recommendations

That Council considers the submissions relating to a Cycle Trail in Central Hawke's Bay and any comments and proposals made by staff.

Topic:	<i>Funding Request</i>
Submitter:	<i>137 Brent Linn on behalf of Hawke's Bay A&P Society</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

76. Request funding assistance.

Comment and Proposals by Staff

In working with specific organisations to progress community outcomes and its strategic goals Council first needed to establish the extent and depth of its relationships with various organizations and focus its efforts accordingly. Council identified three categories of partnership: strategic partners: strategic relationships and organisational partners. Strategic partners are those who are integral to Council achieving its outcomes, strategic relationships are where the stakeholder/Council relationship forms an important part of Council's management of an issue; and organisational partners are ones that Council funds to operate activities that have a link to Council's functions and activities (such as Sustaining HB Trust and HB Coastguard).

In Project 874 the Council provides a budget of \$120,000 that has previously been allocated to community organizations. In the 2009-2012 period the budget was allocated to the following organisations:

- Sustaining Hawke's Bay Trust
- Hawke's Bay Cultural Trust
- EcoEd
- Creative Hawke's Bay
- Hawke's Bay Coastguard

In the Draft Ten-Year Plan the amount available (\$120,000) has not increased. However in line with its review of strategic partnerships Council proposes to reallocate this money in the following manner:

- Operate a forum of primary production sector associations forum (10k)
- Identification and confirmation of shared services arrangements with HB Councils and wider regional sector allies (\$20k)
- Development of projects that enhance alliances between Council and the research sector (\$90k)

Staff believe that where Council projects are specifically related to the activities of community organisations, funding of the organisations to deliver these can be considered on a project by project basis, rather than as an annual grant.

Recommendations

That Council considers the submission from Brent Linn on behalf of the Hawke's Bay A & P Society and any comments and proposals made by staff.

Topic:	<i>Funding Request</i>
Submitter:	<i>138 Tessa Tylee on behalf of Film Hawke's Bay Trust</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

77. Request funding assistance (\$15,000)

Comment and Proposals by Staff

In working with specific organisations to progress community outcomes and its strategic goals Council first needed to establish the extent and depth of its relationships with various organizations and focus its efforts accordingly. Council identified three categories of partnership: strategic partners: strategic relationships and organisational partners. Strategic partners are those who are integral to Council achieving its outcomes, strategic relationships are where the stakeholder/Council relationship forms an important part of Council's management of an issue; and organisational partners are ones that Council funds to operate activities that have a link to Council's functions and activities (such as Sustaining HB Trust and HB Coastguard).

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- Development of projects that enhance alliances between Council and the research sector (\$90k)

Staff believe that where Council projects are specifically related to the activities of community organisations, funding of the organisations to deliver these can be considered on a project by project basis, rather than as an annual grant.

Recommendations

That Council considers the submission from Tessa Tylee on behalf of the Film Hawke's Bay Trust and any comments and proposals made by staff.

Topic	<i>various</i>
Submitters:	143 Dianne Vesty on behalf of HB Fruitgrowers Assoc
Wish to be heard:	Yes

Issues Requiring Response

3. Biosecurity – the submitter suggests that the draft LTP should be providing for interim measures to implement the proposed Biosecurity Amendment Act, to enable local capacity to better manage pests and invertebrate threats.
4. Metering and Telemetry – the submitter wishes HBRC to proactively seek opportunity to bulk purchase meters to reduce costs. Submitter also wants to see meters used more as a tool for water management rather than a compliance tool.
5. Raupare Enhancement

Comment and Proposals by Staff

1. HBRC are monitoring the passage of the proposed Biosecurity Amendment Act review and have had two meetings with industry groups at which HBRC has advised them of the potential implications of that review. Staff have advised the industry groups that HBRC is keen to explore how Council and the industry groups could work together to implement the changes that are expected as a result of that review. Any changes need to be agreed as far as possible prior to a review of the Regional Pest Management Strategies that are expected to be required within 18 to 24 months of the Biosecurity Amendment Act being enacted.
2. It is noted that in 2009, a Water Information Services unit was set up by Council to provide assistance to consent holders specifically requiring water metering. Where a collective number of growers has been organised and a water user group established, Water Information Services has been in a position to help facilitate cost reductions for water meters and telemetry equipment and in the future will continue to do so. HBRC is currently exploring a number of options that may help lower the costs of metering and telemetry equipment further. It is expected that this piece of work will be complete by August 2012.

At the most recent meeting, HBRC has committed to quantify water meter installation requirements for the balance of the Heretaunga Plains, establish the likely costs of bulk purchase of water meters and a telemetry system to assist in the speed and affordability of this infrastructure and to develop a joint communication strategy with the horticultural sector around water metering, telemetry and compliance. Once this piece of analysis has been done it should be possible to assess options for incentivizing small water users (below the NES for water metering threshold) in particular to adopt the technology.

HBRC confirmed its recognition of the value of good water use data both for the irrigators, industry and for HBRC on behalf of the community. Equally water meters are also a compliance tool and HBRC has a responsibility to monitor consents and enforce if necessary. However, HBRC has been pushing the concept of global consents where an allocation of bulk water might be made to a group of users who are taking water from a particular resource so that the question of individual allocation can be devolved to the entity that holds the consent. This would increase flexibility and efficiency of water use and also reduce HBRC's compliance role from multiple individual takes to a single take with potentially a verification rather than traditional compliance focus. The ability to do this depends on whether the resource can be managed in such a way and the consent holder entity having the capacity and capability of administering such a system. We urge the horticultural and viticultural sector to take a proactive role alongside the HBRC is implementing this option where it makes sense.

3. The support for the implementation of a targeted rate of \$12.65 per hectare for Raupare enhancement is noted and appreciated.

Recommendations

That Council considers the submission from Dianne Vesty on behalf of HB Fruitgrowers' Association and any comments and proposals made by staff.

Topic:	Portraits of HBRC Chairman
Submitter:	144 Ewan McGregor
To be Heard:	No

Issues Requiring Response

78. Requests that photographs of past and current Council chairmen be displayed

Comment and Proposals by Staff

A brief survey was carried out to establish the practice of other regional councils with regard to displaying Chairman/Councillor photographs. Responses were received back from six councils and these are summarised in the table below for Council's consideration:

Council	Photos of Chairs Alone	Photos of Councillors & Chairs Each Term	Displayed In Public	Displayed Out of Public
Otago Regional Council	No	Yes	Wall In Council Chambers	
Greater Wellington	Yes		Outside Council Chambers	
Waikato Regional Council	Yes	Yes		In Councillors Lounge
Horizons Regional Council	Yes	Yes	Outside Council Chambers	
Environment Canterbury	No	Yes	Outside Council Chambers	
West Coast Regional Council	Yes	Yes	Individuals Not Displayed	Chairman's Office

Recommendations

That Council considers the submission by Ewan McGregor and any comments and proposals made by staff.

Topic:	<i>Funding Request</i>
Submitter:	<i>146 Sally Jackson on behalf of Art Deco Trust</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

79. Request funding assistance (\$50,000)

Comment and Proposals by Staff

In working with specific organisations to progress community outcomes and its strategic goals Council first needed to establish the extent and depth of its relationships with various organizations and focus its efforts accordingly. Council identified three categories of partnership: strategic partners: strategic relationships and organisational partners. Strategic partners are those who are integral to Council achieving its outcomes, strategic relationships are where the stakeholder/Council relationship forms an important part of Council's management of an issue; and organisational partners are ones that Council funds to operate activities that have a link to Council's functions and activities (such as Sustaining HB Trust and HB Coastguard).

In Project 874 the Council provides a budget of \$120,000 that has previously been allocated to community organizations. In the 2009-2012 period the budget was allocated to the following organisations:

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- EcoEd
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- Hawke's Bay Coastguard

In the Draft Ten-Year Plan the amount available (\$120,000) has not increased. However in line with its review of strategic partnerships Council proposes to reallocate this money in the following manner:

- Operate a forum of primary production sector associations forum (10k)
- Identification and confirmation of shared services arrangements with HB Councils and wider regional sector allies (\$20k)
- Development of projects that enhance alliances between Council and the research sector (\$90k)

Staff believe that where Council projects are specifically related to the activities of community organisations, funding of the organisations to deliver these can be considered on a project by project basis, rather than as an annual grant.

Recommendations

That Council considers the submission from Sally Jackson on behalf of the Art Deco Trust and any comments and proposals made by staff.

Topic	<i>Various</i>
Submitters:	<i>147 HB Winegrowers' Association</i>
Wish to be heard:	<i>Yes</i>

Issues Requiring Response

80. **Biosecurity** – Support for HBRC playing a role in Biosecurity and continued work with HBRC to extend the regional Phytosanitary Pest Management Strategy to include pests and diseases of particular importance to the wine industry.

Comment and Proposals by Staff

The submitter states that they believe that HBRC is putting too much weight on agriculture pests and not enough weight to horticultural pests, including the potential for local incursion monitoring around the Port of Napier. HBRC will continue to work with primary productive groups on this issue. Two initial meetings have been held but there is much work still to be done to fully address this issue to a sufficient extent to fully review regional pest management strategies once the Biosecurity Amendment Act comes into force. Once the Biosecurity Act is in force HBRC understands that there is a requirement that HBRC will review its pest management strategies within 18 to 24 months of that Act being passed.

Recommendations

That Council considers the submission from HB Winegrowers and any comments and proposals made by staff.

Topic	<i>Guthrie Smith Trust</i>
Submitters:	<i>153 Guthrie Smith Trust</i>
Wish to be heard:	<i>Yes</i>

Issues Requiring Response

The Trust looks forward to further discussions with HBRC in order to fulfil the common goals of both the Council and the Trust.

Comment and Proposals by Staff

HBRC currently work with the Trust through the Maungaharuru Tutira Visionary Group and on other projects within that area. HBRC staff agree that there could be significant long term benefits in integrating public recreational opportunities provided by HBRC administered or owned land including Tangoio Soil Conservation Reserve, Waihapua Forest Park and Tutira Country Park with Guthrie Smith. Based on the submission staff would be pleased to commence a more in depth discussion with the Trustees on how this could best be achieved.

HBRC staff therefore propose that discussions are arranged with the Trustees to explore these opportunities further over the next 3 to 6 months.

Recommendations

That Council considers the submission from Guthrie Smith Trust and any comments and proposals made by staff.

Submitter	159 Diane Charteris
Wishes to Speak:	Yes

Issues Requiring Response

34. Establishment of a requirement for natural coastal protection methods.
35. Establishment of a coastal hiking trail, especially in the area from Haumoana to Waimarama

Comment and Proposals by Staff

1. HBCR has, for a number of years, supported coastal protection by subsidising dune care projects along the region's coast. This includes the installation of board walks, fencing off of dune areas and the establishment of appropriate plantings within those areas. These projects have been successful in many areas along the coast. These sort of projects do however have limited success where the coast is under severe erosion.

Through its regional coastal environment plan council has signalled a strong preference for managed retreat and has been advocating that approach very strongly to the regions territorial local authorities.

2. Establishment of a hiking trail – While HBRC is supportive of such suggestions it does not believe that it should be the primary mover for all such initiatives. HBRC strongly suggest that these sort of initiatives should be developed through community groups and interested land owners.

Recommendations

That Council considers the submission from Diane Charteris and any comments and proposals made by staff.

Topic:	<i>Funding Request</i>
Submitter:	<i>161 Kerry Babbage on behalf of MATES</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

81. Request funding assistance for MATES project

Comment and Proposals by Staff

MATES is asking for \$151,100 per annum for the next ten years to assist in the prevention of male suicides within the Hawke's Bay community. HBRC's share of this would be \$30,000 per annum.

Council may wish to include financial provision if they consider it appropriate after considering the submission.

Recommendations

That Council considers the submission from Kerry Babbage on behalf of the MATES project and any comments and proposals made by staff.

Topic:	Cycleway
Submitter:	166 Christopher Ratcliffe
To be Heard:	No

Issues Requiring Response

Build a paved cycle path between Napier and Hastings along the expressway and Evenden Rd to Pakowhai Roads.

Comment and Proposals by Staff

There is considerable progress toward the development of a cycle path network throughout the Heretaunga Plains area. HBRC has been the facilitator for a significant portion of this pathway however Hastings District Council is currently investing in the development of an extensive cycleway network funded through a central government grant for its I-Way walking and cycling project.

Staff believe that over time there will be a number of potential or possible cycle routes linking Napier and Hastings through the initiative of HBRC, Napier City Council, HDC and the NZ Road Transport Association.

Recommendations

That Council considers the submission from Christophe Ratcliffe and any comments and proposals made by staff.

Topic:	<i>Funding Assistance</i>
Submitter:	<i>170 Douglas Lloyd Jenkins on behalf of the Hawke's Bay Museum & Art Gallery</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

82. Financial support for HB Regional Archive

Comment and Proposals by Staff

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Staff believe that where Council projects are specifically related to the activities of community organisations, funding of the organisations to deliver these can be considered on a project by project basis, rather than as an annual grant.

Recommendations

That Council considers the submissions relating to funding for the Regional Archives and any comments and proposals made by staff.

Topic:	<i>Financial support for Omaha Marae refurbishment</i>
Submitter:	<i>180 Meihana Watson on behalf of Omaha Marae Trustees</i>
To be Heard:	<i>Yes</i>

Item 5

Issues Requiring Response

83. Financial support for Omaha Marae refurbishment

Comment and Proposals by Staff

The proposal, as presented through the submission, is seeking funding for community facilities at Omaha. As these community facilities are not of regional or sub-regional significance they would be better considered by Hastings District Council.

Support for the funding request proposed by the Omaha Marae Trustees for 2011/12 would require additional funds through Project 874, which is sourced from general rates.

Recommendations

That Council considers the submissions relating to financial support for the refurbishment of Omaha Marae and any comments and proposals made by staff.

Attachment 2

Topic:	<i>Raupare Stream Enhancement</i>
Submitter:	<i>183 Frank Haywood on behalf of the Raupare Enhancement Society Inc</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

Support for the setting of a targeted rate.

Comment and Proposals by Staff

The targeted rate has been established following agreement between HBRC and the Raupare Enhancement Group to undertake enhancement along the Raupare Stream under the terms of the irrigation consents in the Twyford area. This agreement between council and the enhancement society will enable integration of councils own enhancement vision and investment with that of the Raupare Enhancement Groups. Accordingly staff look forward to working closely with the Raupare Enhancement Group to achieve significant changes to the riparian environment alongside the Raupare Stream.

Recommendations

That Council considers the submission from Raupare Enhancement Society and any comments and proposals made by staff.

Submitter	192 Federated Farmers
Wish to Speak:	Yes

Issues Requiring Response

84. That a pest control flat fee per property be introduced for properties under 10 acres so that smaller properties can also contribute to pest control activities.

Comment and Proposals by Staff

1. The issue of charges for properties under hectares was given consideration in the recent review of the Regional Pest Management Strategy. A decision was taken not to levy an individual charge on these properties for two reasons.
 - a. That approximately 30% of the cost of pest management activities is met from general funding sources to which these properties contribute.
 - b. The administration associated with the suggestion that individual properties under 4 hectares would require additional administrative effort and the costs associated with that effort cannot justify the additional benefit received through that rate. It is acknowledged however that a number of issues associated with Biosecurity do arise from lifestyle blocks.

HBRC are aware that the Biosecurity Act is currently being reviewed and is expected to that amendments to that Act will come into law in the latter part of 2012 year. The Act will require that Council reviews its regional pest management strategies within 18 to 24 months of that Act being passed. Staff believe that the issue of funding for Biosecurity activities should be thoroughly reviewed at the time those strategies are reviewed.

Recommendations

That Council considers the submission from Federated Farmers and any comments and proposals made by staff.

Topic:	<i>Economic Development / Investment Strategy</i>
Submitter:	<i>195 Murray Douglas on behalf of the Hawke's Bay Chamber of Commerce</i>
To be Heard:	<i>Yes</i>

Issues Requiring Response

85. Heat Smart

Comment and Proposals by Staff

Staff note and appreciate the Chamber's support for Council's activities in the areas of management of the Balance Sheet, Strategic Alliances and Hill Country Afforestation.

In relation to Heat Smart, staff have included the Chamber's comments and the staff response to all of the submissions relating to Heat Smart.

Recommendations

That Council considers the submissions from Murray Douglas on behalf of the Hawke's Bay Chamber of Commerce and any comments and proposals made by staff.