



## Meeting of the Hawke's Bay Regional Council

**Date:** Wednesday 29 March 2017  
**Time:** 9.00am  
**Venue:** Council Chamber  
Hawke's Bay Regional Council  
159 Dalton Street  
NAPIER

### Agenda

ITEM	SUBJECT	PAGE
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13.	Adoption of the 2017 HBRC Local Governance Statement	49
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15.	Update on Havelock North Water Contamination Inquiry Expenditure	85
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**Decision Items (Public Excluded)**

19. Confirmation of Minutes of Public Excluded Regional Council Meeting held on 22 February 2017

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# **HAWKE'S BAY REGIONAL COUNCIL**

**Wednesday 29 March 2017**

**Subject: FOLLOW-UP ITEMS FROM PREVIOUS REGIONAL COUNCIL MEETINGS**

## **Reason for Report**

1. On the list **attached** are items raised at Council meetings that staff have followed up on. All items indicate who is responsible for following up, and a brief status comment. Once the items have been reported to Council they will be removed from the list.
2. Also attached is a list of LGOIMA requests that have been received since the last Council meeting.

## **Decision Making Process**

3. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision making provisions do not apply.

## **Recommendation**

That Council receives the report "Follow-up Items from Previous Regional Council meetings".

## **Authored by:**

**Leeanne Hooper**  
**GOVERNANCE MANAGER**

## **Approved by:**

**Liz Lambert**  
**GROUP MANAGER**  
**EXTERNAL RELATIONS**

## **Attachment/s**

- [!\[\]\(a724a4a68298d6dff85fe378e838a60a\_img.jpg\) 1](#) Follow-ups from Previous Regional Council Meetings



## Follow-ups from previous Regional Council Meetings

## Meeting held 22 February 2017

	Agenda Item	Action	Responsible	Status Comment
1	Follow-ups (refer follow-ups from 9Nov16 below)	Draft submission to the Government Inquiry Stage 2 to be provided to councillors	I Maxwell	Inquiry update paper for this meeting updates the likely process for the Stage two submission
2	2016-19 Triennial Agreement	A copy of the final version as agreed and signed by Mayors and HBRC Chairman to be distributed to all councillors	L Lambert	
3	Recommendations from Corporate & Strategic	Efficiency Review and Capital Structure Review – work programme and scope to be confirmed by Council	A Newman	Capital Structure Review item on 29 March Regional Council agenda Efficiency Review under way and will be reported by Greg Woodham, Interim CE, to April Council meeting
4	Minor items not on the agenda	Precis of 8 <sup>th</sup> Lincoln University State of the Environment survey to be provided to councillors	L Lambert / J Palmer	Will be combined with a summary of recent OECD Environmental Review of NZ and provided to RPC as an information item for meeting on 5 April.
5	Minor items not on the agenda	Number of HBRC staff earning less than the 'living wage' Advise whether HBRC has a 'policy' to use only contractors who pay employees at least the 'living wage'	V Moule	Council does not have any staff earning less than the 'living wage'. Council does not have a policy stipulating that it will only use contractors who pay their employees at least the 'living wage'.

## Meeting held 25 January 2017

*There are no outstanding Follow-up Items from the 25 January Regional Council meeting*

## Meeting held 9 November 2016

	Agenda Item	Action	Responsible	Status Comment
1	Refer #1 above Update on Havelock North Water Contamination Enquiry & Investigation	<p>Provide Draft submission on Stage 2 of the Inquiry into Havelock North Drinking Water, to Council prior to submission. Submission to:</p> <p>1.1. consider systemic public law &amp; policy matters relevant to HBRC's roles &amp; responsibilities for consenting &amp; compliance of public water supplies by TLAs &amp; examine relevant RRMP chapters</p> <p>1.2. address all relevant matters, plus answer:</p> <ul style="list-style-type: none"> <li>Does HBRC undertake a risk assessment process associated with its statutory &amp; policy responsibilities &amp; report to Council? Have any risks to the quality of water supply been assessed &amp; reported to Council?</li> <li>What documents exist that demonstrate &amp; give effect to HBRC responsibilities to "promote" &amp; "integrate" the sustainable management &amp; adoption of a "consistent &amp; coordinated approach" re the quality of public water supply in the region?</li> <li>Over past 3 years, what statutory advocacy &amp; collaboration has HBRC undertaken with TAs to resolve problems arising from the effects of conflicting land use activities on public water supplies?</li> <li>What working groups has HBRC established or operated with TAs, to facilitate discussions on topics of policy development, information requirements, monitoring programmes &amp; policy implementation techniques, for public water supply?</li> <li>What systems &amp; protocols has HBRC established or operated with TAs for day to day administration, including information gathering &amp; sharing, joint hearings, natural hazard planning, contaminated site issues, waste water treatment &amp; storm water over the past 3 years?</li> <li>What monitoring programme has HBRC in place to ensure compliance by TAs for each of their public water supply resource consents?</li> </ul>	I Maxwell	
1	Refer #1 above Update on Havelock North Water Contamination Enquiry & Investigation	Directs staff to engage an appropriately qualified person(s) with specific legal knowledge & local experience of HBRC's plans, policies & resource consent & compliance procedures, to provide advice in preparing the draft submission for Stage 2 of the Inquiry.	I Maxwell	

## LGOIMA Requests Received between 17 February and 22 March 2017

Date Received	Request Status	Request Summary	Requested By
20 March 2017	Completed	<ol style="list-style-type: none"> <li>1. the exact amount of water overseas-based/multinational companies have been given resource consent to take and sell</li> <li>2. the amount (if there is a limit) of water that foreign companies are/will be allowed to take and sell under the current council- in total, not just One Pure International</li> <li>3. any other resource consent applications made in the last three years to bottle and sell water in Hawke's Bay</li> <li>4. any documents or reports relating to resource consents for the taking and selling of water</li> </ol>	
8 March 2017	Active	<p>For each scheme/event/activity funded (by grants, direct funding or in-kind funding) -for each year 2008/9-2015/6:</p> <ol style="list-style-type: none"> <li>1 Scheme name</li> <li>2 Scheme operator / manager / organisation funded</li> <li>3 Materials targeted e.g. used oil for the ROSE scheme</li> <li>4 Council funding broken down (where possible) by:               <ol style="list-style-type: none"> <li>4.1 Type of funding (grant, direct funding, staff time, in-kind funding)</li> <li>4.2 Funding for investigations, development or consultation</li> <li>4.3 Funding for ongoing operation of a scheme past initial implementation - Y2 and beyond</li> </ol> </li> <li>5 Volume collected by the scheme for each primary material type (if known)</li> <li>6 Volume collected by the scheme for all other material types e.g. plastic containers (if known)</li> <li>7 For the volumes of each material collected, an indication of volumes to each end disposal point e.g. if 100 tonnes of paint collected 80 tonnes recycled, 10 tonnes reused &amp; 10 tonnes treated &amp; disposed of to landfill</li> </ol>	Sandra Murray, NZ Product Stewardship Council
28 February 2017	Refused - confidential legal agreement	<ol style="list-style-type: none"> <li>1 On what basis did Newman get a payout for resigning?</li> <li>2 What amount of payout was agreed by HBRC for resignation?</li> <li>3 If found culpable of neglect by HN Water Inquiry will resignation absolve Andrew Newman of criminal or civil charges?</li> </ol>	Pauline Elliott, Transparent Hawke's Bay
23 February 2017	Refused - Info public on Inquiry website	<p>Copies of all reports, investigations and results in relation to:</p> <ol style="list-style-type: none"> <li>1. the contamination suspected to have originated from sheep near bore sites</li> <li>2. the security and robustness of bore sites and boreheads</li> </ol>	Alani Vailahi, NZ First
22 February 2017	Completed	Current role description, performance management criteria & final remuneration/ severance conditions for CEO of HBRC & HBRIC - solely the various contractual clauses, conditions & basis for monitoring & reviewing performance	Joel Benjamin





# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: CALL FOR ITEMS OF BUSINESS NOT ON THE AGENDA

### Reason for Report

1. Standing order 9.12 states:

*"A meeting may deal with an item of business that is not on the agenda where the meeting resolves to deal with that item and the Chairperson provides the following information during the public part of the meeting:*

*(a) the reason the item is not on the agenda; and*

*(b) the reason why the discussion of the item cannot be delayed until a subsequent meeting.*

*Items not on the agenda may be brought before the meeting through a report from either the Chief Executive or the Chairperson.*

*Please note that nothing in this standing order removes the requirement to meet the provisions of Part 6, LGA 2002 with regard to consultation and decision making."*

2. In addition, standing order 9.13 allows "A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However, the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion."

### Recommendations

1. That Council accepts the following "Items of Business Not on the Agenda" for discussion as Item **18**:

- 1.1. **Urgent** items of Business (supported by tabled CE or Chairpersons's report)

	Item Name	Reason not on Agenda	Reason discussion cannot be delayed
1.			
2.			

- 1.2. **Minor** items for discussion **only**

Item	Topic	Councillor / Staff
1.		
2.		
3.		

Leeanne Hooper  
GOVERNANCE & CORPORATE  
ADMINISTRATION MANAGER

Liz Lambert  
GROUP MANAGER  
EXTERNAL RELATIONS



# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: AFFIXING OF COMMON SEAL

### Reason for Report

1. The Common Seal of the Council has been affixed to the following documents and signed by the Chairman or Deputy Chairman and Chief Executive or a Group Manager.

		Seal No.	Date
1.1	<b>Leasehold Land Sales</b>		
1.1.1	Lot 467 DP 9059 CT 752725 - Transfer	4104	20 February 2017
1.1.2	Lot 108 DP 14449 CT G2/704 - Transfer	4105	22 February 2017
1.1.3	Lot 42 DP 4488 CT 55/143 - Transfer	4106	27 February 2017
1.1.4	Lot 181 DP 12611 CT D4/1105 - Transfer -	4108	8 March 2017
1.2	Deed of Lease Tutira B Section 8 Block CE D3/1027 <i>(leasehold interest over the land being 0.4122 hectares is required for river control and soil conservation purposes. The lease land is ineffective vacant land of irregular shape. The land is predominantly level, with rough grass covering and established willow trees)</i>	4107	6 March 2017

### Decision Making Process

2. Council is required to make every decision in accordance with the provisions of Sections 77, 78, 80, 81 and 82 of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within these sections of the Act in relation to this item and have concluded the following:
  - 2.1 Sections 97 and 88 of the Act do not apply
  - 2.2 Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others due to the nature and significance of the issue to be considered and decided
  - 2.3 That the decision to apply the Common Seal reflects previous policy or other decisions of Council which, where applicable, will have been subject to the Act's required decision making process.

## **Recommendations**

That Council:

1. Agrees that the decision to be made is not significant under the criteria contained in Council's adopted Significance and Engagement Policy and that Council can exercise its discretion and make this decision without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.
2. Confirms the action to affix the Common Seal.

### **Authored by:**

**Diane Wisely  
EXECUTIVE ASSISTANT**

### **Approved by:**

**Andrew Newman  
CHIEF EXECUTIVE**

## **Attachment/s**

There are no attachments for this report.

# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: RECOMMENDATIONS FROM THE REGIONAL PLANNING COMMITTEE

### Reason for Report

1. The following matters were considered by the Regional Planning Committee meeting on 1 March 2017 and are now presented for Council's consideration and approval.

### Decision Making Process

2. These items have all been specifically considered at the Committee level.

### Recommendations

The Regional Planning Committee recommends that Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.

### Proposed Plan Change for Oil and Gas Exploration Activities

2. Agrees in principle to the indicative work programme considered at the 1 March 2017 Regional Planning Committee meeting, subject to enhancements to be finalised between Staff and the contractor engaged to prepare a Plan Change.
3. Agrees to the amendment of the Regional Resource Management Plan to incorporate minor technical matters recommended by the **van Voorthysen Environmental Limited** and the **Environmental Management Services Limited** reports into the draft plan change; being in relation to:
  - 3.1 Clarifying the process of obtaining a bore permit; and
  - 3.2 The inclusion of two additional matters for control (i.e. 'type of drilling fluid' and 'casings') in relation to bore permits in RRMP Rules 1 and 2.

### Reports Received

4. Notes that the following reports were provided to the Regional Planning Committee:
  - 4.1 Indicative Milestones and Approach for Identifying Outstanding Waterbodies in Hawke's Bay (RPC resolved "*request further advice to assist it with consideration of the direction the Committee will recommend to Council*").
  - 4.2 Summary of Legal Issues Associated with Placing a Moratorium on the Release in Hawke's Bay of GMOs (RPC resolved "*indicates its intention to explore a precautionary approach to GMO introduction in Hawke's Bay, if the Supreme Court confirms Regional Council authority to take action*").
  - 4.3 Proposed Plan Change for Oil and Gas Exploration Activities (RPC resolved "*receives and notes the preliminary draft legal advice received from Simpson Grierson and, in particular, notes that this preliminary draft advice indicates that Council is empowered under the Resource Management Act to proceed with a Plan Change provided that it has clear, robust justifications and evidence to do so*").

**Authored by:**

**Leeanne Hooper  
GOVERNANCE MANAGER**

**Approved by:**

**Liz Lambert  
GROUP MANAGER  
EXTERNAL RELATIONS**

**James Palmer  
GROUP MANAGER  
STRATEGIC DEVELOPMENT**

### **Attachment/s**

There are no attachments for this report.

# **HAWKE'S BAY REGIONAL COUNCIL**

**Wednesday 29 March 2017**

## **Subject: RECOMMENDATIONS FROM THE ENVIRONMENT & SERVICES COMMITTEE**

### **Reason for Report**

1. The following matters were all specifically considered by the Environment and Services Committee meeting on 15 March 2017 and are now recommended for Council's consideration and approval.

### **Recommendations**

The Environment and Services Committee recommends that Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy and that Council can exercise its discretion and make decisions on these issues without conferring directly with the community.

### **Riverbed Gravel Management Review**

2. Adopts the Special Consultative Procedure for the Proposed Hawke's Bay Gravel Management Plan and Draft Environmental Code of Practice for River Control and Waterway Works - 2017 in accordance with the Local Government Act 2002.
3. Adopts the Statement of Proposal, including the Executive Summary as a fair representation of the major matters in the Statement of Proposal, as part of the Special Consultative Procedure specified in Sections 83 and 83AA of the Local Government Act 2002.
4. Requests that staff carry out the Special Consultative Procedure as outlined in Section 83 of the Local Government Act 2002 and in accordance with the Statement of Proposal.
5. Agrees to the appointment of an Independent Panel under the Local Government Act, to hear submissions and make recommendations on the Proposed Hawke's Bay Gravel Management Plan and Draft Environmental Code of Practice for River Control and Waterway Works - 2017 to the Council's Regional Planning Committee.
6. Delegates the appointment of the Independent Panel to the Chairman of the HBRC Hearings Committee and the Chief Executive or Interim Chief Executive.

### **Tutira Regional Park – Pine Forest Harvest**

7. Authorises the Chief Executive or Interim Chief Executive to enter into an Agreement for access and commitment for a permanent easement with the owner of the land over which the Option 2 route will traverse.
8. Authorises the Chief Executive or interim Chief Executive to commit to the construction of Phase 1 of Option 2 harvest access road from SH 2 to approx. 360 m south of Pāpākiri Stream (estimated cost \$355,000 with a landowner contribution of \$55,000) commencing in the current financial year, including the bridge across Pāpākiri Stream, subject to competitive prices being negotiated for the construction of the road and bridge; noting that this expenditure will be repaid from the first harvest revenue.
9. Delegates the decision on the timing of harvest and construction of the associated infrastructure to the Chief Executive or interim Chief Executive, with the expectation that s/he will seek expert advice on forecast prices for harvested timber and the availability of construction resources.
10. Agrees that proposals for harvesting of the blocks to be harvested between 2018 and 2020 and construction of Phase 2 of the infrastructure including sediment control and

skidsites (estimated cost \$660,000) should be sought from forest companies operating in Hawke's Bay on the basis of a managed graded log sale approach, with specific attention on the methodologies proposed for mitigating the risk of sediment entering Lake Tūtira, noting that this expenditure will be repaid from the first harvest revenue.

11. Agrees that Forest Company proposals received together with the associated staff assessment and recommendations will be considered by the HBRC Tenders Committee which will make the final choice on acceptance of the preferred proposal.
12. Notes that the expected net return from the harvest is conservatively assessed as being in the order of \$2,000,000, which is less than the net return estimate included within the HBRC LTP 2015-25.
13. Notes that staff anticipate the Replanting Plan will be brought to either the July or September 2017 meetings of the Environment and Services Committee for approval.

#### **Interim Chief Executive Appointment**

14. Notes that the following resolutions were made in relation to the late item 15, Interim Chief Executive Appointment:
  - 14.1. That the late item of business, 15. Interim Chief Executive Appointment is accepted for consideration at this meeting immediately following Conflict of Interest Declarations, in accordance with SO 9.12, as this issue cannot be delayed in light of the current Chief Executive's imminent (31 March) departure.
  - 14.2. That the Environment and Services Committee accepts the recommendation of the Appointment Sub-committee and appoints Mr Greg Woodham to the role of Interim Chief Executive of the Hawke's Bay Regional Council for the period 3 April 2017 until a permanent appointment is in place.
  - 14.3. That the Environment and Services Committee decides to exercise its delegated powers to make a decision that will have the same effect as the local authority could itself have exercised or performed, and that the decision deserves urgency and the decision is carried unanimously.

#### **Reports Received**

15. Notes that the following reports were provided to the Environment and Services Committee on 15 March 2017:



- 15.1. Activities Relating to Ahuriri and Waitangi Estuaries (*E&S resolved to leave the item to lie on the table pending the provision of further information to the 17 May 2017 meeting*)
- 15.2. Re-release of Rabbit Calicivirus (RCD)
- 15.3. 2016 National Environmental Standard for Air Quality Monitoring Results
- 15.4. Clean Water Discussion Document as it Relates to Human Health for Recreation
- 15.5. March 2017 Public Transport Update
- 15.6. Electric Vehicles

**Authored by:**

**Leeanne Hooper**  
**GOVERNANCE MANAGER**

**Mike Adye**  
**GROUP MANAGER**  
**ASSET MANAGEMENT**

**Attachment/s**

There are no attachments for this report.



# **HAWKE'S BAY REGIONAL COUNCIL**

**Wednesday 29 March 2017**

## **Subject: ADOPTION OF THE SUPPORTING ACCOUNTABILITY DOCUMENTS AND CONSULTATION DOCUMENT FOR THE 2017-18 DRAFT ANNUAL PLAN**

### **Reason for Report**

1. Now that Council has completed a number of Annual Plan workshops, there is a need to formally approve the supporting accountability documents covering the Draft Annual Plan 2017-18 and approve the Consultation Document, which covers material changes to the LTP for the Annual Plan.

### **Process**

2. Section 95(1) of the Local Government Act 2002 (LGA) states that the local authority must prepare and adopt an Annual Plan for each financial year.
3. The purpose of an Annual Plan is set out in section 95(5) as:
  - 3.1. Contains the proposed annual budget and funding impact statement for the year to which the Annual Plan relates; and
  - 3.2. Identifies any variation from the financial statements and funding impact statement included in the local authority's LTP in respect of the year; and
  - 3.3. Provides integrated decision making and coordination of the resources of the local authority; and
  - 3.4. Contributes to the accountability of the local authority to the community.
4. The LGA establishes that where there are material changes in the Plan from the same year as included in the LTP, then to comply with section 82(a)(3) of the LGA the local authority must prepare and adopt a consultation document.
5. This consultation document needs to:
  - 5.1. Identify significant or material differences between the proposed Annual Plan and the content of the LTP for the financial year to which the Annual Plan relates; and
  - 5.2. Explain the matters in paragraph 5.1 that can be readily understood by interested or affected people; and
  - 5.3. Inform discussions between the local authority and its communities about the matters in paragraph 5.1.
6. The LGA states that the content of a consultation document must be concise and presented in a simple manner.
7. Council has discussed the development of the Draft Annual Plan and Consultation Document at workshops on 23 February 2017, 8 March 2017 and 15 March 2017. Discussions at these workshops have concluded that to create a \$1M environmental kick start fund to accelerate actions on environmental hot spots, there would be a need to increase the rate level over the level included in the LTP of \$5.51% for the 2017-18 financial year. Discussions concluded that the rate level to be consulted on through the Consultation Document would be 9.88%.
8. The Consultation Document will cover a number of options, two of which cover increases in rates. The first option requires a rate increase of 4.88% to fund the "business as usual" delivery of Council services, but would not allow the acceleration of addressing environmental hot spots. The second option is to increase rates a further 5% to 9.88% to fast track environmental projects. The resolutions to this paper will cover both of these rate increases.

9. For the adoption of this Draft Annual Plan it is proposed to undertake the same process as was carried out for the LTP, and adopt the Draft Annual Plan supporting accountability documents (groups of activity performance measures, financial statements, funding impact statement and resource management charges), and then adopt the Consultation Document.

### **Resource management charges Changes of significance**

**Table 1**

10. Land use application for bore permit \$180 to \$300 – increased professional input from consent planners to assess risk of contamination, in addition to administrative processing cost.
11. Initial fixed fee increases reflect the average costs that have not been updated for three years. All are based on actual and reasonable costs.
12. Onsite waste water removed - covered by general consent application fixed fee, and based on actual cost.

**Table 2, 2a**

13. Compliance costs - Decreases based on hourly rate - more staff spreading overhead costs.
14. Incentives for full compliance – compliance monitoring, now superseded by visiting every site, every year.
15. Consents - Increases based on hourly rate – less staff absorbing fixed overhead costs.
16. General increase to hourly rate, staff costs in line with inflation.

### **3. (Zone based water science charges)**

17. 35% of the cost of science work attributable to consent holders is split, twenty per cent of the costs being charged as a fixed portion and distributed uniformly among all current consent holders. The remaining 80% are separately attributed to five categories of relevant consent holders (surface water takes, groundwater takes, (stream depleting – hybrid SW/GW), hydro water takes, discharges to water, or discharges to land). Charges are levied against individual allocated volume m3 for water takes, and a pollution index score for discharge consents. Section 36 charges vary year on year as costs are recovered from consent holders using a zone based approach that reflects the amount of science work done in each of the seven zones. The tables (3 to 5) in the plan show the changes between 2016-17 and 2017-18. Where there is a significant increase in charge, this tends to reflect the cost of work done in the zone being shared with a relatively small number of consent holders. Notable shifts are associated with discharge charges. These draft annual plan charges are indicative estimates based on the 2017 – 2018 science budgets for the year, and could be adjusted for actual expenditure within the zones at year-end. The balance (65%) of science costs fall to the general rate.

**Table 10**

18. Water Information Services hourly rate costs are covered in table 2a annual charges.

### **Attachments**

19. The documents that provide the detailed information to support the Consultation Document covering the 2017-18 Annual Plan will be made available on Council's website and there will be links from the Consultation Document (when viewed on the website) to the relevant supporting documents.
20. The proposed supporting accountability documents are:
  - 20.1. **Attachment 1:** Financial Information including Notes to the Financial Statements, Funding Impact Statements, Sample Rates for Specific Properties and proposed Resource Management Charges amendments
  - 20.2. **Attachment 2:** The proposed Consultation Document “2017-18 Planning Ahead”

### 20.3. **Attachment 3: Groups of Activities proposed Service Levels and Performance Targets**

#### **Local Government Act Audit Requirements and Consultation**

21. The LGA does not require that a Draft Annual Plan or the Consultation Document be audited.
22. In addition to social media, public notices in the newspaper, community paper and radio ads, and public meetings, a database of regional stakeholders and interested persons will be emailed, requesting their feedback on the Consultation document “2017-18 Planning Ahead”.
23. Councillors may elect to support the consultative process by using radio and newspaper editorial opportunities, such as Talking Points, interviews and letters to the editor.

#### **Timetable**

24. Following are the public consultation and Council process timelines.

Item	Timeline
Public consultation on Consultation Document begins	Monday 10 April 2017
Submissions close at 5.00pm after the five week consultation period	Friday 12 May 2017
Copies of public submissions provided to councillors	Monday 22 May 2017
Staff reports and submissions provided to councillors	Tuesday 6 June 2017
Council meeting to consider public submissions	Monday 12 June and/or Tuesday 13 June 2017
Council meeting to adopt 2017-18 Annual Plan	Wednesday 28 June 2017

#### **Decision Making Process**

25. The Local Government Act 2002, section 82(a)(3) sets out the consultation required for an Annual Plan and states that a Consultation Document is required where there are significant or material differences between the proposed Annual Plan and the content of the LTP for the financial year to which the Annual Plan relates.
26. Council has determined that there are some material and significant issues and these are covered in the Consultation Document prepared for the special consultative procedure.

#### **Recommendations**

That Council:

1. Confirms that Council is complying with section 82(a)(3) of the Local Government Act 2002 (LGA) in relation to the Consultation Document requirements for a Draft Annual Plan and that a special consultative procedure has been adopted for this consultation.
2. Resolves that for the 2017-18 financial year that rates be increased by 4.88% (on the rates set for 2016-17) to fund a “business as usual” delivery of Council’s services.
3. Resolves to increase total rates by a further 5% (on the rates set for 2016-17) to provide funding for addressing environmental hot spots by fast tracking environment projects. This will have the effect of increasing the rate level by 9.88% (on the rates set for 2016-17).
4. Adopts the following accountability documents and, as amended at this meeting, to the Draft Annual Plan 2017-18 and Consultation Document:
  - 4.1. Group of Activity proposed performance measures
  - 4.2. Financial Information, including Funding Impact Statement, sample rates for specific properties and the Resource Management charges.
5. Approves the proposed scale and schedule of charges as set out in the “Resource Management Charges” as included as part of the Annual Plan supporting accountability documents, and that this is submitted in accordance with section 36(2) of the Resource

Management Act 1991.

6. Adopts the Consultation Document, and as amended at this meeting by Council, which covers the Draft Annual Plan 2017-18 material change issues from the LTP.

**Authored by:**

**Drew Broadley**  
**COMMUNITY ENGAGEMENT AND**  
**COMMUNICATIONS MANAGER**

**Manton Collings**  
**CORPORATE ACCOUNTANT**

**Leeanne Hooper**  
**GOVERNANCE MANAGER**



**Trudy Kilkolly**  
**FINANCIAL ACCOUNTANT**

**Approved by:**

**Paul Drury**  
**GROUP MANAGER**  
**CORPORATE SERVICES**

**Andrew Newman**  
**CHIEF EXECUTIVE**

**Attachment/s**

- |  |  |                                      |
|--|--|--------------------------------------|
| <a href="#"></a> <b>1</b> | 2017-18 Draft Annual Plan Financial Information                              | Under Separate Cover                 |
| <a href="#"></a> <b>2</b> | 2017-18 Annual Plan Consultation Document                                    |                                      |
| <b>3</b>   | 2017-18 Groups of Activities proposed Service Levels and Performance Targets | Still to come – Under Separate Cover |



# PLANNING AHEAD FOR 2017-18 TIME TO CLEAN UP

Our waterways are vitally important to our community, Tāngata Whenua, businesses, industry and tourism. Our new council has resolved to take more concerted action and has identified six hot spots for our initial focus.

Our regional economy is booming, off the hard work and innovation of our farmers, growers, orchardists and support industries.

But we also have big challenges in our environment and our council faces difficult choices with our limited resources. We have identified six hot-spot areas we want to give special focus to, without taking our eye off other issues in our region.

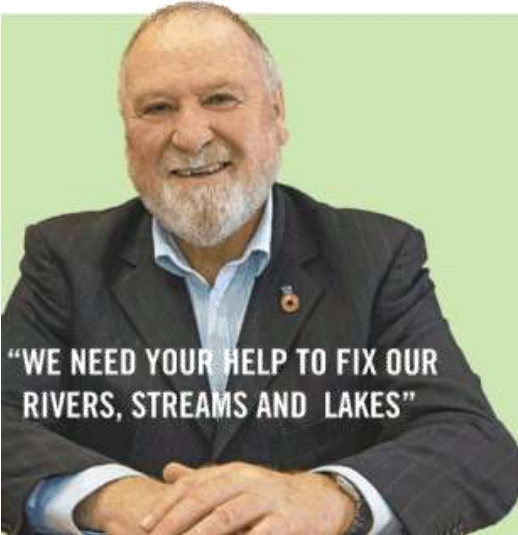
We are proposing a one-off rates increase to create a \$1 million environmental kick-start fund to accelerate action on our hot-spots. As part of this journey, we're going to comprehensively review our business to return to our core competencies, find off-setting savings and efficiencies, as well as additional opportunities to leverage government, philanthropic and community funds to meet our shared goals.

We will lay out our approach for the next ten years in 2018's Long Term Plan. But we need to get started.

The work we need to do now requires an increase of around \$20 per ratepayer, or \$1.22 million. A further \$8 per ratepayer or \$500,000 is required to maintain the council's core business, giving us a total average rate rise of \$28 per ratepayer for the year.

The bottom line is that many of our rivers, lakes and streams are a disgrace and in some cases getting worse. We need to fix them and we need your help to do this. Please give us your comments on these proposals and options.

Rex Graham  
Chair, Hawke's Bay Regional Council



## Six Environment Hot Spots: LET'S CLEAN UP

### 1. LAKE TŪTIRA

Develop a comprehensive action plan to restore the lake and prevent future contamination from the wider landscape. Our goal is to make this a place that families can return to, and where children can swim.

#### A CLEAN AND HEALTHY LAKE TŪTIRA

### 2. AHURIRI ESTUARY

Work with Napier City Council, Māori, Department of Conservation, other landowners and businesses in this area - a national treasure - to clean up water entering the estuary, remove pests and restore the environment to good health.

#### A HEALTHIER ESTUARY FOR FISH, BIRDS AND PEOPLE

### 3. WHAKAKI LAKE and WAIROA RIVER

Develop a catchment enhancement plan to improve land use opportunities, and reduce sediment from erosion choking the lake and aquatic life.

#### A BETTER PLACE FOR WAIROA PEOPLE

### 4. LAKE WHATUMA and TUKITUKI CATCHMENT

Develop an environmental enhancement plan for riparian, wetland and biodiversity improvement.

#### HEALTHIER WATER IN TUKITUKI CATCHMENT

### 5. KARAMŪ STREAM

Additional funding will accelerate the current riparian enhancement programme. We want to improve in-stream ecology and reduce contaminants entering the water.

#### IMPROVE THE STATE OF KARAMŪ STREAM

### 6. BIODIVERSITY

Effective pest control helps to improve the natural diversity of our region. Bird numbers and tree health has improved dramatically. We plan to do more in the area of predator control and we're working hard to keep more soil on the land where it belongs, not in our waterways and marine environment.

#### MORE PEST CONTROL - LESS HILL COUNTRY EROSION



Paul Bailey Napier



Rick Barker Hastings



Peter Beaven Ngaruroro



Tom Belford Hastings



Alan Dick Napier



Debbie Hewitt Central HB



Neil Kirtan Napier



Fenton Wilson Wairoa

# WE NEED YOUR HELP

## Improve Our Region: OTHER BENEFITS

### FRESHWATER

Increased science effort on our rivers, lakes and estuaries to support restoration programmes and monitor our progress over time. Our rivers and lakes need to be 'swimmable'.

### MARINE

We manage the coastal marine environment for ecosystem health. In addition to curbing sediment loss entering our estuaries and Hawke Bay, we want to start a programme of marine research that has been agreed by recreational, customary and commercial groups.

### COMMUNITY ENGAGEMENT

Improve the way we engage and inform our communities, including the support and servicing of local tangata whenua representatives, committees and schools.

### HAWKE'S BAY PARKS and TRAILS

Work includes supporting a bridge across the Tukituki River between River Road and Moore Road, to mitigate safety issues on Waimarama Road and increase the use of our trails network.

## ANNUAL PLAN PROPOSAL 2017-18

Our role as Councillors is to consider all options to meet the needs and aspirations of the Hawke's Bay community, to make real progress in priority 'hot spots' and to continue our efforts to safeguard Hawke's Bay's natural environment.

The Council receive a large portion of annual income from Napier Port, heavily subsidising the cost of our services to ratepayers. Thanks to our booming regional economy, the Port is enjoying unprecedented growth. This will bring its own challenges. To support this growth, the Port must invest in infrastructure and dividend payments may reduce for a period of time.

The 2017-18 Annual Plan comes into play from 1 July. A proposed average rate increase of \$28 or 9.88% compares to the forecast increase of 5.51% in the last Long Term Plan, for the 2017-18 year.

	Sample Properties	Capital Value	Land Value	2017/18 Proposed Rates	Increase from 2016/17
RESIDENTIAL	Taradale	\$430,000	\$230,000	\$331.34	\$25.19
	Hastings	\$430,000	\$200,000	\$300.03	\$29.00
	Wairoa	\$230,000	\$54,000	\$114.30	\$15.64
	CHB	\$293,000	\$113,000	\$110.29	\$16.80
	Napier Hill	\$760,000	\$340,000	\$270.78	\$24.13
	Napier South	\$245,000	\$155,000	\$244.72	\$21.23
	Flaxmere	\$190,000	\$58,000	\$158.28	\$3.29
	Havelock North	\$750,000	\$320,000	\$267.11	\$33.18
COMMERCIAL	Napier Hotel	\$3,100,000	\$860,000	\$1,915.33	\$195.94
	Napier Shop	\$1,710,000	\$530,000	\$811.84	\$110.39
	Hastings Office	\$5,500,000	\$860,000	\$2943.79	\$248.78
	Hastings Shop	\$350,000	\$73,000	\$191.31	\$16.64
	Waipukurau Office	\$195,000	\$40,000	\$106.19	\$14.56
	Wairoa Shop	\$235,000	\$45,000	\$165.46	\$24.07
RURAL	Hastings	\$2,970,000	\$2,310,000	\$1,474.08	\$188.06
	Hastings	\$4,070,000	\$3,350,000	\$2,417.66	\$282.53
	Wairoa	\$4,170,000	\$3,650,000	\$4,857.25	\$345.69
	Wairoa	\$1,001,000	\$910,000	\$1,426.84	\$130.47
	CHB	\$2,020,000	\$1,510,000	\$1,313.15	\$98.72
	CHB	\$7,800,000	\$6,700,000	\$2,640.05	\$241.21

### RUATANIWA SCHEME

HBRC previously agreed to spend up to \$80 million on the Ruataniwa Water Storage Scheme. For 2017-18, the Long Term Plan assumed the whole \$80 million investment would now be complete. If the Ruataniwa Scheme proceeds, the last \$60 million will be drawn down in the 2017-18 year. If the Ruataniwa Scheme

## HAVE YOUR SAY!

Please share your views with us by 4pm, Friday 12 May.

### ONLINE

Give us your written feedback online at [hbrc.govt.nz](http://hbrc.govt.nz). Search #AP2017

### IN WRITING

Written submissions can also be sent to: OurPlan c/- HBRC, Private Bag 6006, Napier 4142

### SOCIAL MEDIA

Facebook messages are also considered by the Council. Message our facebook page: [hbregionalcouncil](https://www.facebook.com/hbregionalcouncil)

### TEXT

Text 027 445 8290. Start your text with 'OurPlan'.

### IN PERSON

Come to one of our 'Have Your Say' events. Give feedback to be heard by councillors, and find out how to submit.

#### NAPIER

1 MAY  
HBRC

159 Dalton Street  
5.30 to 7pm

#### WAIKAWA

2 MAY  
HBRC

26 Ruataniwha Street  
5.30 to 7pm

#### HAVELOCK NORTH

3 MAY  
COMMUNITY CENTRE

Te Mata Road  
5.30 to 7pm

#### WAIROA

4 MAY  
HBRC

Freyberg Street  
5.30 to 7pm

## THREE OPTIONS

1. No rate increase for the coming 2017-18 financial year - this will limit our ability to maintain and deliver our services to the region, and will not allow us to address our environmental hot spots

2. Support a 4.88% (\$849,332) rate increase - a 'business as usual' delivery of Council's services but also won't allow us to accelerate addressing our environmental hot spots

3. Support a 9.88% (\$1,719,821) rate increase - fast track environmental projects on these pages.

### WHICH OPTION DO YOU PREFER?









# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: HERETAUNGA PLAINS URBAN DEVELOPMENT STRATEGY REVIEW

### Reason for Report

1. The purpose of this report is to obtain a decision from the Council to adopt the 2016 Heretaunga Plains Urban Development Strategy (HPUDS2016), with the need for this arising from the scheduled five yearly monitoring and review of the Strategy as provided for in the implementation section of the adopted HPUDS2010.
2. The joint-council HPUDS Implementation Working Group (IWG) has completed its consideration of submissions on the Draft Review document it published in 2016 and is now formally recommending that the amended strategy be adopted by the Napier City, Hastings District and Hawke's Bay Regional councils (i.e. the partner councils). Similar reports are being presented to the respective meetings of the Hastings District Council (23 March) and Napier City Council (19 April).
3. This report concludes by recommending that the Council adopts HPUDS2016 in accordance with recommendations from the IWG, as the regional strategy to direct urban development from 2015 to 2045, conditional on the other two partner councils (Napier City Council and Hastings District Council) also resolving to adopt the strategy.

### Background

#### HPUDS2010

4. Before considering the IWG's recommendations for the review, it is worth recapping on HPUDS2010. A similar recap was presented to the Regional Planning Committee meeting in February 2017.
5. HPUDS was adopted in August 2010 by the Hastings District, Napier City and Hawke's Bay Regional councils (the partner councils). The purpose of HPUDS2010 is to provide a comprehensive, integrated and effective growth management strategy for the Heretaunga Plains sub-region (refer Figure 1). HPUDS 2010 brought together the separate urban development strategies that both Hastings and Napier had in place covering the period from the 1990s through to 2015.

*Figure 1 - Location Map of Heretaunga Plains sub-region*



6. HPUDS 2010 takes a long-term view of land use and infrastructure and how growth will be managed in the Heretaunga Plains sub-region for the period 2015-2045. Other strategies and plans that will influence and be influenced by HPUDS include the Regional Land Transport Strategy, the Regional Land Transport Programme, each of the partner councils' growth strategies; Long Term Plans (LTPs), district plans and the Regional Policy Statement.

7. HPUDS 2010 stated vision is:

*"In 2045, the Heretaunga Plains is a place where there are thriving communities, quality living environments with high levels of amenity, and where mana whenua values and aspirations are recognised and provided for, and where:*

- *There is a growing and resilient economy which promotes opportunities to live, work, play and invest.*
- *The productive value of its soil and water resources are recognised and provided for, and sustainable use is promoted.*
- *The urban centres of Napier and Hastings have distinct identities and provide complementary living, working and learning opportunities.*
- *Community and physical infrastructure is integrated, sustainable and affordable."*

8. HPUDS 2010 is also founded on a series of guiding principles as depicted in Figure 2.

**Figure 2 - HPUDS2010 guiding principles**



9. In implementing these principles, HPUDS 2010 seeks to achieve a compact development form that was settled on by the partner councils after an initial round of public consultation. At that time, the approach to achieve compact development was explained as:

*"In the move towards more compact urban form for the Heretaunga Plains sub-region, an increasing proportion of the residential growth will need to take place through intensification, by redevelopment within existing residential and rural residential areas, development is expected to transition from current development allocation levels to the following by 2045:*

- *60% intensification*
- *35% greenfield*
- *5% of population in rural areas.*

*The Strategy was also developed on the basis of achieving balanced supply between Napier and Hastings."*

10. This change to a more compact form was envisaged to take the form of a transition from largely greenfields development to intensification over time. HPUDS 2010 therefore identified specific areas for greenfields development out to 2045 and seeks to limit such development largely to these areas. To protect the versatile land resource of the Heretaunga Plains, some tension in greenfields land supply is considered necessary to encourage the shift to intensification of development within the existing urban areas to meet the 60% intensification target by 2045. Table 1 shows this transition.

**Table 1: Additional Households for the Heretaunga Plains 2015 – 2045 (HPUDS 2010)**

Type of Development	Proposed of Additional Households [No.]			
	2015-2025	2025-2035	2035-2045	TOTAL 2015-2045
<b>Intensification</b>	45% [1872]	55% [1502]	60% [674]	<b>51% [4048]</b>
<b>Greenfields</b>	45% [1872]	40% [1092]	35% [394]	<b>41% [3358]</b>
<b>Rural Residential</b>	10% [416]	5% [136]	5% [56]	<b>8% [608]</b>
<b>Total</b>	<b>100% [4160]</b>	<b>100% [2730]</b>	<b>100% [1124]</b>	<b>100% [8014]</b>

11. Defined growth areas in conjunction with intensification are considered to be more efficient and cost effective from an infrastructure and servicing point of view than an ad-hoc market led approach. It ensures land use and infrastructure can be coordinated, development well planned, and growth on the versatile land of the Heretaunga Plains avoided as much as possible.
12. These defined growth areas and their potential dwelling yield have been derived by projecting the dwelling growth needs for the HPUDS study area out to 2045 as in Table 1. These projections are based on demographic information and calculate the number of greenfields, infill and rural dwellings that will be required to meet these growth needs in the ratio that achieves the preferred settlement pattern.
13. The Strategy's timeframe deliberately started from 2015 in order to provide a lead-in time for establishing policies in statutory planning documents (e.g. the Regional Policy Statement and Hastings District Plan Review). For the 2010-2015 period, existing growth strategies for Napier and Hastings continued to apply.
14. Key implementation actions that have been taken since 2010 include:
- 14.1. Change 4 to the Regional Policy Statement to embed HPUDS policy direction
  - 14.2. Review of the Hastings District Plan and a plan change to Napier City District Plan to incorporate HPUDS policy and zoning initiative (10 years)
  - 14.3. Incorporated HPUDS in land use projections for [then] Regional Land Transport Strategy and Programme.

### **HPUDS Implementation and Review**

15. Following adoption of the final HPUDS in August 2010, a working group (IWG) was formed to oversee its implementation. The IWG has no direct decision-making powers, but can make recommendations to the partner councils. The IWG consists of:
- 15.1. Two elected members from each partner council
  - 15.2. Mayors of Napier and Hastings councils
  - 15.3. Chairperson of the Hawke's Bay Regional Council
  - 15.4. Chief Executives from each partner council
  - 15.5. Two representatives of mana whenua.
16. Councillors Tom Belford, Alan Dick and Fenton Wilson represented HBRC on the IWG during the last triennium which included overseeing the HPUDS2016 Review and hearing submissions on the Draft document. This triennium, the Regional Council appointed Councillors Belford, Dick and the Chairman Cllr Graham as members of the IWG. A small Technical Advisory Group (TAG) comprising senior planning staff from

each of the three partner councils supports the Working Group. An updated version of the IWG's terms of reference is set out in Attachment 6 for the Council's endorsement, subject to similar endorsement from the two other partner councils.

17. HPUDS is based on a number of assumptions about future development and infrastructure trends that will likely change over the next thirty years and the Strategy is intended to adapt to changing trends over time. As such, HPUDS specifically provides that the Strategy be reviewed every five years after the results of the national census are available, to ensure that it is kept up to date and relevant. Due to the Canterbury earthquakes delaying the last census, this first five-year review programmed for 2015 was delayed until 2016.

### Current Situation

18. The IWG was charged with undertaking the first regular 5-year review and recommending any changes to HPUDS back to the partner councils. The IWG split the review into three stages as set out in Figure 3.

*Figure 3 - Representation of the HPUDS Review's key stages*



19. The IWG commenced the review by doing a 'stock take' of a range of local and national factors which may have influenced the Strategy since 2010. Eleven separate reports were completed as part of Stage 1 reports. These reviewed the assumptions upon which the strategy was based with a particular focus on the monitoring of growth drivers and trends of the five years to 2015.

### Growth Drivers and Emerging Issues

20. The population growth within the study area from 2009 – 2015, was higher than that projected in 2009 (by 1,080) due to both natural population increase (4,594) and net migration gain (1,106). This migration gain was from internal migration from other parts of New Zealand of 3,172, which more than compensated for a net overseas migration loss of 2,066. However, net migration gains have historically tended to be followed by losses, hence the long term Statistics New Zealand projections assume a migration balance.

21. Similarly, the total number of 'households' in the study area has exceeded the projections made six years ago by 545 households. In addition to population increase, this has resulted from demographic and social changes in the community which has reduced the average number of people per household from 2.6 in 2009 to 2.55 in 2016.

22. The HPUDS2016 Review therefore provided updated projections, which resulted in both population and dwelling growth increases over the 30 year period (based on the medium – high growth projection scenarios) compared to the HPUDS 2010 projections.

23. Projected household growth across the HPUDS study area for the 2015 – 2045 study period of 10,610 households is based on a Statistics New Zealand ‘Halfway Medium to High’ growth projection scenario. This is an increase on that projected in 2009 of 8,014 (it should be noted though that this projection was based on a medium-high projection for Napier City, but a ‘middle of the road’ growth projection scenario within the Hastings District). Total population growth in the area over the 2015-24 period is now projected to be 16,455, while average household occupancy falls from 2.55 to 2.38.
24. Forecast annual average GDP growth for the wider Hawke’s Bay region remains at 1.5% throughout the study period to 2045 with primary industry growth and infrastructural upgrading underpinning this growth outlook. Employment is similarly forecast to grow at average annual rates of 1 - 1.5% during the study period, so industrial and commercial land requirement projections remain similar to those projected in 2009.
25. The reports completed as part of the HPUDS Review Stage 1 therefore generally confirmed that the HPUDS 2010 assumptions and directions around urban growth remain sound despite there being a slightly larger than projected increase in population during the period 2009 - 2015.
26. The updated projections result in a slight population increase over the 30 year period to 2045 and a more significant increase in dwelling growth (based on adopting the medium–high growth projections). Nevertheless this increase would still be able to be accommodated within the HPUDS identified greenfield growth areas and the infill growth projections over the long term, with some amendments (i.e. there is a sufficient buffer).

### **Scope of Review**

27. Despite a long term level of comfort, some immediate supply issues (at Havelock North and Frimley (Lyndhurst) and potentially at Te Awa), suggested further work was needed around current greenfields supply availability issues in some locations.
28. The Market Demand report also identified that the lifestyle residential housing supply appeared to fall short of the likely total demand to the end of the 2045 study period, despite lessening demand beyond the 2020s expected with an aging population requiring better access to amenities and services.
29. After considering matters arising from the initial reporting ‘stock take’, the IWG agreed that the scope of this first 5-yearly review (i.e. remaining review Stages 2 and 3) would be to:
  - 29.1. consider councils’ requests for alternative sites to include in the strategy and make any required or requested changes to the settlement pattern (including reconsideration of inappropriate areas for development)
  - 29.2. further investigate the rural residential land supply and regulatory responses
  - 29.3. evaluate the retirement sector and options for accommodating retirement villages
  - 29.4. update natural hazard information
  - 29.5. remove redundant or low value recommended actions from the strategy, and correct omissions and errors.
30. On this basis the IWG commissioned three further reports as follows.

**Table 2 - HPUDS2016 Review Additional Reports Commissioned**

Report Title
Retirement Sector Housing Demand Forecasts 2016-2045 – A report for the Heretaunga Plains Urban Development Strategy Review (2016)
Review of Rural Residential Lifestyle Sites
Alternative Greenfield Sites and Review of the HPUDS Settlement Pattern

### **Greenfields Sites/Settlement Pattern**

31. Opus Consultants undertook an independent evaluation of the comparative suitability of residential greenfield areas (including 'Reserve' areas) put forward by the Councils for inclusion in HPUDS. They were assessed against the Regional Policy Statement's 'New Residential Greenfield Growth Area Criteria.'
32. Hastings District Council had requested that the following areas land to be considered by the IWG for inclusion in HPUDS as part of this review as follows:
  - 32.1. Brookvale as a short-medium term substitute for Arataki Extension
  - 32.2. Part Romanes Drive as a Reserve Greenfields Growth Area
  - 32.3. Part Middle/Te Aute Road as a Reserve Greenfields Growth Area
  - 32.4. Murdoch Road West as a Reserve Greenfields Growth Area
  - 32.5. Wall Road as a Reserve Greenfields Growth Area.
33. Questions about the viability of future stages of Te Awa, led Napier City Council to put forward Pirimai South as a Reserve Greenfields Growth Area.
34. The Opus review confirmed that it was appropriate to adopt the Hastings District Council's preference for Arataki Extension to be removed from the list of Greenfield Growth Areas in HPUDS (due to reverse sensitivity issues to odour from the neighbouring Te Mata Mushrooms operations) and be replaced with an area fronting Brookvale Road, Havelock North. Further to this, in responding to immediate greenfields supply availability issues the report recommended the inclusion in HPUDS of additional 'reserve' growth areas, as requested.
35. It needs to be clearly understood that 'Reserve areas' are recommended to act as stand-by replacements for the Greenfield Growth Areas. This ensures that there are identified areas available within HPUDS to 'bring on' if, as has happened with Arataki Extension, a Greenfields Growth Area proves to be inappropriate upon closer investigation. Having reserve areas that have passed preliminary 'pre-screening' and are 'on standby' should a need arise, saves the delay that would be associated with a screening assessment which would otherwise be built into the HPUDS review process to introduce a new replacement area.
36. Other circumstances where a reserve area could be advanced would be if there is a rapid and significant change in growth demand, or if for example retirement village needs cannot reasonably be met within the preferred greenfields areas. It is not however deemed necessary to have 'reserve growth areas' for every identified greenfield growth location in HPUDS, but it is prudent to have them available for the main urban areas of Napier City and Hastings District.
37. In addition, a review of 'Areas Inappropriate for Greenfields Growth' specifically identified Whirinaki and South Clive for re-consideration. The Opus report subsequently recommended two areas identified in the 'Inappropriate Areas for development' list in HPUDS 2010 be removed. These are:
  - 37.1. Clive South (an area off the end of Read Crescent between SH2 and Muddy Creek); and
  - 37.2. Whirinaki.
38. The report concluded that both areas had originally been identified as inappropriate because of servicing issues, but those big servicing constraints can be overcome. However, while both areas now warrant removal from the 'inappropriate' list, neither warranted inclusion as appropriate greenfield growth areas (or reserve areas) in HPUDS.



### ***Rural Residential Supply***

39. A specific planning analysis by Cheal Consultants revealed that there is still available zoned, but not yet developed, land supplies for rural residential development in the areas identified as being desired by the market. This conclusion however relies on ongoing subdivision to create new lots in areas of market preference, whereas the HPUDS 2010 assumption was that there was already a surplus of available lots.
40. The creation of new lots in areas of market preference may or may not happen. No action was however deemed necessary at this point in time, but future HPUDS review processes should continue to identify the supply of lifestyle residential sites and monitor whether these are becoming scarce in areas of market preference.

### ***Retirement Sector***

41. Given the increasing proportion of the population in the 65+ age group, a specific study was undertaken by EMS Limited on this form of housing and its likely demand, and whether this is likely to be by greenfields or brownfields retirement villages or infill housing (or combinations).
42. The report concluded that retirement units are likely to represent 30-40% of all future new build housing in the Heretaunga Plains sub-region between now and 2045, with half of these likely in 'traditional' retirement villages. Sites of sufficient size for this are likely to be found primarily on greenfield land, rather than infill sites within existing urban areas.
43. As retirement housing (with associated higher housing densities) becomes an increasingly significant factor in the overall housing market, it is possible that the amount of greenfield land required for future housing development in the HPUDS study area would be reduced. As these trends develop there will be an increase in supply and potentially a reduction in demand for larger homes as these are sold by older people to help fund their entry into retirement housing. In providing for retirement villages however, there may be a need to reflect on future housing density rules and ways in which greater densities can be achieved in both greenfields and infill areas, without compromising (and ideally enhancing) the urban living environment.
44. No immediate change to the HPUDS settlement pattern was considered as a result of this report at this stage; rather what is required is an awareness that the type of homes built within the Heretaunga Plains sub-region is going to change over the study period to meet the demands of the aging population. In addition there will be a need for developers to be able to aggregate larger blocks within residential greenfield growth areas in suitable locations to accommodate retirement villages. Reserve greenfields areas could be used to provide for retirement villages if the aggregation of sufficient areas of greenfields or brownfields land proves to be too difficult in the medium to longer term.

### ***Draft Strategy***

45. The other component of Stage 2 of the Review was to prepare a draft HPUDS Review Strategy document, based on the finding of the Stage 1 reports and the abovementioned Stage 2 reports, for public consultation.
46. The redrafted HPUDS document removed the implementation actions that were either completed or deemed unnecessary (in some cases because they are being actioned through other existing programmes, plans or strategies). In addition the redrafting involved the correction of errors and omissions and incorporated amendments to the HPUDS document arising from the items discussed above.
47. Further, it was decided to separate the implementation sections out from the main strategy document so that it would be more coherent and easier to digest for external audiences. A separate Implementation Plan (Attachment 5) was produced as a companion document, which would then guide the future activities of the IWG and Council staff between the 5 year monitoring and review phases.

### **Public Consultation (Stage 3)**

48. The third stage featuring public consultation, involved refreshing the long-established website ([www.hpuds.co.nz](http://www.hpuds.co.nz)) with the content updated in July 2016. All the 2015 – 2016 Review information, including new maps and information regarding the making of submissions is posted on that website. Full page advertisement/explanations were included in the community newspapers on 3 August 2016 and articles were also included in the Hawke's Bay Today to advise the opportunity to make submissions on a reviewed HPUDS document.
49. Notices calling for submissions were e-mailed and posted to interested parties in late July 2016. The mailing lists included the following:
  - 49.1. HPUDS Stakeholder Consultation Group; Submitters to RPS Change 4; and those who submitted on HPUDS last time (if not already in stakeholder database);
  - 49.2. Te Awa and South Pirimai landowners, including land owners within 100m of the boundaries of new areas (South Pirimai); and
  - 49.3. Arataki Extension, Brookvale and proposed Hastings District Reserve Area landowners, including land owners within 100m of boundaries of new areas (Brookvale and reserve areas).
50. That consultation phase resulted in over 50 submissions being made on the Draft Revised Strategy and a hearing being held in early October 2016. Submissions are available to view on the HPUDS website: <http://www.hpuds.co.nz/review/#sub>.
51. In terms of submission themes the following summary is provided, by location.
  - 51.1. Brookvale / Arataki Area - submissions were received:
    - 51.1.1. supporting Brookvale as a greenfields development area but seeking immediate rezoning (11 submissions)
    - 51.1.2. opposing Brookvale as a greenfields development area (1)
    - 51.1.3. supporting Romanes Drive as a reserve area (2), and
    - 51.1.4. seeking the retention of the Arataki Extension in HPUDS (1).
52. Other Hastings District Growth or Reserve Areas - submissions were received in relation to:
  - 52.1. supporting and opposing Iona / Havelock Hills (4)
  - 52.2. supporting Middle Road (2)
  - 52.3. supporting Howard Street (1)
  - 52.4. supporting Wall Road (2)
  - 52.5. opposing Murdoch Road (1)
  - 52.6. mapping of Tomoana Industrial (2) and
  - 52.7. mapping of Te Awanga (2).
53. Requests for New Hastings District Growth Areas or New Reserve Areas - submissions were received requesting residential development in:
  - 53.1. Ada Street (1)
  - 53.2. Pakowhai Road (2)
  - 53.3. Clive (2)
  - 53.4. Raymond Road (3)
  - 53.5. Waiohiki (1) and
  - 53.6. Whirinaki (1).



54. Issues with Existing Growth Areas, Napier at:
  - 54.1. Te Awa (2)
  - 54.2. Taradale Hills (2) and
  - 54.3. promote infill housing (1).
55. Requests for New Napier Growth Areas / development opportunities at:
  - 55.1. Jervoistown (1)
  - 55.2. Meeanee Road (1)
  - 55.3. cnr Riverbend Road and Bledisloe Road (1) and
  - 55.4. Churchill Drive (1).
56. Another ten general submissions (or parts of submissions) were received with a variety of more general requests, notably three of them strongly support the existing strategy and either oppose or urge caution with regards to the introduction of any new areas or reserve areas.

### ***Hearing and Recommendations***

57. The IWG held hearings over two days in October last year and resolved to write to all submitters thanking them for their submissions and advising them of the IWG's recommendations in response to their submissions, together with explanations based on the officer comments as amended by the IWG at the meeting. Submitters were also be advised that final adoption of a revised HPUDS could not occur until after the local body elections.
58. The IWG have now recommended to the individual partner councils the adoption of a revised Heretaunga Plains Urban Development Strategy 2016 as amended by recommendations of the IWG as a result of submissions with such consequential amendments to the Draft Revised HPUDS 2016 as may be required to give effect to them delegated.
59. The hearings record is attached as Attachment 1, and the appendix referred to in that document is attached to this report as Attachment 2, with details of the changes recommended as a result of the submissions; the most notable of these being:
  - 59.1. Add Romanes Drive as Greenfields Growth Area back to Thompson Road in addition to Brookvale Road, with a yield of around 350 sites
  - 59.2. Remove south Clive from the list of areas classified as inappropriate for growth and identify the 4 hectares at the end of Read Crescent as being appropriate for growth (approximately 40 sites)
  - 59.3. Make reference to assessment of Raymond Road as part of Cape Coast master planning following the Clifton to Tangoio Coastal Hazards Strategy
  - 59.4. Expand Western Hills (Taradale Hills/Mission Heights) area and increase indicative yield from 350 to 600 sites
  - 59.5. Reclassify Arataki Extension as a Reserve Area and clarify the restricted circumstances for utilising "reserve areas" for development.
60. A number of consequential amendments are required as a result of these changes. All changes both primary and consequential are shown in the tracked changes version of the strategy attached as Attachment 3. Of note is the need to change the intensification targets to reflect the added yield resulting from the inclusion of Romanes Drive and expansion of the Napier Western Hills areas. While the end target percentages between Greenfields, Rural and Intensification remain the same, the transition to those targets (Refer Table 3) has been adjusted to reflect the slower intensification take up implied by the increased greenfields land expected to be made available during the earlier years of the strategy.

Table 3: revised allocation of additional residential households 2015-2045

Type of Development	2015 (%) Development	Proposed of Additional Households [No.]			
		2015-2025	2025-2035	2035-2045	TOTAL 2015-2045
Intensification	[35]	40% [2138]	51% [1706]	60% [1152]	47% [4996]
Greenfields	[40]	50% [2673]	42% [1405]	35% [672]	45% [4749]
Rural Residential	[25]	10% [534]	7% [234]	5% [96]	8% [875]
Total	[100]	5345	3345	1920	10610

### National Legislative Developments

61. In recommending increases in the greenfield growth areas available and adding 'Reserve Areas' to HPUDS, the IWG gave consideration to the then impending 'National Policy Statement on Urban Development Capacity 2016' (NPSUDC), which came into effect on 1 December 2016. In short this NPS places an obligation on councils to meet demand for residential development in the following timeframes:

61.1. short term 1-3years (which must be zoned and serviced)

61.2. medium term 3-10 years (which must be zoned and either serviced or allocated to be serviced in the LTP and

61.3. long term 10-30 years (identified in plans and strategies).

62. There is a potential tension between HPUDS and the NPSUDC. HPUDS seeks to influence the nature of future urban growth (towards greater intensification of existing urban areas) while the NPSUDC seeks that current and future demand is satisfied (with current demand being for greenfield land). Just how far reaching that is will become clearer once the Ministry for the Environment has published its implementation guidance. Further examination of this issue is likely to be a focus of some further work overseen by the new IWG.

63. In the meantime, it is considered beneficial in terms of being able to progress new developments to adopt the revised HPUDS, which at least moves closer towards the NPSUDC's requirements in relation to greenfields land availability, rather than delaying matters and continuing with the current strategy in an unmodified form.

### Options for decision-making

64. Option 1 – adopt the Heretaunga Plains Urban Development Strategy 2016 Review and Implementation Plan as recommended by the Working Group.

65. Option 2 – seek changes to the Strategy or request that additional work be undertaken or technical reports be prepared to be overseen by the new IWG.

66. Option 3 – not adopt the Heretaunga Plains Urban Development Strategy 2016 Review and Implementation Plan; refer back to the new IWG with clear reasons why the revised strategy was not adopted and instructions for further re-workings.

67. The preferred option is adopt the recommendations of the Heretaunga Plains Urban Development Strategy Implementation Working Group relating to the 2016 review of the Heretaunga Plains Urban Development Strategy in their entirety (i.e. Option 1).

### Significance and Engagement

68. As discussed above the draft strategy has already been consulted on and the substantive 2010 strategy was subject to extensive consultation both prior to its preparation, as a draft document and through its subsequent incorporation where relevant in the Regional Policy Statement, City and District plan reviews and Changes and councils' Long Term Plans.

69. Any significant financial, operational and/or work programme activities arising out of the reviewed strategy will similarly need to be consulted on through normal resource management and asset management processes before they can be implemented.

### **Assessment of Options (Including Financial and Resourcing Implications)**

70. Option 1 would provide the Council with an up to date framework to assist in the planning for urban development and infrastructure for the next 5 years of the 30 year HPUDS period. It would accord with the delegation given to the IWG to regularly monitor and review HPUDS to ensure its continued relevance and to consult with and hear and recommend changes as a result of submissions.
71. The IWG has considered a considerable body of monitoring information and new research to come to considered conclusions as to how HPUDS can be amended to ensure it is fit for purpose over the near term to reflect changes over the last five years. The IWG has recommended some amendments which in their view, do not detract from the essential vision and purpose committed to by the partner Councils when they adopted HPUDS 2010 and signed a *Memorandum of Agreement: Heretaunga Plains Urban Development Strategy Implementation*.
72. In respect of Option 2, it is open for Council to require some changes to be made to the document, or request further work. It is important to note that in the event that the Council deems it necessary for further amendments to the strategy, over and above that recommended by the IWG (other than minor editorial amendments), they will need to be endorsed by all three partner councils before the strategy can be formally adopted.
73. It is also worth noting that the strategy is a high-level directional document rather than a detailed implementation plan of each activity the partner councils do or will do to manage urban development in the Heretaunga Plains sub-region. The Strategy will however give direction for future work on intensification planning, including changes to district plans, asset management plans, development plans and future LTPs.
74. Option 3 is the opposite of Option 1. Option 3 would mean HPUDS2010 remains unchanged, despite the efforts and findings of the 2016 Review process. It would not be responsive to, nor anticipate, changing circumstances and would risk becoming less relevant in terms of meeting the strategic objectives and community outcomes it aims to achieve. The flexibility and improved residential supply buffers and mechanisms proposed will not be available to assist with a more agile response to market changes over time, nor to assist with the current supply constraints.

### **Decision Making Process**

75. Council is required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
- 75.1. The decision does not significantly alter the service provision or affect a strategic asset.
- 75.2. The use of the special consultative procedure is not prescribed by legislation.
- 75.3. The decision does not fall within the definition of Council's policy on significance.
- 75.4. The persons affected by this decision are all those persons with an interest in the region's urban development and management, particularly within the Heretaunga Plains sub-region.
- 75.5. Options that have been considered include adopting the IWG's recommendations; or not adopting the IWG's recommendations and revised Strategy.
- 75.6. The decision is not inconsistent with an existing policy or plan.
- 75.7. Given the nature and significance of the issue to be considered and decided, and also the persons likely to be affected by, or have an interest in the decisions made, Council can exercise its discretion and make a decision without consulting directly with the community or others having an interest in the decision. Notwithstanding this, the 2016 Review featured an opportunity for any person to

make a submission on the Draft Revised Strategy and present that submission at a hearing before the IWG held in October 2016.

### **Recommendations**

That Council:

1. Receives and notes the “Heretaunga Plains Urban Development Strategy Review” report.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council’s adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.
3. Receives and notes the HPUDS Implementation Working Group’s:
  - 3.1. Hearing meeting record (Attachment 1)
  - 3.2. Hearing recommendation reports (Attachment 2).
4. Adopts HPUDS2016 as amended by the HPUDS Implementation Working Group, and as set out in Attachment 3, conditional on the other two partner councils (Napier City Council and Hastings District Council) also resolving to adopt the strategy.
5. Adopts, in-principle, the HPUDS Revised Implementation Plan as set out in Attachment 5 and agrees that the HPUDS Implementation Working Group shall be responsible for overseeing prioritisation and progress on the Plan during the remainder of the 2016-19 triennium.
6. Approves the Terms of Reference for the Heretaunga Plains Urban Development Strategy Implementation Working Group for the 2016-19 Triennium (as set out in Attachment 6), conditional on the other two partner councils (Napier City Council and Hastings District Council) also agreeing to the same Terms of Reference.

**Authored by:**







**Gavin Ide**  
**MANAGER, STRATEGY AND POLICY**

**Approved by:**

**James Palmer**

## GROUP MANAGER STRATEGIC DEVELOPMENT

### Attachment/s

- |   |  |                         |
|---|--|-------------------------|
|  1 | Minutes of the HPUDS Implementation Working Group Meetings<br>4-5 October 2016 | Under Separate<br>Cover |
|  2 | HPUDS IWG Recommendations  | Under Separate<br>Cover |
|  3 | Tracked Changes Version of HPUDS2016   | Under Separate<br>Cover |
|  4 | Final HPUDS2016 Maps   | Under Separate<br>Cover |
|  5 | HPUDS2016 Implementation Plan  | Under Separate<br>Cover |
|  6 | HPUDS Implementation Working Group Terms of Reference                          |                         |



## Terms of Reference

### Heretaunga Plains Urban Development Strategy Implementation Working Group

Terms of Reference	Membership
<p>An implementation committee of the Hastings District, Napier City, and Hawke's Bay Regional Council (and Mana Whenua) is established to overview the implementation of the Heretaunga Plains Urban Development Strategy ('HPUDS').</p> <p>The committee is to be known as the HPUDS Implementation Working Group (IWG).</p> <p>The IWG is delegated authority to implement the Strategy in accordance with the following functions:</p> <ol style="list-style-type: none"> <li>1. Growth management leadership;</li> <li>2. Overseeing implementation of the Strategy in accordance with the HPUDS Implementation Plan 2016;</li> <li>3. Resourcing strategy implementation;</li> <li>4. Taking responsibility for progressing those actions specifically allocated to the IWG;</li> <li>5. Monitoring and reporting progress against milestones;</li> <li>6. Overseeing the management of the risks identified in implementation;</li> <li>7. Reviewing and recommending adjustments to the Strategy;</li> <li>8. Identifying and resolving any inconsistencies between the Strategy and subsequent public processes of the partner councils;</li> <li>9. Facilitating consultation with the community;</li> <li>10. Establishing the Strategic Partners Forum;</li> <li>11. Establishing appropriate reference groups when necessary;</li> <li>12. Implementing a Memorandum of Agreement as adopted by the IWG to provide a basis for developing working relationships and the resolution of any conflict.</li> </ol>	<ol style="list-style-type: none"> <li>1. Two elected members from each partner council.</li> <li>2. Two participants of mana whenua.</li> <li>3. That the standing membership be limited to 8 members plus ex officio members.</li> <li>4. A quorum is equivalent to 4 members + 1, with at least one member representing each of the partner Councils and Mana Whenua.</li> <li>5. Ex officio members are the partner Council Mayors, and Regional Chair.</li> </ol>
	<p><b>Meeting Frequency</b></p> <ul style="list-style-type: none"> <li>• Quarterly or more frequently as required.</li> </ul>
	<p><b>Timeframe for Committee</b></p> <ul style="list-style-type: none"> <li>• It is proposed that the IWG would be in place for the term of the Local Government Triennium.</li> </ul>





## HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

### Subject: CLIFTON TO TANGOIO COASTAL HAZARDS JOINT COMMITTEE UPDATE AND STAGE 1 & 2 RECOMMENDATIONS

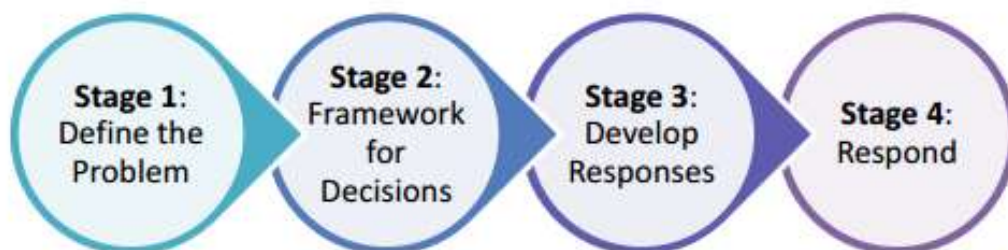
#### Reason for Report

1. This report updates the Council on the progress Clifton to Tangoio Coastal Hazards Strategy Joint Committee (Joint Committee) is making on the Coastal Hazards Strategy, and seeks endorsement of their adoption of the following reports at their 28 February 2017 meeting.
  - 1.1. Clifton to Tangoio Coastal Hazards Strategy 2120: Coastal Hazard Assessment. Tonkin & Taylor, May 2016
  - 1.2. Clifton to Tangoio Coastal Hazards Strategy 2120: Coastal Risk Assessment. Tonkin & Taylor, May 2016
  - 1.3. Clifton to Tangoio Coastal Hazards Strategy 2120: Decision Making Framework Mitchell Daysh, February 2017.

#### Background

2. In 2014 a decision was made to form a Joint Committee made up of representatives of the Hawke's Bay Regional Council, Hastings District Council and Napier City Council together with mana whenua members, to develop a long term strategy response to coastal hazards risks over the period 2016-2120. The Strategy seeks to determine options for managing coastal hazard risks, namely beach erosion, inundation through overtopping and sea level rise and Tsunami.
3. The Strategy is being progressed in four key stages as shown in figure 1 below.

**Figure 1 Clifton Tangoio Coastal Hazard Strategy Stages of Work**

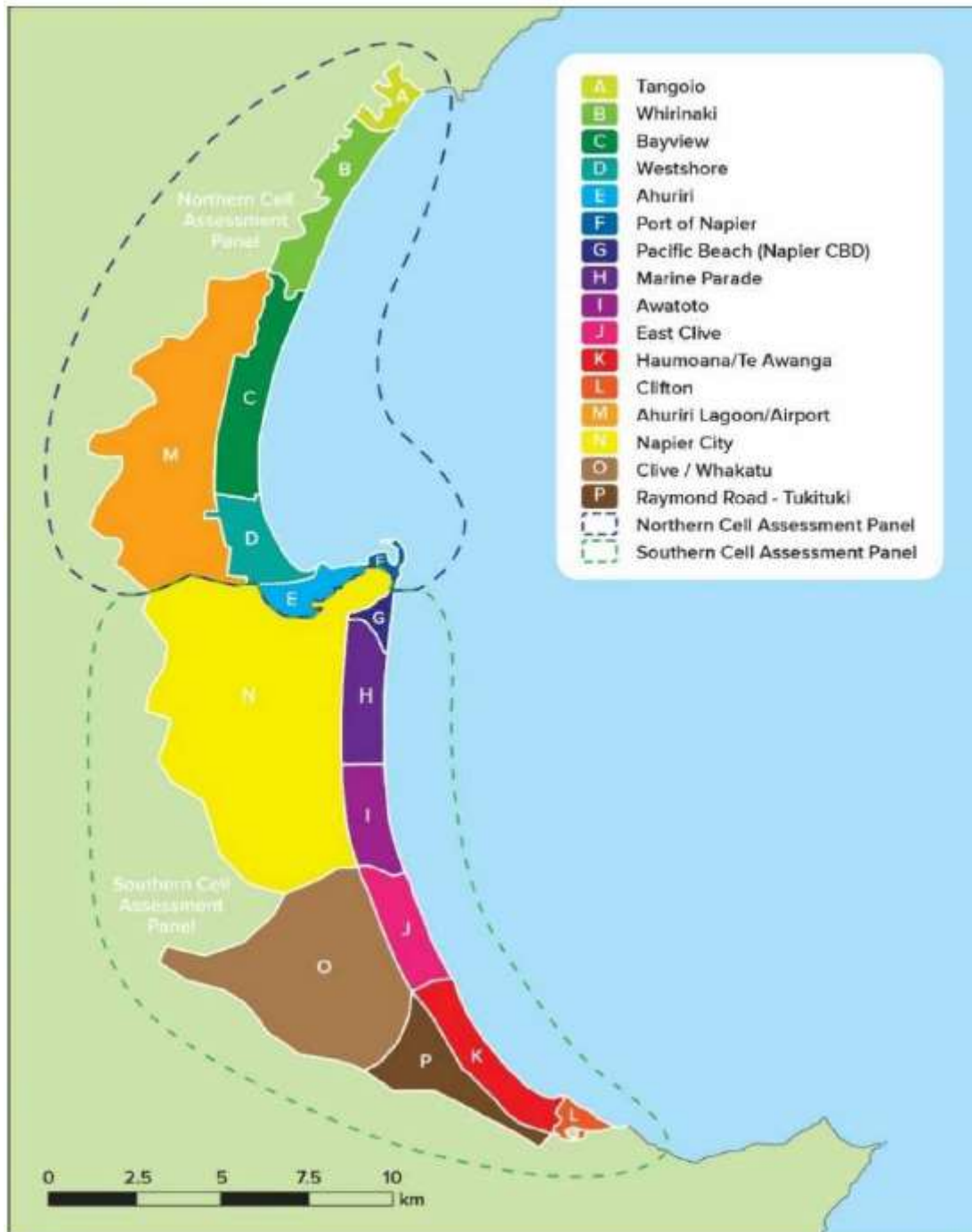


4. Stage 1 commenced in 2014 with two reports covering "Coastal Hazard Assessment" and "Coastal Risk Assessment". While the coastal erosion component of the reports was peer reviewed by Professor Paul Kench of Auckland University in 2016, his review of the inundation component has only just been completed.
5. The Peer Reviews have confirmed the adequacy of the scientific reports for the purposes of the Strategy, and at its meeting on 28 February 2017 the Joint Committee received the Stage One Peer Review Update report, and reconfirmed the adoption of both Stage One reports. The Joint Committee also recommended that the peer reviewed Stage One reports be presented to the Napier City, Hastings District and Hawke's Bay Regional councils for their respective adoption.
6. Stage 2 began in May 2016 with Environmental Management Services (EMS) and Maven Consulting Ltd (Maven) working on a "multi criteria decision analysis" model for community engagement. This provides a structured framework for communities to consider different management strategies, i.e. "managed retreat", "hold the line" or "do nothing" options for specific areas along the coast. An integral part of Stage Two is the establishment of funding guidelines to determine how the costs of protection works,

relocation, or other strategies might be funded and allocated between beneficiaries and agencies; before final recommendations are made.

7. As an outcome of stage 2, two main assessment cells have been established; one to the south of Napier Port and one to the north including the Napier Port (See Figure 2 below). This recognises that for coastal processes, a response in one area may well cause impacts in another. These cells themselves represent aggregations of smaller coastal units having distinct characteristics or risk profiles.

**Figure 2 Clifton to Tangoio Coast Hazard Assessment Cells**

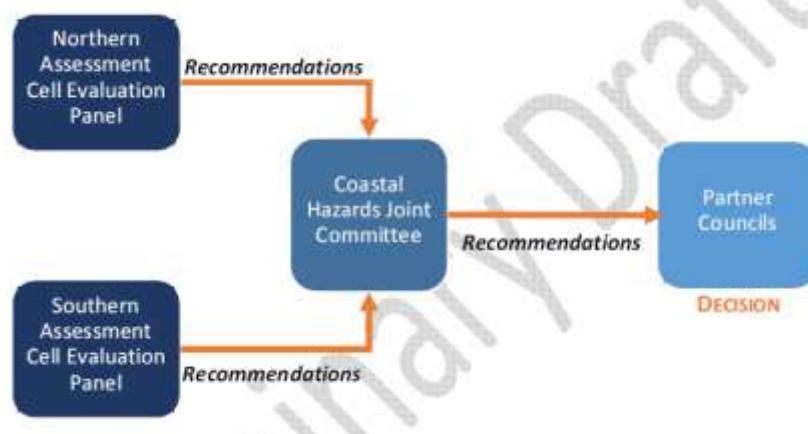


8. These community Assessment Cell Evaluation Panels will be responsible for developing and evaluating response options as Stage 3 of the project. To date each of these panels has held 4 out of a planned 10 workshops. The decision making process being used by the panels was explained to Councillors at a workshop with the partner councils on 29 August along with a proposed funding model.
9. The panels' work is being supported by technical experts from the three councils and an external team of scientists (The Edge group) from the "Resilience to Nature's Challenges" science challenge. The Edge group is responsible for the 'Living at the

Edge' programme focusing on communities living in localities exposed to natural coastal hazards. Their initial case study community and programme has been aligned with the Clifton to Tangoio Coastal Hazards Strategy 2120.

10. Work also continues on developing a funding model and an assessment of the social costs and benefits for key communities with the help of a sub-team of financial staff from the partner councils. It is important that how funding decisions will be made, and in particular how private versus public costs/benefits are to be apportioned, is decided before the panels complete their options assessments.
11. In addition, the mechanism for collecting and funding works over the longer timeframes associated with climate change and sea level rise pose new challenges for funding, highlighting a need for:
  - 11.1. A way for councils to collaborate on funding responses to coastal hazards risks
  - 11.2. Visibility for communities / stakeholders into the organisation whose purpose is to fund coastal hazards adaptation
  - 11.3. Communities to make some appropriate contribution for future works to reflect intergenerational responsibilities
  - 11.4. Funding that is put aside for future responses to be ring fenced and immune to claw back as far as possible
  - 11.5. A funding framework that is durable and able to survive through future successive political cycles over a long timeframe.
12. At the conclusion of their processes, each Assessment Cell Evaluation Panel will make final recommendations back to the Joint Committee. Where financial decisions regarding the expenditure of public funds are required, these will be recommended by the Joint Committee back to each partner Council. This relationship is shown in figure 4 below.

**Figure 4 Clifton Tangoio Coastal Hazard Strategy Functional Relationships**



13. It is planned that the Assessment Panels' outputs be available for the Joint Committee to make its recommendations back to the councils by the end of this calendar year. This will allow any indicative funding to be included in draft Long Term Plans and 30 Year Infrastructure Strategies for broader community consultation in the first half of 2018.
14. Finally it should be noted the community members who have come forward to sit on the Assessment Cell Evaluation Panels have made a commitment to give up a significant amount of their own time to help the three councils through this process. Those not already in paid employment for representative organisations receive a small acknowledgment per meeting for their time, as a token of appreciation.

### Decision Making Process

15. Council is required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:

- 15.1. The decision does not significantly alter the service provision or affect a strategic asset.
- 15.2. The use of the special consultative procedure is not prescribed by legislation.
- 15.3. The decision does not fall within the definition of Council's policy on significance.
- 15.4. No persons are directly affected by this decision however it should be noted that the final output from the Clifton to Tangoio Coastal Hazard Strategy will be of interest to the public and it is proposed that this be consulted on through a long term plan process.
- 15.5. Options are being considered by the assessment panels
- 15.6. The decision is not inconsistent with an existing policy or plan.
- 15.7. Given the nature and significance of the issue to be considered and decided, and also the persons likely to be affected by, or have an interest in the decisions made, Council can exercise its discretion and make a decision without consulting directly with the community or others having an interest in the decision.

## Recommendations

That Council:

1. Receives and notes the "*Clifton to Tangoio Coastal Hazard Strategy Joint Committee Update and Stage 1 & 2 Recommendations*" report.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.
3. Endorses the decision by the Clifton to Tangoio Coastal Hazard Joint Committee to adopt the following reports:
  - 3.1. Clifton to Tangoio Coastal Hazards Strategy 2120: Coastal Hazard Assessment. Tonkin & Taylor, May 2016
  - 3.2. Clifton to Tangoio Coastal Hazards Strategy 2120: Coastal Risk Assessment. Tonkin & Taylor, May 2016
  - 3.3. Clifton to Tangoio Coastal Hazards Strategy 2120: Decision Making Framework Mitchell Daysh, February 2017.

**Authored and Approved by:**

**Mike Adye**  
**GROUP MANAGER**  
**ASSET MANAGEMENT**

## Attachment/s

There are no attachments for this report.

# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: CAPITAL STRUCTURE REVIEW – SCOPE AND PROCESS

### Reason for Report

1. Repositioning the Council and its fully owned Holding Company balance sheet(s) and in particular their contribution to regional growth and prosperity on the one hand, and financial contribution to Hawke's Bay Regional Council (Council) on the other, is one of the key challenges facing Council.
2. This paper, in the context of current and likely future state, recommends the initiation and progression of a capital review leading into the Long Term Plan and suggests a governance/sponsorship framework. It would also make sense to set aside budget provision for a review exercise.
3. This proposed review is part of Council's Finance, Audit and Risk Sub-committee work plan.

### Background

4. Council owns, and in some cases operates, assets that are fundamentally commercial in nature though in more recent times there have been modest investments made in assets with "*triple bottom line*" or multiple values in mind. The rationale here has been to tie Investments to delivering and or assisting with environmental enhancements where possible whilst maintaining one or both of economic and financial returns.
5. Council has and remains, heavily dependent on dividends to fund its operating budget and this creates a tension between at one extreme purely building the value of the balance sheet versus the other extreme of focusing on assets with a strong yield but are arguably of lesser strategic value.
6. A further point of tension exists in regards to focusing on in-region investments – designed to enhance regional prosperity versus investing beyond the region to spread risk.
7. Over the past 9 years there has been a focus in shifting the balance from the holding of non-strategic assets with modest yield such as Napier leasehold land to investment in development assets such as the RWSS, Carbon and Manuka plantations.
8. The overall portfolio remains imbalanced in as much as Port of Napier Limited (Port) is by far and away the largest asset, though an investment in the RWSS and other water storage schemes in time would even that out. The portfolio is relatively "illiquid" i.e., shifting the balance of assets is a slow and complex process.
9. The Port is proposing a substantial infrastructure development programme in coming years, which is, in part driven by extra seasonal cargo volumes, and servicing bigger ships. There is also consideration of strategic alliances in what is an increasingly competitive market.
10. Hawke's Bay Regional Investment Company Ltd (HBRIC Ltd) was established with the intent of being an instrument of Council's strategy through holding Council's commercial assets, grouping them to spread risk, where applicable, drive efficiencies such as tax efficiency and to provide oversight and championing of the opportunities to grow the Investment portfolio value on the Council's behalf.
11. To a degree this purpose has been deflected by the need for a singular focus on the development phase of the RWSS. However, depending on the outcomes of the Supreme Court Hearing and the Council's review there is a strong case for transferring the assets to an Associate Company (RWLP) and completing the remaining work there.
12. Albeit uncertain at this time, it is quite possible that other water infrastructure projects such as the Ngaruroro (which is at prefeasibility stage) will emerge as priorities for

investment and possibly Carbon Forestry depending on the Council's appetite to reduced Hill Country erosion and related stream sedimentation.

13. A Port development may place strain on the dividend stream to HBRIC Ltd and through to Council before any additional investments are contemplated.

14. The current Council is showing an appetite for increased environment remediation investment in high profile waterways and the Regional Planning Committee is driving a substantial increase in demand for regulatory action on issues such as catchment management, oil and gas exploration etc. This means there is no let-up in demand for revenue to fund these activities. Council needs to have a clear understanding of the immediate, medium and long-term contribution investment dividends can make to supporting those activities.

### **Proposed Scope**

15. An analysis of the current and future state of commercial investments/activities both within Council and within HBRIC Ltd:

15.1. Commentary on the strategy and purpose of the Council and how this is and/or could be framed in a conceptual sense to enable adequate integration between the Council, its strategy and the implementation of that strategy by wholly owned entities such as HBRIC Ltd and ultimately subsidiary or associate companies including ensuring that investments fit the Council purpose.

15.2. A summary list of Council's commercial investments and activities.

15.3. A synopsis of the investment and activities contribution to the Council's purpose and strategy – in particular contributions to environmental and economic prosperity and resilience.

15.4. Commentary on the skills and competencies required to govern and manage those investments and activities.

15.5. Commentary on the risks and opportunities associated with the Council's investments and activities.

15.6. Commentary on the balance between building balance sheet and triple bottom line value versus delivering yield.

15.7. Commentary on an appropriate and differing levels of return on equity (RoE) for long run infrastructure assets

15.8. Commentary on future possible commercial investment activities and or expansion.

15.9. The Port – broad assessment of financing options for additional infrastructure, risks to the investment and options for risk mitigation including alliances.

15.10. RWSS – incorporation of any material information arising from the Council's own review of the RWSS.

15.11. Commentary on the balance between financial returns and wider benefits of investments to the environment and economy including foregoing financial returns.

### **Financial implications**

16. The previous capital structure review undertaken by McDermott Miller in 2008 cost \$60,000. A sum of up to \$100,000 should be considered for this exercise.

17. There is an opportunity to integrate work across three entities being Council/HBRIC Ltd and the Port and, at minimum, all three parties need to be in alignment to the extent possible in a review process.

18. Source of funds should be – from the annual plan allocation.

### **Timing**

19. Any such review needs initiation by May with a view to providing inputs to the LTP process by no later than August of 2017. There will inevitably be some uncertainty

around the precise scale of the Port Infrastructure Investment due to the development being at a scoping or prefeasibility stage.

### **Proposed Framework for sponsorship and governance of the review**

20. Review initiated under the auspices of the Corporate and Strategic Committee.
21. Establish an Advisory Group with skills and experience in Investment, Infrastructure and publicly owned assets comprising four members including the Chairman of HBRIC Ltd and one Councillor member being the Chair of the Corporate & Strategic Committee and two independent members.
22. Adoption of and/or amendment of the Review Scope and Terms of Reference
23. Provision of up to \$100,000 for the review with the detail to be determined by the Advisory Group once formed.

### **Decision Making Process**

24. Council is required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
  - 24.1. The decision does not significantly alter the service provision or affect a strategic asset.
  - 24.2. The use of the special consultative procedure is not prescribed by legislation.
  - 24.3. The decision does not fall within the definition of Council's policy on significance.
  - 24.4. The decision is not inconsistent with an existing policy or plan.
  - 24.5. Given the nature and significance of the issue to be considered and decided, and also the persons likely to be affected by, or have an interest in the decisions made, Council can exercise its discretion and make a decision without consulting directly with the community or others having an interest in the decision.

### **Recommendations**

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.
2. Agrees the scope of a review as outlined above subject to any input HBRIC Ltd Directors may wish to have.
3. Forms an Advisory Committee comprising the Chairman of the Corporate & Strategic Committee, the Chairman of Hawke's Bay Regional Investment Company Ltd Board of Directors and two independent Committee members to be determined.
4. Sets aside a financial provision for \$100,000 to be further refined once the Committee is established.

### **Authored and Approved by:**

**Andrew Newman**  
**CHIEF EXECUTIVE**

### **Attachment/s**

There are no attachments for this report.





# **HAWKE'S BAY REGIONAL COUNCIL**

**Wednesday 29 March 2017**

## **Subject: ADOPTION OF THE 2017 HBRC LOCAL GOVERNANCE STATEMENT**

### **Reason for Report**

1. This report presents Council's 2017 Local Governance Statement for adoption.
2. As advised at the 25 January 2017 Regional Council meeting, section 40 of the Local Government Act 2002 requires that each local authority must prepare and make publicly available a Local Governance Statement within six months after each triennial election of the members of the local authority.

### **Background**

3. Staff have updated the previous LGS from feedback received from councillors on 25 January, and included updated references to legislation and Council's plans and policies where relevant.
4. Once the Governance Statement has been adopted, the document will be sent to design (including the addition of front cover and table of contents) before being published on HBRC's website and hard copies made available upon request.

### **Decision Making Process**

5. Council is required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
  - 5.1. The decision does not significantly alter the service provision or affect a strategic asset.
  - 5.2. The use of the special consultative procedure is not prescribed by legislation.
  - 5.3. The decision does not fall within the definition of Council's policy on significance.
  - 5.4. The persons affected by this decision are the ratepayers of Hawke's Bay.
  - 5.5. There are no options for Council to consider as publication of a Governance Statement is a legislative requirement, within 6 months of each triennial election.
  - 5.6. The decision is not inconsistent with an existing policy or plan.
  - 5.7. Given the nature and significance of the issue to be considered and decided, and also the persons likely to be affected by, or have an interest in the decisions made, Council can exercise its discretion and make a decision without consulting directly with the community or others having an interest in the decision.

### **Recommendations**

That Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.
2. Adopts the 2017 Local Governance Statement as attached, for publication.

**Authored by:**

**Leeanne Hooper  
GOVERNANCE MANAGER**

**Approved by:**

**Liz Lambert  
GROUP MANAGER  
EXTERNAL RELATIONS**

**Attachment/s**

[!\[\]\(a870788d6ed9b8fd294b7654a8c8526b\_img.jpg\) 1](#)    Proposed 2017 HBRC Local Governance Statement

## CONTENTS

## 1. What is a Governance Statement ?

Hawke's Bay Regional Council's Governance Statement is a collection of information about the processes that Council uses to engage with the region's residents.

It outlines how Council makes decisions and shows how residents can influence those processes. It also promotes local democracy by providing the public with information on ways they can influence local democratic processes.

Council's Governance Statement is a requirement of Section 40 of the Local Government Act 2002. Council must update the governance statement within six months of each triennial election.

This current Governance Statement was adopted by Council on 29 March 2017.

## 2. Functions, Responsibilities and Activities

Hawke's Bay Regional Council was established as part of the framework of Local Government {Local Government (Hawke's Bay Region) Reorganisation Order 1989} whose purpose is to enable democratic local decision-making and action by, and on behalf of, communities. These decisions and actions are to promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.

All councils have the full capacity, rights, powers and privileges to carry on or undertake any activity or business, do any act, or enter into any transaction. However, the Regional Council must exercise these powers wholly or principally for the benefit of all or a significant part of its region and not for the benefit of a single district.

### Functions

It is important to note that there are numerous statutes, which specifically identify regional councils as having a specific function and role in various activities. These include:

- Biosecurity Act 1993
- Building Act 2004
- Civil Defence Emergency Management Act 2002
- Hawke's Bay Endowment Land Empowering Act 2002
- Land Drainage Act 1908
- Land Transport Management Act 2003
- Local Electoral Act 2001 and Local Electoral Amendment Act 2013
- Local Government Act 2002
- Local Government (Rating) Act 2002
- Maritime Transport Act 1994
- Resource Management Act 1991
- Soil Conservation and Rivers Control Act 1941

These statutes have, to date, principally directed and determined the present responsibilities and activities of the Council.

### Responsibilities

Responsibilities of Council include:

- Formulating the region's strategic direction in consultation with the community to produce the Long Term Plan (LTP)
- Determining the services and activities to be undertaken
- Managing principal tasks
- Administering various regulations and upholding the law

- Monitoring the delivery of the planned outputs included in the Long Term Plan and Annual Plan
- Ensuring the integrity of the management control system
- Safeguarding the public interest
- Ensuring effective succession of elected members
- Reporting to ratepayers

### Activities

Hawke's Bay Regional Council is this region's environmental management and economic development authority. We are all about the wise use of Hawke's Bay's natural resources, now and for generations to come. We are also all about the people of this region, employing our own passionate team of around 170 people who live all over Hawke's Bay and take pride in the work we do on your behalf.



### Our Role

As an organisation, Hawke's Bay Regional Council enables the wise use of the region's natural resources, taking on a leadership role in the areas of:

- Natural resource knowledge and management
- Natural hazard assessment and management
- Regional strategic planning
- Regional scale infrastructure and services, and
- Economic development.

### Our vision

Our vision is an important driver for our talented team of people. Our aspiration is for a connected and vibrant region with resilient communities, a prosperous economy, and a clean and healthy environment.

### Our values

Our values - developed with our people - are Leadership, Excellence, Integrity, Innovation and Partnerships.

Leadership – we anticipate and prepare for the future

Excellence – we aim high and take pride in everything we do

Integrity – we demonstrate openness, honesty and respect in our relationships

Innovation – we are open to change and seek better ways of doing things

Partnerships – we seek strong collaborative partnerships to achieve common goals.

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A connected and vibrant region with resilient communities, a prosperous economy, and a clean, healthy environment. ¶

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To achieve our goals and meet our responsibilities, HBRC's activities fall under eight groups:

- Strategic Planning
- Land Drainage and River Control
- Regional Resources
- Regulation
- Biosecurity and Biodiversity
- Emergency Management
- Transport
- Governance, Community Engagement and Services.

### 3. Regional Council / District and City Councils – What is the Difference?

- The boundaries of a region are generally based on river catchments, while district and city council territories are based on population and communities of interest.
- The Regional Council has historically, and through legislative direction, concentrated more on the 'natural environment' - water, air, land, the coast - with a long-term view to make sure these are used sustainably, and are just as available and just as good (if not better) in the future as they are today. The Resource Management Act 1991 is one of the principal Acts behind the work of regional councils and many of our activities are aimed primarily at benefiting the environment. We also have responsibility for functions that are more appropriately carried out on a regional basis such as economic development, land transport planning, river control and land drainage and plant and animal pest control.
- City and district councils concentrate more on the built environment and deliver services to their local communities, including drinking water, sewage and rubbish disposal, roading, swimming pools, libraries and parks, and deal with subdivisions.



## 4. Legislation

The Council is subject to a wide range of different pieces of legislation (Acts) that other corporate bodies and individuals are subject to, i.e. Income Tax Act, Employment Relations Act, Health and Safety at Work Act, the Fair Trading Act. However, being a creature of statute and specifically the Local Government Act 2002 there are many other Acts particularly relevant to the Regional Council and its functions and roles. These include:

### 4.1 National Acts

- Biosecurity Act 1993 *incorporating all amendment Acts up to and including Biosecurity Amendment Act (no 2) 2015*
- Building Act 2004
- Civil Defence Emergency Management Act 2002 (CDEMA) *incorporating all amendment Acts up to and including CDEMA Amendment Act 2016*
- Land Drainage Act 1908
- Land Transport Management Act 2003, *incorporating Land Transport Amendment Act 2016*
- Local Electoral Act 2001 *incorporating all amendment Acts up to and including Local Electoral Amendment Act 2013*
- Local Government Act 2002 (LGA) *incorporating all amendment Acts up to and including LGA 2002 Amendment Act 2015*
- Local Government Official Information Meetings Act 1987 (LGOIMA) *incorporating LGOIMA Amendment Act 2013*
- Local Government (Rating) Act 2002 (LGRA) *incorporating LGRA Amendment Act 2006*
- Maritime Transport Act 1994 (MTA) *incorporating MTA Amendment Act 2013*
- Resource Management Act 1991 (RMA) *incorporating all amendment Acts up to and including RMA Amendment Act 2013*
- Soil Conservation and Rivers Control Act 1941 (SCRCA) *incorporating SCRCA Amendment Act 1988*

### 4.2 Local Acts

- Hawke's Bay Regional Council (Surplus Funds Distribution) Empowering Act 1999 *incorporating amendments required resulting from the Income Tax Act 2007 & Local Government (Rating) Act 2002*
- Hawke's Bay Endowment Land Empowering Act 2002
- Hawke's Bay Regional Planning Committee Act 2015

### 4.3 By-Laws

- Hawke's Bay Regional Council Navigation Safety By-Laws 2012 *(currently under review and expected to be operative mid 2017)*  
*Copies of these By-laws will be available for reference at the Council's Napier office.*

## 5. The Electoral System and the Opportunity to Change that System

### 5.1 Electoral System Adopted

Hawke's Bay Regional Council currently operates its elections under the 'First Past the Post' (FPP) electoral system. This form of voting is used in parliamentary elections to elect Members of Parliament to constituency seats. Electors vote by indicating their preferred candidate(s), and the candidate(s) that receive the most votes is declared elected regardless of the proportion of votes that candidate(s) obtained.

The other option permitted under the Local Electoral Act 2001 is the 'Single Transferable Vote' system (STV). This system is currently used in District Health Board elections and some local authority elections. Electors rank candidates in order of preference. The number of votes required for a candidate to be elected (called the quota) depends on the number of positions to be filled and the number of valid votes. The number of candidates required to fill all vacancies is achieved:

- first by the counting of electors' first preferences
- then by a transfer of a proportion of votes received by any candidate where the number of votes for that candidate is in excess of the quota then by the exclusion of the lowest polling candidates and the transfer of these votes in accordance with voters' second preferences.

### 5.2 Process to Change the Electoral System

Under the Local Electoral Act 2001 the Council can resolve to change the electoral system; or conduct a binding poll on the question; or electors can demand a binding poll. A poll can be initiated by at least 5 per cent of electors signing a petition demanding that a poll be held. Once changed, an electoral system must be used for at least the next two triennial general elections, i.e. we cannot change our electoral system for one election and then change back for the next election.

Hawke's Bay Regional Council will be reviewing its electoral system in September 2017 and deciding to either retain the status quo and continue with the First Past the Post electoral system or change to the STV system for the next two elections in 2019 and 2022.



## 6. Representation Options

### 6.1 Maori Constituencies

The Local Electoral Act 2001 gives Council the ability to establish separate constituencies for Maori electors. The Council may resolve to create a separate Maori constituency or conduct a poll on the matter, or the community may demand a poll. The demand for a poll can be initiated by a petition signed by 5% of the electors within the region.

At its meeting on 23 November 2011, Hawke's Bay Regional Council resolved to **not** establish Maori constituencies in the Hawke's Bay region for the 2013 and 2016 elections, and publicly notified the electors' rights to demand a poll on this issue. This issue will be re-examined through Council's representation review in 2018.

### 6.2 Review of Representation

The Local Electoral Act 2001 requires the Council to determine its representation arrangements at least once in every period of six years after the first determination. Following the procedures set out in the Local Electoral Act 2001 and guidelines published by the Local Government Commission, the Council is required to conduct its next Review of Representation during 2018, for the 2019 and 2022 elections.

### 6.3 Re-organisation Processes for Local Authorities

The Local Government Act 2002 Amendment Act 2012 sets out procedures which must be followed during proposals to:

- Make changes to the boundaries of cities, districts, within the region;
- Create one or more territorial local authorities within the region;
- Create a unitary authority, i.e. the transfer of functions of Hawke's Bay Regional Council to a City or District Council;
- Transfer a particular function or functions to another Council.

Proposals for a boundary alteration or transfer of functions from one local authority to another will be considered either by a joint committee of the affected local authorities or an appointed local authority, or by the Local Government Commission (if the local authorities refer the proposal to the Commission or if the local authorities cannot agree on which of them should deal with the matter or appoint a joint committee within 60 days of receiving the proposal).

Proposals for the establishment of a new district or the creation of a unitary authority will be dealt with by the Local Government Commission.

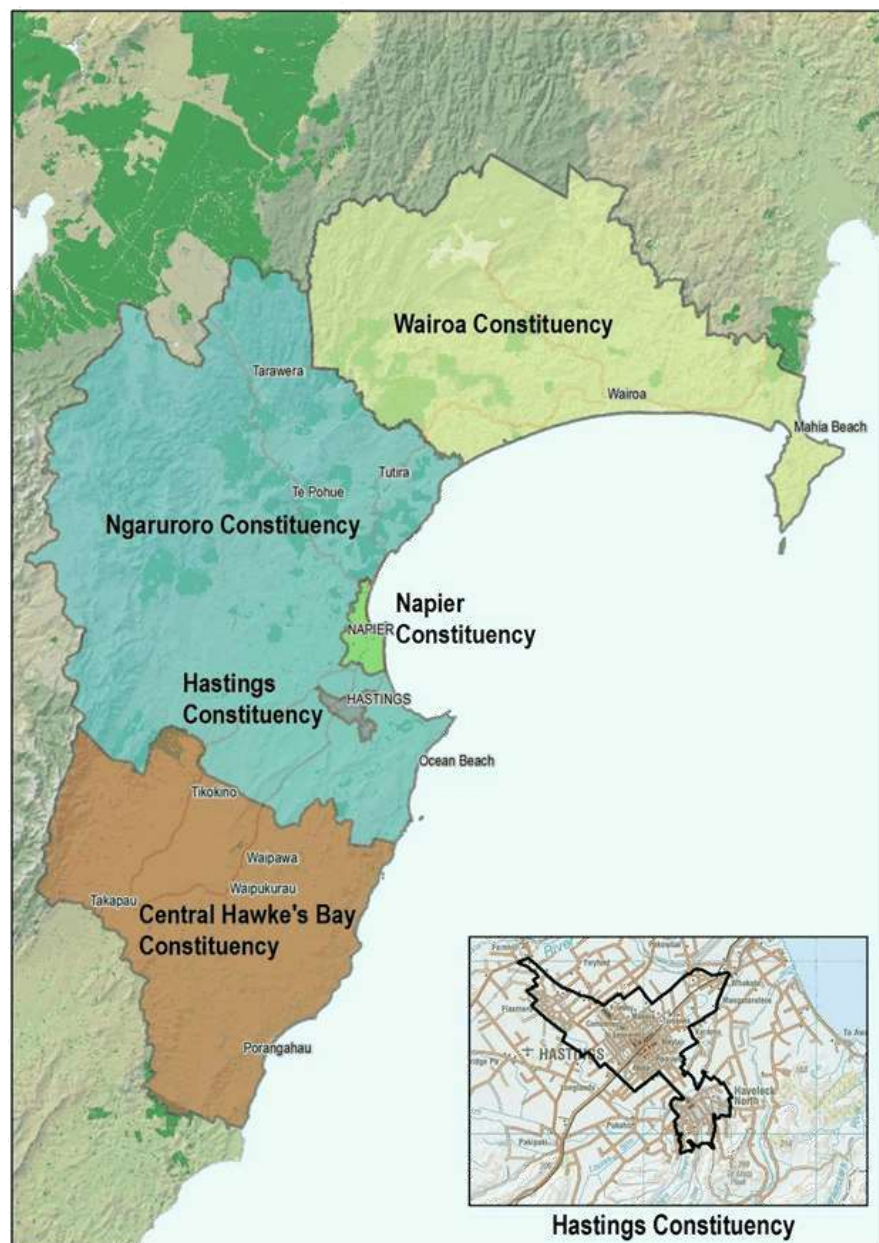
Further information on these requirements can be found in the Local Government Act 2002 Amendment Act 2012. The Local Government Commission also provides guidelines on procedures for Local Government reorganisation.

### 6.4 Constituencies

In accordance with the Local Government Commission's 2013 Determination, the Hawke's Bay region is currently divided into five constituencies. The following map and table show the number of representatives and the approximate population of each constituency.

Constituency	Member	* Resident Population
Wairoa	1	8,180
Hastings	3	57,300
Ngaruroro	1	20,700
Napier	3	60,400
Central Hawke's Bay	1	13,450
TOTAL	9	160,030

\* Estimated resident population as at 30 June 2015, provided by Statistics New Zealand



## 7. Members' Roles and Responsibilities

Good governance requires clarity of roles and respect between those charged with responsibility for the leadership of the council and those responsible for advice and the implementation of council decisions.

The key roles are:

### 7.1 Members' Roles

The role of the governing body includes:

- representing the interests of the people of the region (on election all members must make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgement in the best interests of the region)
- setting the strategic direction of Council and formulating its policy
- developing and adopting plans, policies and budgets
- monitoring the performance of the council against stated goals and objectives set out in its long term plan
- providing prudent stewardship of the council's resources
- employing and monitoring the performance of the chief executive and
- ensuring the council fulfils its responsibilities to be a 'good employer' and meets the requirements of the Health and Safety at Work Act 2015.
- The Chairperson is elected by the members of the Council at the first meeting. In addition to the role as a member, the Chairperson is:
  - Presiding member at Council meetings, and responsible for ensuring the orderly and effective conduct of business during meetings (as determined by standing orders).
  - Advocate on behalf of the community - promoting the community and representing its interests.
  - Ceremonial Head of Council.
  - Provider of leadership and feedback to other elected members on teamwork and Chairmanship of committees.

The Deputy Chairperson is elected by the Members of the Council at the first meeting of the Council, and exercises the same roles as other elected Members. In addition, if the Chairperson is absent or incapacitated, or if the office of Chairperson is vacant, then the Deputy Chairperson must perform all the responsibilities and duties, and may exercise the powers of the Chairperson (as summarised above).

The Council may create one or more Committees of Council. A Committee Chairman is responsible for presiding over meetings of the Committee, ensuring that the Committee acts within the powers delegated by Council.

### 7.2 Code of Conduct

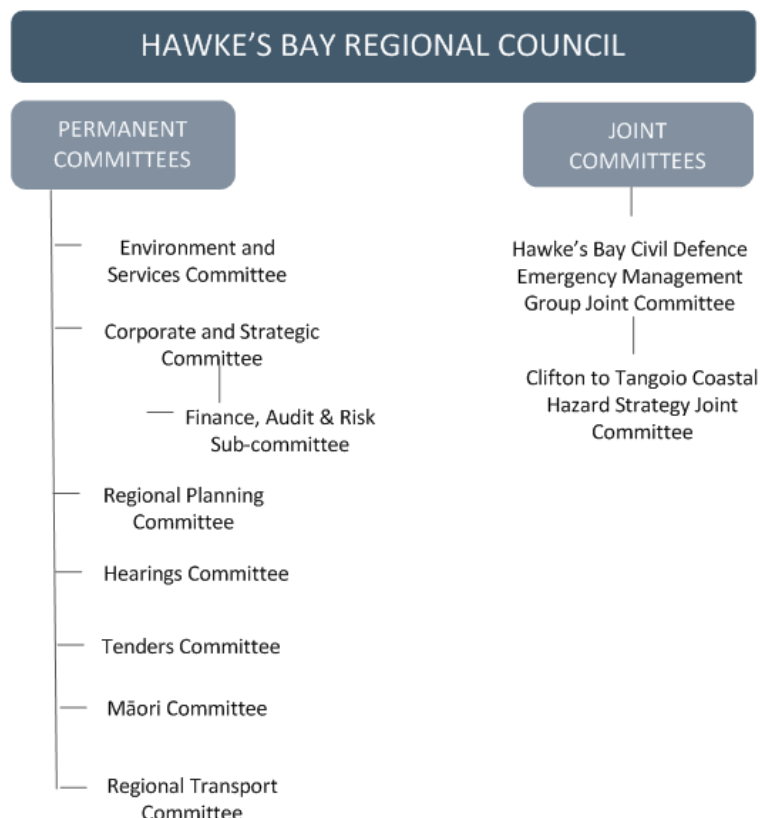
Elected members have specific obligations governing their conduct, set out in the following legislation.

- Schedule 7 of the Local Government Act 2002, which includes obligations to act as a good employer in respect of the Chief Executive and to abide by the current code of conduct and standing orders
- The Local Authorities (Members' Interests) Act 1968 which regulates the conduct of elected members in situations where there is, or could be, a conflict of interest between their duties as an elected member and their financial interests (either direct or indirect)
- The Secret Commissions Act 1910, which prohibits elected members from accepting gifts or rewards which would be seen to sway them to perform their duties in a particular way
- The Crimes Act 1961 regarding the acceptance of gifts for acting in a certain way and the use of official information for private profit
- Under Schedule 7 Part 15 of the Local Government Act 2002 Council is required to adopt a Code of Conduct for members of the Council, which Hawke's Bay Regional Council did by resolution at its

meeting held on 30 November 2016. A copy can be provided by request to the Governance Manager (ph 833 8017) or viewed on HBRC's website.

## 8. Governance Structures and Processes

Regional Council and Committee meetings are open to the public, except where items of business specifically exclude the public. Meeting dates and times are published in Hawke's Bay Today and on Council's website [www.hbrc.govt.nz](http://www.hbrc.govt.nz). Following the elections in October 2016, the Council reviewed its committee structure and established the following committees.



### 8.1 Permanent Committees

- Environment and Services Committee
- Corporate and Strategic Committee
- Finance, Audit and Risk Sub-committee
- Regional Planning Committee
- Hearings Committee
- Tenders Committee
- Maori Committee
- Regional Transport Committee (required by statute)

### 8.2 Joint Committees

- Hawke's Bay Civil Defence Emergency Management Group Joint Committee (required by statute)
- Clifton to Tangoio Coastal Hazard Strategy Joint Committee



### 8.3 Committee Purpose, Membership

#### The Regional Council

Council develops or approves all major policy and deals with all other issues concerning its responsibilities, which have not otherwise been delegated to Committees of Council or its Chief Executive. It deals with issues which are not the responsibility of the Chief Executive but require Council consideration.

##### *Members:*

- Elected Members: Alan Dick, Debbie Hewitt, Fenton Wilson, Neil Kirton, Paul Bailey, Peter Beaven, Rex Graham, Rick Barker, Tom Belford
- Chairman: Rex Graham; Deputy Chairman: Rick Barker
- The Chairman of the Maori Committee (Mike Mohi) attends all Council meetings and has speaking rights only

#### Environment and Services Committee

This committee considers and recommends to Council strategies, policies, rules and other methods, with regard to the HBRC responsibilities or involvement with Land Drainage and River Control under the Local Government Act 2002; Land Drainage and Rivers Control Act 1941 and Land Drainage Act 1908; Biosecurity under the Local Government Act 2002 and the Biosecurity Act 1993; Resource Management Act 1991; National Policy Statements, National Environmental Standards and relevant associated legislation; and maritime and navigation safety under the Maritime Transport Act 1994.

##### *Members:*

- Elected Members: All Councillors
- Appointed Members: 1 x Maori Committee representative and 1 x RPC Tangata Whenua representative
- Chairman: Councillor Tom Belford; Deputy Chairman: Councillor Peter Beaven

#### Corporate and Strategic Committee

This committee considers and recommends to Council strategic planning initiatives including development of the Council's Strategic Plan and other strategic initiatives with external stakeholders including District and City councils.

##### *Members:*

- Elected Members: All Councillors
- Appointed Members: 1 x Maori Committee representative and 1 x RPC Tangata Whenua representative
- Chairman: Councillor Neil Kirton; Deputy Chairman: Councillor Debbie Hewitt

#### Finance, Audit and Risk Sub-committee

This sub-committee considers and recommends – to the Corporate and Strategic Committee – processes, policies and guidelines to ensure effective management of audit, risk management and Health & Safety for the organisation.

##### *Members:*

- Elected Members: Councillors Neil Kirton (Chairman), Rick Barker, Alan Dick and Paul Bailey
- Appointed Members: one independent person with expertise in Audit & Risk management, being – Mr David Benham

### Regional Planning Committee

This committee considers and recommends to Council strategies, policies, rules and other methods for inclusion in the Regional Resource Management Plan and the Regional Coastal Environment Plan. This committee also considers and recommends to Council strategies and processes to ensure effective implementation of policies, rules, research, monitoring and enforcement to satisfy the requirements of the Resource Management Act 1991, National Policy Statements, National Environmental Standards and relevant associated legislation.

#### Members:

- Elected Members: All Councillors + Mr Mike Mohi
- Appointed Members: Treaty Claimant Group representatives (10)
- Co-Chairperson: Rex Graham and Toro Waaka (*Ngati Pahauwera Development & Tiaki Trust*)
- Deputy Co-Chairperson: Rick Barker and Tania Hopmans (*Mangaharuru Tangitū Trust*)

### Hearings Committee

This committee considers and recommends – to Council – processes, policies and guidelines to ensure effective management of resource consent and plan development processes.

Under its Terms of Reference, the Committee is delegated functions, powers and/or duties pursuant to the Resource Management Act (RMA) and the Biosecurity Act (BA)

#### Members:

- Elected Members: Councillors Peter Beaven, Paul Bailey and Rick Barker
- Appointed Members: tbc
- Chairman: Peter Beaven

### Tenders Committee

This committee's role is to consider and accept tenders which exceed the delegated authority of the Chief Executive; and to consider and decide on exemptions to Council's Contracts and Tenders policy.

#### Members:

- Elected Members: Councillors Rex Graham (Chairman), Rick Barker (Deputy Chairman), Neil Kirton and Tom Belford

### Māori Committee

The Maori Committee includes both elected Councillors and members appointed by Māori. The committee makes recommendations to the Council on matters of relevance affecting Māori people of the region and helps fulfil the Māori consultative undertaking of Council, particularly with regard to the principles of the Treaty of Waitangi (Te Tiriti O Waitangi).

#### Members:

- Elected members: Councillors Rick Barker, Rex Graham, and Fenton Wilson
- Appointed Members: Bill Blake (Wairoa Kaumatua), Duane Culshaw (Kahungunu Executive), Adrian Manuel (Wairoa Taiwhenua), and Katarina Kawana (Wairoa Taiwhenua Proxy) representing Wairoa; Peter Eden (Te Taiwhenua O Te Whanganui-a- Orotū) Piri Prentice (Napier Kaumatua), Rangi Puna (Mana Ahuriri Trust), Charmaine Butler *interim*, tbc (Maungaharuru Tangitū Trust) and Teresa Smith (Ahuriri Proxy) representing the Ahuriri area; Haami Hilton (Hastings Kaumatua), Michael Paku (Heretaunga Executive), Marei Apatu (Heretaunga Taiwhenua), and Joella Brown (Heretaunga Proxy) representing Heretaunga; and Paora Sciascia (Te Taiwhenua o Tamatea Central Hawke's Bay), Mike Mohi (CHB Kaumatua), Brian Gregory (CHB Tamatea Taiwhenua), and Marge Hape (Tamatea Proxy) representing Tamatea Taiwhenua.
- Chairman: Mr Mike Mohi

### Regional Transport Committee

This committee is a statutory committee whose purpose is to meet the objectives of the Land Transport Management Act 2003 and its amendments. This includes the RTC's preparation and monitoring of the Regional Land Transport Plan (which prioritises state highway and major local road investment) and the Regional Public Transport Plan, which the Committee prepares for approval by the Council. This committee also considers other matters relating to transport, such as a regional walking and cycling strategy, and other freight transport modes such as rail and coastal shipping. It advises Council on performance of the urban subsidised public transport system, including the mobility voucher assistance scheme for transport disabled persons. The RTC also operates and monitors road safety initiatives through its Roadsafes programmes.

#### *Members:*

- Elected Members: Councillors Alan Dick (Chairman) and Fenton Wilson (Deputy Chairman)
- Appointees from: Wairoa District Council – Mayor Craig Little, Hastings District Council – Cr Tania Kerr, Napier City Council – Cr Keith Price, Central Hawke's Bay District Council – Mayor Alex Walker, NZ Transport Agency Regional Director – Lisa Rossiter
- Non-voting advisory members: Cultural Interests – Brian Gregory, HBRC Maori Committee; NZ Police – Inspector Matt Broderick ; Private motorists – David Murray, HB Automobile Assn; Port & Coastal Shipping – Chris Bain, Napier Port; Road Transport Industry – John Emmerson, Emmerson Transport; Rail Transport – Kim Santer, KiwiRail.
- A Technical Advisory Group (TAG) comprising transport professionals from the councils and NZTA serves as advisor to the Committee and participates in RTC meetings but does not have voting rights.

### Hawke's Bay Civil Defence Emergency Management Group Joint Committee

The Civil Defence Emergency Management Act 2002 requires all local authorities within a region to form a Civil Defence Emergency Management Group as a joint standing Committee under Clause 30(1)(b) of Schedule 7 of the Local Government Act 2002.

The Joint Committee is composed by including a representative from each local authority that is a member of the Group. Representatives must be a chairperson or mayor of that local authority or an elected person from that local authority, who has delegated authority to act for the chairperson or mayor.

#### *Members:*

Chairman Rex Graham – Hawke's Bay Regional Council (Chairman), Bill Dalton - Mayor Napier City, Lawrence Yule - Mayor Hastings District, Craig Little - Mayor Wairoa District, Alex Walker - Mayor Central Hawke's Bay District.

### Clifton to Tangoio Coastal Hazard Strategy Joint Committee

The Clifton to Tangoio Coastal Hazard Strategy Joint Committee comprises elected representatives from Hastings District Council (HDC), Napier City Council (NCC), Hawke's Bay Regional Council (HBRC) and members appointed from the Maungaharuru-Tangitu Trust, Mana Ahuriri Incorporated and He Toa Takitini, and has the responsibility delegated by the Partner Councils for:

- Guiding and providing oversight for the key components of the strategy
- Considering and recommending a draft strategy to each of the Partner Councils for public notification
- Considering comments and submissions on the draft strategy and making appropriate recommendations to the Partner Councils
- Considering and recommending a final strategy to each of the Partner Councils for approval.

*Members:*

- Napier City Council: Crs Tony Jeffery and Larry Dallimore
  - Hastings District Council: Crs Tania Kerr and Rodney Heaps, Cr Ann Redstone as alternate
  - Hawke's Bay Regional Council: Crs Peter Beaven and Paul Bailey
  - Maungaharuru-Tangitū Trust: Mrs Tania Hopmans
  - Mana Ahuriri Inc: Mr Terry Wilson
  - He Toa Takitini: Mr Peter Paku
  - The Committee Elected Cr Peter Beaven as Chair and Crs Tania Kerr and Tony Jeffery as Deputies
- The Joint Committee is supported by a Technical Advisory Group consisting of senior staff from each of the partner councils with consultant advisors as required.

**8.4 Hawke's Bay Regional Councillors**

Rex Graham  
**Position:** Chair - Hastings  
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 rex.graham@hbrc.govt.nz



Rick Barker  
**Position:** Deputy Chair - Hastings  
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Neil Kirton  
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Peter Beaven  
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Debbie Hewitt  
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Fenton Wilson  
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## 9. Meeting Processes

The legal requirements for Council meetings are set down in the Local Government Act 2002 and the Local Government Official Information and Meetings Act 1987 (LGOIMA).

All Council and committee meetings must be open to the public unless there is reason to consider some items 'in committee'. The LGOIMA contains a list of the circumstances where Councils may consider items with the public excluded. These circumstances generally relate to protection of personal privacy, professionally privileged or commercially sensitive information, and the maintenance of public health, safety and order. The Council agenda is a public document, although parts may be withheld if the above circumstances apply.

Although meetings are open to the public, members of the public do not have speaking rights unless prior arrangements are made with Council.

Agendas are available from reception two days before each meeting or on the Council website. The Council also hosts public meetings on occasions, at venues throughout the region, to discuss planning issues, work programmes or other concerns that require public input.

The Chairperson is responsible for maintaining order at meetings and may, at his or her discretion, order the removal of any member of the public for disorderly conduct, or remove any member of Council who does not comply with standing orders.

Minutes of meetings must be kept as evidence of the proceedings of the meeting and are made publicly available, subject to the provisions of the LGOIMA.

For an ordinary meeting of Council, at least 14 days notice of the time and place of the meeting must be given. Extraordinary meetings can be called by the Chairperson or Chief Executive provided notice of that Extraordinary meeting is given to each member of the council, by whatever means reasonable in the circumstances, at least 24 hours before the time appointed for the meeting.

During meetings the Chairperson and Councillors must follow Standing Orders (a set of procedures for conducting meetings). The Council may suspend Standing Orders by a vote of 75% of the members present.

## 10. Consultation

### Hawke's Bay Regional Council Significance and Engagement Policy



#### Purpose and Scope

Hawke's Bay Regional Council (HBRC, Council or 'we') has developed this policy to:

1. Enable Council and our communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities
2. Provide clarity about how and when communities can expect to be engaged in decisions made by Council
3. Inform Council from the beginning of a decision-making process about the extent, form and type of engagement required.

The Local Government Act 2002 (the Act) has consultation principles to guide HBRC when making decisions. With this in mind, HBRC commits to:

- Identify and assess options
- Place a value on benefits and costs
- Consider an appropriate level of detail
- Show evidence of how we comply with this Significance and Engagement Policy
- Provide processes to encourage and engage with Māori.

#### Process

On every issue requiring a decision, Council will consider the degree of significance and the most appropriate level of engagement.

HBRC will refer to the *Criteria for significance* (page 2) to identify matters, issues or proposals that require a Council decision. Advice on significance and options will come from an HBRC officer or other professional. Council will consider and make decisions, taking into account the degree of significance of the issue and referring to the *Criteria for engagement* (page 3) to identify the appropriate level and type of engagement.

Advice from HBRC officers normally comes through the Council-approved report format. This format specifically alerts elected members to significant impacts and engagement considerations.

#### Our general approach to significance

Significance means the degree of importance of the issue, proposal, decision, or matter – determined by the local authority – relating to its likely impact on and likely consequences for:

- The district or region
- Any persons who are likely to be particularly affected by or interested in the issue, proposal, decision or matter
- The achievement of, or means to achieve, HBRC's stated levels of service as set out in the current Long Term Plan
- The capacity of HBRC to perform its role and carry out its activities, now and in the future
- The financial, resource and other costs of the decision, or that these are already included in an approved Long Term Plan.

Council will exercise its judgement when assessing the degree of significance for each decision to be made by Council.

Adopted 26 November 2014

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Significant means that the issue, proposal, decision or other matter is judged by Council to have a high degree of importance. This is typically when the impact is on the regional community, or a large portion of the community or where the financial consequences of a decision are substantial.

If the issue, proposal, decision or related matters concerned involve a significant decision in relation to land or a body of water, Council will take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga. Council will also take into account the values of the whole community.

When making decisions, Council will:

- Identify and assess as many options as are practical
- Evaluate the costs and benefits resulting from the decision/s to be made
- Provide detailed information, which will be accessible to the public
- Maintain clear and complete records showing how compliance with this Significance and Engagement Policy was achieved.

As part of the engagement process for the adoption of this policy, and subsequent reviews, Council will ask people in the region their engagement preferences and will review those preferences each three-year term.

Council will also take into account views already expressed in the community and make judgements on the level of support for those views, when determining the significance of a decision.

### Criteria for significance

When looking at the significance of a matter, issue, decision or proposal, elected members will assess:

- The likely level of community interest
- The likely impact or consequences for affected individuals and groups in the region
- How much a decision or action promotes community outcomes or other Council priorities
- The impact on levels of service identified in the current Long Term Plan
- The impact on rates or debt levels
- The cost and financial implications of the decision to ratepayers
- The involvement of a strategic asset.

### Strategic assets

Strategic assets are owned by Council and defined as 'an asset or group of assets that the local authority needs to retain to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community.' This does not include strategic natural resources managed by Council. Regionally significant natural resources are served by the Resource Management Act and Regional Resource Management Plan.

HBRC considers the following to be strategic assets:

- Napier Port
- Heretaunga Plains Flood Control Scheme
- Upper Tukituki Catchment Control Scheme
- Tūtira Regional Park (excluding commercial forestry)
- Pekapeka Regional Park
- Pākōwhai Regional Park
- Hawke's Bay Regional Investment Company Limited.

HBRC owns a number of assets that, managed as a whole, we consider to be strategic. However not all trading decisions made regarding these assets are regarded as significant nor do they affect the asset's strategic nature, i.e. the Heretaunga Plains Flood Control Scheme is strategic, but small parcels of land that make it up may not be, and the purchase or sale of such parcels of land may not amount to a significant decision.

### Our general approach to engagement

Engagement is a term used to describe the process of seeking information from the community to inform and assist decision-making. There is a spectrum of community involvement, and HBRC follows these general principles:

- We conduct our business in an open, transparent, democratically accountable manner
- We stay aware of, and have regard to, the views of all of our communities
- When making a decision, we consider: the diversity of the community and the community's interests in its district or region; the interests of future as well as current communities; and the likely impact of any decision on these interests
- We provide opportunities for Māori to contribute to our decision-making processes.

HBRC seeks authentic engagement with our community and applies a *Criteria for engagement*. We acknowledge that "community" may be 'communities of place' or 'communities of issue' and will use appropriate tools and techniques to make meaningful and timely connections that result in feedback. Formal consultation is one of many approaches that can be used.

Guidance on obligations and timing to respond to public correspondence is addressed in the Local Government Official Information and Meetings Act 1987 (LGOIMA or OIA), which sets a maximum of 20 working days.

HBRC will prepare an Engagement Plan for each major decision or group of interrelated decisions. Decisions are not usually delegated to those involved in the engagement processes, however they are likely to be informed by community and stakeholder engagement.

An Engagement Plan will outline:

- Engagement objectives – the feedback that is sought from communities
- Timeframe and completion date
- Communities to be engaged with
- Engagement tools and techniques to be used
- Resources needed to complete the engagement
- Communication planning needed
- Basis of assessment and feedback to the communities involved
- Project team roles and responsibilities.

Engagement is not solely about providing information, is not always about reaching an agreement or consensus and is not always about negotiation. Engagement is not appropriate when outweighed by commercial sensitivity or when there is a threat to public health and safety.

### Criteria for engagement

Community engagement is a process. It involves all or some of the public and is focused on decision-making or problem-solving. HBRC considers the significance of a decision to be made and uses a table of criteria to assess the approach we might take to engage the community.

In some circumstances HBRC is required to use the special consultative procedure, set out in section 83 of the Act and described in a separate section below.

Adopted 26 November 2014

Page 3



Decisions will be “informed” as a minimum standard. Decisions of high significance will be at the very least informed to wider communities, and will use engagement tools and techniques beyond “inform” for affected communities.

While community and stakeholder engagement improves decision-making, it is not the sole input into a decision. There are a wide range of information sources and perspectives that will inform a council decision. All the input gathered is harnessed and collated to help make a ‘sustainable’ decision (i.e. unlikely to require re-visiting because it is well-informed and well-considered). Decisions made by Council may differ from the prevailing public opinion.

The level of engagement will be agreed on a case-by-case basis. The significance of the decision will guide the selection of appropriate engagement tools and techniques to be used. A low level of engagement does not mean that engagement is diminished, inappropriate or necessarily that a decision is of lesser significance. Time and money may limit what is possible on some occasions.

#### Engagement Spectrum<sup>1</sup> – our approach

Level	1. Inform	2. Consult	3. Involve	4. Collaborate	5. Empower
What it involves	One-way communication - to provide public with balanced, objective information to assist them in understanding problems, alternatives, opportunities and/ or solutions	Two-way communication - to obtain public feedback on analysis, alternatives and/ or decisions	A participatory process - to work with public through the process to ensure that public concerns and aspirations are consistently understood and considered	Working together - to partner with public in each aspect of the decision including the development of alternatives and identifying the preferred solution	Public empowerment - to place final decision-making in public hands
Types of issues that we might use this for	-Report adoption -Algal bloom -Pest control -Access issue	-Annual Plan -Long Term Plan -Regional Land Transport Programme	-Flood & drain scheme review -Regional cycling plan	-Tukituki plan change -Taharua/ Mohaka plan change	-Election voting systems (MMP, STV or first past the post)
Tools Council might use	Website Media release Brochure/ flyer Public notice/s	Formal submissions & hearings, social media, email, focus groups, phone surveys, surveys, video	Workshops Focus groups Citizens panel	External working groups (involving community experts)	Binding referendum Local body elections (Special Consultative Procedure)
When the community can expect to be involved	Council will generally advise the community when a decision is made	Council will advise the community when a draft decision is made and generally provides the community with up to four (4) weeks to	Council will generally provide the community with a greater lead-in time to allow the time to be involved in the process	Council will generally involve the community at the start to scope the issue, again after information has been collected and again when options are being considered	Council will generally provide the community with a greater lead-in time to allow them time to be involved in the process – typically a month or more

<sup>1</sup> Using the International Association of Public Participation (IAP2) Spectrum of Engagement

Level	1. Inform	2. Consult	3. Involve	4. Collaborate	5. Empower
What it involves	<i>One-way communication</i> - to provide public with balanced, objective information to assist them in understanding problems, alternatives, opportunities and/ or solutions	<i>Two-way communication</i> - to obtain public feedback on analysis, alternatives and/ or decisions	<i>A participatory process</i> - to work with public through the process to ensure that public concerns and aspirations are consistently understood and considered	<i>Working together</i> - to partner with public in each aspect of the decision including the development of alternatives and identifying the preferred solution	<i>Public empowerment</i> - to place final decision-making in public hands
		participate and respond			

HBRC engages with communities in many ways, from face-to-face to meetings, forums and surveys. Preferences for community engagement are periodically evaluated through regional surveys<sup>2</sup>.

### Special Consultative Procedure

In some cases, and as we are required under the Act, HBRC will use the special consultative procedure to issue a proposal. When that happens, the proposal will be open to the community to provide their views for at least a month. The process we will follow is to:

- Prepare and adopt a statement of proposal, and in some cases a summary of the statement of proposal which is:
  - a fair representation of the statement of proposal
  - in a form determined by HBRC, i.e. published online, in the newspaper and/ or in HBRC's regional newsletter, so long as it is distributed as widely as reasonably practical
  - indicates where it is available
  - states how long it is open for public submission
- Make publicly available (at Council offices, through interest group distribution lists, at Public Libraries, on HBRC's website):
  - the statement of proposal
  - a description of how people can present their views
  - a statement of the period the proposal is open for comments
- Make the summary of proposal widely available
- Allow people to present their views to HBRC ensuring that they have a reasonable opportunity to do so and know how and when this opportunity will be available to them
- Allow people to present their views by audio link or audio-visual link, or as agreed.

HBRC may also request advice or comment from a Council officer or any other person.

Where HBRC is required to use the special consultative procedure as part of making or amending bylaws, the statement of proposal must include:

- A draft of the proposed bylaw, or the proposed amendment of the bylaw
- The reasons for the proposal

<sup>2</sup> 2013 Regional Resident Survey, SIL Research, confirmed post/ mail, phone, newspaper and email as most preferred

- A report on any determinations made under the Act on whether a bylaw is appropriate.

Where HBRC is required to or chooses to use the special consultative procedure, the statement of proposal is a draft of any plan, policy or similar document or in any other case a detailed statement of the proposal which must include:

- The reasons for the proposal
- An analysis of options
- Any other relevant information.

#### **Review of this policy**

This policy will be reviewed at least once every five years, when it will involve community engagement. It may also be amended from time to time.

### Special Consultative Procedure

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- The reasons for the proposal
- An analysis of options
- Any other relevant information.

### Partnerships with Maori

Council is in partnership with the Treaty Settlement Groups with interests within Hawke's Bay for the management of natural and physical resources, through the Regional Planning Committee. This Committee has been established by statute, in 2015, and is tasked with preparing the regional council's planning documents under the Resource Management Act.

The principle of membership of the Regional Planning Committee is equal representation. The Hawke's Bay Regional Planning Committee Act 2015 has identified representation from ten Treaty partners within Hawke's Bay. Council is represented by its nine elected representatives and one appointee, to ensure equal membership.

Council has a Charter between the Maori Committee of Council and the Council itself. The Charter contains the Council's commitments to a number of issues including policies that directly relate to sections 14 (Principles relating to Local Authorities), 81 (Contributions to decision making processes by Maori) and 82



(Principles of Consultation) of the Local Government Act 2002. This Charter is available from the Council on request and is accessible through the Council's web site.

The Maori Committee consists of three Councillors and 12 Maori members who are nominated representatives from the four rohe (areas) of Ngati Kahungunu within the Hawke's Bay Regional Council boundary.

## 11. Management Structures and Relationships

Council is supported by a professional corporate organisation, led by the Chief Executive. Officers provide Council with policy advice and are responsible for implementing Council's policies to achieve the results Council wants.

The Chief Executive and staff are responsible for managing day-to-day issues and implementing Council's decisions and policies. The organisation is structured under six Groups, each of which is headed by a Group Manager. They are:

Resource Management	Asset Management	Strategic Development
Corporate Services	External Relations	Emergency Management

The Executive Team comprises the Group Managers of the six Groups plus the HR Manager (who reports directly to the CE), and is headed by the Chief Executive. The Executive Team considers organisation-wide issues and provides a key linkage between Councillors and staff. They ensure what is undertaken within the seven Groups is consistent with Council's goals and objectives in the Long Term and Annual plans.

The elected members and Council staff work together at different levels to decide what activities should be done to achieve the community's vision and goals, and to plan how they can best be undertaken. This takes place within a framework of competing priorities, timeframes, resources, decisions of Council, and within the overall goal of growing and developing the region in a sustainable environmental, social, cultural and economic context.

### 11.1 Chief Executive

The Local Government Act 2002 requires the Council to employ a Chief Executive whose responsibilities are to employ other staff on behalf of the Council, implement Council decisions, and provide advice to Council. Under the Local Government Act 2002 the Chief Executive is the only person who may lawfully give instructions to a staff member. Any complaint about individual staff members should therefore be directed to the Chief Executive, rather than the Chairman or Councillors.

The Chief Executive is appointed by the Council in accordance with section 42 and clauses 33 and 34 of Schedule 7 of the Local Government Act 2002. The Chief Executive implements and manages the Council's policies and objectives within the budgetary constraints established by the Council.

Under section 42 of the Local Government Act 2002, the responsibilities of the Chief Executive are:

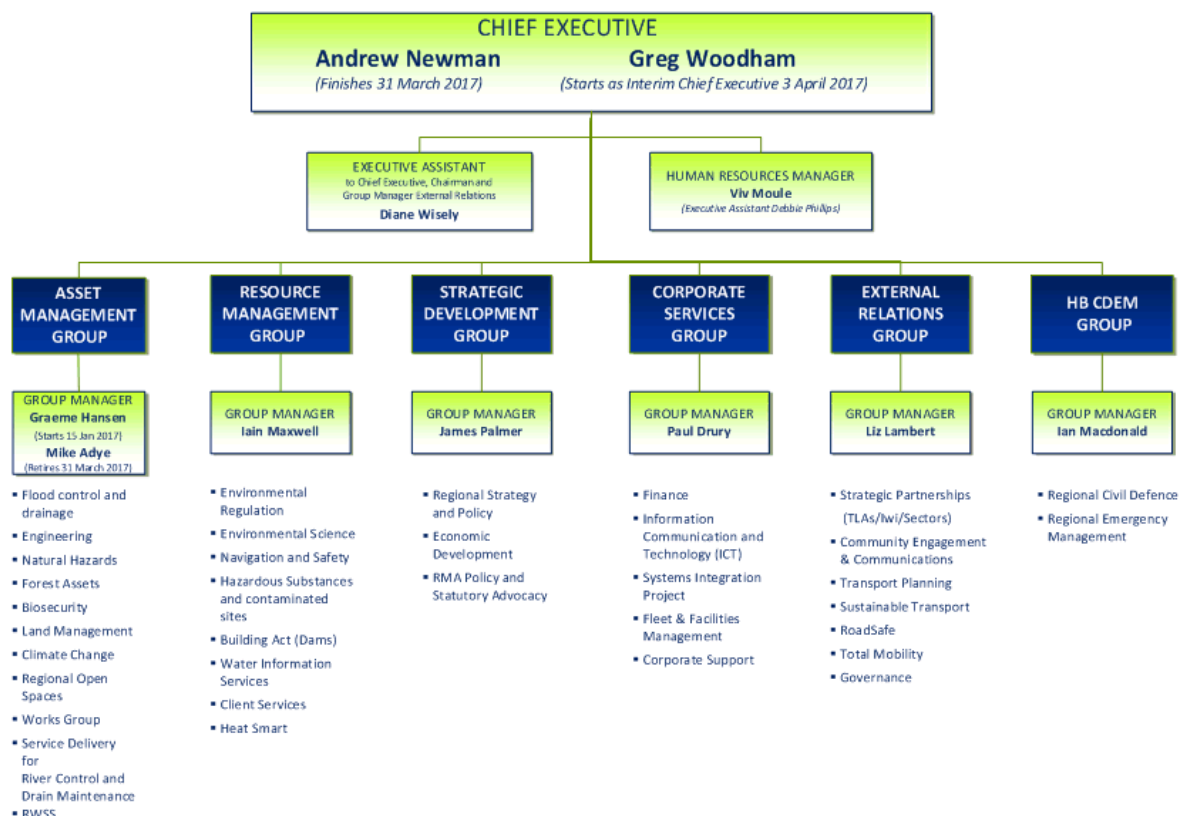
- implementing the decisions of the Council
- providing advice to the Council
- ensuring that all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive, or imposed or conferred by any Act, regulation or bylaw are properly performed and exercised
- managing the activities of the Council effectively and efficiently
- maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the Council
- providing leadership to the staff of the Council; and
- employing staff (including negotiation of the terms of employment for the staff).

The Chief Executive has a performance agreement with the Council, which expires not later than 5 years from initial employment.

## 11.2 Council's Groups

Set out below are the names of the Group Managers responsible for each Council group, and the functions carried out within each Group.

### Executive Team



## 12. Council Controlled Organisations

The Hawke's Bay Regional Council has established a Council Controlled Organisation in the Hawke's Bay Regional Investment Company Limited (HBRIC Ltd). Council has a 100% shareholding in HBRIC Ltd, which has a 100% shareholding in the subsidiary company, the Port of Napier Limited (PONL).

The nature and scope of HBRIC Ltd's activities is to:

- Own and management the investment assets and liabilities transferred to it by Council from time to time
- Make new investments and dispose of current investments in pursuit of its objectives
- Investment in and management of a range of financial and physical assets in accordance with Council's investment policy
- Raise funds for investment, but at no time by selling any of Council's 100% shareholding in HBRIC Ltd itself or PONL without Council undertaking a special consultative process
- Assist its subsidiary and associated companies to increase shareholder value in regional prosperity through growth and investment.

### Equity Interests

- The Council has a number of equity securities carrying voting rights in a variety of companies, which it has invested in as part of its investment policy. However, none of these investments fall within the category of a Council controlled organisation and, therefore, Council has no ability to dictate the appointment of Directors or otherwise influence the direction of these companies in any meaningful way. The Council's role is purely as an investor and, therefore, the performance of the Company is monitored from an investment perspective only. This monitoring is conducted for Council by Frank Pearson of Pearson Investment Services.

Each of these organisations delivers services, or in some way supports the achievement of the objectives in the Council's Long Term and Annual plans.

## 13. Equal Employment Opportunities (EEO) Policy

### 13.1 Introduction

Hawke's Bay Regional Council has had a strong commitment to an Equal Employment Opportunity Policy and Programme since 1990. The philosophy and reasoning for adopting an EEO Policy have become an integral part of the operations of Council. All new staff are issued with a pamphlet outlining the Council's commitment to EEO.

### 13.2 Council Policy

Hawke's Bay Regional Council is committed to a policy of equal employment opportunities for all employees and potential employees. The Council regards the elimination of any discrimination and the provision of equal opportunities, as essential principles in the management of staff resources.

The Council affirms this commitment through a policy of positive action by adopting constructive policies and practices for equal opportunities in all aspects of employment, including: recruitment, selection and appointment, education, training and development, career planning and promotions. Personnel policies shall apply equally to all staff employed by Council. The Council actively endorses the policy of giving preference to the person best suited to the position - this is known as the merit principle. However, no employee or potential employee, shall gain any advantage or suffer any disadvantage for reasons such as: race, colour, disability, nationality or ethnic origin, gender, age, marital status, personal sexual preference, religious or political beliefs.

### 13.3 Equal Employment Opportunity Goals

The programme goals are:

- To provide equal employment opportunities for any person applying for a position with the Council
- To establish a workplace that is free from harassment and discrimination
- For all staff to have an understanding of, and commitment to, Equal Employment Opportunity policies and practices
- The achievement of equitable training and personal development for all staff employed by the Council.

A full copy of the Council's EEO policy is available from the Human Resources Manager (Ph 06 833 8072).

## 14. Key Approved Planning and Policy Documents

The following have been identified as key Council planning and policy documents. A number of these documents are currently under review. To view or to find out more about these plans, reports, policies and strategies see Council's website: [www.hbrc.govt.nz](http://www.hbrc.govt.nz).

The Council has prepared a number of plans and strategies under various pieces of legislation, including the Local Government Act 2002, Resource Management Act 1991, Biosecurity Act 1993 and the Land Transport Management Act 2003.

### Biosecurity Act

Plan	Detail	Purpose
Regional Pest Management Strategy 2013	Operative March 2013 A review of the Strategy has been initiated, with the Cost-Benefit process under way, in anticipation of an updated Strategy being adopted by December 2018.	Provides the framework for managing defined pests in the region and sets out objectives Council wishes to achieve.
Regional Phytosanitary Pest Management Strategy 2013	Operative March 2013 A review of the Strategy has been initiated, with the Cost-Benefit process under way, in anticipation of an updated Strategy being adopted by December 2018.	Provides the framework for managing pests arising from pipfruit production sites.

### Resource Management Act

Plan	Detail	Purpose
Regional Coastal Environment Plan	Operative 8 November 2014	To assist Hawke's Bay Regional Council's role under the RMA of promoting the sustainable management of natural and physical resources within the coastal environment, including the coastal marine area.
Regional Policy Statement & Regional Resource Management Plan	Operative August 2006 Subject to issue-by-issue rolling review	To assist Hawke's Bay Regional Council's role under the RMA by setting out a policy framework for managing natural and physical resource use in an integrated manner across the whole of the region (the regional policy statement), and regional planning provisions applicable for the region, excluding the coastal environment.

## Local Government Act

Plan	Detail	Purpose
Annual Report year end 30 June 2016	Operative December 2016	This report compares actual performance with proposed performance set out in Council's planning documents, and contains audited financial statements, set of accounts, and annual financial reports which assess Council's financial performance against budget
Long Term Plan (LTP) 2015-25	Operative July 2015	This plan, which includes the Annual Plan 2015-16, includes information on Council's policies, actions and funding that are to be undertaken over the ten years of the planning period. This Plan includes community outcomes, policies and statements required by the Local Government Act 2002.
Annual Plan 2016-17	Operative July 2016	This plan includes budgets, funding and financial statements for that year, which are contained within the LTP 2015-25.
Asset Management Plans	Operative 2015	These plans focus on the management of flood control and drainage scheme assets; the level of service they provide; and their improvements and replacement. There are 3 plans for Council's flood and drainage schemes, and these are updated regularly.
HBRC Significance & Engagement Policy	Adopted by Council resolution 26 November 2014	<p>This policy:</p> <ul style="list-style-type: none"> <li>• Enables Council and our communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities</li> <li>• Provides clarity about how and when communities can expect to be engaged in decisions made by Council</li> <li>• Informs Council from the beginning of a decision-making process about the extent, form and type of engagement required.</li> </ul>
Triennial Agreement	Adopted by Council resolution 22 February 2017	This agreement promotes cooperation between local authorities for communication and coordination, also to avoid duplication when engaging communities and exercising general empowerment.
Navigation Safety Bylaws	Operative 15 January 2012 Currently under review with 2017 Bylaws expected to be operative mid 2017	The Navigation Safety Bylaws 2012 provide for Council to regulate or control navigation of vessels in the navigable waters within its region out to the 12 mile limit and also to regulate related activities for the purpose of safety, such as the mandatory carriage of lifejackets. In addition, the bylaws enable certain areas to be reserved for certain activities in the interest of separating conflicting recreational activities.



**Land Transport Management Act 2003**

Plan	Detail	Purpose
Regional Land Transport Plan 2015-25	Adopted April 2015	The Regional Land Transport Plan sets out the region's land transport objectives, policies and measures for a ten year period. It includes the region's funding application to the New Zealand Transport Agency for local road and state highway maintenance and improvements, public transport, walking and cycling, road safety education, transport planning and other activities.
Regional Public Transport Plan 2015-25	Adopted April 2015	The Regional Public Transport Plan sets out which public transport services are integral to the region's network. The Plan is also a statement of policies and procedures that apply to the public transport services provided in the region, and describes how they will be managed.

**Council Policies**

Plan	Detail	Purpose
Community Engagement and Communications Strategy		To Identify Strategies for Council to use to effectively engage the community and to respond to key issues and risks.

*(feedback processes under review/development)*

## 15. Information Processes

### 15.1 Complaints

All complaints are presently dealt with through the Chief Executive's office. Complaints are received and acknowledged by the Chief Executive's Executive Assistant, then recorded onto an action list stating the action required, person responsible and timeframe for action (10 days from the date of letter). The complaint is then sent through to the appropriate Group Manager to action and respond. Copies of any resultant correspondence to the complainant and records of any action taken are provided to the Chief Executive for information.

### 15.2 Requests for Official Information

Under the Local Government Official Information and Meetings Act 1987 (LGOIMA) any person may request information from the Council. Any request for information is a request made under LGOIMA. You do not have to say you are making a request under LGOIMA.

Once a request is made the Council must supply the information unless reason exists for withholding it. The LGOIMA says that information may be withheld if release of the information would:

- Endanger the safety of any person
- Prejudice maintenance of the law
- Compromise the privacy of any person
- Reveal confidential or commercially sensitive information
- Cause offence to tikanga Maori or would disclose the location of waahi tapu
- Prejudice public health or safety
- Compromise legal professional privilege
- Disadvantage the local authority while carrying out negotiations or commercial activities
- Allow information to be used for improper gain or advantage.

The Council must answer requests within 20 working days (although there are certain circumstances where this timeframe may be extended) and is allowed to charge for official information under guidelines set down by the Ministry of Justice.





# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: HBRIC LTD MARCH 2017 UPDATE

### Reason for Report

1. The HBRIC Ltd report on its activities over the December 2016 – March 2017 period is attached.
2. The HBRIC Ltd Acting Chief Executive Blair O'Keeffe and representatives of the Board of Directors will be present at the meeting to speak to the update.

### Decision Making Process

3. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision making provisions do not apply.

### Recommendation

That Council receives and takes note of the "***HBRIC Ltd March 2017 Update***" report.

### Authored by:

**Diane Wisely**  
**EXECUTIVE ASSISTANT**

### Approved by:

**Andrew Newman**  
**CHIEF EXECUTIVE**

### Attachment/s

[!\[\]\(b4eeff342f60cc7bcd67d869b4fedca2\_img.jpg\) 1](#) HBRIC Ltd March 2017 Update



## **HBRIC Ltd Report to HBRC – MARCH 2017**

This report provides a brief overview on the status of HBRIC Ltd's activities.

### **Governance and Management**

New Council directors Peter Beaven and Debbie Hewitt are now well established on the Board of HBRIC Ltd, following their appointment in December. The process to recruit a new Chair for HBRIC Ltd is underway under HBRC's management.

Management appointments have been made to ensure HBRIC Ltd is appropriately resourced following recent changes to HBRC's management structure. These appointments include a part time Executive Assistant and a part time Financial Controller.

### **Statement of Intent (SOI)**

This month Council is presented with HBRIC Ltd's draft SOI, which includes a covering letter to the Chair of HBRC outlining the key changes to the SOI since last year.

### **Financial performance**

HBRIC Ltd produced a half year (to end of December) profit for the period of \$3.3m. Included within the period was a dividend payment to Council of \$3m.

In the coming weeks HBRIC Ltd will also repay the \$6m loan from HBRC. HBRIC Ltd has established its own independent, unsecured loan facilities (i.e no recourse), operating within the delegated authority of the company.

The outlook for the balance of the year remains on track to deliver on the Statement of Intent, which forecasts a total dividend to Council of \$9.5m for the period (including payments made to date).

Napier Port continues to perform well, with work underway to review options for funding further capital requirements to sustain its growth.

Expenditure on the Ruataniwha scheme continues to be managed within the limitations agreed with Council, whilst the Council Review is underway.

### **Ruataniwha Scheme**

The Supreme Court hearing for the land exchange has now concluded. HBRIC Ltd awaits confirmation of the Court's ruling. The Court cannot confirm when this will be received.

In the mean-time HBRIC Ltd continues with limited activity necessary to preserve the value of the investment made to date.

The contractor, investors and water users remain committed to the scheme, awaiting confirmation the scheme is ready to proceed. Hawkins Construction, one of the joint venture parties to the construction contract has recently announced it is being sold to Downer EDI, which will further enhance the financial strength of the contractor JV.

HBRIC Ltd continues to support the Council review and looks forward to a discussion with Council on the findings.

### **Reporting to Council**

HBRIC Ltd proposes to Council going forward, now that HBRIC Ltd has Council directors appointed, that HBRIC Ltd will provide a brief written narrative report to Council each month to ensure Council remains informed on key activities and issues and will provide a fuller report including financial performance each quarter in arrears.



## **HAWKE'S BAY REGIONAL COUNCIL**

**Wednesday 29 March 2017**

### **Subject: UPDATE ON HAVELOCK NORTH WATER CONTAMINATION INQUIRY EXPENDITURE**

#### **Reason for Report**

1. This report provides an update to Councillors in relation to the August 2016 Havelock North water contamination event and Council expenditure related to the Government Inquiry.

#### **The Government Inquiry**

##### **Stage one**

2. Stage one of the Government Inquiry was held over the period 30 January – 15 February 2017 at the High Court in Hastings.
3. The hearing was split into two parts. Part one covered issues 1-4 of stage one of the Inquiry and was the focus of evidence from HBRC staff. These issues covered the matters of what caused the incident and whether an individual, a council or the Hawke's Bay District Health Board (HBDHB) were to blame for this.
4. A number of staff were called to give evidence and were cross-examined. All of the staff evidence was provide to Councillors via Dropbox and is available on the Department of Internal Affairs website, which also has the evidence of other parties.
5. Part two of Stage one covered issues 5-7 of the Inquiry and also considered updated elements of issue 8. This required virtually no input from HBRC staff as it was focused on the response by Hastings District Council (HDC) as the water supplier and the HBDHB.
6. Stage one concluded on 15 February with closing submissions from the Counsel Assisting (CA) the Inquiry. This submission was one of fault or failing of individuals or organisations.
7. The CA's role throughout the hearing was to run the cross examination and he has driven the significant amount of work created for HBRC staff outside of the hearing, in responding to requests for information given his role to assemble evidence and assist the inquiry in doing its work.
8. A further submission was then prepared in response to the CA's address. In this we acknowledged elements of the faults found of us by the CA, rejected others in part and rejected some outright.
9. One area that we rejected outright was the assertion that HBRC as the decision maker for the consent issued in 2008 should have known there was a direct connection to the Mangateretere Stream. The details on why we opposed this are contained within our submission and further evidence given by Christine Scott as the Chair of the Hearing Panel at the time. We maintain that this claim by the CA is wrong in law and was not a conclusion that the Hearing Panel could have reached given the evidence before it.
10. At this stage we are anticipating an opportunity to comment on the Stage One report before it is released, however are unsure if we will get this opportunity and expect to understand more when the reporting timeframes are clarified by the Inquiry Panel.

##### **Stage two**

11. At the time of preparing this report, the reporting timeframes remain uncertain. The Terms of Reference for the Inquiry state that reporting on stages one and two must be complete by 31 March. Clearly, this deadline is not going to be achieved given that Stage Two evidence has not yet even been called for.

12. We understand that the Inquiry Panel is going to or may have already sought permission from the Government to extend the reporting dates to allow Stage one to be reported in May and Stage two toward the end of this calendar year.
13. Once the reporting timeframes and the terms of reference are clear for Stage Two we will be in a better position to bring how this Council might approach Stage two and what the substance of a submission might look like to you for discussion.
14. We have tentatively engaged a locally based planning consultancy to assist with Stage Two and plan to use them and internal staff time as much as is practicable to minimise legal costs. We anticipate that the costs associated with Stage Two will be substantially less than Stage one as we see this process being led by the planners.

### **Financial and Resource Impacts**

15. This past period has seen further significant costs given the nearly two weeks of hearing time. We have actively managed the attending Counsel so that a junior Counsel was in attendance during sessions that were not directly related to HBRC.
16. Nonetheless there remains a significant cost, not all of which has been fully invoiced yet.
17. The costs are detailed in the attached table, **Attachment 1**. Note that the Investigation has concluded and while those costs are shown, there are no further costs associated with this to come.
18. As stated, Stage One is now complete with the exception of the final reporting.
19. We anticipate further costs for the development of a submission for Stage Two but cannot give any advice on the scale of this until we have clarification from the Inquiry Panel as to the scope for this stage. As noted earlier we anticipate those costs to be significantly less than Stage one.

### **Decision Making Process**

20. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision making provisions do not apply.

### **Recommendations**

That Council receives and notes the “Update on Havelock North Water Contamination Inquiry Expenditure” report.

#### **Authored by:**

**Iain Maxwell**  
**GROUP MANAGER**  
**RESOURCE MANAGEMENT**

#### **Approved by:**

**Andrew Newman**  
**CHIEF EXECUTIVE**

### **Attachment/s**

- [1](#) Water Inquiry and Investigation Costs to Date

Havelock North Water Contamination Investigation				
Activity Detail	Hours	Revised Total to end of Investigation per paper to Council (30/11/16)	Actual to 16/03/17	Variance
		(\$)	(\$)	(\$)
Executive	354.5	46,000	45,876	124
Corporate support	20.0	1,400	1,356	44
Computer services	72.5	6,500	6,254	246
External relations	52.5	4,500	4,312	188
Policy	21.0	2,000	2,023	(23)
Consents	79.8	7,000	7,239	(239)
Compliance	462.0	45,500	46,390	(890)
Enviro info	384.0	30,200	30,198	2
Enviro sci	584.3	59,000	58,642	358
Regional Assets	180.0	18,000	17,764	236
Students	2.0	100	96	4
Client services	168.6	12,000	12,125	(125)
<b>Internal Time</b>	<b>2,381.1</b>	<b>232,200</b>	<b>232,275</b>	<b>(75)</b>
Advertising		1,500	1,472	28
Contractors	Note 1	70,000	96,622	(26,622)
External laboratory testing	Note 2	100,000	79,259	20,741
Freight		3,500	3,419	81
Health & Safety			178	(178)
Legal fees	Note 3	20,000	14,758	5,242
Materials & consumables		15,000	15,377	(377)
Other Costs			553	(553)
Technical materials			339	(339)
<b>External Costs</b>		<b>210,000</b>	<b>211,977</b>	<b>(1,977)</b>
<b>TOTAL COSTS</b>		<b>442,200</b>	<b>444,251</b>	<b>(2,051)</b>

**Note 1 Contractors**

Includes \$45k - down bore inspections and reporting  
 \$16k advisory costs (originally estimated in external lab testing)  
 \$13k - investigation assistance \$13k - dye tracing  
 Other expenses include SCADA analysis. Road safety, plan and site access management.

**Note 2 External Lab Testing**

Includes \$52k - water/sediment & faecal sample testing

**Note 3 Legal Fees**

Jonathan Krebs legal advice for the investigation for prosecution



Havelock North Water Contamination Inquiry		
Activity Detail	Hours	Actual to 16/03/17 (\$)
Executive	534.5	69,170
Corporate Support	40.0	2,712
Computer Services	64.5	5,564
External Relations	123.5	10,143
Policy	6.0	578
Consents	79.5	7,040
Compliance	353.7	34,608
Environmental Info	79.0	6,213
Environmental Science	1215.8	122,000
Regional Assets	174.0	17,172
Client Services	119.8	8,440
<b>Internal Time</b>	<b>2,790.2</b>	<b>283,639</b>
Contractors	Note 1	125,812
Consultancy		
External laboratory testing		
Legal fees	Note 2	612,830
Materials & consumables		
Technical materials		
Travel & accommodation		18,268
<b>External Costs</b>	<b>Note 3</b>	<b>756,910</b>
<b>TOTAL COSTS</b>		<b>1,040,549</b>

Note 1 Contractors

Includes \$61.5k LWP preparation of evidence for inquiry  
\$25k ESR dye tracing experiments

Note 2 Legal Fees

Chen Palmer invoices up to 30th January 2016

Note 3 Funding

As per Council resolution on the 28th October 2016 funding for the external costs of the inquiry are to be provided from the Regional Disaster Damage Reserve

# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## SUBJECT: HBRC STAFF WORK PROGRAMME THROUGH APRIL 2017

### Reason for Report

1. The table below is provided for Councillors' information, to provide them with an indication of issues and activities of interest over the next couple of months in each area of Council.

Group	Area of Activity	Activity Status Update
<b>External Relations</b>	Communications	<ol style="list-style-type: none"><li>1. March monthly focus: Annual Plan 2017-18, supported with social media, video, print media, radio &amp; meetings</li><li>2. Water Quality poster, Tūtira infosheet, Tukituki billboard - CHB, HBCDEM support for region wide public alerting system test, TANK comms, etc.</li><li>3. Planning underway with HDC, NCC, NKII and HBDHB on Water Symposium aimed for mid-late May.</li></ol>
	Transport	<ol style="list-style-type: none"><li>4. RTC's focussed on review of the Regional Land Transport Plan (sets the strategic direction for land transport in the region &amp; contains the region's 2018-21 funding request for transport activities and works.</li><li>5. The recent Tairāwhiti economic development plan announcement was accompanied by the allocation of funding for a business case for SH 2 between Opoitiki and Napier, which has been a high priority for both RTCs. The committees met in Wairoa and agreed on governance representation for the business case, to commence in 2017.</li><li>6. After the successful introduction of free patient travel on all bus services, we are in discussions with HBDHB about options for subsidised staff travel as part of their GoWell travel plan.</li><li>7. Picking up work on electric vehicles and planning an upcoming stakeholder meeting.</li></ol>
	Governance	<ol style="list-style-type: none"><li>8. Publication of Council's 2017 Governance Statement</li><li>9. Continued support for the review of the Maori Committee Charter and Terms of Reference expected to be considered for adoption at the 11 April Maori Committee meeting.</li><li>10. Continued support for adoption of updated RPC's Terms of Reference now expected to be presented to the 3 May 2017 RPC meeting for adoption.</li><li>11. Receipt and recording of submissions received on Council's draft 2017-18 Annual Plan</li></ol>
<b>Asset Management &amp; Biosecurity</b>	Coastal Hazards Strategy Development	<ol style="list-style-type: none"><li>12. The community panel process has established broad adaptation options for the most vulnerable communities at risk. These options will be further developed by the TAG group for discussion with the panels at their next workshops in May.</li></ol>

Group	Area of Activity	Activity Status Update
<b>Asset Management &amp; Biosecurity</b>	Land Management	<p>13. The East Coast Farming Expo is being held on the 5-6<sup>th</sup> April in Wairoa. The LM team with support from staff in the Science Group, the Whangawehi Catchment Group and potentially MPI will be in attendance.</p> <p>14. Nicola McHaffie is joining the team on April 10 as a new Senior Land Management Advisor – Catchment Management. She will be involved in providing support to our priority catchment program. Advertising for a Senior Land Management Advisor to replace Colin Tyler and a Land Management Advisor to provide maternity leave cover for Maddy McLean has just been initiated.</p> <p>15. Members of the LM team are providing considerable support to the RWSS review and TANK Planning process currently.</p> <p>16. Freshwater Improvement Fund applications are being developed for a number of catchments in the region, with LM staff providing significant support.</p>

Group	Area of Activity	Activity Status Update
	Engineering, Asset Management and Open Spaces	<p>17. Tutira Maungaharu Forum Wednesday 29 March 10am to 12pm at Blue McMillans Woolshed.</p> <p>18. Waitangi Regional Park Estuary Enhancement formally opened, stage 2 underway which includes more pou, plantings, signage and boardwalks to be progressed over the next 12months.</p> <p>19. Pakowhai Regional Park open day 25 March "Paws in the Park" 9am to 11am.</p> <p>20. Tutira Regional Park HB Trail Running Event Sunday 23<sup>rd</sup> April</p> <p>21. Freshwater Improvement Fund application for Lake Tutira Catchment in draft and to be completed by 13 April.</p> <p>22. Tutira Regional Park post pine harvest planting options presently being prepared.</p> <p>23. Open Spaces staff collaborating with HDC engineers to upgrade the Richmond Rd carpark, Waitangi Regional Park. Works to commence April.</p> <p>24. Tentative community open space planting dates over winter 2017:</p> <ul style="list-style-type: none"> <li>• Waitangi Estuary wetlands (Waitangi Regional Park) – The Great Give Planting Day – Sat 6 May 2017, 300 plants</li> <li>• Waiohiki – Community Planting Day – TBC Sat 10 or Sun 11 June, 2000 plants</li> <li>• Whakatu – date TBC Sat 17 June, 2000 plants</li> <li>• Waitangi Estuary wetlands (Waitangi Regional Park) – Napier Forest and Bird (Sat 24 June 2017), 2500 plants</li> <li>• Waitangi Estuary wetlands (Waitangi Regional Park) – Clive School Planting Day – date TBC, 350-400 plants</li> <li>• Waitangi Estuary wetlands (Waitangi Regional Park) – Porse Planting Day – Wed 28 June 2017</li> <li>• Havelock North (TBC Sat 1 Jul 2017), 2000 plants.</li> <li>• Pukahu – Hastings-Havelock North Forest and Bird (TBC Sat 8 Jul 2017), 1400 plants.</li> </ul>
<b>Asset Management &amp; Biosecurity</b>	Biosecurity	<p>25. Cape to City project continues with a number of draft research reports or monitoring programmes to be delivered across habitat, pest management, outcomes and community engagement in preparation for June 30 close off.</p> <p>26. Third wireless monitoring trial underway to provide data for ultra low cost farmland predator pest template</p> <p>27. Sarah Kafka from the Aotearoa Foundation and Nature Conservancy staff to visit in early April</p> <p>28. The Regional Pest Plan review continues with ongoing work on the cost benefit analysis, marine biosecurity, goat management, hort and pip fruit sector and Chilean needle grass.</p>
<b>Resource Management</b>	Compliance	29. Ongoing work in relation to bore security in the Region.
	Harbour Master	30. Navigational Safety Bylaw review currently underway and will be reported to Council within the next month.

Group	Area of Activity	Activity Status Update
	Consents	<p>Notified or limited notified consent applications in process</p> <p>31. Twyford WP140331T – awaiting transfer of consents into global consent.</p> <p>32. PanPac application to continue with the current discolouration – notified submission period closed 19 December. One submission received. Staff have met and discussed concerns and the need for a hearing with the submitter. Application on hold at applicants' request.</p> <p>33. Fulton Hogan to establish an asphalt plant in Pandora Industrial area – notified - submission period closed 19 December. Three submissions were received. Applicant to provide further information.</p> <p>34. CHBDC Otane waste water discharge. Five submissions lodged. Initial discussions being held with submitters to see if it possible to resolve issues without hearing.</p> <p>Environment Court Appeals</p> <p>35. Pan Pac (CD96033Wf to extend their outfall and discharge further out to sea) – Process concluded. Decision in favour of HBRC approach. Actual consent documents still to be signed off by Environment Court.</p> <p>36. Whakatu Wool Scours Ltd has been appealed to the Environment Court. Mediation held 14 March in resolved issues. A consent order has been lodged for approval by Environment Court.</p> <p>37. HBRIC extended production land use area Judicial Review lodged by Greenpeace. This has now been withdrawn. Costs are to lay where they fall.</p>

Group	Area of Activity	Activity Status Update
	Groundwater Science	<p>38. Additional scenarios to predict effects of water allocation and land management options are being developed using the Heretaunga groundwater model and SOURCE surface water model for presentation to the March and April TANK meetings.</p> <p>39. Heretaunga groundwater contaminant transport modelling to simulate the transport and fate of nutrients in groundwater continues, with delivery expected April 2017</p> <p>40. SoE monitoring of groundwater levels and water quality sampling continues</p> <p>41. Repairs and upgrades to SoE monitoring bores are underway, including replacement of bore 10496 at Brookvale in Havelock North</p> <p>42. Shallow nitrate sampling (regional survey) will be completed by Easter 2017</p> <p>43. Development of a Leapfrog geophysical model for Ruataniwha aquifers is underway</p>
<b>Resource Management</b>	Hydrology	<p>44. Tukituki priority subcatchment sampling programme is underway, with 5 runs completed to date.</p> <p>45. New water quality and flow sites will be installed on the Papanui Stream at Middle Road.</p> <p>46. Heretaunga Springs report is in preparation.</p> <p>47. A monitoring structure will be installed by the Operations Group, in the Tutaekuri-Waimate Stream at Goods Bridge.</p>
	Water Quality and Ecology	<p>48. Investigating potential for internal phosphorus release from Papanui sediments as a potential pathway for approaching instream DRP targets in Papanui</p> <p>49. Finalising Karamu Solutions Report that collates science information and options for improving ecosystem health</p> <p>50. Shading trials continue to demonstrate strong effect on aquatic plants from shading. Trials of options for riparian species were hit hard by extended dry conditions, but enough have survived for trial to continue.</p> <p>51. Options for dealing with algal blooms in Lake Tutira are being communicated with partners and stakeholders</p> <p>52. Options for collaboration on management of Whakaki Lake issues will be developed with the Lake trustees</p>
	Marine & Coastal Science	<p>53. Recreational Water Quality programme results will be updated to HBRC and LAWA websites on a weekly basis.</p> <p>54. Compiling a work plan looking at requirements to improve ecological health of the Ahuriri Estuary</p> <p>55. Annual monitoring of estuaries is being undertaken as per SOE programme</p> <p>56. Development of a Marine Information Strategy is progressing</p>
	Air & Climate Science	<p>57. One further climate briefing with primary industry representatives (in HBRC Council Chamber and open to the public) is scheduled for April</p> <p>58. The collection of filters at Awatoto for a source apportionment study will finish and GNS will provide a report on the analysis of the filters in the coming months</p> <p>59. Planning is underway for roadside air quality monitoring in Napier and Hastings this winter</p>

Group	Area of Activity	Activity Status Update
	Land Science and Terrestrial Ecology	<p>60. The Ahuriri Catchment investigation will continue to map critical source areas (CSA) of nutrients and sediments</p> <p>61. Critical source areas will also be mapped in the Lake Tutira catchment</p> <p>62. Sediment modelling will continue in the TANK catchments</p> <p>63. The new Heretaunga land use map and report will be reviewed</p> <p>64. Soil quality monitoring report for extensive pasture will be completed</p> <p>65. A plains wind erosion monitoring programme will be formulated with Landcare Research</p> <p>66. A riparian assessment/mapping collaboration will commence in collaboration with Waikato Regional council</p> <p>67. Wetland inventory and monitoring programme continues</p> <p>68. Smap (soil mapping) continues in to the north of the region. The whole region will be completed by June 2018.</p> <p>69. SedNetNZ (sediment modelling) will commence from north of TANK to Mahia (TANK southwards already complete) giving full regional coverage by June 2017</p>



Group	Area of Activity	Activity Status Update
<b>Strategic Development</b>	Resource Management Planning	<p>70. Next TANK Collaborative Stakeholder Group meetings scheduled 27 April (#28) and 14 June (#29).</p> <p>71. Minister for the Environment has appointed a Special Tribunal to determine application for Ngaruroro/Clive Rivers Water Conservation Order. Tribunal is yet to advise what its next steps are. Staff have offered to engage with the co-applicants (via their agent) on basis of draft submission previously endorsed by RPC in November, but co-applicants so far unwilling to do so until Tribunal initiates their process.</p> <p>72. Staff reports to Regional Planning Committee meeting on 5 April covering:</p> <ul style="list-style-type: none"> <li>a. Framework for outstanding waterbodies in HB</li> <li>b. Preliminary evaluation of Government's 'Clean Water' proposals released on 23 Feb 2017</li> <li>c. Resource management policy projects update</li> <li>d. Statutory advocacy update.</li> </ul> <p>73. Part of the last remaining appeal (by Fish &amp; Game) relating to wetlands in the RRMP and Plan Change 5 is unresolved. Experts' evidence has been prepared and exchanged, but Environment Court has yet to set hearing date(s).</p> <p>74. Ongoing involvement in 6 appeal proceedings for proposed Hastings District Plan review, involving further negotiations amongst parties intending to resolve the last of those appeals.</p> <p>75. Supporting Stage 3 community engagement programme on Clifton to Tangoio Coastal Hazard Management Strategy project as required.</p> <p>76. Providing support for adoption of the Heretaunga Plains Urban Development Strategy Review by three Partner Councils, and subsequent oversight of Strategy implementation by HPUDS Implementation Working Group's new membership for 2016-19 term.</p> <p>77. Collaborative development of Hawke's Bay Biodiversity Implementation Plan, charitable trust and community forum</p> <p>78. Supporting preparation of planning to implement PC6 for the Tukituki River catchment (in parallel to RWSS Review).</p> <p>79. Supporting Group Manager's lead on RWSS Review plus coordinating evaluation and reporting on several key work streams within that Review, particularly in relation to Plan Change 6 and environmental considerations</p> <p>80. Engaging consultant to prepare regional plan change for regulation of oil and gas activities in the region. Work will be largely undertaken by consultants with staff coordination.</p> <p>81. Continuing engagement with Councillors on the refresh of the HBRC Strategic Plan and feedback is sought on the Strategy on A Page document. Work is underway on possible goals and quantitative targets to support the Plan. Planning is being undertaken for engaging the Maori Committee and Tangata Whenua representatives on the Regional Planning Committee in the development of the Plan.</p>

Group	Area of Activity	Activity Status Update
<b>Strategic Development</b>	Economic Development	<p>82. Regional Business Partner – Post RBP and Callaghan Conference assessment. Forthcoming visit to region by new Callaghan CEO and exec team.</p> <p>83. Matariki Economic Development Delivery model – Independent review recommendations received and Governance Group sub-committee is consulting on a model with key Economic Development and Social Inclusion stakeholders.</p> <p>86. RWSS Review – Various work streams in progress on legal, commercial and economic aspects.</p> <p>87. Rocket Lab – Delays in test launch window will have implications for HBRC's support of stakeholder committee as we approach agreed funding limits.</p>
<b>Corporate Services</b>	Finance /ICT/Corporate Support	<p>88. Financial report for the nine months to 31 March 2017, which will include reforecasting up to 30 June 2017.</p>

### Decision Making Process

- Council is required to make every decision in accordance with the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded that as this report is for information only and no decision is required, the decision making requirements of the Act do not apply.

### Recommendation

That Council receives the ***HBRC Staff Work Programme through April 2017*** report.

### Authored by:

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**CORPORATE SERVICES**

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**Iain Maxwell**  
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**RESOURCE MANAGEMENT**

**James Palmer**  
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**STRATEGIC DEVELOPMENT**

**Attachment/s**

There are no attachments for this report.



# HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 March 2017

## Subject: ITEMS OF BUSINESS NOT ON THE AGENDA

### Reason for Report

1. This document has been prepared to assist Councillors note the Items of Business Not on the Agenda to be discussed as determined earlier in Agenda Item 5.

1.1. ***Urgent*** items of Business (*supported by tabled CE or Chairpersons's report*)

	Item Name	Reason not on Agenda	Reason discussion cannot be delayed
1.			
2.			

1.2. ***Minor*** items (*for discussion only*)

Item	Topic	Councillor / Staff
1.		
2.		
3.		



# **HAWKE'S BAY REGIONAL COUNCIL**

**Wednesday 29 March 2017**

## **SUBJECT: CONFIRMATION OF PUBLIC EXCLUDED MINUTES OF THE REGIONAL COUNCIL MEETING HELD ON 22 FEBRUARY 2017**

That the Council excludes the public from this section of the meeting being Confirmation of Public Excluded Minutes Agenda Item 19 with the general subject of the item to be considered while the public is excluded; the reasons for passing the resolution and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution being:

### **GENERAL SUBJECT OF THE ITEM TO BE CONSIDERED**

Recommendation from the  
Corporate & Strategic  
Committee

### **REASON FOR PASSING THIS RESOLUTION**

7(2)(a) That the public conduct of this  
agenda item would be likely to result in the  
disclosure of information where the  
withholding of the information is necessary  
to protect the privacy of natural persons

### **GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION**

The Council is specified, in the First  
Schedule to this Act, as a body to  
which the Act applies.

### **Authored by:**

**Leeanne Hooper**  
**GOVERNANCE MANAGER**

### **Approved by:**

**Liz Lambert**  
**GROUP MANAGER**  
**EXTERNAL RELATIONS**