



MINUTES OF A MEETING OF THE REGIONAL COUNCIL

Date: Wednesday 25 September 2019

Time: 1.00pm

Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Present: R Graham - Chairman
P Bailey
R Barker
P Beaven
T Belford
A J Dick
D Hewitt
N Kirton
F Wilson

In Attendance: M Mohi – Chairman – Maori Committee
J Palmer – Chief Executive
P Munro – Te Pou Whakarae Māori Partnerships
J Ellerm – Group Manager Corporate Services
L Hooper –Governance Lead
J Lawrence – Group Manager Office of the CE & Chair
M Sharpe – Project Manager
H Saxton – HB Tourism

1. Welcome/Prayer/Apologies/Notices

The Chair welcomed everyone to the meeting and Pieri Munro offered a karakia.

Resolution

RC92/19 That the apologies for early departure at 4pm from Councillor Rick Barker and Mr Mike Mohi be accepted.

**Graham/Barker
CARRIED**

The Chair advised that as this is Councillor Beaven's last meeting there will be a short recognition paid to thank him for his service at the end of the meeting.

Councillor Alan Dick presented the model train he received, in recognition of his extensive work to get the rail line re-opened, at the inaugural train trip on the re-opened Napier to Wairoa rail line to the Chairman, on behalf of the Council.

James Palmer advised that Jetstar has announced its withdrawal of regional services.

The Chair advised that Councillor Beaven's notice of motion will be considered as item 13 on today's agenda.

2. Conflict of Interest Declarations

There were no conflict of interest declarations.

3. Confirmation of Minutes of the Regional Council Meeting Held on 28 August 2019

RC93/19 **Resolution**

Minutes of the Regional Council Meeting held on Wednesday, 28 August 2019, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Barker/Belford
CARRIED**

4. Call for Minor Items of Business Not on the Agenda

Recommendations

That Council accepts the following "Minor Items of Business Not on the Agenda" for discussion as Item 16

Topic	Raised by
Council Carbon footprint	Cr Belford

5. Significant Council Staff Activities Through October 2019

The item was taken as read.

RC94/19 **Resolution**

That the Hawke's Bay Regional Council receives and notes the **Significant HBRC Activities through September 2019** report.

**Barker/Bailey
CARRIED**

6. **HB Tourism - First Quarter Organisation Report, KPIs and Funding Review Update**

Mandy Sharpe and Hamish Saxton, HB Tourism General Manager, introduced the item and discussions traversed:

- Productivity Commission Funding and Financing Draft Report has recommended that Councils have a new funding mechanism to cope with the specific cost pressures associated with the growth of tourism
- Visitor Strategy and Destination Management Plan being developed will cover potential impacts of climate change on travel modes in relation to the carbon footprint of the tourism industry in the region
- KPIs presented today have been amended in line with feedback from the Corporate and Strategic Committee at the meeting 5 June and ratified by the Board yesterday
- In relation to encouraging members of the industry to pay the living wage, it was noted that other than encouraging HB Tourism members to pay the living wage HB Tourism has no direct impact on uptake by others and therefore cannot be accountable for achieving a specific target or KPI not within their control
- Cruise industry, the value of the Cruise visitors' contribution to the local economy, and impacts on the region
- Barriers to investment in membership by tourism industry, particularly small operators, and benefits wider than just a website listing as well as 'in kind' support received from the industry.

RC95/19 **Resolutions**

That Hawke's Bay Regional Council:

1. Receives and considers the "*HB Tourism - First Quarter Organisation Report, KPIs and Funding Review Update*" staff 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 or persons likely to have an interest in the decision.
3. Adopts the HB Tourism Key Performance Indicators as proposed.

**Barker/Wilson
CARRIED**

7. **Report and Recommendations from the Regional Planning Committee**

The item was taken as read.

RC96/19 **Resolutions**

That Hawke's Bay Regional 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. Receives and accepts the Report and resolutions from the Regional Planning Committee, being:
That the Regional Planning Committee:
 - 2.1. Receives and considers the "*Proposed TANK Plan Change 9 – Agree Amendments for Notification*" staff report.
 - 2.2. Agrees to all the additions and amendments made to Version 9 of the Plan as reported to the 3 July 2019 Regional Planning Committee meeting, changes

to Objectives 2 and 15 as follows, the amendments described in Table 1 [following], and consequential amendments, into the proposed TANK Plan Change 9 as proposed, as Draft Plan Change version 9.3 and incorporated into the Section 32 report.

2.2.1. **Objective 2-** Amend clause (e) to read:

“The significant values of the outstanding water bodies in schedule 25 and the values in the plan objectives are appropriately protected and provided for.

2.2.2. **Objective 15**

Insert new clause “(f) the protection of the outstanding values of the Kaweka Lakes, Lake Poukawa and Pekapeka Swamp and the Ngamatea East Swamp”.

2.2.3. **Table 1: List of issues and amendments**

	Issue	Amendments	Risk and Opportunities
1	The stream flow maintenance scheme does not fully remedy impacts on mauri or reflect tikanga or matauranga Māori.	Adverse effects of groundwater abstraction on mātauranga Māori and tikanga clearly acknowledged in Policy 34 as over-riding concern. Section 32 report to reflect nature of these concerns	Tangata whenua concerns may not be fully addressed by the Plan – but plan review process will enable reassessment about the extent to which adverse effects are to be further avoided or remedied and mitigated
2	Staged (or interim) approach to management	Policy 34 amended to describe components of staged management approach and new Policy 34 B describes allocation regime. Policy 39 for review remains with amendments to clarify what is being assessed.	Policy 34 more clearly describes the steps being used to develop sustainable groundwater allocation management for Heretaunga Plains groundwater.
3	The re-allocation of water based on the defined ‘actual and reasonable’ assessment.	Allocation for new water use is avoided as re-allocation is only in respect of existing permits and defined ‘actual and reasonable’ assessment. An exception for urban takes who have to meet planned urban development (HPUDS) within existing allocations. Policy 34B and 35 and 45	Existing investment is provided for, although is more constrained than previously to drive more efficient water use and management systems.
4	Any water that is unallocated, even if the total allocation is less than the specified limit, would not be re-allocated to any use until a review had been carried out- a sinking lid approach	If there is unallocated water it is left unused to provide additional protection for ecosystem values. Policy 43 deleted. Policy 34B and 47	Policy 45 previously allowed for re-allocation to urban use. Urban use must meet future demand within existing limits and through efficiency gains. Avoids further investment into water that might need to be clawed back if the allocation limit is further reduced

	Issue	Amendments	Risk and Opportunities
5b	No specific allocation limit be included but the combination of actions relied on to prevent new allocations and reduce current allocations	Combination of other provisions means limit is provided by preventing any new allocation of water to actual and reasonable and otherwise managing the HPs aquifer as over-allocated until review of plan provisions carried out	This more accurately reflects the uncertainties about the sustainable allocation limit and the impacts on water abstraction resulting from any changes beyond those already modelled. This also reflects the strong commitment for review of all aspects of water management for the aquifer because of the nature of the uncertainties and the significant potential costs and benefits associated with this decision.
6	Prohibited activity for new water uses	Non-complying rule now made prohibited and no consent can be applied for.	Prohibited provides greater level of control and better reflects concerns about the current level of allocation. Enables further over-allocation to be prevented. Avoids risk of allowing additional minor takes to add to the cumulative effects of all water takes. New water uses will rely on transfer of existing allocated water (subject to some limitations on site to site transfers). Risk that a future water use that might be contemplated in exceptional circumstances cannot be applied for.
7	The outcomes from stream flow maintenance and habitat enhancement scheme development and operation are more clearly provided for	Provides more clarity about obligations and expectations in respect of the design and operation of such schemes Policy 36 and new Schedule 11	Enables both flexibility and innovation while establishing minimum requirements.
8	Further direction included about how success of the stream flow maintenance and habitat enhancement scheme would be assessed.	Assessment criteria included in the policy and reflected in monitoring requirements for the schemes New Policy 37 and Schedule 11	Provides more clarity in relation to expectations and performance.
9	Concern that new clauses about constraints for developing large infrastructure over time creates a loophole for new use. (V9.1; Policy 34 Clause (h)(v).	The clause has been removed. More targeted amendment to Rule TANK 7.	The provision was not intended allow new development but to protect existing authorised commitments to water use. It has very limited application.

	Issue	Amendments	Risk and Opportunities
10	The development of the stream maintenance schemes needs to be in advance of water permit expiry	The implementation plan needs to be more explicit about council's role in making sure the schemes are able to be developed and rolled out as consents expire and new applications are made.	Provides more clarity for consent applicants.

- 2.3. Requests that staff prepare Proposed Plan Change 9 and complete the Section 32 report according to the amendments as noted in 2.2 above and subject to amendments identified by the Section 32 peer reviewer.

The Regional Planning Committee recommends that Hawke's Bay Regional Council:

- 2.4. Adopts the draft TANK Plan Change 9, as amended, as Proposed Plan Change 9 to the Regional Resource Management Plan for notification at the meeting on 25 September 2019.
- 2.5. Makes the Section 32 report available for public inspection when the Proposed Plan Change 9 is notified.

Proposed TANK Plan Change 9 Adoption for Notification

3. Adopts Proposed Plan Change 9 to the Regional Resource Management Plan, incorporating amendments agreed by the Regional Planning Committee on 18 September 2019 (2.2 above), for notification.
4. Makes the Section 32 report available for public inspection when the Proposed Plan Change 9 is notified.

**Dick/Barker
CARRIED**

8. Report and Recommendations from the Regional Transport Committee

The item was taken as read, with discussions about the options for improving bus patronage to both increase passenger numbers and lower transportation carbon emissions in the region.

RC97/19 Resolutions

The Regional Transport Committee recommends that Hawke's Bay Regional Council:

1. Receives and notes the "*Report and Recommendations from the Regional Transport Committee*".
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 these matters without conferring directly with the community.

Climate Change Mitigation Through Public Transport

3. Agrees support for *Option 4 Cheaper fares for all passengers, all the time* and requests that staff proceed to a more detailed investigation leading to presentation of a business case for Council's consideration.

Reports Received

4. Notes that the following reports were provided to the Regional Transport Committee
 - 4.1. Monitoring Report on the Hawke's Bay Transport System
 - 4.2. September 2019 HBRC Transport Manager's Report

- 4.3. NZTA Central Region - Regional Relationships Director's Report September 2019
- 4.4. Roadsafe Hawke's Bay September 2019 Update
- 4.5. Climate Change Mitigation through Public Transport.

**Barker/Wilson
CARRIED**

9. Report and Recommendations from the Corporate and Strategic Committee

Neil Kirton, as Committee Chair, introduced the item, highlighting the Annual Report discussion with Council's auditor Stephen Lucy and the non-financial performance measures. Discussions covered:

- Rates queries in response to the demands going out recently as well as the associated communications with ratepayers about the changes
- Suggestion that communications with CHB residents include using CHB Mail as there is a significant proportion of the community who don't use Facebook or the Council website.

RC98/19 Resolutions

The Corporate and Strategic Committee recommends that Hawke's Bay Regional Council:

1. Receives and notes the "Report and Recommendations from the Corporate and Strategic Committee"

Remission of Penalties on Rates Policy (Fixed Term)

2. Notes that Council will consult as required by LGA s103(4) and s82 as part of either the 2020-21 Annual Plan or another appropriate consultation process.
3. Subject to consultation as per 2. above, agrees to adopt a Remission of Penalties on Rates Policy (Fixed Term).

Reports Received

4. Notes that the following reports were provided to the Corporate and Strategic Committee
 - 4.1. Treasury Report
 - 4.2. Annual Report Update
 - 4.3. Human Resources and Health & Safety 2018-19 Annual Report
 - 4.4. Works Group Annual Report
 - 4.5. Marketing and Communications Update.

**Kirton/Barker
CARRIED**

10. Appointment and Remuneration of Directors Policy

Jessica Ellerm introduced the item which is an update as required as a result of the Napier Port IPO, with discussions traversing:

- Technical inconsistencies in cross references to be corrected
- Term of directorship and frequency of
- Subsidiaries' Reporting to HBRIC or Council
- Staff appointed as directors not paid unless special circumstances

Councillor Kirton left at 1.40pm

RC99/19 Resolutions

That Hawke's Bay Regional Council

1. Receives and considers the "Appointment and Remuneration of Directors Policy" staff 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.
3. Adopts the amended Appointment and Remuneration of Directors as proposed.

**Barker/Bailey
CARRIED**

11. Interim Delegations to the Chief Executive and End of Triennium Wrap-up

The item was taken as read.

RC100/19 Resolutions

That Hawke's Bay Regional 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. In accordance with Council's Standing Order 27.4 the Minutes of the Committee meetings listed below will be reviewed, and then signed as 'Confirmed', by the Chair of the Committee and the HBRC Chief Executive as a true and correct record.
 - 2.1. Hearings Committee meeting held 5 June 2019
 - 2.2. Māori Committee meeting held 6 August 2019
 - 2.3. Environment and Services Committee meeting held 7 August 2019
 - 2.4. Finance, Audit and Risk Sub-committee meeting held 21 August 2019
 - 2.5. HB CDEM Group Joint Committee meeting held 26 August 2019
 - 2.6. Tenders Committee meeting held 28 August 2019
 - 2.7. Clifton to Tangoio Coastal Hazards Joint Committee meeting held 3 September 2019
 - 2.8. Corporate and Strategic Committee meeting held 11 September 2019
 - 2.9. Regional Transport Committee meeting held 6 September 2019
 - 2.10. Regional Planning Committee meeting held 18 September 2019.
3. In accordance with Council's Standing Order 27.4 the Minutes of the Regional Council meeting held 25 September 2019 will be received, reviewed, and then signed as 'Confirmed' by the HBRC Chairman and Chief Executive as a true and correct record when they are finalised.

**Hewitt/Wilson
CARRIED**

12. Affixing of Common Seal

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	Leasehold Land Sales 1.1.1 Lot 245 DP 6421 CT E2/1438 - Agreement for Sale and Purchase - Transfer 1.1.2 Lot 1 DP 14683 CT G4/102 - Agreement for Sale and Purchase	 4349 4350 4352	 11 September 2019 11 September 2019 17 September 2019
1.2	Staff Warrants 1.2.1 L. Cosgrove <i>(Delegations under Resource Management Act 1991; Soil Conservation and Rivers Control Act 1941; Land Drainage Act 1908 and Civil Defence Act 1983 (s.60-64); Civil Defence Emergency Management Act 2002 (s.86-91) and Local Government Act 2002 (s.174))</i>	4351	11 September 2019

RC101/19 Resolutions

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 that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 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. Confirms the action to affix the Common Seal.

**Dick/Barker
CARRIED**

18. Cr Beaven Notice of Motion: Advice and Reports Prepared for Regional Planning Committee Tangata Whenua Representatives

Cr Peter Beaven requested that James Palmer provide an explanation of the difference between the two recommendations, to which Mr Palmer explained that the proposed motion was re-worded as a request for the CE to determine the best way to achieve the outcome being sought in consideration of its 'operational' nature.

Cr Kirton returned to the meeting at 1.44pm

On the basis of James Palmer's explanation the alternative wording of the notice was moved by Councillor Beaven. Discussions covered:

- Support for all members to have access to the same advice, as well as the opportunity to discuss and consider that advice
- Preference that capacity is built within Council, primarily in the Māori Partnerships Team, to enable Council staff to provide the advice to the tangata whenua rather than external advisors
- The independence or otherwise of the advice being provided by the current tangata whenua advisors
- Retention of the ability for tangata whenua to have discussions separate from the councillor members, however desire for more informal discussions amongst the whole committee so that councillors can learn more about tangata whenua

perspectives and concerns

RC102/19 **Resolutions**

That Hawke's Bay Regional Council:

1. Receives and considers the "*Cr Beaven Notice of Motion: Advice and Reports Prepared for Regional Planning Committee Tangata Whenua Representatives*" staff report.
2. Having considered the Decision Making provisions of the Local Government Act and related delegations, requests that the Chief Executive investigates and implements a process to best ensure that all advice and reports for Regional Planning Committee purposes are commissioned and funded from a single source within Council in accordance with Council procurement processes, and distributed by that same source to all members immediately upon being made available.

**Beaven/Belford
CARRIED**

13. Report from the HB CDEM Group Joint Committee Meeting

James Palmer introduced the item, highlighting discussions at the meeting including:

- Performance capability assessment report findings including that HB's capability has increased significantly over the last five years to 72% and recognised nationally as one of the leading region's in NZ in terms of its capability and preparedness
- Annual financial report \$300k under spend primarily the result of receiving central government funding for staff participation on national initiatives, and is recommended to be put into the regional disaster reserve fund
- Queries about when HBRC councillors will be able to tour the new facility.

RC103/19 **Resolution**

That Hawke's Bay Regional Council receives and notes the "*Report from the HB Civil Defence Emergency Management Group Joint Committee*".

**Barker/Wilson
CARRIED**

14. Clifton to Tangoio Coastal Hazards Strategy Joint Committee Meeting Summary

Chris Dolley introduced the item, highlighting the assessment panels' supplementary recommendations discussed at the meeting and overall agreement from the workshops with each of the participating councils, that a contributory fund is the way forward but different views about how that should be done. Big picture decisions will need to be made by incoming councils and a joint councils workshop is proposed following the election, prior to Christmas.

RC104/19 **Resolution**

That the Hawke's Bay Regional Council receives and notes the "*Clifton to Tangoio Coastal Hazards Strategy Joint Committee Meeting Summary*" report.

**Barker/Bailey
CARRIED**

15. Report from the 4 September 2019 Drinking Water Governance Joint Committee Meeting

The item was taken as read, with discussions about Jim Graham's presentation on his study tour to Denmark and the Netherlands investigating the provision of drinking water supplies.

RC105/19 **Resolution**

That the Hawke’s Bay Regional Council receives and notes the “*Report from the 4 September 2019 Drinking Water Governance Joint Committee Meeting*”.

**Barker/Beaven
CARRIED**

16. Discussion of Minor Items Not on the Agenda

Topic	Raised by
Council’s Carbon footprint Actively tracking contributions of energy use, fuel use, air travel and initiatives to reduce carbon emissions of Council operations. Installing 3 additional charging stations to cater for additional electric vehicles in fleet, waste minimisation initiatives include re-fillable milk bottles and a worm farm, and energy use by the Dalton Street office was down 33% on last year in June. Ride sharing is encouraged through staff public transport subsidies and amongst those using Council vehicles through the Vehicle Use Policy.	Cr Belford

The Councillors thanked Councillor Peter Beaven for his contributions to Council’s work in the Region including on the coastal hazards strategy as Chair of the Joint Committee, participation in the TANK plan change stakeholder engagement, as a Committee Chair, and as a member of the HBRIC board of directors. James Palmer presented Councillor Beaven with a gift from staff in the form of a framed print. Councillor Beaven thanked everyone in return, for their work and support.

17. Napier Port IPO Proceeds Deployment

RC106/19 **Resolution**

That Council excludes the public from this section of the meeting, being Agenda Item 17 Napier Port IPO Proceeds Deployment 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	REASON FOR PASSING THIS RESOLUTION	GROUNDS UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
Napier Port IPO Proceeds Deployment	7(2)(i) 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 enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

**Barker/Bailey
CARRIED**

The meeting went into public excluded session at 2.45pm and out of public excluded session at 3.20pm

Closure:

There being no further business the Chairman declared the meeting closed at 3.20pm on Wednesday, 25 September 2019.

Signed as a true and correct record.

DATE:

CHAIRMAN: