



Meeting of the Hawke's Bay Regional Council

Date: Wednesday 29 January 2020
Time: 11.00am
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

ITEM	SUBJECT	PAGE
1.	Welcome/Apologies/Notices	
2.	Conflict of Interest Declarations	
3.	Confirmation of Minutes of the Regional Council Meeting held on 18 December 2019	
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Decision Items		
6.	Report and Recommendations from the Environment and Integrated Catchments Committee	9
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11.	Significant Activities through February 2020	43
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HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: FOLLOW-UP ITEMS FROM PREVIOUS REGIONAL COUNCIL MEETINGS

Item 4

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 follow up, and a brief status comment. Once the items have been report to Council they will be removed from the list.

Decision Making Process

2. Staff have assess 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 the Council receives and notes the "*Follow-up Items from Previous Meetings*" staff report.

Authored by:

Leeanne Hooper
GOVERNANCE LEAD

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

1 Follow-ups from Previous Regional Council Meetings

Follow-ups from previous Regional Council Meetings

Meeting held 18 December 2019

	Agenda Item	Action	Responsible	Status Comment
1	2019-22 Triennial Agreement	Triennial Agreement, updated as agreed, to be proposed to next available HB Leaders Forum meeting before then being put to 26 February 2020 Regional Council meeting for adoption of the finalised version	J Lawrence /J Palmer	On track. Conference call with respective Council Mayors/CEs to be scheduled for early Feb and will include Rangitikei and Taupo Councils (who are signatories to the agreement).
2	Future Farming Trust - Trustee	Appointment of Councillor Will Foley to the Trust to be advised to Trustees	D Wisely	Email advising appointment 22 December 2019.
3	Māori Committee Terms of Reference	Terms of Reference to be provided to all Taiwhenua represented on the committee, and confirmation of appointments sought ahead of the Committee meeting scheduled 4 March 2020	J Brown /P Munroe	In progress
4	HBRC Financials for Q1 2019-20	Future financial reporting will be to Finance, Audit and Risk Sub-committee, aligned to quarterly results	B Smith /J Ellerm	Financial Performance against 2019-20 Annual Plan to 31 December 2019 agenda item on 12 February FARS
5	Minor Items Not on the Agenda	A presentation /delegation in relation to re-establishment of the rail line between Wairoa and Gisborne was requested	M Williams/ A Redgrave	This presentation is currently deferred but the Gisborne-Wairoa rail link will come up in discussion as part of the debrief to Council from the recent Regional Transport Committee meeting.
6	Minor Items Not on the Agenda	Councillor only sessions to be scheduled prior to Council meetings	L Hooper	From January 2020, 9-10am councillor only and 10-10.45am CE Briefing sessions are scheduled prior to all Regional Council meetings, which will commence at 11am
7	HBRIC Ltd and Napier Port Holdings Ltd Director Appointments	Information Protocol agreed prior to IPO to be provided to councillors, and Council workshops to cover Governance and Functions of both Napier Port and HBRIC to be scheduled	J Ellerm /J Palmer	Information Protocol to be circulated by J Ellerm. Specific workshops re Napier Port and Governance are yet to be scheduled.
8	HB CDEM Office Building Lease Renewal	Chief Executive, James Palmer, on behalf of HB CDEM, to enter into negotiations with Hastings District Council	J Palmer	Discussions are underway
9	Long Term HBRC Staff Accommodation Options	Council officers to progress work to revise and refine forecast headcount growth, and early stages of budget and business case development and options analysis	S Rakiraki /J Ellerm	Headcount predications and options analysis is being revised and a follow-up item including additional background information will be tabled at the C&S committee meeting 11 March 2020.

Item 4

Attachment 1

Meeting held 27 November 2019

	Agenda Item	Action	Responsible	Status Comment
10	Councillor Remuneration and Allowances	Complete required Remuneration Authority documentation and forward for Gazette process	L Hooper / J Palmer	Council proposal submitted 16 January 2020. Remuneration Authority amending determination scheduled to be gazetted in late February/early March 2020

Meeting held 6 November 2019

	Agenda Item	Action	Responsible	Status Comment
11	Adoption of Standing Orders	Re-write of standing orders to be more specific to HBRC	R Barker /M Williams	Verbal update to be invited at the 29 January meeting

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: CALL FOR MINOR ITEMS NOT ON THE AGENDA

Item 5

Reason for Report

1. This item provides the means for councillors to raise minor matters they wish to bring to the attention of the meeting.
2. Hawke's Bay Regional Council standing order 9.13 states:
 - 2.1. "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

3. That Council accepts the following "Minor Items Not on the Agenda" for discussion as Item 12.

Topic	Raised by

Leeanne Hooper
GOVERNANCE LEAD

James Palmer
CHIEF EXECUTIVE

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: REPORT AND RECOMMENDATIONS FROM THE ENVIRONMENT AND INTEGRATED CATCHMENTS COMMITTEE

Item 6

Reason for Report

1. The following matters were considered by the the Environment and Integrated Catchments Committee meeting on 4 December 2019 and the recommendations agreed are now presented for Council's consideration alongside any additional commentary the Chair, Councillor Rick Barker, may wish to provide.
2. The **Confirmation of the Environment and Integrated Catchments Committee Terms of Reference** item presented the draft Terms of Reference adopted by Council on 6 November 2019 for the Committee's confirmation.
3. The **Pandora Pond Water Quality Monitoring** item provided an update and history of water quality in Ahuriri Estuary including 'hotspots' work undertaken and findings into investigations into the impacts of 2019 Napier City Council emergency wastewater discharges.
4. The **Right Tree Right Place** item and presentation was provided by the collaborative project team including Andrew Clark, Registered Forestry Consultant for PF Olsen Ltd; Lachie MacGillivray, Farming Consultant for AgFirst Pastoral Hawke's Bay Ltd; and Simon Taylor, Fresh Perspective Insight and Dan Druzianic (HBRIC). The presentation covered the findings from the investigation stage to enable Council to consider next steps leading into development of the next LTP.

Decision Making Process

5. These items were specifically considered by the Environment and Integrated Catchments Committee on 4 December 2019 and are now the subject of the following recommendations to Council.

Recommendations

The Environment and Integrated Catchments Committee recommends that Hawke's Bay Regional Council:

1. Receives and notes the "Report and Recommendations from the Environment and Integrated Catchments 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 and persons likely to be affected by or to have an interest in the decisions.

Confirmation of the Environment and Integrated Catchments Committee Terms of Reference

3. Adopts the Terms of Reference for the Environment and Integrated Catchments Committee, incorporating amendments agreed by the Committee at its 4 December 2019 meeting, for the 2019-22 triennium as follows.

Environment and Integrated Catchments Committee

Terms of Reference

The purpose of the Environment and Integrated Catchments Committee (EICC) is as follows.

1) Policy

To consider and recommend to Council:

- 1.1 carbon reduction and Climate Change adaptation and mitigation policies and strategies developed to guide the establishment of work plans

- 1.2 policies with regard to Council responsibilities and involvement in flood protection and drainage
- 1.3 policies with regard to Council's responsibilities for biosecurity, biodiversity and pest management
- 1.4 policies, strategies, and by-laws and compliance and enforcement programs relating to maritime and navigational safety under the Maritime Transport Act.

2) Environmental Monitoring and Research

- 2.1 To consider and recommend to Council environmental monitoring strategies and research and investigation programmes, including the State of the Environment Reports.
- 2.2 To consider technical reports on the findings of research and investigations into the impact of activities on the receiving environments and recommend to Council the development of new policy frameworks based around such information.

3) Policy/ Plan Implementation

- 3.1 To periodically review the effectiveness of Council's non-regulatory resource management operational work programmes within the ambit of the Committee and make recommendations to Council for any changes.
- 3.2 To recommend to Council management plans or any similar such documents for the effective implementation of environmental enhancement and improvement programmes of Council.
- 3.3 To assist staff, where appropriate, in identifying a preferred option and/or funding mechanism for Council consideration of biosecurity/ biodiversity initiatives, proposals for new or expansion of existing open spaces and regional parks, and infrastructure asset construction or improvement work; and in promoting the preferred option to the beneficiaries/ community.
- 3.4 To consider and recommend to Council all other policy implementation issues of Council.

4) Financial Authority

- 4.1 To recommend to Council, consideration of possible financial implications of specific initiatives.

5) Use of Delegated Powers for the Environment & Integrated Catchments Committee

This Committee may, without confirmation by the local authority that made the delegations, exercise or perform them in the like manner and with the same effect as the local authority could itself have exercised or performed them, provided that the decision deserves urgency and the decision to make the resolution a decision of Council is carried unanimously.

Members:

- All Councillors being: Rick Barker, Will Foley, Craig Foss, Rex Graham, Neil Kirton, Charles Lambert, Hinewai Ormsby, Jerf van Beek and Martin Williams
- One appointed member of the Māori Committee, being
- One appointed member of the Regional Planning Committee, being

Chair:

A member of the Committee as elected by the Council being:
Councillor Rick Barker

Deputy Chair:

A member of the Committee as elected by the Council being:
Councillor Hinewai Ormsby

Meeting Frequency:

Two-monthly

Staff Executive:

Group Manager Integrated Catchment Management
Group Manager Asset Management
Group Manager Strategic Planning

Reports Received

- 4 Notes that the following reports were provided to the Environment and Integrated Catchments Committee.
 - 4.1 Pandora Pond Water Quality Monitoring
 - 4.2 Right Tree Right Place.

Authored by:

Leeanne Hooper
GOVERNANCE LEAD

Approved by:

Iain Maxwell
GROUP MANAGER INTEGRATED
CATCHMENT MANAGEMENT

Attachment/s

- 1 Environment and Integrated Catchments Committee Terms of Reference Agreed
4 December 2019

Environment and Integrated Catchments Committee

Terms of Reference

Confirmed by resolution of the Committee on 4 December 2019
Adopted by resolution of Hawke's Bay Regional Council 29 January 2020

The purpose of the Environment and Integrated Catchments Committee (EICC) is as follows.

1) Policy

To consider and recommend to Council:

- 1.1 carbon reduction and Climate Change adaptation and mitigation policies and strategies developed to guide the establishment of work plans
- 1.2 policies with regard to Council responsibilities and involvement in flood protection and drainage
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- 2.1 To consider and recommend to Council environmental monitoring strategies and research and investigation programmes, including the State of the Environment Reports.
- 2.2 To consider technical reports on the findings of research and investigations into the impact of activities on the receiving environments and recommend to Council the development of new policy frameworks based around such information.

3) Policy/ Plan Implementation

- 3.1 To periodically review the effectiveness of Council's non-regulatory resource management operational work programmes within the ambit of the Committee and make recommendations to Council for any changes.
- 3.2 To recommend to Council management plans or any similar such documents for the effective implementation of environmental enhancement and improvement programmes of Council.
- 3.3 To assist staff, where appropriate, in identifying a preferred option and/or funding mechanism for Council consideration of biosecurity/ biodiversity initiatives, proposals for new or expansion of existing open spaces and regional parks, and infrastructure asset construction or improvement work; and in promoting the preferred option to the beneficiaries/ community.
- 3.4 To consider and recommend to Council all other policy implementation issues of Council.

4) Financial Authority

- 4.1 To recommend to Council, consideration of possible financial implications of specific initiatives.

5) Use of Delegated Powers for the Environment & Integrated Catchments Committee

This Committee may, without confirmation by the local authority that made the delegations, exercise or perform them in the like manner and with the same effect as the local authority could itself have exercised or performed them, provided that the decision deserves urgency and the decision to make the resolution a decision of Council is carried unanimously.

- | | |
|---------------------------|---|
| Members: | <ul style="list-style-type: none"> • All Councillors being: Rick Barker, Will Foley, Craig Foss, Rex Graham, Neil Kirton, Charles Lambert, Hinewai Ormsby, Jerf van Beek and Martin Williams • One appointed member of the Māori Committee, being • One appointed member of the Regional Planning Committee, being |
| Chair: | A member of the Committee as elected by the Council being: Councillor Rick Barker |
| Deputy Chair: | A member of the Committee as elected by the Council being: Councillor Hinewai Ormsby |
| Meeting Frequency: | Two-monthly |
| Staff Executive: | Group Manager Integrated Catchment Management
Group Manager Asset Management
Group Manager Strategic Planning |

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: REPORT AND RECOMMENDATIONS FROM THE REGIONAL TRANSPORT COMMITTEE

Item 7

Reason for Report

1. This item provides the matters considered and recommendations agreed at the Regional Transport Committee (RTC) meeting on 13 December 2019 for Council's consideration alongside any additional commentary the Committee Chair wishes to add.

Executive Summary

2. This first meeting of the Committee for the triennium consisted mainly of confirming the Terms of Reference and appointees as well as covering the functions and responsibilities of the Committee to bring new members, in particular, up to speed with the role of the Regional Transport Committee.

Discussion

3. The **Confirmation of the Appointments and Terms of Reference for the Transport Committee** agenda item noted that the Terms of Reference was adopted by Hawke's Bay Regional Council on 6 November, and further discussions confirmed the appointments as formalised by the resolutions.
4. The **Introduction to the Regional Transport Committee** agenda item introduced the new and returning members to the Committee, confirming the role of the committee. The Transport Manager gave a presentation on the Committee's mandate and role under the Regional Land Transport Management Act (2003) and an overview of the Regional Land Transport Plan (RLTP), key issues and current priority projects. The RTC work program and opportunities discussions covered completion of the HB Transport Study, reviewing the RLTP (April 2021), and input to Central Government legislative reviews and other policy reviews as necessary.
5. The **NZTA Central Region - Regional Relationships Director's Report** agenda item outlined a range of policy issues under consideration and provided updates on roading improvements on state highways in the region.
6. The **December 2019 HBRC Transport Manager's Report** traversed a range of topical transport issues including updates from the Transport Advisory Group (TAG) on issues raised at their regular meetings, the Hawke's Bay Transport Study, the Government Policy Statement on Land Transport 2021 (GPS), Future of Rail in NZ, Road to Zero, Tackling Unsafe Speeds, and the Regional Cycling Governance Group. The Transport Manager advised that the Walking and Cycling Summit is being hosted by Hawke's Bay on 13 March 2020 where the Associate Minister, Julie Anne Genter, will be presenting.
7. The **Roadsafe Hawke's Bay Update** agenda item presented recent road statistics and outlined road safety education activities and plans for 2020.
8. The **December 2019 Public Transport Update** agenda item updated the Committee on Council's public transport operations and the new bus ticketing system scheduled for implementation in April 2020. Other topical discussions covered "Carbon Mitigation through Public Transport" and proposals to improve bus patronage.
9. The **Verbal Updates by the Advisory Representatives** provided updates within their respective work environments.

Decision Making Process

10. These items were specifically considered by the Regional Transport Committee on 13 December 2019 and are now the subject of the following recommendations to Council.

Recommendation

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

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

Confirmation of the Appointments and Terms of Reference for the Regional Transport Committee

3. Confirms the Elected Representative appointments by the region's Territorial Local Authorities to the Regional Transport Committee, being:
 - 3.1. For Hawke's Bay Regional Council, appointees are Councillor Martin Williams as Chairman and Councillor Charles Lambert as Deputy Chairman
 - 3.2. For Napier City Council, appointees are Councillor Keith Price and Mayor Kirsten Wise as alternate
 - 3.3. For Hastings District Council, appointees are Mayor Sandra Hazlehurst, and Councillor Tania Kerr as alternate
 - 3.4. For Wairoa District Council, appointees are Mayor Craig Little, and Councillor Jeremy Harker as alternate
 - 3.5. For Central Hawke's Bay District Council, appointees are Mayor Alex Walker, and Councillor Kate Taylor as alternate
 - 3.6. For NZ Transport Agency, appointees are Ms Emma Speight, and Mr Oliver Postings as alternate.
4. Confirms the Terms of Reference for the Committee as adopted by Hawke's Bay Regional Council on 6 November 2019.

Reports Received

5. Notes that the following reports were provided to the Regional Transport Committee
 - 5.1. Introduction to the Regional Transport Committee
 - 5.2. NZTA Central Region - Regional Relationships Director's Report December 2019
 - 5.3. December 2019 HBRC Transport Manager's Report
 - 5.4. RoadSafe Hawke's Bay December 2019 Update
 - 5.5. December 2019 Public Transport Update
 - 5.6. Verbal Updates by Advisory Representatives.

Authored by:

Anne Redgrave
TRANSPORT MANAGER

Approved by:

Tom Skerman
GROUP MANAGER
STRATEGIC PLANNING

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: CR BARKER NOTICE OF MOTION: COUNCIL NAME CHANGE

Item 8

Reason for Report

1. Councillor Barker has submitted a Notice of Motion (attached) to initiate investigations into changing Council's name to Environment Hawke's Bay.

Process for Considering Notice of Motion

2. Councillor Barker moves his Notice of Motion, and if there is a seconder for it, the Motion is debated in accordance with Standing Orders before being put and voted on.
3. If there is not a seconder, then the Notice of Motion lapses.
4. Following resolution of the Motion (either CARRIED or LOST), the meeting moves to resolve the substantive motion as per the "Recommendations" section following.

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 advise that the decision to resolve Cr Barker's Notice of Motion:
 - 5.1. Will not significantly alter the service provision or affect a strategic asset.
 - 5.2. Does not fall within the definition of Council's policy on significance.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the "*Cr Barker Notice of Motion: Council Name Change*".
2. Instructs the Chief Executive to provide advice to the Corporate and Strategic Committee on the relevant considerations for Council to consider a name change to 'Environment Hawke's Bay'.

Authored by:

Leeanne Hooper
GOVERNANCE LEAD

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

1 Cr Barker Notice of Motion

Sent from my iPhone

> On 17/01/2020, at 6:27 PM, Rick Barker <rickjbarker@gmail.com> wrote:

> Kia ora James

> How about this for a resolution on the prospect of a name change for HBRC.

> Notice of Motion

> The Chief Executive bring to the Corporate and Strategic Committee advice on the relevant considerations for Council in considering a name change to 'Environment Hawke's Bay'.

>

> Thoughts

>

> If all in order please put on the agenda for the next Council meeting

>

> Thanks

> Rick

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: AFFIXING OF COMMON SEAL

Item 9

Reason for Report

- 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 144 DP 10912 CT D4/928 - Agreement for Sale and Purchase	4379	20 January 2020
1.2	Staff Warrants		
	1.2.1 L. Solly F. Wilson R. Finlayson D. Okros M. Brinsdon (Delegations under Resource Management Act 1991 and Civil Defence Emergency Management Act 2002 (s.86-91) and Local Government Act 2002 (Clauses 32(1) and 32B Schedule 7))	4374 4375 4376 4377 4378	19 December 2019 19 December 2019 19 December 2019 13 January 2020 13 January 2020
	1.2.2 A. Clare A. Prosser D. Okros M. Brinsdon (Delegations under Soil Conservation and Rivers Control Act 1941; Land Drainage Act 1908; Civil Defence Act 1983 (s.60-64); Civil Defence Emergency Management Act 2002 (s.86-91) and Local Government Act 2002 (s.174))	4372 4373 4377 4378	12 December 2019 12 December 2019 13 January 2020 13 January 2020
	1.2.3 A. Clare (Delegations under the Civil Defence Emergency Management Act 2002 (s.86-92 inclusive) and Clause 32B Schedule 7 of the Local Government Act 2002)	4372	12 December 2019
	1.2.4 M. Brinsdon (Delegations under the Local Government Act 2002 (Section 177))	4378	13 January 2020

- The Common Seal is used twice during a Leasehold Land Sale, once on the Sale and Purchase Agreement and once on the Land Transfer document. More often than not, there is a delay between the second issue (Land Transfer document) of the Common Seal per property. This delay could result in the second issue of the Seal not appearing until the following month.
- As a result of sales, the current numbers of Leasehold properties owned by Council are:
 - 0 cross lease properties were sold, with 70 remaining on Council's books
 - 1 single leasehold property was sold, with 90 remaining on Council's books.

Decision Making Process

4. 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:
 - 4.1 Council can exercise its discretion and make a decision on this issue without conferring directly with the community
 - 4.2 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 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 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. Confirms the action to affix the Common Seal.

Authored by:

Trudy Kilkolly
PRINCIPAL ACCOUNTANT
RATES AND REVENUE

Diane Wisely
EXECUTIVE ASSISTANT

Approved by:

Jessica Ellerm
GROUP MANAGER
CORPORATE SERVICES

James Palmer
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND PROCESS FOR THE APPOINTMENT OF HBRIC LTD COUNCILLOR DIRECTORS

Item 10

Reason for Report

1. This item provides the means for Council to confirm the *Council Policy on Appointment and Remuneration of Directors* (Policy) and to resolve either the process to be followed to appoint Council directors to the HBRIC Ltd Board of Directors or, if there is no contest for the directorships *and* Council is satisfied that the proposed appointees have the requisite skills and experience then Council may choose to suspend its policy by resolution and move to appoint the directors.

Officers' Recommendation(s)

2. Council staff recommend that:
 - 2.1. the *Policy on Appointment and Remuneration of Directors* is confirmed as adopted by Council resolution on 25 September 2019, without amendment; and
 - 2.2. either:
 - 2.2.1. the process for the appointment of Council Directors to HBRIC Ltd is initiated by resolving the composition of a Council Appointments Committee as detailed in the *Policy on Appointment and Remuneration of Directors* (page 3) which will then undertake the selection and recommendation for appointment process also contained in the Policy; or
 - 2.2.2. if there is no contest for the directorships (up to three) *and* Council is satisfied that the proposed appointees have the requisite skills and experience then Council may choose to suspend its policy by resolution and move to appoint the directors

Executive Summary

3. If Council chooses to continue to appoint Councillor directors to the HBRIC Ltd Board, as was the case in the previous triennium, it is time for the replacement of Council's previous appointees, Peter Beaven (no longer a councillor) and Rex Graham (not seeking reappointment).

Background /Discussion

4. Following each triennial election, Council is able to appoint councillor directors to the HBRIC Ltd Board it so chooses, in accordance with the agreed *Policy on Appointment and Remuneration of Directors*.
5. Council's "Policy on Appointment and Remuneration of Directors" (attached) was adopted by Council resolution on 25 September 2019, having been updated to incorporate amendments required subsequent to the formation of Napier Port Holdings Limited and the Initial Public Offering.
6. The principles underlying the Policy are:
 - 6.1. Appointments will be made on the basis of merit.
 - 6.2. The Council will follow corporate governance best practice, including the requirements of the NZX Listing Rules (where relevant).
 - 6.3. Directors of Council-controlled trading organisations will be appointed on the basis of the contribution they can make to the organisation, and not on the basis of representation.

- 6.4. All Council appointed directors must comply with the Council's Code of Conduct for Directors.
- 6.5. Where organisations are subsidiaries of the Hawke's Bay Regional Investment Company Ltd (HBRIC Ltd) or companies directly owned by HBRC, then HBRIC Ltd will act as the interface and monitoring body between the Council and those subsidiaries.
- 6.6. All appointments of directors to the Board of HBRIC Ltd and to any Council Controlled Trading Organisation must be ratified by the Hawke's Bay Regional Council, other than Napier Port Holdings Limited.
7. Specifically relating to the appointment of councillor directors to HBRIC, the policy states:
 - 7.1. The HBRIC Ltd constitution provides that Council directors must resign on a date specified by the Council being no later than three months after the triennial Council elections, although they may offer themselves for re-appointment. The date selected will be chosen to allow time to select Council directors for appointment as replacement directors in accordance with this policy.
 - 7.2. Only a Councillor may be appointed as a Council Director of HBRIC Ltd.
 - 7.3. The Council Appointments Committee will, after the triennial Council elections, interview all Councillors expressing an interest in appointment to the HBRIC Ltd Board. This includes existing HBRIC Ltd Council directors retiring and offering themselves for re-appointment.
 - 7.4. Following the interviews, the Committee will make its final recommendations in a report to the Council. This report will be considered in the public part of the agenda. The Council will consider the report and make its decision.
 - 7.5. Public announcement of the appointments will be made as soon as practicable after the Council has made its decision.
 - 7.6. It is important that the selected Council directors will be able to gain the confidence of the Council and the subsidiary company boards, given the confidential and commercially sensitive nature of much of the business being considered.

Options Assessment

8. Options for Council in relation to confirming the *Policy on Appointment and Remuneration of Directors* include:
 - 8.1. accept the *Policy* as proposed and adopted by Council resolution on 25 September 2019, without amendment, and resolve to confirm that
 - 8.2. agree amendments to the Policy and resolve to adopt the updated Policy incorporating those amendments.
9. For the appointment of councillor directors, the options for Council include:
 - 9.1. agree to undertake the process for the appointment of Council Directors to HBRIC Ltd as detailed in the *Policy* and resolve the composition of the Council Appointments Committee to undertake the selection process (also as contained in the Policy)
 - 9.2. agree to a process different to the one detailed in the Policy and resolve that the Policy be amended accordingly, including initiating the alternative process
 - 9.3. call for interest from Councillors present and, if there is no contest for the directorships (up to three) and Council is satisfied that the proposed appointees have the requisite skills and experience, resolve to suspend the Policy and appoint the named directors.

10. In relation to appointing the councillor directors, option 1 adheres strictly to the agreed Policy and meets Local Government Act and best practice requirements for transparent decision making.
11. If discussions about potential appointments have previously been discussed amongst all councillors, option 3 would likely be the most expedient of those available.

Strategic Fit

12. HBRIC and its Board of Directors contribute to Council's achievement of the desired outcomes for sustainable services and infrastructure as stated in the 2017-21 Strategic Plan. Specifically:
 - 12.1. High performing regional infrastructure enables the region's natural resources to transform into goods and services that underpin the prosperity and wellbeing of the Hawke's Bay community. Therefore HBRIC contributes to Council achieving "The region has resilient physical, community and business infrastructure to unlock potential growth and prosperity from our natural resource base." *source: Matariki HB Regional Economic Development Strategy and Action Plan 2016.*
 - 12.2. Investment in critical enabling infrastructure must be facilitated in a timely manner through strategic planning and capital raising. Therefore strategic outcomes HBRIC contributes to include "Develop a capital investment strategy for regional infrastructure" and "Work with others to implement the Matariki Hawke's Bay Regional Economic Development Strategy and Action Plan 2016" (HBRC is the lead in seven of the 47 identified actions).

Significance and Engagement Policy Assessment

13. The appointment of directors to HBRIC Ltd fits into Level 1 in Council's Significance and Engagement Policy as the associated actions and decisions do not materially change the purpose or functions of the HBRIC strategic asset. Level 1 on the continuum is where Council will inform the public of the decision once it has been made.

Financial and Resource Implications

14. The Councillor director appointments to HBRIC Ltd director appointments should have no impact on Regional Council budgets as councillor directors are not proposed to be remunerated.

Decision Making Process

15. Council and its committees are 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 is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 15.4. The persons affected by this decision are those with an interest in the Council's investment company, and economic development and investment initiatives in the Region.
 - 15.5. The recommended decision is not inconsistent with an existing policy or plan.
 - 15.6. 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 Hawke's Bay Regional Council:

1. Receives and considers the "*Policy on Appointment and Remuneration of Directors and Process for the Appointment of HBRIC Ltd Councillor Directors*" 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. Confirms the *Policy on Appointment and Remuneration of Directors* as adopted by resolution on 25 September 2019.

OR

4. Confirms the *Policy on Appointment and Remuneration of Directors* incorporating amendments agreed at the 29 January 2020 Regional Council meeting.

AND

5. Appoints councilors Rex Graham, _____ and _____, and Mr Dan Druzianic to the Council Appointments Committee and requests that the Committee immediately commence the process for appointment of HBRIC Ltd Council Directors in accordance with the *Policy on Appointment and Remuneration of Directors*

OR

6. Accepts the nominations, and appoints councilors _____, _____ and _____ to the HBRIC Board of Directors, as Council Directors.

Authored by:

Leeanne Hooper
GOVERNANCE LEAD

Approved by:

Jessica Ellerm
GROUP MANAGER
CORPORATE SERVICES

Joanne Lawrence
GROUP MANAGER OFFICE OF THE
CHIEF EXECUTIVE AND CHAIR

James Palmer
CHIEF EXECUTIVE

Attachment/s

- ↓1 Policy on Appointment and Remuneration of Directors

Hawkes Bay Regional Council

Policy on Appointment and Remuneration of Directors

Adopted by Council Resolution on 25 September 2019

Purpose

1. The purpose of this policy is to set out, in accordance with Section 57(1) of the Local Government Act 2002 (the Act), an objective and transparent process for:
 - 1.1. The identification and consideration of the skills, knowledge and experience required of directors of a Council organisation.
 - 1.2. The appointment of directors to a Council organisation.
 - 1.3. The remuneration of directors of a Council organisation.

Principles

2. The following principles underlie this policy:
 - 2.1. Appointments will be made on the basis of merit.
 - 2.2. The Council will follow corporate governance best practice, including the requirements of the NZX Listing Rules (where relevant).
 - 2.3. Directors of Council-controlled trading organisations will be appointed on the basis of the contribution they can make to the organisation, and not on the basis of representation.
 - 2.4. All Council appointed directors must comply with the Council's Code of Conduct for Directors.
 - 2.5. Where organisations are subsidiaries of the Hawke's Bay Regional Investment Company Ltd (HBRIC Ltd), then HBRIC Ltd will act as the interface and monitoring body between the Council and those subsidiaries.
 - 2.6. All appointments of directors to the Board of HBRIC Ltd and to any Council Controlled Trading Organisation must be ratified by the Hawke's Bay Regional Council other than Napier Port Holdings Limited.

Definitions

3. The term "Council organisation" (CO) is used as defined in Section 6 of the Act.
4. The Act also creates two sub-categories of COs – "Council-controlled organisations" (CCOs) and "Council-controlled trading organisations" (CCTOs).
5. The Council has interests that fall in each of these 2 sub-categories.
6. The following statements used in this Policy are provided for guidance purposes only. Fuller definitions are provided in Section 6 of the Act.

Meaning of "Council organisation"

7. In broad terms, a CO is an organisation in which the Council has a voting interest or the right to appoint a director, trustee or manager (however described). This is a wide-ranging definition, covering a large number of bodies.

Meaning of "Council-controlled organisation"

8. A CCO is a CO in which one or more local authorities control, directly or indirectly, 50% or more of the votes or have the right, directly or indirectly, to appoint 50% or more of the directors, trustees or managers (however described).

Meaning of “Council-controlled trading organisation”

9. A CCTO is a CCO that operates a trading undertaking for the purpose of making a profit.
10. For the purpose of this document only:
 - 10.1. Hawke’s Bay Regional Investment Company Ltd (HBRIC Ltd) is excluded from the definition of a CCTO (there is a separate section in this Policy (page 3) for the appointment and remunerations of directors to HBRIC Ltd).
 - 10.2. Napier Port Holdings Limited (Napier Port) is considered to be a CCTO. Under the Napier Port constitution, any person appointed to / removed from the Board of directors of Napier Port is automatically appointed to / removed from the Board of directors of Port of Napier Limited (and so any decisions made by HBRIC Ltd or Council in relation to the composition of the Board of Napier Port will also affect Port of Napier Limited).
 - 10.3. All associate and subsidiary companies of HBRIC Ltd (for the purposes of this policy only) are considered to be CCTOs irrespective of whether HBRIC Ltd has a controlling interest in the company. *Note – distinct from legal position which requires 50%*
11. Pages 3-5 set out the policy for the appointment and remuneration of directors to the Board of the Hawke’s Bay Regional Investment Company Ltd.
12. Pages 6-9 contain the policy for other Council Controlled Organisations, including CCOs and CCTOs currently subject to this Policy, other than Napier Port. These CCOs are listed in Appendix 1. Any new Council organisations in which the Council will have a voting interest or the right to appoint a director, trustee or manager will be subject to this Policy.
13. Pages 10-11 contain the policy for Napier Port.
14. On page 12 is the policy for Council Organisations, that are not Council Controlled Organisations, that are currently subject to this Policy. These COs are listed in Appendix 2. Any new Council Organisation will be subject to this Policy.
15. On pages 13-14 is the HBRIC Ltd Chairperson Succession Planning Policy.

Hawke's Bay Regional Investment Company Ltd

Item 10

Attachment 1

Introduction

16. Hawke's Bay Regional Investment Company Ltd (HBRIC Ltd) is 100% owned by the Council, and holds shares in the Council's CCTOs. It monitors the performance of all CCTOs, whether owned directly by HBRIC Ltd, and recommends new director appointments for these organisations for the Council's approval.

HBRIC Ltd Director appointment process and Identification of required skills, knowledge and experience

17. The HBRIC Ltd constitution provides for a maximum of eight directors and it is intended that it comprises a mix of Council and independent directors. It is critical to the success of this board that it has a composition which is capable of maintaining the confidence of both the Council and the subsidiary companies.
18. The Council will establish a Council Appointments Committee after the triennial Council election to recommend to the Council the appointment of Council and independent Directors to HBRIC Ltd. This committee will be comprised of **four** members who are not seeking appointment to the HBRIC Ltd Board. **Where possible** the committee members will include the current Chair of HBRIC Ltd, two **current** councillors, and an external experienced director.
19. In the process of selecting Council and independent directors, the Council Appointments Committee will first determine the required skills, knowledge and experience which is necessary for an effective board. In general terms, the committee will apply similar criteria to potential candidates to those used by HBRIC Ltd in its assessment of candidates for other CCTOs. However, where necessary the committee will also take into account a candidate's potential to quickly acquire business and financial skills, as well as his or her existing skills and experience. The candidate's skills must be relevant to the requirements of HBRIC Ltd in terms of its governance and provide as far as possible that there is a suitable cross- section of skills available at the board table which is capable of meeting the normal criteria of good governance.
20. The committee may use the services of a specialist consultant in making an assessment of the suitability of candidates for a Council Director position.

Council Directors of HBRIC Ltd

21. The HBRIC Ltd constitution provides that Council directors must resign on a date specified by the Council being no later than three months after the triennial Council elections, although they may offer themselves for re-appointment. The date selected will be chosen to allow time to select Council directors for appointment as replacement directors in accordance with this policy.
22. Only a Councillor may be appointed as a Council Director of HBRIC Ltd.
23. The Council Appointments Committee will, after the triennial Council elections, interview all Councillors expressing an interest in appointment to the HBRIC Ltd Board. This includes existing HBRIC Ltd Council directors retiring and offering themselves for re-appointment.
24. Following the interviews, the Committee will make its final recommendations in a report to the Council. This report will be considered in the public part of the agenda. The Council will consider the report and make its decision.
25. Public announcement of the appointments will be made as soon as practicable after the Council has made its decision.
26. It is important that the selected Council directors will be able to gain the confidence of the Council and the subsidiary company boards, given the confidential and commercially sensitive nature of much of the business being considered.

Independent directors of HBRIC Ltd

27. The HBRIC Ltd constitution provides that the independent directors will retire by rotation at the end of their term. *Note – reference only to the inaugural appointments.*
28. The HBRIC Ltd governance committee or full board (excluding any retiring director) will give consideration to whether a retiring independent director should be reappointed by rotation and make a recommendation to the Council regarding reappointment where the term of that director will be within the policy for tenure for CCTO directors as provided in this policy.
29. In the case of a vacancy for an independent director appointment, whether it be a casual vacancy or arising from the non reappointment of a retiring independent director, the same procedures will be followed as applies to the appointment of a director to a CCTO.
30. Independent directors will be selected according to the same criteria as used by HBRIC Ltd in its assessment of candidates for other CCTOs. In making appointments every endeavour will be made to ensure that a range of good governance skills will be available to the HBRIC Ltd board as a whole.
31. An independent Director of HBRIC Ltd may be a person who is neither a Councillor nor an employee of the Council.

Chairperson

32. The Council shall nominate who will be the chair of the HBRIC Ltd board and take account of the experience and appropriate skills of the existing board. This nomination will be made in accordance with the policy adopted by Council on 26 March 2014 regarding HBRIC Ltd Chairperson succession. The policy is to ensure that there can be continuity of knowledgeable and capable leadership of the HBRIC Ltd Board.
The policy envisages that work commences to identify a successor to the chairperson at least a year before the planned retirement of the incumbent and that in making any replacement board appointments that consideration be given to whether there is sufficient potential on the board for a replacement chairperson should that be needed unexpectedly.
33. The Council Appointments Committee is responsible to make a recommendation to the Council on the nomination of the HBRIC Ltd Chairperson.

All directors of HBRIC Ltd

34. It is expected that all appointees to the HBRIC Ltd Board will undergo, or already have undergone, formal corporate governance training, or have the requisite experience in this area. HBRIC Ltd will generally pay for at least part of any such training.

Length of tenure

35. Independent directors will normally be appointed for periods of three years. Subject to a review of the director's performance after each three year period, the normal tenure for a director will be six years. Following six years of service, a director may be re-appointed for a further three years as decided by Council.

Remuneration of HBRIC Ltd directors

36. Periodically, normally every three years but more frequently if considered appropriate, HBRIC Ltd will review the level of remuneration being paid to the boards of the CCTOs.
37. As part of this function, an independent panel will also review the levels of fees considered appropriate for the HBRIC Ltd board after the triennial Council elections.
38. The fees for HBRIC Ltd directors will be assessed using the same methodology that is used for other CCTOs, in accordance with the constitution (*see 12.1 of constitution – states Council can set independents and Council directors separately*) It is expected that an element of public service should be reflected in the final agreed fees.

39. HBRIC Ltd will then report to the Council with a recommendation with regard to the level of fees for the HBRIC Ltd board. When the Council considers this issue, those Councillors who are directors of HBRIC Ltd or any other CCTO may not take part in discussions or vote on the issue except where a declaration permitting Councillors to discuss and vote on the issue has been granted by the Auditor-General.
40. HBRIC Ltd will arrange and pay for directors' liability insurance, and indemnify each of the directors.

Removal of a director

41. The HBRIC Ltd Constitution provides that any director of HBRIC Ltd may be removed from office at any time by notice in writing from the majority shareholder (Council).
42. Without limiting the right of the Council in the constitution, the likely reasons which would justify removal of a director would be where a director:
 - 42.1. No longer has the confidence of the board or the Council
 - 42.2. Has breached ethical standards and this reflects badly on the board and/or Council
 - 42.3. Does not act in the best interests of the company
 - 42.4. Breaches the confidence of the board in any way including speaking publicly on board issues without the authority of the board
 - 42.5. Does not act in accordance with the principles of collective responsibility.
43. Where the HBRIC Ltd board has concerns regarding the behaviour of one of its directors it shall be considered first by the board and where necessary the board may recommend the removal of the director to the Council.
44. HBRIC Ltd may remove a director from any of its subsidiaries for similar reasons as set out above following referral to, and approval by, the Council.

Council-Controlled Organisations

Introduction

45. The Council has an interest in CCOs which are not trading organisation. These CCO's are Hawke's Bay Local Authority Shared Services and. These are not-for-profit bodies and, in contrast with the section that deals with CCTOs, Hawke's Bay Regional Investment Company Ltd has no involvement in monitoring or the director/trustee appointment process.

46. Appointments to a CCO are generally for a three year term, and are made after the triennial Council elections.

Identification of required skills, knowledge and experience of CCO directors, and appointment

47. The Council will determine the required skills, knowledge and experience for each appointment to these Council Controlled Organisations and make its appointments accordingly.

48. In general, the attributes required for directors of CCTOs will be applicable, but the weightings given to each attribute may vary according to the nature of the appointment.

49. In most cases, Councillors will be the appointees, but there may be instances where it is appropriate to appoint external directors or Council staff.

Remuneration of CCO directors

50. After each triennial Council election, the Council will determine whether there are any CCOs that may more properly be classified as CCTOs for the purposes of determining an appropriate level of remuneration. If any CCOs are so classified, the remuneration of their boards will be determined by HBRIC Ltd in accordance with the policy for CCTOs set out on page 6.

51. In all other cases, CO directors appointed by the Council will receive the remuneration (if any) offered by that body. Council staff members appointed to such bodies will not accept any remuneration.

Council Controlled Trading Organisations

Item 10

Attachment 1

Introduction

52. The Council has significant shareholdings, direct and indirect, in a variety of CCTOs. These all operate at arm's length from the Council on a commercial basis.
53. The Council may establish further CCTO'S during the life of the Policy.
54. HBRIC Ltd has been charged by the Council with monitoring and recommending new director appointments for Council approval in respect of the CCTO's in which HBRIC Ltd directly holds shares.
55. No directors will be appointed to CCTO boards other than through the process described in this policy.

Identification of required skills, knowledge and experience of CCTO directors

56. The required skills, knowledge and experience for director appointments to a CCTO board are assessed in the first instance by the Governance, Appointment and Remuneration Committee of HBRIC Ltd, in consultation with the Chairperson of the relevant CCTO. Reference is made to current governance best practice in this area, as encapsulated in the Institute of Directors' Principles of Best Practice for New Zealand Directors and other relevant material. External assistance may be used by HBRIC Ltd in some cases.
57. The mix of skills and experience on the CCTO board will be taken into account, and consideration given to complementing and reinforcing existing skills and reducing known weaknesses where necessary.
58. In general terms, the following qualities are sought in directors of CCTOs:
 - 58.1. Intellectual ability.
 - 58.2. Commercial experience.
 - 58.3. Understanding of governance issues.
 - 58.4. Sound judgement.
 - 58.5. High standard of personal integrity.
 - 58.6. Commitment to the principles of good corporate citizenship.
 - 58.7. Understanding of the wider interests of the publicly-accountable shareholder.
59. As a general principle, the Council would seek to appoint a person who, while meeting all of the above criteria, has particular strengths in terms of attribute 50.7.
60. It is expected that all appointees to CCTO boards will undergo, or already have undergone, formal corporate governance training, or have the requisite experience in this area.

Appointment process for CCTO directors

61. When a vacancy arises in any CCTO, the HBRIC Ltd Governance, Appointment and Remuneration Committee, having identified the skills, knowledge and experience required for the position (in consultation with the CCTO Chairperson), will then follow the process set out following.

Search

62. In most cases, a specialist consultant will also be contracted to assist with sourcing candidates and the initial evaluation.
63. In some circumstances, HBRIC Ltd may wish to appoint one of its own directors for a particular purpose.
64. If the HBRIC Ltd Governance, Appointment and Remuneration Committee, after consultation with the chairperson of a particular CCTO board, determines that there is a need for a Councillor on the board of that CCTO to bring the specific skills and relationships of a Councillor Director to the board, then the process of selection of candidates will be varied in the following manner.

64.1. The HBRIC Ltd Governance, Appointment and Remuneration Committee, assisted by a specialist consultant, will call for nominations from all interested Councillors and will interview all Councillors expressing an interest in an appointment to the CCTO and make an appointment in a manner which is consistent with this policy in all other respects.

64.2. If the term of appointment for a Councillor who is appointed under this clause is due for reconsideration in terms of the constitution of the CCTO they may be considered for reappointment by HBRIC Ltd without further consultation with Council under a process consistent with clauses 52 to 55.

64.3. Appointments of any Councillor appointed under this clause by HBRIC Ltd shall expire 31 March in the year following a triennial election.

64.4. If following the triennial local government election the appointee is not re-elected as a Councillor HBRIC Ltd will commence a process for selection of a new appointee to the board, which may or may not be a Councillor.

64.5. HBRIC Ltd will re-assess in consultation with the CCTO at no less than three yearly intervals whether there remains a need for a person to be appointed to the board who is specifically an elected Councillor.

64.6. If the HBRIC Ltd Governance, Appointments and Remuneration Committee determines there is an ongoing need for a Councillor on the board of that CCTO, the committee shall carry out a process consistent with paragraphs 16 – 23 of this policy to recommend the appointment of a Councillor to the CCTO.

64.7. This clause does not apply to appointments where a Councillor is appointed other than in accordance with this sub-clause.

Interview

65. Following the search process, the HBRIC Ltd Governance, Appointments and Remuneration Committee will draw up a short list of candidates.

66. Where appropriate the committee will co-operate with other shareholders in the selection process.

67. Each candidate will be interviewed by the committee. The committee will then decide its preferred candidate, check all references and report back to the full HBRIC Ltd Board for ratification.

Appointment

68. The HBRIC Ltd Board will then make a recommendation to the Council. The report will be “public excluded” in order to protect the privacy of the individual concerned. The Council will consider the report from HBRIC Ltd and make its decision.

69. Public announcement of the appointment will be made as soon as practicable after the Council has made its decision.

Reappointment

70. Where a director’s term of appointment has expired and he or she is offering him/herself for reappointment, a representative of the HBRIC Ltd Board (normally the Chairperson) will consult on a confidential basis with the Chairperson of the CCTO with regard to:

70.1. Whether the skills of the incumbent add value to the work of the board.

70.2. Whether there are other skills which the board needs.

70.3. Succession issues.

71. The HBRIC Ltd Governance, Appointments and Remuneration Committee will consider the information obtained and, taking into account the director’s length of tenure (see below), form a view on the appropriateness of reappointment or making a replacement appointment.

72. Where reappointment is considered appropriate then the HBRIC Ltd Board is authorised to approve it without further reference to the Council.

73. Where it is not intended to reappoint the existing incumbent, the appointment process outlined above will apply.

Length of tenure

74. CCTO directors will normally be appointed for periods of three years. Subject to a review of the director's performance after each three year period, the normal tenure for a director will be six to nine years. Following nine years of service, a director may be re-appointed for a further three years in special circumstances.

Chairpersons of CCTOs

75. It is the responsibility of the board of each CCTO to appoint its own Chairperson. However, normally the CCTO board will consult with HBRIC Ltd on the person to be so appointed, and where HBRIC Ltd considers it appropriate, it will give its view on who it considers to be the appropriate person to fill the Chairperson's position.

Remuneration of CCTO directors

76. HBRIC Ltd has been charged with monitoring and, where appropriate, recommending to Council for approval changes in remuneration levels for the boards of CCTOs.
77. Periodically HBRIC Ltd will review the level of remuneration made available to the boards of the CCTOs for distribution amongst directors on each board.
78. The fees will be reviewed on an overall basis for each CCTO, leaving the board of that CCTO to apportion the fee between board members as it sees fit. Under exceptional circumstances, HBRIC Ltd may approve an application from a CCTO for additional fees, for a special project.
79. In performing its review of remuneration, HBRIC Ltd will take account of the following factors.
- 79.1. The need to attract and retain appropriately qualified directors.
 - 79.2. The levels of remuneration paid to comparable companies in New Zealand.
 - 79.3. The performance of the CCTO and any changes in the nature of its business.
 - 79.4. Any other relevant factors.
80. In general, it is intended that boards of CCTOs will receive a level of remuneration that is competitive with the general market, while recognising that there will be differences from time to time, particularly in the period between reviews. Professional advice will be sought where necessary.
81. In the event of a Council or HBRIC Ltd staff member being appointed to a CCTO board, the fees for that appointee shall either not be paid or be paid to the Council or HBRIC Ltd, unless there are special circumstances. This reflects the employee being appointed as part of their existing position.
82. The Council also supports the payment by CCTOs of directors' liability insurance and the indemnification of all directors.

Napier Port

Introduction

83. This document sets out the policy in relation to the appointment and removal of directors to and from the Board of Napier Port Holdings Limited (**Napier Port**).

84. It is acknowledged that, as a company listed on the NZX stock exchange, Napier Port will be required to comply with all its obligations under law, including the Financial Markets Conduct Act 2013, and under the NZX Listing Rules. Where this policy and any applicable laws, stock exchange rules or regulations conflict, those laws, stock exchange rules or regulations will take priority.

Identification of required skills, knowledge and experience of Napier Port directors

85. The required skills, knowledge and experience for director appointments to the board of Napier Port will be assessed by the Chairperson of Napier Port. If considered necessary, the Chairperson of Napier Port may discuss any skills shortages with the Governance, Appointment and Remuneration Committee of HBRIC Ltd.

86. In assessing required skills, knowledge and experience for director appointments, the Chairperson of Napier Port will have regard to corporate governance best practice materials, including the NZX Corporate Governance Code and the Napier Port Board Charter and Corporate Governance Policies.

87. Subject to applicable laws and regulations (in particular, the Port Companies Act), a Councillor is entitled to be appointed to the Napier Port Board on merit.

88. It is expected that all appointees to the Napier Port Board will undergo, or already have undergone, formal corporate governance training, or have the requisite experience in this area.

Appointment process for Napier Port directors

89. The Napier Port constitution requires that:

- 89.1. there be a minimum of six directors on the Napier Port Board; and
- 89.2. that no more than two directors on the Napier Port Board be members or employees of a Harbour Board, territorial authority, regional council or united council that holds shares in Napier Port.

90. Pursuant to the constitution of Napier Port, and the NZX Listing Rules, directors may be appointed to the Napier Port Board in the following manner:

- 90.1. A director may be appointed to the Board of Napier Port by the Board in order to fill a vacant seat. Any director so appointed must then retire and is eligible to stand for re-election at the next annual shareholder meeting of Napier Port.
- 90.2. A director may be appointed to, and removed from, the Board of Napier Port by shareholders at a meeting in accordance with the NZX Listing Rules. Any Councillor may be nominated for appointment to the Napier Port Board, subject to the requirements of the NZX Listing Rules and the Port Companies Act 1988. HBRIC Ltd, as a shareholder in Napier Port, will, unless otherwise prevented by law, be entitled to vote on the appointment or removal of all Directors. [Wherever possible, HBRIC Ltd will review the skills, knowledge and experience of all candidates nominated for election or removal as a Director of Napier Port and HBRIC Ltd shall determine who the shareholding in Napier Port will be voted in respect of each such candidate. In doing so, HBRIC Ltd may solicit and take into account the views of Council.]

91. The Napier Port Board will ensure that, prior to the appointment taking effect, proper checks are conducted in respect of any director proposed to be appointed to the Napier Port Board and shareholders are given all relevant information on any proposed director in order to provide shareholders with a basis for an informed decision.

92. Any director appointed to the Board of Napier Port is automatically appointed to the Board of Port of Napier Limited.

Appointment

93. The Napier Port Board will procure that each new director enters into an appointment letter with Napier Port outlining the terms of that director's appointment. Such letter shall include a requirement for each director to comply with the Information Protocols agreed between Napier Port, HBRIC Ltd and Council (if applicable).
94. Napier Port will make a public announcement of the appointment of any director (including a determination in relation to his/her independence) in accordance with the Listing Rules.

Reappointment

95. Each director appointed by the Napier Port Board (as noted in paragraph 84.1 of this policy) will be required to and offer himself/herself for re-election at the first annual shareholder meeting following his/her appointment.
96. Each director appointed by shareholders (as noted in paragraph 84.2 of this policy) will be required to retire and offer himself/herself for re-election no later than the third annual shareholder meeting following his/her appointment.

Resignation of Councillor directors

97. Any director who is also a Councillor must resign from the Napier Port Board and the Port of Napier Limited Board within one month following any local body elections if that Councillor is not re-elected.
98. If there are already two Councillors or employees of the Council who are directors of Napier Port, if a director is appointed as a Councillor in a local body election, that director must resign from the the Napier Port Board and the Port of Napier Limited Board immediately in accordance with the Port Companies Act 1988 and the Napier Port constitution.

Chairperson of Napier Port

99. It is the responsibility of the board of Napier Port to appoint its own Chairperson. If considered appropriate, the Napier Port Board may discuss the appointment of its Chairperson with the Governance, Appointment and Remuneration Committee of HBRIC Ltd.

Remuneration of Napier Port directors

100. The remuneration of the directors of Napier Port will be approved by shareholders pursuant to the NZX Listing Rules. Payment of all such remuneration shall be the responsibility of Napier Port.
101. Napier Port will take out appropriate directors' liability insurance policies and provide an indemnity in favour of all directors.

Council Organisations

Introduction

102. The Council has non-controlling interests in numerous COs. These are not-for-profit bodies and, in contrast with CCTOs, Hawke's Bay Regional Investment Company Ltd has no involvement in monitoring or the director/trustee appointment process.

103. Appointments to COs are made for a number of reasons. These include:

103.1. To provide a means of monitoring where the Council has made a grant to that body.

103.2. To enable Council involvement where the CO's activity is relevant to the Council.

103.3. To satisfy a request from the CO that the Council appoint a representative.

103.4. Statutory requirements.

104. Appointments to a CO are generally for a three year term, and are made after the triennial Council elections.

105. The Council will endeavour to minimise the number of appointments where the benefit to the Council of such an appointment is minimal.

Identification of required skills, knowledge and experience of CO directors, and appointment

106. The range of reasons for the appointment of Council representatives to COs results in a wider range of desired attributes for appointees to these bodies.

107. The Council will determine the required skills, knowledge and experience for each appointment. Candidates are not restricted to Councillors – in some cases, it may be more appropriate to appoint Council staff or external people with affiliations to the Council.

Remuneration of CO directors

108. CO directors appointed by the Council will receive the remuneration (if any) offered by that body. Council staff members appointed to such bodies will not accept any remuneration.

Hawke's Bay Regional Investment Company Limited

Chairperson Succession Planning Policy

(This policy is specifically for the HBRIC Ltd Board Chair)

Adopted 26 March 2014

Introduction

In line with best practice, and in conjunction with the development of the policy on the appointment and remuneration of directors, this policy has been developed and is presented to Council for consideration and adoption.

Rationale for a succession plan

To provide for:

- Smooth transition through a planned approach
- Knowledgeable leadership of the board in the event of planned or unexpected retirement of the incumbent Chairperson
- Recognition that the term of any chairperson in that role is limited
- A Chairperson's desire to step down at any time, knowing that there is a person who is prepared to take over the role
- Appointment of a new Chairperson who should generally have knowledge of the Company.

Principles

- Directors would generally not be appointed for more than two (3 year) terms on a board
- A person appointed as Chair in their second term may be appointed for a maximum of six years as Chairperson unless in exceptional circumstances as agreed by the Council.
- Council and HBRIC Ltd will generally consider the need for a potential successor as they make each director appointment
- The selection process for all HBRIC Ltd board members, including the Chair, is the prerogative of Hawke's Bay Regional Council under the appointment policy.

Process

The Council Appointments Committee (refer Council policy on the Appointment and Remuneration of Directors) will work through succession planning for the Chair of HBRIC Ltd using the following process:

- Ensure that planning starts at least one year before planned retirement
- Discuss with current Chairperson their views on the date of their retirement and who would be a good successor
- Compose a list of required skillsets for the position following discussion (as appropriate) with the Chairperson and individual Board members and ascertain whether there is any obvious leader amongst the existing board
- Agree a timeframe of the new appointment allowing a bedding-in time of at least one year if the newly proposed Chairperson is new to the Board
- Interview/discussions with the preferred candidate to ascertain their availability for the Chairperson role
- Preliminary discussions will not guarantee appointment but give an indication that all things being equal, they will be the next Chair

General Skillsets Required

- Ability to maintain the trust of the Council
- Ability to maintain close, but independent working relationship with CEO
- Ability to harness the collective skills of the board and executive team to achieve the business objectives and maintain the confidence of the shareholders
- Ability to encourage all directors to have full participation in Board deliberations
- Ability to lead Board evaluation process
- Ability to demonstrate leadership and good interpersonal skills
- Ability to efficiently conduct Board meetings
- Ensure timeliness and relevance of information to the Board
- Ability to be the spokesperson for the company
- Integrity and credibility within the business community
- Ability to retain the confidence of the region and be able to build relationships within the region's networks.

Appendix 1

Item 10

**Hawke's Bay Regional Council Controlled Organisations
(As at 31 December 2019)**

Attachment 1

1. Companies in which Hawke's Bay Regional Council directly owns the shares

Hawke's Bay Regional Investment Company Ltd
--

2. Council Controlled Trading Organisations in which HBRIC Ltd holds shares*

Napier Port Holdings Ltd (which holds all of the shares in Port of Napier Ltd)

3. Council Controlled Organisations in which HBRC appoints Board members by virtue of a Company Constitution

Hawke's Bay Tourism Ltd

Hawke's Bay Local Authority Shared Services Company
--

Appendix 2

Council Representation on Outside Bodies**Council Appointments as at 31 December 2019**

Hawke's Bay Drought Committee	TBfree Hawke's Bay Committee
Hawke's Bay Tourism Board of Directors	Te Komiti Muriwai o Te Whanga (Ahuriri Estuary Committee)
The Hawke's Bay Future Farming Charitable Trust	

Attachment 1

Item 10

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

SUBJECT: SIGNIFICANT ACTIVITIES THROUGH FEBRUARY 2020

Item 11

Reason for Report

- The following commentary is provided for Councillors' information, to inform them of the status of significant areas of Council activity.

Significant Organisational Work Streams

NPS for Freshwater Management		
Project / Activity Description	Status / Milestones Update	Team & Group or Section
Outstanding water bodies plan change (PC7)	1. Publicly notified on 31 August 2019. Submissions close on 28 February 2020 and April RPC will be asked to make Hearing Panel appointments.	Strategic Planning Policy & Planning
TANK plan change (PC9)	2. RPC to workshop TANK plan change residual issues on 19 February 2020 with intent to take 'notification pathway' decision to April RPC. 3. "Supporting Water Quality Information for the Development of Limits and Targets by the TANK Group: Rivers and Streams" published	Strategic Planning Policy & Planning Integrated Catchment Management Water quality and ecology
Tukituki Plan Change Implementation	4. HBRC staff are continuing to work with landowners and primary industry stakeholders to ensure a consistent and timely consenting process. Application forms and supporting information are available online	Regulation Resource Consents
Mohaka Plan Change	5. Meetings with PSGEs scheduled for February 2020.	Strategic Planning Policy & Planning Team

Southern Catchment		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
General	6. 44 ha of eroding coastal hillside acquired at Aramoana (Te Ikatere) for erosion control to reduce sediment loss into Te Angiangi Marine Reserve. 7. Discussions underway to ensure appropriate hapū are represented in assessment of management options for the site. 8. Fencing (to replace existing farm fence) of the site is likely to occur after lambing in Oct 2020, due to fencing contractor availability.	Integrated Catchment Management Catchment Management
Public Transport	9. Two minor changes were made to Route 12 Napier-Hastings services on 2 December to help ensure services run on time.	Strategic Planning Public Transport

Southern Catchment		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
CHBDC Wastewater discharge consents	<p>10. Report on future actions to address CHBDC municipal wastewater discharges was provided to the Environment Court on 11 September, having been agreed to by both CHBDC and HBRC.</p> <p>11. Having been accepted by the Environment Court the actions proposed will now require further resource consents by CHBDC for new and amended discharges. Staff to meet 3 February to discuss implementation of the agreed strategies and funding</p>	Regulation Consents Compliance

Central Catchment		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Heretaunga Plains Scheme review	<p>12. Hydrodynamic modelling for Tutaekuri being constructed - to model 100yr, 200yr and 500yr flood scenarios, incorporating climate change.</p> <p>13. Communication and consultation plan being discussed with internal stakeholders</p> <p>14. Land matters being investigated for future engineering options.</p>	Asset Management Regional Projects
Clive River Dredging	15. Working through land issues and Iwi consultation including ongoing consultation with Hohepa and negotiating land availability for preferred land based dredge spoil disposal. The Property Group is assisting with the market valuation etc.	
Te Whanganui-ā-Orotu (Ahuriri Estuary)	16. A consultant engineer has been engaged to assess the risk of stream bank erosion and stream bed degradation of Wharerangi Stream and recommend engineering solutions with this work set to being in February.	Integrated Catchment Management Project Manager Environmental Hotspots
Lake Tūtira (Te Waiū o Tūtira, the Milk of Tūtira), HBRC partnership with Maungaharuru-Tangitū Trust, 2018-2022	17. It is anticipated that the Cultural Health Monitoring Tool will be ready for the first round of monitoring in February/March 2020.	Integrated Catchment Management Project Manager Environmental Hotspots
	<p>18. Kahakanui Stream Bridge geotech investigation complete and detailed design underway. Engineering cost estimate appeared higher than original budget so investigating alternatives.</p> <p>19. Both Tutira and Waikopiro have had reasonable seasons this summer, despite power operational issues troubling the air curtain, and a layer of algae persisting at around 10m depth in Tutira. It is difficult to predict whether algae levels will get better or worse for the remainder of the season.</p>	<p>Asset Management Regional Projects</p> <p>Integrated Catchment Management Environmental Science</p>

Central Catchment		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Gravel Management	20. Detailed design and procurement underway for proposed Maraekakaho River Access Road, with some minor construction work (culvert installation) to commence beginning of February. 21. Global gravel extraction consent conditions amended following submissions, and staff are meeting with all submitters to attempt to resolve issues to avoid the need for a Hearing. 22. Gravel allocation 2020-21 programme scheduled including consultation with extractors in Feb/Mar.	Asset Management Regional Projects/Schemes
Heretaunga Plains water take renewals	23. Takes from the Heretaunga Plains unconfined aquifer (approx. 200 lodged) expired 31 May 2018 and are being exercised under s124. These are being processed as a group, as requested by applicants. Report on the individual and combined stream depletion effects now received. Draft report being prepared for discussion with parties. Decision on notification pending.	Regulation Consents
Heretaunga Plains Urban Development Strategy & NPS for Urban Development Capacity	24. Future HPUDS Implementation Working Group meeting schedule for next triennium is being coordinated by Hastings District Council. 25. Quarterly reporting on urban development metrics as required by the NPS for Urban Development Capacity is ongoing. Reports published at www.hpuds.co.nz/resources . Latest completed publication is a Housing and Business Capacity Assessment Report as required by the NPS-UDC.	Strategic Planning Policy & Planning
HB Transport Study	26. Google study of travel time data is complete, NZTA to appoint a consultant for traffic model update.	Strategic Planning Transport Planning
Public Transport emissions reduction	27. Staff are developing proposals to mitigate carbon emissions.	Strategic Planning Public Transport
Bayview/Whirinaki track	28. Preliminary alignment and land matters under investigation, with initial communication with affected parties under way.	Asset Management Regional Projects
NZCT Priority Project Ahuriri Underpass Flooding Safety Issues	29. Working with NZTA around solutions – seawall plan is being finalised by OPUS for Southern End. Detour for Northern End using Watchman Rd while feasibility study takes place. Confirming how this is to be funded and timeline for building.	Asset Management Open Spaces

Northern Catchment		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
General	<p>30. Two new staff have been appointed for Wairoa as part of the Hill Country Erosion Project. Honey Lee Blakeney & Kaleb McCollum. The Gisborne based position is currently being re-advertised.</p> <p>31. A meeting is being organised with the Asset Management team and Wairoa District Council to discuss concerns over the location of the current Wairoa River mouth.</p> <p>32. The Wairoa Catchment team had a stand at the Wairoa A&P Show 24-25 January and received a steady stream of enquires. They will also be attending the East Coast Farming Expo on 26-27 February.</p>	Integrated Catchment Management Catchment Management
Predator Free Hawke's Bay	<p>33. Whakatipu Mahia team have secured additional resource to accelerate bait station layout for possum eradication on Mahia peninsula. A lot of 2019 was spent working hard on developing trainees, getting on the ground works set up and gear operational, and the additional resource will help keep the momentum going and accelerate progress.</p> <p>34. Whakatipu Mahia project coordinator development role has transitioned to the management of Rongomaiwahine Iwi Trust as we continue to maximise opportunities to build capability and for the community to lead within their own rohe, particularly for Iwi.</p> <p>35. The next hikoi for the Hikoi Tutuki series led by Kaumatua Trevor Taurima for the Poutiri Ao ō Tāne project will be in February. Normally these hikoi are based in the project area however this time they will visit a sister project Whakatipu Mahia.</p>	Integrated Catchment Management Catchment Services
Whakakī Lake (Sunshine, wetlands and bees will revitalize the taonga of Whakakī)	<p>36. The lake has had a continual algal bloom again this season, and locals are complaining about a foul smell (reminiscent of Tutira in bad years)</p> <p>37. Cultural Impact Assessments for the Freshwater Improvement Fund (FIF) Project have been completed on behalf of Iwitea and Whakaki Marae. These will be used to inform works and protocols for accidental discovery.</p> <p>38. An independent review of the implications of the FIF on local ecology is still being finalised.</p> <p>39. The Project Manager is working with the Whakaki Lake Trust to develop contracts for planting and weed control along the Rahui Channel</p>	Integrated Catchment Management Environmental Science
Nuhaka River Road	40. HBRC assisting WDC, as required, with consultation on preferred option.	Asset Management Regional Projects
WDC Wastewater discharge consent	41. Wairoa District Council wastewater discharge replacement consent application was notified on 10 August with the submission period closing on 13 September. 22 submissions were received by the closing date. A prehearing meeting was held on 17 October and a further prehearing is scheduled for 28 February	Regulation Consents

Open Spaces		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Te Mata Park	42. HBRC Works Group staff delivering 4 days a week service to the Trust, up from 3 days a week.	Asset Management Works Group
	43. Working with HDC, final plan is ready to go, to complete safer off-road section between existing off-road sections parallel to road, for all trail users. HDC to complete iwi consultation. One final easement is with lawyers and final negotiations regarding alignment with Te Mata Estate are progressing.	Asset Management Open Spaces
Hawea Historical Park / Karamu Stream Diversion	44. Draft park management plan prepared and under review. Management committee formed with monthly meetings underway.	Asset Management Open Spaces
	45. Trust Deed lodged with Māori Land Court – hearing held on December 5 2018. Decision from court remains outstanding.	Asset Management Regional Assets
Waitangi Regional Park	46. Earthworks for future marquee area completed and awaiting topsoil and grass. 47. Awaiting design for the access track and overflow car park.	Asset Management Regional Projects

Biosecurity / Biodiversity		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Biodiversity priority ecosystems	48. The Biodiversity team are currently working to protect 16 Ecosystem Prioritisation sites, including sand dunes, braided rivers, wetlands and mature indigenous forest	Integrated Catchment Management Biodiversity
Biodiversity priority ecosystems	49. BOPRC and HBRC are collaborating to capture high resolution aerial imagery over frost flats south of Lake Taupo which extend over both regions. The work is planned to commence soon when conditions are suitable (e.g. no fog). Frost flats are a historically rare ecosystem, developing in a harsh environmental conditions including long periods of frosts. It is a unique ecosystem that occurs nowhere else on the planet.	Integrated Catchment Management Biodiversity
Plant pests	50. The Pest Plant Team will be finishing the Saffron thistle and Phragmites control season and starting on Old man's beard and African feathergrass season.	Integrated Catchment Management Pest Management
Animal pests	51. Pakowhai semi urban possum project will be completed early Feb 2020 52. Wairoa semi urban project will be kicking off around mid Feb 2020 53. A trial of the new NZ Auto possum trap has started. These traps are be placed across the following DOC reserves (Elsthorpe, Tangoio & White pine scenic reserves). Early results are looking promising. 54. Possum maintenance has also started through the DOC margins at Lake Whatuma. Cullen Pest Control has contracted to carry out the above control.	Integrated Catchment Management Pest Management

Biosecurity / Biodiversity		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Fish ramps	55. We are continuing to identify and fix fish barriers around the region, with a fish ramp recently installed on the Mangarau Stream.	Integrated Catchment Management Water Quality & Ecology
Mechanical Excavation Review	56. Eel management review and new COP finalised with interagency taskforce working group. 57. Mechanical Excavation Programme 2019-20 assessment by NKII and HBRC staff in progress.	Asset Management Schemes

Significant Team and Section Work Streams

Environmental Science		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
LiDAR	58. Preferred LiDAR provider selected. Contracting process almost complete. Logistical details being discussed	Integrated Catchment Management Land Science
Sediment monitoring	59. Ten ISCO automatic sediment samplers purchased and awaiting installation as part of the ECS monitoring programme. Eventually having 20 samplers region wide to detect long term changes in sediment loads 60. Update of SedNet model to commence including upgrade of riverbank erosion component	
Erosion	61. Smarter Targeting of Erosion Control (STEC) modelling commences 62. Wind erosion monitoring oacross the Heretaunga Plains continues	
S-Map	63. Final and complete version of S-map completing entire region. Available online to the public from 1 September. Discussions with Comms team to publicly announce raise public awareness of this valuable resource.	
Riparian	64. Roll out of Riparian monitoring programme continues in Tukituki Catchment using drone imagery capture, on the ground cataloguing and desktop analysis	
Wetlands	65. Selection of permanent wetland monitoring sites in Mohaka Catchment completed (11 sites). Establishment of the sites will begin in February 2020 66. Regional wetland inventory nearing completion	
Waipunga Frost flat	67. Re-survey of Waipunga frost flats (very rare ecosystem). Still awaiting permit from DoC.	
Drought analysis	68. NIWA is analysing Hawke's Bay's risk to drought under climate change, with results due by June. The work looks at the frequency, intensity and timing of drought as depicted through changes in NIWA's NZ drought index.	Integrated Catchment Management Climate and Air

Environmental Science		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Marine and Coast activity review	69. Hawke's Bay Marine and Coast Advisory Group (HBMaC) is having multiple workshops in February and March to develop a systems map as part of the Sustainable Seas Hawke's Bay case study. The goal is understand how the main pressures on the coastal system interact with each other to determine which pressures the case study will focus on.	Integrated Catchment Management Marine and Coast
Marine and Coastal monitoring	70. The HAWQi water quality buoy is back in the water after servicing. Another, smaller, buoy is currently being assembled that we can move around the Bay to target water quality monitoring in areas requiring more detailed information.	
Marine and Coastal monitoring	71. Currently reviewing some of the coastal State of the Environment monitoring programmes to ensure they are meeting their objectives and capturing useful and quality data	
3D Aquifer Mapping	72. Helicopter survey has commenced in the Ruataniwha Basin and will continue (including Heretaunga and Otane/Poukawa) until end of February. Public enquiries and concerns have been received and managed effectively. Media attention is escalating, along with excellent PR campaign from HBRC MarComms.	Integrated Catchment Management Hydrology/ Hydrogeology
Ruataniwha groundwater and surface water modelling	73. Ruataniwha ground and surface water modelling underway, involving both science staff and external consultants to expedite the process. The first version of the model will be tasked with urgent tasks (e.g. effectiveness of rostering). We've developed a new framework for model development to enable the incorporation of new data sources (e.g. SkyTEM, LiDAR) into subsequent versions of the model	
Putere Lakes	74. A successful collaboration with Ngati Pahauwera has resulted in floating platforms installed in two of the Putere lakes to assist locals to collect water samples themselves. We are exploring options for other shallow lakes that are not currently monitored.	Integrated Catchment Management Freshwater and Ecology
Ecosystem Health	75. Sampling has progressed well this season because storm events have not disrupted sampling. This new programme collects a more holistic suite of variables to better categorise overall ecosystem health, and is consistent with the new requirements of the proposed essential freshwater package.	
Phormidium sampling	76. The new approach for communicating phormidium is progressing well. Currently working through feedback around comparing LAWA and council website results.	

Regulation		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Large/ significant application Processes	<p>77. Te Mata Mushrooms HBRC - HDC joint hearing issued their decision on Te Mata Mushroom on 20 December. This decision was to allow the activity to continue to operate, to upgrade on a specific time scale and to expand production once improvements are made and demonstrated to be effective in terms of no offensive odour.</p> <p>79. The decision is currently open to appeal. This period ends on 31 January.</p> <p>78. The applications lodged with HBRC & CHBDC for mushroom composting and production by Te Mata Mushrooms on a Mt Herbert Road Waipukurau site are on hold awaiting provision of more information.</p> <p>79. Omaranui landfill expansion application received and to be notified at the applicants request.</p>	Consents
Major consents on hold	<p>80. HBRC gravel extraction Ngaruroro, Tukituki, Waipawa and Tutaekuri. Applicant consulting with submitters.</p> <p>81. Landcorp and NCC consents for discharging stormwater and drainage water into the Ahuriri Estuary.</p> <p>82. Ruataniwha Tranche 2.</p> <p>83. Michael Glazebrook Trust. Water storage and Augmentation Scheme proposal. To take water from the Ngaruroro River at times of high flow to fill dams with the purpose of augmenting the Ngaruroro River and the Karamu Stream Catchment</p>	

Strategic Planning		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Ngaruroro River & Clive River Water Conservation Order (WCO) application	<p>84. Environment Court pre-hearing conference with all those wishing to take part in the proceedings is scheduled 24 January 2020. This is to ensure that proper preparations are made for the Hearing proceedings at a later date.</p> <p>85. Dates beyond 24 January are still to be confirmed.</p>	Strategic Planning Policy & Planning
Climate Change Action	86. Regional engagement programme under development, including preliminary liaison with city and district councils and iwi.	

Strategic Planning		
Project / Activity Description	Status / Milestones Update	Group /Team or Section
Statutory Advocacy (upcoming national direction from Central Government)	87. Presentation of HBRC's submission on RMA Amendment Bill 2019 to Select Committee scheduled 29 January 2020. 88. Government officials have invited staff to be involved in possible revisions to the proposed NPSs for Highly Productive Land and Urban Development. Joint HB council submissions on both were lodged in November 2019. 89. RMA Issues and Options Paper, submissions close 3 February 2020. 90. Proposed National Policy Statement for Indigenous Biodiversity (NPSIB), submissions close 14 March 2020. 91. Taumata Arowai – Water Services Regulator Bill submissions close 4 March 2020. 92. Urban Development Bill (follows on from Kainga Ora Homes and Communities Bill 2019), submission close 14 February 2020. 93. MfE now has a web-page dedicated to national direction instruments under the RMA: https://www.mfe.govt.nz/rma/national-direction/status-of-national-direction-instruments	
LGA Corporate Planning and Organisation Performance	94. Annual Plan 2020-21 – draft budget and early content to be workshopped by Council on 11 March 2020. 95. Long Term Plan project planning underway – approach and key dates to be workshopped by Council on 11 March 2020. 96. Continuous improvement of Organisation Performance Report. Working towards integrated financial/non-financial reporting.	Strategic Planning Strategy & Projects Team

Decision Making Process

- 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 the Hawke's Bay Regional Council receives and notes the **Significant HBRC Activities through February 2020** staff report.

Authored by:

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Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: DISCUSSION OF MINOR MATTERS NOT ON THE AGENDA

Reason for Report

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

Item	Topic	Raised by
1.		
2.		
3.		

Item 12

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

Subject: HBRIC LTD BOARD CHAIRPERSON APPOINTMENT

That Council excludes the public from this section of the meeting, being Agenda Item 13 HBRIC Ltd Board Chairperson Appointment 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	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
HBRIC Ltd Board Chairperson Appointment	7(2)s7(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.	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

Authored by:

**Leeanne Hooper
GOVERNANCE LEAD**

Approved by:

**Jessica Ellerm
GROUP MANAGER CORPORATE
SERVICES**

**Joanne Lawrence
GROUP MANAGER OFFICE OF THE
CHIEF EXECUTIVE AND CHAIR**

**James Palmer
CHIEF EXECUTIVE**

Item 13

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 29 January 2020

SUBJECT: CONFIRMATION OF PUBLIC EXCLUDED MINUTES OF THE REGIONAL COUNCIL MEETING HELD ON 18 DECEMBER 2019

That the Council excludes the public from this section of the meeting being Confirmation of Public Excluded Minutes Agenda Item 14 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	GROUND UNDER SECTION 48(1) FOR THE PASSING OF THE RESOLUTION
HBRIC Ltd and Napier Port Holdings Ltd Director Appointments	S7(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. s7(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.
Long Term HBRC Staff Accommodation Options	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.
HB CDEM Office building lease renewal	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.

Authored by:

**Leeanne Hooper
GOVERNANCE LEAD**

Approved by:

**James Palmer
CHIEF EXECUTIVE**

Item 14