



Meeting of the Hawke's Bay Regional Council

Date: Wednesday 27 January 2021
Time: 11.00am
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

ITEM	TITLE	PAGE
1.	Karakia /Welcome /Apologies /Notices	
2.	Conflict of Interest Declarations	
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6.	Call for Minor Items Not on the Agenda	15
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7.	Regional Economic Development Review	17
8.	Affixing of Common Seal	27
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9.	Report from the 4 December 2020 Hawke's Bay Drinking Water Governance Joint Committee Meeting	29
10.	Report from the 11 December 2020 Regional Transport Committee Meeting	31
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12.	Discussion of Minor Matters Not on the Agenda	35

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

SUBJECT: SIGNIFICANT ORGANISATIONAL ACTIVITIES LOOKING FORWARD THROUGH FEBRUARY 2021

Item 4

Reason for Report

1. The commentary following is for Councillors' information, to highlight significant areas of Council activity. Significant Council resources are being directed toward various initiatives which reflect the Council's evolving agenda and it is considered important that Council is consistently informed on progress in areas that have or may create a high external profile.

Whole of Region		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Recreational Water Quality	1. The <i>Swim Through Summer</i> Recreational Water Quality monitoring programme continues through to mid-March, with results provided to lawa.org.nz and available via the LAWA website.	Marine & Coast; Environmental Information
2021-31 Long Term Plan development	2. The 10-year budget for the 2021-31 LTP is on track for review and approval by Council in late Jan/early Feb respectively. The draft Consultation Document (CD) and supporting information will be workshopped with Council through February/March with the intention to adopt for consultation on 24 March. Auditing of the underlying assumptions as well as asset, financial and performance information and the draft CD is underway by AuditNZ.	All Groups
Risk Maturity	3. Risk appetite workshop with Exec and Councillors scheduled 17 March 2020 is being reviewed due to ongoing border closures restricting 'in person' attendance by the preferred workshop facilitator who is Australian based. 4. Development of enterprise risk bowties to synthesise risks and controls continues with 6 of the 13 risks completed to date 5. Refreshed enterprise risk report and progress update on audit finding corrective actions due to FARS on 17 February 2021. 6. HBRC Internal Assurance Framework is drafted with ELT approval to be sought in March 2021.	Risk and Assurance
People & Capability (including Health & Safety)	7. For by the end of January 2021, 9 new staff will have joined Council (7 permanent and 2 fixed term roles). 8. Recruitment and selection processes have continued to be a priority for the team with a number of roles currently in process spanning January and February. 9. One area of focus for H&S is 64 Health and Safety Codes of Practice in final stage of review.	People & Capability
Outstanding Water Bodies Plan Change (PC7)	10. Hearings were held in the first week of December 2020. It is anticipated that the Panel could issue a decision prior to Easter 2021, but no date has yet been formalised.	Strategic Planning Policy & Planning
Regional Land Transport Plan	11. The Regional Transport Committee adopted the draft Land Transport Plan for consultation beginning end January for a period of 4 weeks with Hearings to be scheduled in March.	Strategic Planning Transport

Whole of Region		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Catchment Services	<p>12. The Pest Plant team have been working closely with the Asset Management team in ceasing all gravel extraction between the confluence of the Waipawa and Tukituki Rivers downstream to the Tukituki River mouth due to the presence of Chilean Needle Grass. Alternative gravel extraction sites have been offered to gravel extractors. Work will be undertaken to develop procedures to allow gravel extraction to resume in the future whilst managing the risk of spreading Chilean needle grass.</p> <p>13. The Pest Animal Team are currently following up with 15 land occupiers that have failed their PCA possum monitor, primarily in Central Hawke's Bay.</p> <p>14. TB update: Currently 15 herds infected in Hawke's Bay with a further 4 herds under investigation. Number of infected herds is decreasing The injunction lodged by Nigel Baker to prevent proposed possum control being undertaken on Tatarakaia C block has been dismissed in the Maori Land Court. OSPRI can now resume their operation to eradicate TB.</p> <p>15. HB Coastal Bird survey is underway with 245km of coastline completed thus far. Although the data has yet to be analysed, more NZ dotterel have been recorded than ever before, with 100km of coast still to complete.</p>	Integrated Catchment Management Biosecurity/ Biodiversity
Predator Free Hawke's Bay	16. Progress continues on the bait station layout for Whakatipu Mahia. Wireless trap monitoring for the proof of possum absence on phase one of the peninsula will begin.	ICM - Biosecurity/ Biodiversity
PW&ER Fund - Hapara Takatu, H&S and ECS/CRM	<p>17. MFE Public Waterways and Ecosystem Restoration Fund projects – riparian fencing projects that will by default provide areas for future riparian planting are currently underway. This fencing is providing employment for both fencers (new and old) and materials wholesalers, to allow for the completion of this work.</p> <p>18. Catchment Delivery staff are being trained in the use of drones to provide (in certain circumstances) a safer option when considering travel across farms. This will primarily be used for the fencing inspections when signing off work, efficiencies and also for imagery that can be used for reporting and presentations.</p> <p>19. Catchment Delivery staff and ICT are working closely on resolving some of the current reporting and forecasting issues identified for managing the ECS budget.</p> <p>20. Catchment Delivery staff are currently working through adjustments to the ECS grant rate, the potential for project \$ capping and works prioritisation now required given the high demand for the ECS grant.</p>	ICM – Catchment Delivery
Protection and Enhancement Fund	21. Resource consent has been granted for the construction of the Kahikanui sediment detention bunds that are one of the key deliverables of the Te Waiū o Tūtira FIF Project. Delivery of this work has now been passed on to the Asset Management Team and will be completed during summer/autumn.	ICM – Catchment Delivery
Environmental DNA and koi carp	22. Ongoing development and adaptation of eDNA technology for environmental monitoring purposes has resulted in the detection of koi carp in Hawke's Bay. Eradication has commenced. A further report of koi carp in a stream was investigated with eDNA and found to be goldfish, which are of little concern.	ICM – Env. Science, Biosecurity/ Biodiversity

Whole of Region		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Statistical riparian survey	23. High resolution aerial photography (2cm resolution) being collected from 217 sites across the region. This will form the basis of a statistical model describing the condition of riparian margins across the region.	ICM - Land Science

Northern Catchment		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Mohaka Plan Change	24. Work is ongoing with Ngāti Pāhauwera and the project team to progress the co-design of the plan. This follows on from a series of iwi/HBRC led community meetings/hui held in December 2020.	ICM - Catchment Policy Implementation
Wairoa/Mahia	25. Wetland SoE monitoring site establishment continues into the Wairoa and Mahia areas.	ICM - Land Science
FIF Whakakī	26. Two Hui-a-Hapū to improve engagement with the whanau and community are scheduled on 28 January 2021. 27. Revised Whakakī website and water quality dashboard is almost live and will provide a source of reliable information on various issues including the Freshwater Improvement Fund workstream for direct access by the Whakakī community	ICM - Catchments Delivery, Environmental Information & Science Māori Partnerships & Marcomms.
Area Manager Activity	28. Focus has been on supporting the Mohaka Plan Change, Whakakī Freshwater Improvement Fund, Te Kupenga and coordinating the Tripartite Governance meeting over the last month. 29. Engagement with Te Puni Kōkiri, Tātau Tātau o Te Wairoa, Tangata whenua representatives for Mohaka, Whakakī Lake Trust re the appointment of the new WDC Māori Standing Committee representatives, MPI & WDC. 30. A Tripartite meeting is scheduled for 20 January between the governors of Tātau Tātau o Te Wairoa, Wairoa District Council and HBRC. This will be followed up shortly with a hui to bring operational teams together. 31. A follow up meeting (scheduled on 12 February) with the Our Land & Water, National Science Challenge "Whitiwhiti Ora" project team to further explore avenues of opportunity for projects in Wairoa with Tripartite partners. 32. A Wairoa Community Partnership Group hui is scheduled for 3 February.	Māori Partnerships
WDC Wairoa Wastewater discharge consents	33. Hearing of the application by WDC to continue the discharge of wastewater to the Wairoa River was held 30 November & 1 December 2020. The panel has adjourned the hearing awaiting the applicant's provision of interim closing submissions by 29 January. Expert conferencing is anticipated following this.	Consents

Central Catchments		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
TANK plan change (PC9)	34. Environmental science is preparing technical responses to many submissions received on the TANK plan change 35. Staff are preparing the S42a reports in preparation of the hearings which are scheduled for May-June 2021	Policy & Planning

Central Catchments		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Ngaruroro & Clive Rivers – Application for Water Conservation Order	36. Rebuttal evidence for hydrology and water quality/ecology submitted 14 January 37. Environment Court hearing is set down for 9-19 February 2021.	ICM – Env Science
Heretaunga Plains Scheme review	38. Modelling of the Tutaekuri and Ngaruroro Rivers complete. There are no significant issues to report on with regards to containing a 1 in 500 year event, however this excludes the effects of climate change. Climate change effects will be assessed at a later date, allowing for additional data to minimise the risk of over design. 39. Modelling of the Lower Tukituki river has now commenced, this will be completed March 2021	Asset Management Regional Projects
Flood Control Schemes	40. Resilience Funding PDU projects: A pilot study of geotechnical testing on Taradale stopbank will commence this month. This will form the basis of a methodology for geotechnical assessments of stopbank across the HPFCS. 41. Moteo stopbank geotechnical assessments will follow on from the Taradale site, results from these assessments will form the basis of scope of works for engineered strengthening works at both sites 42. Prioritisation of other key sites for HPFCS shall be determined based on river modelling outputs, condition assessments and consequence of failure of assets early in February.	Asset Management Engineering Regional Projects
Lake Tūtira	43. Kahikanui stream bridge is currently being fabricated off-site. The physical works on site will commence in March 2021 44. Concentrations of potentially toxic algae have remained low in Tūtira – we are revisiting guidance around the swimming risk with partners. 45. Sediment dam delivery is expected to be completed by March 2021.	Asset Management Regional Projects ICM - Freshwater quality and ecology
Tūtira	46. Tutira Catchment characterisation with an emphasis on detecting phosphorus sources and transport pathways underway. Also looking at Historic versus current contributors	ICM - Land Science
Gravel Management	47. Global gravel extraction resource consent had a final prehearing and all conditions have been agreed on. The application has been submitted for processing.	Asset Management Consents
Heretaunga Plains water take renewals	48. 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 and are being kept on hold while the TANK Plan Change advances.	Regulation Consents
NCC / HBRC Westshore tidal gates and NCC Lagoon Farm stormwater discharge consents	49. Draft consents conditions have been circulated to the applicants and Consents are waiting for final feedback.	Regulation Consents

Central Catchments																										
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section																								
Incidents and Enforcement	<p>50. Pollution Response and Enforcement received 515 incidents (Air 335, Land 84, Surface water 73, Coastal 21, Ground Water 2) logged through our hotline for the period 1 July 2020- 20 January 2021.</p> <p>51. Total infringements for year to date 1/7/20 – 20/1/21 = 39</p> <table border="1"> <tr> <th>Infringement no.</th><th>RMA section breached</th><th>Discharge of contaminants to:</th></tr> <tr> <td>4</td><td>15(1)(a)</td><td>Water</td></tr> <tr> <td>6</td><td>15(1)(b)</td><td>Land where may enter water</td></tr> <tr> <td>1</td><td>15 (1)(c)</td><td>Industrial or trade premises to air</td></tr> <tr> <td>5</td><td>15(1)(d)</td><td>Industrial or trade premises to land</td></tr> <tr> <td>20</td><td>15(2A)</td><td>Air or land where breaches our RRMP</td></tr> <tr> <td>1</td><td>22(2)</td><td>Failure to supply information (name and address) to an enforcement officer</td></tr> <tr> <td>2</td><td>338(1) (c)</td><td>Breach of Abatement Notice</td></tr> </table> <p>52. Ten active prosecutions-initiated year to date (20/01/21) at various stages, which we are unable to comment publicly on.</p>	Infringement no.	RMA section breached	Discharge of contaminants to:	4	15(1)(a)	Water	6	15(1)(b)	Land where may enter water	1	15 (1)(c)	Industrial or trade premises to air	5	15(1)(d)	Industrial or trade premises to land	20	15(2A)	Air or land where breaches our RRMP	1	22(2)	Failure to supply information (name and address) to an enforcement officer	2	338(1) (c)	Breach of Abatement Notice	Regulation Compliance & Enforcement
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Hawea Historical Park / Karamu Stream Diversion	<p>53. Hawea Park Draft Management plan is drafted and under review with HBRC. Awaiting cultural information from committee.</p> <p>54. Stage 3 of the development is underway with widening and enhancement to be completed by July 2021.</p>	Asset Management Open Spaces Regional Assets																								
Waitangi Regional Park	<p>55. Stage 3 of the development including vehicle access to the river, public toilets and finalising marquee under way with some final planning and investigation work.</p>	Asset Management Regional Projects																								
NCC Municipal Wastewater	<p>56. NCC has completed repairs on the 630m leak and completed a seal replacement on the onshore discharge chamber. Repairs to the 700m leak were unable to be completed prior to the Christmas breaks due to inclement weather. HBRC have extended the abatement notice for the repairs to 28 February 2021. Repairs are anticipated to be completed within this timeframe, weather permitting.</p> <p>57. During the 9 November 2020 flood event, NCC discharged wastewater into the Pirimu and County waterways over approximately 57 hours. HBRC was notified prior to commencement and environmental sampling was undertaken by NCC before, during and after the event. NCC undertook the discharge in accordance with section 330(1)(f) of the RMA & no further action will be taken by HBRC.</p>	Regulation Compliance & Enforcement																								
Omaranui Landfill expansion	<p>58. The resource consent applications for the Omaranui Landfill expansion were notified on Tuesday 19 January 2021. Submissions close Wednesday 17 February 2021.</p>	Regulation Consents																								
Clive River Dredging and discharge of dredgings	<p>59. Asset Management is planning to dredge the lower reaches of the Clive river and resource consent applications have been lodged for the dredging and the discharge of dredged material. The application has been assessed by external consultants. Further information is to be requested for this application by the Consents section.</p>	Asset Management Regulation Consents																								

Southern Catchments		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
CHBDC Wastewater discharge consents	<p>60. CHBDC completed the removal of ineffective wetland treatment systems at Waipawa/Waipukarau WWTP as part of required upgrades under the enforcement order. An improvement in treatment quality has been noticed in sampling to date.</p> <p>61. The upgrades will be completed in 9 phases across 5 projects, more information can be found here.</p>	Regulation Consents & Compliance
Production land use consents - Tukituki catchment	<p>62. To date 22 complete production land use activity consents have been lodged. Letters have been sent to farmers/applicants informing them of the new deadline of 26 February 2021 for lodgement of Tukituki land use resource consent applications.</p> <p>63. The Council approach (set out in the Procedural Guidelines) was reviewed and advice sent to a group of landowners in response to their criticism of this process. The review and advice have confirmed Council's approach as set out in the guidelines and the community has been advised.</p> <p>64. Compliance staff have identified seven remaining properties that still have not provided a farm environmental management plan (FEMP). Consideration of options including enforcement is being worked through to address the outstanding FEMPs.</p>	Regulation Consents & Compliance
Upper Tukituki Flood Control Scheme	<p>65. Waipawa river erosion above SH50. Concrete akmons have been fabricated and are stockpiled on site. Works group will mobilise in mid-February to commence construction of groynes.</p> <p>66. Upper Tukituki gravel extraction. Formation of new river accesses late 2020, UAV survey of Mangaonuku, Makaretu and Tukipo nearing completion, material testing of all rivers due to commence February,</p>	Asset Management Regional Projects
Tukipo Wetland	<p>67. Construction of Constructed wetland in Tukipo due to commence last week of January.</p> <p>68. Resource consents for this are currently being processed and are on schedule to be issued in advance of this.</p>	ICM – Environmental Science: Water Quality & Ecology Consents
Pōrangahau Catchment	69. Catchment characterisation focusing on sources of sediment loss and <i>E.coli</i> underway.	ICM - Land Science
Farm Environment Management Plans (FEMPs)	70. Updates of FEMPs in the Tukituki catchment will be due by 26 February for those requiring consents. Others are due to be updated by the end of May. Activities and communications with farmers and farm plan providers over the next few months are focused on people achieving these updates by the key dates.	ICM - Catchment policy Implementation
Silver Fern Farms Takapau consents	71. Consents for Silver Fern Farms to discharge process water from the Takapau Meat Processing Plant are in process. The applications were notified on 23 Jan 2021 and submissions will close 22 Feb.	Consents
Tranche 2 consents	72. Applicants seeking Tranche 2 water have submitted modelling results for taking and offsetting effects on the environment. HBRC has provided feedback on these. Report to be finalised by the applicant and submitted with an updated AEE by March.	Consents

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 Looking Forward through February 2021*** staff report.

Authored by:

Mike Alebardi
TEAM LEADER POLLUTION RESPONSE & ENFORCEMENT

Mary-Anne Baker
ACTING TRANSPORT MANAGER

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TEAM LEADER COMPLIANCE - URBAN & INDUSTRIAL

Desiree Cull
STRATEGY AND GOVERNANCE MANAGER

Peter Davis
MANAGER ENVIRONMENTAL INFORMATION

Ben Douglas
FOREST MANAGEMENT ADVISOR

Dean Evans
MANAGER CATCHMENTS DELIVERY

Craig Goodier
TEAM LEADER ENGINEERING

Martina Groves
MANAGER REGIONAL ASSETS

Gavin Ide
PRINCIPAL ADVISOR STRATEGIC PLANNING

David Keracher
ACTING MANAGER REGIONAL PROJECTS

Campbell Leckie
RTRP AFFORESTATION LEAD

Helen Marsden
RISK AND ASSURANCE LEAD

Kirsty McInnes
SENIOR ADVISOR HEALTH AND SAFETY

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Mark Mitchell
ACTING MANAGER CATCHMENT SERVICES

Liana Monteith
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Thomas Petrie
PROJECT MANAGER ENVIRONMENTAL HOTSPOTS

Dr Jeff Smith
MANAGER SCIENCE

Approved by:

Katrina Brunton
GROUP MANAGER POLICY & REGULATION

Iain Maxwell
GROUP MANAGER INTEGRATED CATCHMENT MANAGEMENT

James Palmer
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

Subject: FOLLOW-UP ITEMS FROM PREVIOUS REGIONAL COUNCIL MEETINGS

Item 5

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 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 Council receives and notes the "*Follow-up Items from Previous Regional Council Meetings*" staff report.

Authored by:

Leeanne Hooper
TEAM LEADER GOVERNANCE

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

- [!\[\]\(54a282d3ed55c9b1ac66d6fb81d5de2b_img.jpg\) 1](#) Follow-ups from Previous Regional Council Meetings

Follow-ups from previous Regional Council Meetings

Meeting held 16 December 2020

	Agenda Item	Action	Responsible	Status Comment
1	Report and Recommendations from the Corporate and Strategic Committee	2019-20 Annual Compliance report published to HBRC website	Webmaster /K Brunton	Some minor amendments need to be made before it is published to the HBRC website – expected by end of January 2021
2.	Pettigrew Green Arena Car Park	Regional Indoor Sport and Events Centre Trust provides a robust indemnity and assumption of full liability and risk relative to any private property exposure generated by the types of potential flood events forecast for the site to Hawke's Bay Regional Council for agreement and signing	J Palmer	Asset Management Staff have met with the Trust and are currently awaiting a proposal from them for the development.
3	Pettigrew Green Arena Car Park	Submission to NCC PGA expansion resource consent process prepared and submitted, requesting conditions of consent to include: 1. certification by an independent engineer that the selected carpark development will not affect the integrity of the stopbank and level of flood protection provided, to the satisfaction of the HBRC Group Manager Asset Management, including integration with HBRC's own proposed programme of works; 2. minimum number of carparks to actual needs and in accordance with the National Policy Statement for Urban Development; 3. flood response management plan including flood warnings and signs warning carpark users of associated risks; 4. environmental off-setting and mitigation in the development to enable biodiversity and public river access benefits; and 5. Archaeological and cultural impact assessments are undertaken prior to implementation.	C Dolley	As above. The Trust has yet to submit a resource consent application to NCC.

Item 5

Attachment 1

	Agenda Item	Action	Responsible	Status Comment
4	Minor items for discussion	Report on the status of the Mayoral Napier Flood Relief fund	I Macdonald	The current fund was fully allocated just prior to the end of 2020 and the fund is no longer receiving applications. If a further fund is established in the new year NCC will advise of this.
5	Minor items for discussion	Use Council's Māori name – Te Kaunihera ā Rohe o Te Matau a Māui – more prominently on all brands and in all communications / publications	J Ellerm/ D Broadley	To be actioned by Marcomms team on return from holiday leave
6	Minor items for discussion	Reporting of LGOIMA requests received to Council to resume	L Hooper	To be included in the Quarterly Organisational Performance reports beginning with first instance being 30 September – 31 December 2020 report to be presented to March Corporate & Strategic Committee meeting

Meeting held 25 November 2020

	Agenda Item	Action	Responsible	Status Comment
7	Significant Organisational Activities	Whakaki Catchment Pilot Project case studies investigating the costs of implementing farm plans, NPFSM reforms and ETS obligations while looking for opportunities to boost profitability and productivity to go to a future EICC meeting when ready	N Heath	Item scheduled on May Environment & Integrated Catchments Committee agenda in anticipation of report being finalised in March 2021.
8	Significant Organisational Activities	Circulate the draft conditions for the NCC / HBRC Westshore tidal gates and NCC Lagoon Farm stormwater discharge consents to councillors for information	M Miller	Distributed 15 December 2020.
9	Report from the Environment and Integrated Catchments Committee	Provide the potential financial implications of decisions to harvest, or not, Tūtira Regional Park and Tangoio Soil Conservation Reserve to councillors.	B Douglas / R Franklin	The information was collated and distributed to Councillors in memo emailed 21 January 2021.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

Subject: CALL FOR MINOR ITEMS NOT ON THE AGENDA

Item 6

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 27 January 2021

Subject: REGIONAL ECONOMIC DEVELOPMENT REVIEW

Item 7

Reason for Report

1. This item presents the findings and recommendations of the *Review of Local Government Investment in Business and Industry Support across the Hawke's Bay Region* undertaken by the Giblin Group for the five Hawke's Bay councils. It is being presented directly to Council as there is urgency in the need to progress the next stage of work and the next Corporate and Strategic Committee meeting is not scheduled until 3 March 2021. A briefing on the preliminary findings of the review was provided by the Giblin Group to Council in a workshop on 7 October 2020.

Officers' Recommendations

2. Staff recommend that Council notes and considers the findings of the review and supports a further phase of work to develop a detailed proposal for a new Regional Economic Development Platform. Staff also recommend Council supports working with the other four councils to keep the Hawke's Bay Business Hub open with the potential assignment of the lease to one of the five councils.

Executive Summary

3. This review was commissioned by the five Hawke's Bay councils in August 2020 and stems from a Local Government Act (2002) s.17A requirement to review the cost effectiveness of Council arrangements for delivering services on a periodic basis.
4. In commissioning the Review, the councils' Chief Executives recognised that there might be opportunities to improve regional coherence of economic development investments and wanted a clearer picture of this in order to inform Long Term Plan processes starting from late 2020. Disruption arising from the Covid-19 pandemic resulted in later commissioning and completion of the review than had been anticipated and therefore there is insufficient time to finalise decisions in response to the review for incorporation in current 2021-2031 Long Term Plan processes. However, staff recommend the work continues for the reasons set out in this agenda item.

Key Findings and Recommendations

5. The Giblin Group review finds there are no major gaps in the types of services being delivered and current services are based on addressing issues or leveraging opportunities that are broadly aligned with the role of local government. The current services are generally being delivered efficiently and typically provide a good return on investment. However, current services are often sub-scale and not well coordinated, and as a consequence the region is missing opportunities to leverage central government funding and undertake activities that have the scale or agility to capture the opportunities available to the region. Hawke's Bay Tourism Limited (HBTL) is the exception to these concerns as it currently has the scale, focus and connectedness to deliver the destination marketing function of the region effectively.
6. The Review finds that there is a case for change to improve clarity over roles and functions, increase collaboration and coordination, and to invest in increased capability and capacity to deliver services that support business and industry development.
7. Business Hawke's Bay's (BHB) financial sustainability was highlighted as an issue in the Giblin Group report and at the time of writing the Board of BHB was undertaking formal consultation on a proposal to wind up the organisation. The five Hawke's Bay Councils have expressed their commitment to work with Business Hawke's Bay to keep the Business Hubs open and the potential assignment of the lease to one of the five councils. To support Business Hawke's Bay's process it is proposed that the councils

will develop and agree a transition plan with Business Hawke's Bay for any such eventuality.

8. On the basis there is a strong case for change the Review has provided 14 key recommendations outlined in the report. In summary these recommendations would see the region's councils working with Treaty Partners and the wider community to develop a new non-tourism regional economic development entity, in the form of a joint Council Controlled Organisation (CCO), with the increased investment of approximately \$1.6 million to ensure the entity has the scale and mandate to better guide and direct economic development activity to priority areas and issues.
9. It is proposed that the new CCO would pick up the current functions of BHB, including retaining the operation of the Hawke's Bay Business Hub, and operate a 'hub and spoke' model working across the region. Embedding a focus on Maori economic development within the entity is recommended, hence the need for co-design with Treaty Partners.
10. The Review recommends giving consideration to embedding the Regional Business Partners programme, currently hosted by the Regional Council, in the new CCO. This would require Central Government agreement and at present the Government is undertaking a review of the delivery of these services which may determine whether or not this recommendation can be considered or not.
11. The Review also recommends reviewing the operation of Matariki, including the governance, developing an impact framework, and increasing resourcing. Further review of the 'Great Things Grow Here' brand and the region's venue and community facilities is also recommended, and exploring wider use of the currently visitor-focussed website www.hawkesbaynz.com.

Next steps

12. The Chief Executives intend commissioning Giblin Group to develop the next stage of the review process to develop a more detailed new operating model and transition plan, which will be co-designed with Matariki Partners and other regional stakeholders. When the next stage of the review process is completed a further and final report will be brought to Council to seek decisions to formally undertake community consultation on the options and preferred recommendations. This is expected mid 2021.
13. If Business Hawke's Bay does decide to wind up its operations the councils will work with BHB to ensure a transition of the entity's functions into the new operating model, including ensuring the Hawke's Bay Business Hub continues to operate.

Background

14. In July 2020 the Chief Executives of the five Hawke's Bay councils commissioned Giblin Group to undertake a Local Government Act (2002) s17A review of Hawke's Bay Council-funded, non-statutory activities that are focussed on business, industry and sector development. The specific activities and services that were in scope of this review were:
 - 14.1. Business development activities, such as business information and referral services and business capability support
 - 14.2. Skills building, attraction and retention initiatives
 - 14.3. Innovation, commercialisation and R&D support
 - 14.4. Investment promotion and attraction
 - 14.5. Destination marketing and management and events
 - 14.6. Sector development initiatives and cluster facilitation
 - 14.7. Economic development and economic wellbeing strategy development, intelligence and monitoring

- 14.8. Strategy/action plan programme management, coordination, communications, monitoring and reporting (i.e. largely the activities involved in supporting and implementing the Matariki Hawke's Bay Regional Development Strategy).
15. The Review was commissioned following a request from Business Hawke's Bay for additional funding and subsequent desire to review the cost effectiveness of Council arrangements for delivering business, industry and sector development activities and services and to consider any opportunities to improve regional coherence of this sub-set of economic development investments.
16. Hawke's Bay councils were seeking an assessment of:
 - 16.1. The role of local government in economic development and economic wellbeing in the region, based on an analysis of:
 - 16.1.1. Challenges and opportunities facing the Hawke's Bay economy
 - 16.1.2. Rationales for local government activities in economic development and economic wellbeing
 - 16.1.3. The landscape in which various actors and mechanisms play a role in the regional economic development system
 - 16.1.4. Legislative and central government expectations.
 - 16.2. Economic development and economic wellbeing activities, identifying strengths, weaknesses and any relevant gaps in the activities, based on:
 - 16.2.1. The Councils' objectives, priorities and performance targets
 - 16.2.2. Identifying any overlaps/duplication and/or gaps across Councils' and key organisation's activities
 - 16.2.3. The role non-Council parties play in the regional economic development system
 - 16.2.4. An assessment of the efficiency of current arrangements and the benefits of the activities versus costs
 - 16.2.5. An assessment of the overall effectiveness of the current delivery models of the five Councils and key delivery organisations, including governance arrangements, funding arrangements and current economic development and economic wellbeing reporting and accountability mechanisms.
 - 16.3. Options for future economic development and economic wellbeing delivery arrangements, based on clear criteria, and recommendations for any changes in functions, form and funding.
17. The Giblin Group report *Review of Local Government Investment in Business and Industry Support across the Hawke's Bay Region* summarises the findings and recommendations of this Review.

Discussion

Current Investment in Activities and Services

18. In terms of the investment Hawke's Bay ratepayers are making in business, industry and sector development the Review finds:
 - 18.1. In total HB Councils are investing just over \$10m in business support and industry development related services and activities
 - 18.2. Just under half of this is directed to the i-Sites, the Napier Convention Centre and Toi Toi. *[Note – these have been included given their roles in regard to visitor attraction/promotion and/or events].*
 - 18.3. Funding for Hawke's Bay Tourism Ltd makes up 15.7% of the funding
 - 18.4. Funding for Business Hawke's Bay makes up 3.3% of funding

- 18.5. Funding for specific Council ED teams (salaries + funding for discretionary activities/projects) makes up around 13% of funding
- 18.6. At an aggregate level (nominal) funding has remained about the same over the last five years. This means in real terms funding has fallen.
- 18.7. There has been some change to funding at a more detailed level e.g. HBRC used to have an Economic Development Manager; HDC has been shifting funding from the ED budget to its Strategic Projects team
- 18.8. There is a clear path dependence with current ED funding. The region has built infrastructure that requires visitor support e.g. even setting aside i-Sites, ToiToi and NCC, we have Splash Planet, Aquarium, The Faraday Centre etc, and funding has followed this need.

Effectiveness and Efficiency

19. In terms of effectiveness and impact the Review finds:

Councils

20. Performance measures and any related KPIs or targets are organisation specific with varying levels of detail. They are often project based. These are, for the most part, being met. The activities/services are being delivered efficiently (on the basis of FTE resources).
21. There is no explicit relationship to Matariki or broader regional objectives except through general collaboration performance measures (where they exist). There is an opportunity to tighten this.
22. More broadly the region does not have a clear 'impact framework' to articulate the 'intervention logic' between activities delivered and the desired outcomes for the region over the short, medium and longer-term. A framework like this could better inform distributed (individual, team/org) work programmes that contribute to regional outcomes and provide greater clarity on respective roles and responsibilities (e.g. leadership and/or close collaboration where needed).

Business Hawke's Bay (BHB)

23. BHB is meeting the KPIs set out in the Contract for Service (CfS) and has delivered outputs efficiently but it has a large work programme (relative to FTEs/funding available) that goes beyond the CfS areas of focus. This has been a strategic decision (to use reserves to create programmes where a need has been identified). Given limited FTEs this will be constraining the ability to delivery priorities as effectively as possible.
24. Business Hub usage and business connection metrics continue to show growth (even including the COVID-lockdown period). The Hub is clearly filling a need for a meeting and connection space that has a look, feel, and vibe that businesses and organisations will pay to use. The Hub also plays a critical role in bringing together, under one roof, many of the key business support agencies operating in Hawke's Bay. In an environment where there is a perception of fragmented services this is important. The Business Hub, however, runs at an overall loss and additional funding is required to support repairs and maintenance and CAPEX.
25. BHB ongoing viability to meet its commitments (over and above the Contract for Service) is under currently under review, with decisions to be made by the BHB board on whether to wind up the organisation late January 2021.

Hawke's Bay Tourism Ltd (HBTL)

26. HBTL is meeting the KPIs set out in the funding agreement with HBRC. Central Government considers HBTL an effective RTO. It appears to be delivering outputs efficiently.
27. HBTL's members appear to be satisfied with HBTL's contribution toward the growth of the industry and in representing the region at a national and international level. The area

where members think there is an opportunity to do more is in “coordinating business opportunities for its members”. This includes education, business events and workshops focussed on the specific issues of SME tourism businesses.

Key Findings

28. The Review finds the following:
29. There are no major gaps in the types of services/activities being delivered and current services/activities are based on addressing issues or leveraging opportunities that are broadly aligned with the role of local government.
30. The services/activities being delivered are, however, often sub-scale (e.g. often less than 1 FTE to deliver significant programmes of work or activities). This will be limiting the potential value of business, industry and sector development investment for Hawke's Bay. This value relates to the ability to:
 - 30.1. Most effectively leveraging the resources of others (e.g. Central Government funding/involvement and private sector funding/involvement). Regions need to be well organised and focused in order to maximise the opportunities available through Central Government funding support (which will continue to have a large role to play in a COVID-recovery environment), and to partner with the private sector in different ways
 - 30.2. Work with speed and agility to fully understand the nature of issues, constraints and opportunities presenting for Hawke's Bay in order to design and implement appropriate interventions where there is a clear role for government; and
 - 30.3. Bring mandate, mana and resources to the table to focus on areas of critical priority for Hawke's Bay.
31. A potential value of enhanced economic development investment in Hawke's Bay is a greater ability to meet the overarching outcome of the Matariki Strategy and Action Plan that “Every whānau and every household is actively engaged in and benefiting from growing a thriving Hawke's Bay economy”. This requires a focus on existing business (and assisting them to overcome challenges and create greater value through doing things differently and better over time); a focus on creating new platforms for growth for Hawke's Bay (either by growing new activity in the region or by encouraging new activity to the region); and tying these things together, the investments and efforts need to support a thriving business environment (e.g. infrastructure, rules and regulations).
32. The Return on Investment (RoI) from effective business, industry and sector development support can be high. For example:
 - 32.1. Work to support the Hawke's Bay horticulture and viticulture sector with critical COVID-related seasonal labour issues will help to protect around \$715 million of regional economic activity in apples and pears alone. This sector directly supports 2,579 permanent local workers and, indirectly, a further 5,751 permanent local workers in the eco-system of services that supports the industry.
 - 32.2. Economic development work relating to the horticulture potential in Wairoa suggests that a proportionately minor strategic government role in different areas could help support additional expenditure to the local Wairoa economy of around \$82 million over a 10 year period and the employment of an additional 197 FTEs over the same period.
 - 32.3. Encouraging a new business to locate in Hawke's Bay could lead to 100s of new jobs and resulting economic activity. Depending on the nature of the activity this could, in time, help to stimulate a range of value-add services (and well-paying jobs) needed to support this activity.
 - 32.4. For relatively small investments, effective regional branding, marketing and promotion can play a key role in attracting visitors, talent, investors and businesses to the region. Following a dedicated 'Baycation' marketing campaign tourists visiting Hawke's Bay spent over \$45 million in August 2020 (the highest regional spend in the country), and while not all visitors will have been encouraged

to visit by the work of Hawke's Bay Tourism Ltd (HBTL) this still suggests an effective RoI on the \$1.5m in annual funding for HBTL. Visitors to Hawke's Bay also support local retail and hospitality and help to create vibrant city centres and regional amenities that locals enjoy and which play a critical role in wider people and talent attraction.

33. There are also opportunities to better align and structure some activities and services e.g. business capability support being provided by Hastings District Council (HDC) should ideally be provided via agencies with core expertise in this area e.g. Business Hawke's Bay (BHB)/a regional Economic Development Agency (EDA), and/or Hawke's Bay Chamber of Commerce. This could promote greater regional coherence of services and better access for business.
34. Some regions and Economic Development Agencies (EDAs) have greater access to funds to support feasibility/business case development. Hawke's Bay currently lacks a regional pool of funds that can be used to investigate economic development opportunities that are aligned with the region's strengths/opportunities/strategy. This means that opportunities are considered in an ad hoc way and support for any investigation will depend on the degree of funding available to individual Councils at the time and the strength of any advocacy.
35. Destination management and marketing is led by Hawke's Bay Tourism Ltd (HBTL) and while there is some cross-over in activities (largely in the events space) there appears to be good coordination between Councils and HBTL.
36. Business capability-related support is largely provided through the Regional Business Partner (RBP) Programme hosted by the Regional Council (although HDC does a small amount of this as well).
37. Cluster and sector work with industry coalitions is largely led by BHB.
38. There are some good examples of collaboration relating to investment attraction e.g. NZ Institute for Skills and Technology and Jetstar, but activity related to investment and talent attraction has been largely ad hoc (notwithstanding a desire to back existing strategies with funding for implementation).
39. Matariki is the main focal point for regional economic development work but there is concern among stakeholders that Matariki is not delivering on its promise and that governance could be improved.

The Case for Change

40. The Review finds that there is a case for change. Analysis, interviews and conversations undertaken for the Review, and the survey of stakeholders conducted between 2-15 September 2020, indicate the following key issues:
 - 40.1. Most stakeholders and those involved in delivery and funding are looking for greater clarity over roles and functions.
 - 40.2. Businesses are looking for greater clarity over the activities and services available to support business activity.
 - 40.3. There is concern that there are unhelpful and competitive behaviours in the system and that this is constraining more effective collaboration. This is feeding a perception in the business community that the economic development system is fragmented and not particularly transparent.
 - 40.4. There is concern about whether Hawke's Bay has the right capability (alongside structure/s) to support effective and efficient delivery of activities and services, leading to views that the region is not as responsiveness to community needs as it could be and punching below its weight externally.
 - 40.5. A high proportion of stakeholders feel that funding for economic development activities and services should be increased.
 - 40.6. HBTL appears to be doing a successful job and is supported by its main stakeholders. Change would come with costs that could outweigh benefits (that

could potentially be achieved through non-structural changes). At this point there doesn't appear to be a strong case for change (at least institutionally).

- 40.7. Funding for tourism relative to other sectors has been a theme of the feedback, with many viewing this as unbalanced. However, tourism directly supports local retail and hospitality (and helps to create vibrant city centres and regional amenities that locals enjoy and play a role in talent and investment attraction). This means it's not as simple as only one sector benefits from visitor attraction. Ideally, support would be provided to a range of key sectors of importance/opportunity (taking into account the appropriate role of government).
- 40.8. Business Hawke's Bay's financial sustainability has been highlighted as an issue in the Giblin Group report. On 17 December 2020, Business Hawke's Bay initiated formal consultation on a proposal to wind up the organisation based on its ongoing viability to meet its commitments (over and above the Contract for Service). Decisions to be made by the Business Hawke's Bay board are expected in late January 2021. The five Hawke's Bay Councils have reiterated their commitment to work with Business Hawke's Bay to keep the Business Hubs open and the potential assignment to one of the five councils. To support Business Hawke's Bay's process it is proposed that the councils will develop and agree a transition plan with Business Hawke's Bay for any such eventuality.
41. On the basis there is a strong case for change the Review has provided 14 key recommendations. These are outlined in the report.

Options Assessment

42. Section 17A of the LGA requires consideration of the following options when considering delivery improvements (note a 17A review is not limited to these options):
 - 42.1. Responsibility for governance, funding, and delivery is exercised by the local authority
 - 42.2. Responsibility for governance and funding is exercised by the local authority, and responsibility for delivery is exercised by –
 - 42.2.1. a council-controlled organisation of the local authority; or
 - 42.2.2. a council-controlled organisation in which the local authority is one of several shareholders; or
 - 42.2.3. another local authority; or
 - 42.2.4. another person or agency.
 - 42.3. Responsibility for governance and funding is delegated to a joint committee or other shared governance arrangement, and responsibility for delivery is exercised by an entity or a person listed above in paragraph (b) (i) to (iv).
43. The Giblin Group report considers 7 options given the Hawke's Bay context and the Review analysis (i.e. the range of issues, challenges and opportunities that were identified). These are:
 - 43.1. The Status Quo
 - 43.2. **Enhanced Status Quo v1:** Improved funding for BHB
 - 43.3. **Enhanced Status Quo v2:** Improved funding for BHB + BHB takes on RBP contract (with HB Council support and Central Govt agreement via formal procurement process)
 - 43.4. **Transferring business support services to a Council or across Councils**
 - 43.5. **Leveraging other providers:** A variant of Option 4. Responsibility for (non-tourism) business and industry development and support activities/services would sit with a Council or Councils but these activities/services would be contracted to other providers in the region (e.g., industry groups, iwi organisations) to deliver.

- 43.6. **Extended regional model of delivery for non-tourism economic development activities (EDA CCO):** BHB would become Council Controlled Organisation (CCO). No change to HBTL.
- 43.7. **Combined Regional Economic and Tourism Agency:** BHB and HBTL would be folded into a new combined Regional EDA/RTO for Hawke's Bay.
44. Council Chief Executives are not seeking any decisions from councils on the recommended options set out in the Giblin Group report *Review of Local Government Investment in Business and Industry Support across the Hawke's Bay Region* at this Time as further more detailed analysis is required.
45. The full Review report contains more detailed analysis that assesses the major advantages and disadvantages of each of the considered options (Table 20, pages 94-96).

Next Steps

46. The Chief Executives intend commissioning Giblin Group to develop the next stage of the review process to develop a more detailed new operating model and transition plan, which will be co-designed with Matariki Partners and other regional stakeholders, to:
- 46.1. Further define the entity design that best meets the objectives of Matariki partners and other key stakeholders
 - 46.2. Help clarify and set the transition time frame
 - 46.3. Identify the key areas/components that will need to be supported and/or will undergo transition
 - 46.4. Identify the key tasks in each area, including appropriate checkpoints and milestones
 - 46.5. Identify relevant risks and risk levels
 - 46.6. Be used to support a request to Central Government for transitional funding support.
47. The next stage of the review process would begin February 2021 of which the estimated cost is \$40,000 (GST exclusive). This cost would be managed via the HBLASS Shared Services Cost Centre and shared by Councils in accordance with the annual budget plan on the following basis:

Wairoa District Council (11%)	\$4,400
Napier City Council (26%)	\$10,400
Hastings District Council (26%)	\$10,400
Central Hawke's Bay District Council (11%)	\$4,400
Hawke's Bay Regional Council (26%)	\$10,400

48. When the next stage of the review process is completed and the chief executives have considered this analysis a further and final report will be brought to Council to seek decisions to formally undertake community consultation on the options and preferred recommendations. This is expected mid 2021.
49. The table below provides an initial view of the likely areas of focus for the next phase detailed planning.

Key components	Description
1. Co-design and engagement <ul style="list-style-type: none"> a. With Matariki Partners b. With other key stakeholders e.g. business community 	<ul style="list-style-type: none"> • Co-design with Matariki Partners and other key stakeholder should form the basis of the planning • The opportunity should also be taken to ensure the business community has a voice in the process • Engagement with Matariki RDS GG and ESG will be an important element

Key components	Description
2. Existing ED activities/services	<ul style="list-style-type: none"> There will be elements of existing ED activities/services which will need to be supported through a transition process e.g. Business Hub
3. Structure and legal form	<ul style="list-style-type: none"> This would include the organisational structural and legal considerations in moving from the existing BHB incorporated society structure to a new structure e.g. potentially a trust (as a possible stepping stone to a CCO (if needed))
4. Governance and accountability	<ul style="list-style-type: none"> This would include issues such as planning for new Board appointments
5. Communication	<ul style="list-style-type: none"> A clear and coherent communications plan will be able to be built around, and in support of, the Transition Plan.

Strategic Fit

50. While most of what Council does and is focussed on under its 2020-2025 Strategic Plan is critical for the region's economic wellbeing – particular the management of the region's natural resources and hazards – support for the development of individual businesses, industries or sectors is not a focus area or priority of the Plan. The Council's focus areas under the Matariki Strategy and Action Plan have typically related to areas of core competence, such as water security or flood control. Funding for HBTL and BHB have historically occurred as a consequence of the Council's ability to raise rating revenue across the entire region.

Significance and Engagement Policy Assessment

51. The decisions in this paper have low significance and do not require community consultation before these decisions are taken.

Climate Change Considerations

52. Climate change is expected to create barriers and opportunities for future economic development within the region and it will be important that any new delivery model for the region is responsive to these change drivers. Water security has been an existing pillar of Matariki as one component of ensuring there is climate resilience to support the future wellbeing of the regional economy. As the regional lead agency on climate change Council staff will ensure that any new model that emerges is informed about these barriers and opportunities in due course.

Considerations of Tangata Whenua

53. Tangata whenua have a significant stake in the regional economy and are key stakeholders for regional economic development support activity. The region's Treaty Settlement Entities through the Kahui Ohanga grouping have been engaged in the development of the Gibling review and have endorsed the key findings subject to ongoing co-design around future service delivery. Te Kahui Ohanga are presently partnering with councils through Matariki and it is intended that collaboration will continue occur with these entities in a co-design process through the next phase of work.

Financial and Resource Implications

54. The next stage of this work will cost the Regional Council \$10,400 which can be accommodated within the existing economic development consultancy budget. There is a small amount of staff time, particularly the Chief Executive and GM Corporate Services in engaging with partner councils and the next phase of work. The outcomes of the next stage of the review process may result in recommendations that would have a material impact on the Council's economic development activities, which are mostly funded via the regional targeted rate. At that time the financial implications will be assessed and considered as part of Council decision making.

Consultation

55. In undertaking their review the Giblin Group interviewed and surveyed key stakeholders involved in regional economic development. Major changes to the way economic development is delivered in the region is likely to require wider community consultation as part of Annual Plan development or amendment to Long Term Plans in due course.

Decision Making Process

56. 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:
 - 56.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 56.2. The use of the special consultative procedure is not prescribed by legislation.
 - 56.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 56.4. The persons affected by this decision are all regional ratepayers and residents who benefit directly or indirectly from the Council's economic development activities.

directly with the community or others having an interest in the decision.

Recommendations


That Hawke's Bay Regional Council:

1. Receives and considers the "Regional Economic Development Review" staff report and the accompanying Giblin Group report *Review of Local Government Investment in Business and Industry Support across the Hawke's Bay Region* dated December 2020.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
3. Endorses Council's participation in the second stage of the review process with a more detailed investigation of the recommendations set out in the Giblin Group report.
4. Endorses Council's engagement with Treaty Partners and other regional stakeholders on the opportunity to create an enduring Economic Development Delivery Platform with the appropriate scale and mandate to better guide and direct economic development activity to priority areas and issues.
5. Supports the opportunity to embed a partnership with Māori in the new Economic Development Delivery Platform.
6. Endorses the five councils' commitment to keeping the Hawke's Bay Business Hub open with the potential assignment of the lease to one of the five councils.

Authored & Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

- | | |
|--|----------------------|
|  1 Review of Local Government Investment in Business and Industry Support Across the Hawke's Bay Region | Under Separate Cover |
|--|----------------------|

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

Item 8

Subject: AFFIXING OF COMMON SEAL

Reason for Report

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

		Seal No.	Date
1.1	Leasehold Land Sales 1.1.1 Lot 2 DP 457672 CT 595486 - Agreement for Sale and Purchase	4434	15 December 2020
1.2	Staff Warrants 1.2.1 S. Anton (Delegations under s. 34A(1) and s.38(1) Resource Management Act 1991; Civil Defence Emergency Management Act 2002 (s.86-91); Section 177 of the Local Government Act 2002 and Section 71B of the Building Act 2004 1.2.2 M. Teikamata M. Cadwallader (Delegations under Soil Conservation and Rivers Control Act 1941; Land Drainage Act 1908	4433 4435 4436	11 December 2020 16 December 2020 16 December 2020

2. 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.
3. As a result of sales, the current numbers of Leasehold properties owned by Council are:
 - 3.1. 0 cross lease properties were sold, 69 remaining on Council's books
 - 3.2. 0 single leasehold properties were sold, 85 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, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
2. Confirms the action to affix the Common Seal.

Authored by:

Diane Wisely
EXECUTIVE ASSISTANT

Geoff Howes
TREASURY & FUNDING ACCOUNTANT

Approved by:

Jessica Ellerm
GROUP MANAGER
CORPORATE SERVICES

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

Item 9

Subject: REPORT FROM THE 4 DECEMBER 2020 HAWKE'S BAY DRINKING WATER GOVERNANCE JOINT COMMITTEE MEETING

Reason for Report

1. This item provides the matters discussed at the Hawke's Bay Drinking Water Governance Joint Committee (HBDWGJC) meeting on 4 December 2020 for Council's information alongside any additional commentary the HBRC representatives who attended the meeting may wish to add.
2. The meeting lapsed and closed at 10.15am due to the failure of quorum, however those present remained to discuss agenda items (as follows) on the understanding that no decisions could be made.
3. The **Six Principles of Safe Drinking Water** was presented by Liz Lambert, and covered the six fundamental principles of safe drinking water in accordance with the Drinking Water Standards and Drinking Water guidelines for NZ.
4. The **Information and Data Sharing Project** discussed the Working Group's information and data sharing work stream and it was suggested that the Hawke's Bay based Councils and Health bodies approach the Department of Internal Affairs to be a pilot area for establishing a sharing portal or similar, noting that additional resources would be needed if a pilot is undertaken.
5. The discussion of **TANK Submissions on Drinking Water Provisions** was presented by Liz Lambert and proposed that a submission on behalf of the Committee be lodged within timeframes with retrospective approval to be sought at the next Joint Committee meeting.
6. The **Working Group Work Plan Update** was covered by Liz Lambert and updated the Committee on the Joint Working Group's (JWG) work plan, outlining changes made and receiving support from the Committee members present.
7. Toni Goodlass provided a **Verbal Regional Three Waters Update** which covered Hawke's Bay Councils' Memorandum of Understanding, including comprehensive information sharing about asset quality and delivery system issues with Central Government and Councils' eligibility for \$50M from the national fund of \$761M.

Decision Making Process

making provisions do not apply.

Recommendations

That Hawke's Bay Regional Council receives and notes the "*Report from the 4 December 2020 Hawke's Bay Drinking Water Governance Joint Committee Meeting*".

Authored by:

Annelie Roets
GOVERNANCE ADVISOR

Approved by:

Leeanne Hooper
TEAM LEADER GOVERNANCE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

Subject: REPORT FROM THE 11 DECEMBER 2020 REGIONAL TRANSPORT COMMITTEE MEETING

Item 10

Reason for Report

1. This item provides the matters considered at the Regional Transport Committee meeting on 11 December 2020 for Council's information alongside any additional commentary the Committee Chair wishes to add.

Agenda items

2. The **Regional Land Transport Plan** item provided the Committee with a draft of the Regional Land Transport Plan (RLTP) for consultation in 2021. The Committee made some amendments to the draft, agreed the prioritisation of significant activities and agreed to release the draft for public consultation for a period of 4 weeks beginning the end of January 2021.
3. The **Transport Manager's December 2020 Report** traversed a range of topical transport issues, including an update on the Driver licensing programme, the school bus transport service provided by the Ministry for Education and opportunities for a more integrated approach to transport service delivery, integration with the regional cycling governance group, and continuation of the BeeCard flat fare system.
4. The **Public Transport Update December 2020** item provided the Committee with an update on the bus patronage and raised issues in relation to being able to attract and retain bus drivers.
5. The **RoadSafe Hawke's Bay December 2020 Update** item provided updated road safety statistics and activities in the region and advised planned fatigue stops will be undertaken during the Christmas and New Year holiday period. The Committee also discussed reconstitution of the Road Safety governance group and sought further information from the technical advisory group on that.
6. The **NZTA (Waka Kotahi) Central Region – Regional Relationships Director's December 2020 Report** provided by Oliver Postings gave an update on NZTA projects and activities including:
 - 6.1. Significant demand for available funding through submissions to the 2021-2024 National Land Transport Programme (NLTP)
 - 6.2. Advice that the Waka Kotahi (WK) Investment Proposal is now available for proposed investment activities for the 2021-24 NLTP
 - 6.3. Consultation on the draft Investment Prioritisation Method (draft IPM) for the 2021-24 NLTP, which will replace the Investment Assessment Framework, has now closed, with public release of the final document expected by the end of December 2020
 - 6.4. WK is working on a 30-year Plan for land transport needs with Version 1 expected to be released for engagement in July 2021
 - 6.5. A new pilot fund of \$24m has been allocated to making streets more people-friendly by June 2021
 - 6.6. WK is currently updating guidance on speed management and school safety to reflect *Road to Zero*
 - 6.7. Aotearoa Urban Street Guide to support existing best practice design including updates on cycling networks, pedestrian planning and public transport design is being prepared

- 6.8. New regional road safety dashboard prototype is being launched and will enable understanding of how road transport systems are performing on road safety issues.
7. The **Update on Napier Port and Port Related Activities Impacting Regional Transport** was presented by Andrew Palareit who provided data about container and transport road use to Napier Port, future forecast demand, the need for community consultation on the Wakatu Inland Port and concern about the lack of KiwiRail input into regional transport planning.
8. The **Deputation by Guy Wellwood on behalf of the Federation of Rail Organisations of NZ** spoke strongly in favour of better rail connections and use of rail for freight as well as passengers in the region and re-connecting with Gisborne, and noted KiwiRail's monopoly and the need for more engagement in the region by KiwiRail.

Decision Making Process

9. 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

1. That Hawke's Bay Regional Council receives and notes the "*Report from the 11 December 2020 Regional Transport Committee Meeting*", including that the following reports were provided to the Regional Transport Committee:
 - 1.1. The draft Regional Land Transport Plan
 - 1.2. Transport Manager's December 2020 Report
 - 1.3. Public Transport Update December 2020
 - 1.4. RoadSafe Hawke's Bay December 2020 Update
 - 1.5. NZTA Central Region – Regional Relationships Director's December 2020 Report
 - 1.6. Verbal Napier Port and Port Related Activities Impacting Regional Transport
 - 1.7. Deputation by Guy Wellwood on behalf of the Federation of Rail Organisations of NZ.

Authored by:

Annelie Roets
GOVERNANCE ADVISOR

Approved by:

Mary-Anne Baker
ACTING TRANSPORT MANAGER

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

SUBJECT: COUNCILLORS' REPORTS FROM DECEMBER 2020 AND JANUARY 2021 MEETINGS OF OUTSIDE BODIES

Item 11

Reason for Report

1. This item provides the means and opportunity for councillors appointed to Outside Bodies to bring issues of significant interest from recent meetings to the attention of Council.

Background

2. Each Triennium, Council appoints councillor representatives on the following Outside Bodies. Appointees for this Triennium are noted beside each body.
 - 2.1. Local Government New Zealand (LGNZ) Zone 3 (Hinewai Ormsby and Martin Williams)
 - 2.2. HB TB Free Committee (Will Foley)
 - 2.3. Future Farming Trust (Will Foley)
 - 2.4. Tukituki Leaders Forum (Will Foley and Jerf van Beek)
 - 2.5. HB Drought Committee (Will Foley and Jerf van Beek, Rex Graham ex officio)
 - 2.6. HPUDS Implementation Working Group (Jerf van Beek and Martin Williams)
 - 2.7. HB Cycling Governance Group (Jerf van Beek)
 - 2.8. Te Komiti Muriwai o Te Whanga (Neil Kirton)
 - 2.9. HB Tourism Board of Directors (Craig Foss)
 - 2.10. HBRIC Ltd (Rick Barker, Craig Foss, Neil Kirton).

Decision Making Process

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

Recommendation

That the Regional Planning Committee receives and notes the "*Councillors' Reports from December 2020 and January 2021 Meetings of Outside Bodies*".

Authored by:

Leeanne Hooper
TEAM LEADER GOVERNANCE

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 January 2021

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 6.

Item	Topic	Raised by
1.		
2.		
3.		
4.		

Item 12