

Meeting of the Hawke's Bay Regional Council

Date: Wednesday 28 September 2022
Time: 11.00am
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

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1.	Welcome/Karakia/Apologies/Notices	
2.	Conflict of Interest Declarations	
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14.	End of Triennium wrap-up and Interim Delegations to the Chief Executive	81
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16.	Regional Economic Development Agency establishment/ update	91
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19.	Discussion of Minor Items not on the Agenda	103

Subject: FOLLOW-UPS FROM PREVIOUS REGIONAL COUNCIL MEETINGS

Reason for Report

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

Decision Making Process

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

Recommendation

That Hawke's Bay Regional Council receives and notes the *Follow-up Items from previous Regional Council Meetings*.

Authored by:

Annelie Roets
GOVERNANCE ADVISOR

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

- 1 [Download](#) Follow-ups for September 2022 Council meeting

Follow-ups from previous Regional Council meetings

Meeting held 31 August 2022

	Agenda Item	Action	Responsible	Status Comment
1	Freshwater Science Charges – Water Holdings HB (WHHB)	Staff to advise if WHHB provided a submission to the Long-Term Plan 2021 – 2031 regarding the proposal to change the way science charges were to be levied.	S Young	A search of the submissions has been completed. No record of any submission from WHHB or its directors has been found.

Meeting held 27 July 2022

	Agenda Item	Action	Responsible	Status Comment
2	Significant organisational activities	Information on the Old Man’s beard pest control project in the Northern catchment will be provided by the Biosecurity team.	I Maxwell	To be provided as part of the Biosecurity Operational Plan item on the EICC agenda.

LGOIMA requests received between 24 August 2022 and 21 September 2022

Request Date	Request ID	Request Status	Request Subject	Request Summary	Requested By
25/08/2022	OIR-22-50	Completed	Staff Salary Bands	Staff salary bands and details of which staff benchmarks fall into these bands, details of negotiated collective agreements	Union
29/08/2022	OIR-22-51	Completed	24 Severn Street Napier – resource consents	All consents relating to the property	Legal firm
29/08/2022	OIR-22-54	Completed	Lowes Pitt Hastings – copies of draft resource consent	Copy of the most recent draft for Resource Consent Discharge Permit for Lowes Pitt	Individual
29/08/2022	OIR-22-52	Completed	Abatement notices issued for any business in Awatoto relating to bad odours	Abatement notices issued for any business in Awatoto area relating to bad odours/smells	Media
5/09/2022	OIR-22-53	Active	Water Holdings HB Ltd (WHHB) - Current policies relating to collection of moneys due to HBRC	Advise policies in place and steps taken to collect monies due from WHHB. Provide copies of communication between HBRC and WHHB directors	Individual
8/09/2022	OIR-22-55	Active	Copy of consents requirements for NZ Caravan Assn have to abide by	Copy of consents requirements for NZ Caravan Assn would have to abide by for operating their parks in an area under HBRC management	Individual
9/09/2022	OIR-22-57	Active	Rezoning of 66 and 68 Franklin Rd. Bay View	Copy of all documents relating to the Environment Court Case on the rezoning of 66 and 68 Franklin Road, Bay View	Individual
8/09/2022	OIR-22-58	Active	Sale of Ruataniwha Water Storage Scheme (RWWS) consents	Copies of any documents, agenda items, reports, recordings etc. discussing the sale of the RWSS consents, particularly relating to any public excluded meetings held on the subject	Royal Forest and Bird Protection Society of NZ
19/09/2022	OIR-22-59	Active	Limestone Quarry consents	Copies of any active consents (not relating to water) for Hatuma Lime Co., QRS, Amner Resources, Pakuratahi Pan Pac Forest Products, Webster Lime	Individual

Subject: SIGNIFICANT ORGANISATIONAL ACTIVITIES LOOKING FORWARD THROUGH OCTOBER 2022

Purpose of agenda item

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

Northern Catchment		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Biodiversity and biosecurity	<ol style="list-style-type: none"> The Biosecurity team is gearing up for the annual rook control programme. An on the ground survey was undertaken last week across the region to identify where the active rookeries are for both rural and urban in readiness for the aerial control commencing late September. A LGOIMA request was completed in response to queries from a lawyer in relation to the ban of gravel extraction due to the presence of Chilean needle grass. The request asked for a broad range of information. HBRC Marine Biosecurity staff have met with representatives from Ministry of Primary Industries and NIWA to plan for the Marine High Risk Site Surveillance survey which was carried out during the week of 12 September. This is a detailed biannual survey to look for marine pests in the Napier Port and Ahuriri Inner Harbour. This will be the third survey carried out here. 	ICM – Catchment Services
Whakakī Freshwater Improvement Fund Project	<ol style="list-style-type: none"> Following consultation with the Whakakī Lake Trust and civil contractors, the completion of the weir will now be postponed until late January due to improved water levels and site conditions. An external project manager will be contracted to deliver the rescoped fencing and planting component over the next two years. 	ICM – Catchment Delivery

Central Catchments		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Flood Control Schemes - Resilience Funded projects	<ol style="list-style-type: none"> Taradale stopbank strengthening physical works are 99% complete. Berm enhancement work and the completion of the river access at Guppy Road will now commence in spring. Moteo stopbank detailed design has been completed. Contract documentation will be completed by the end of September 2022. Omaranui stopbank design is underway, with geotechnical and borrow investigations now completed Both Moteo and Omaranui stopbank upgrade projects will need to import suitable fill, which will require resource consent. Moteo will not go to tender until this process and timing is well understood and risks managed appropriately. The contract for Ngatarawa LOS upgrade has been awarded - construction will commence in early October 2022. 	Asset Management Engineering Regional Projects

Central Catchments		
Project / Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Global Gravel Extraction Consent	11. On 30 June 2022 consents were granted for gravel extraction at the Ngaruroro, Tukituki Catchment and Tūtaekurī rivers. The strategy for transition and engagement with industry is being developed by the Asset Management and Consenting teams. A new consent will be active from 15 December 2022. An industry briefing on 31 August was well attended. The authorisation agreement between Council and contractors will be finalised September/October 2022.	Asset Management Consents, Schemes
Waitangi Regional Park	12. Delivery of Stage 3 (safe vehicle access to the river and two ephemeral wetlands on the flat berm area) by the Regional Projects Team and Works Group is expected in October 2022, weather dependent. 13. HBRC received \$400,000 Tourism Infrastructure Fund (MBIE) funding for infrastructure for cultural events at the marquee site, and to service the proposed toilets.	Asset Management Open Spaces
Hawea Historical Park / Karamū Stream Diversion	14. Stage 3 project delivery includes construction work for widening of the confluence and enhancement work of the old Karamū Stream (flood gate) area, as well as pathway formation within the park and native planting around the carpark. The stream work will begin in September and pathway development is due to begin in spring/summer 2022 dependent on ground conditions.	Asset Management Open Spaces, Regional Assets
Consenting of all pump stations within schemes	15. This project has been broken down into specific phases and is well into the information-gathering phase. Discussions with tangata whenua about pump station locations and movement of water between them are about to commence. 16. Two key pieces of work are: the Sampling and Monitoring Plan being carried out by a consultant which has commenced; and the other is the Fish Passage Feasibility Assessment which is well underway with the site visits being conducted.	Asset Management Environmental Engineer
Flood Recovery	17. Planning and design work for the CHB swing bridge is underway, with an option for HBRC to pass the project over to CHBDC for a dual purpose bridge, aligning with their wastewater project. Approval for this is being sought at the EICC meeting on 21 September.	Asset Management Regional Assets
Napier Urban Waterway Review	18. Morrison Low is completing the report for stage two of the review. A full business case including alignment between NCC and HBRC direction will commence in the new triennium	Asset Management

Southern Catchments		
Project /Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Upper Tukituki Flood Control Scheme	19. Six tenderers have been shortlisted for negotiation for the second tranche of extraction. Once complete, approximately 488,000m3 will have been contracted for extraction which will commence in late September/early October 2022.	Asset Management Regional Projects, Schemes

Whole of Region		
Project /Activity Description	Significant Upcoming Milestone(s)	Group /Team or Section
Erosion Control Scheme	<ul style="list-style-type: none"> 20. Catchment advisors are catching up on pole inspections as it was too wet to get on farm last month. 21. Securing contracts with nurseries outside the region to supply poles for our customers next winter. 22. Pest repellent application and release spraying planted areas is planned for Te Ikatiere. 23. Mid-October – an announcement from MPI is expected on their decision to allocate funding for the next round of Hill Country Erosion Funding for the period 2023 to 2027. 24. Staff will be attending the national NZARM conference in Wellington. 	ICM – Catchment Delivery
Rivers and Water Quality	<p>WIS Telemetry installation requirement</p> <ul style="list-style-type: none"> 25. Deadline of 3 September has passed for >20l/s takes. A high volume of these are still coming through and will continue for some time. Exacerbated by a bottleneck with suppliers. 26. No response from 124 irrigators - these are being followed up. 27. Six industry sites have yet to provide telemetry. 28. Hastings District Council and Napier City Council are yet to start sending data daily. 29. 680 consents have telemetry installed or use portable pumps with GPS and telemetry <p>TANK decision</p> <ul style="list-style-type: none"> 30. Next step is to wait to see if there are any appeals on the decision. This will affect whether a high number of consents need to be re-issued, which will need to be aligned with take points and water meters. <p>Data Management</p> <ul style="list-style-type: none"> 31. Estuary monitoring topic has been finalised and is now available to the public through the LAWA website. 32. New Groundwater Bore 17234 situated on Pirau Rd, (off Swamp Rd - Heretaunga Plains) drilled/completed with Water Level continuous Telemetry installed. 	ICM – Environmental Information




PMO: Strategic Project Reporting






















HBRC's key strategic projects are being tracked by the Project Management Office (PMO) and shared monthly throughout the lifecycle of these projects. These projects were selected because of their significance in terms of investment, risks, benefits, and interdependencies.










***Risk is inherent vs residual risk (i.e., RAG status prior to mitigations and controls implemented).**












Performance Indicators (RAG): **Green** = On Track, **Amber** = At Risk, **Red** = Off Track, **Grey** = Not started/On hold







Status Change Keys:

	Unchanged since last report
	Worsened since last report.
	Improved since last report

	Project/Programme Title	Schedule	Risks*	Budget	Comment	Status Change
1	Right Tree Right Place Pilot (RTRP)	 	 	 	The project team leads are fully focused on the farm planning process. Initial farm visits have been completed across 10 of the priority 15 properties. Labour to plant seedlings (and seedling supply) has been identified as the biggest barrier to planting seedlings in the 2023 planting season.	Updated since 31 Aug
2	Regional Water Security Programme: (Heretaunga Water Storage, Managed Aquifer Recharge, and Regional Water Assessment) Will now be reported as a Programme, not individual projects.				Heretaunga Water Storage - data analysis and review of upper catchment investigations is nearing completion. Potential work programme for Paritua/ Karewarewa flow maintenance and enhancement being finalised internally ahead of further community engagement. CHB MAR - with the Cultural Impact Assessment received and finalised, the first draft of the Package 2 consent application has been completed and feedback provided. Accordingly, we expect the consent to be lodged within a fortnight. Regional Water Assessment - due for completion end of September.	Updated since 31 Aug
3	Water Efficiency Programme Review (Future Water Use)				The PMO will no longer track this review. Reporting will resume once a business case is approved and this becomes a strategic project.	Updated since 31 Aug
4	Ahuriri Regional Park	 	 	 	Reporting frequency for this project has changed to quarterly. The next update will be given in October.	No update since 27 Jul
5	Clifton to Tangoio Coastal Hazards Strategy Implementation	 	 	 	Over the last month the S82a consultation on whether HBRC should undertake a leadership role in the execution of the strategy closed. Hearings were undertaken and process closed out with HBRC. There was strong support for HBRC to take leadership in all aspects of the strategy. Works Packages with regards to Triggers and Signals, Mātauranga Māori, and pre-consenting environmental work continue. Scheduling of activities into consultation on the strategy in August 2023, and preparation of LTP is underway.	Updated since 31 Aug
6	On-demand Public Transport				This project is now closed, as transitioned to BAU.	Updated since 31 Aug

	Project/Programme Title	Schedule	Risks*	Budget	Comment	Status Change
7	Kotahi Plan				The project is nearing the conclusion of the 'listening' phase with five community drop-ins held during the month of August and the final drop-in scheduled for 22 Sept. A first-round engagement report template is being scoped with data currently being collated and analysed. The schedule for the community engagement first round remains on track although the project team have been stretched over the past three weeks with competing TANK duties.	Updated since 31 Aug
8	TANK Plan Change				Reporting frequency for this project has changed to quarterly. The next update will be given in October.	No update since 27 Jul
9	Farm Environmental Management Plans (FEMPs)				<p>The FEMPs programme is undertaking a full review and update. This is now in an active project management phase that will inform improvements for the 2024 cycle.</p> <p>Survey of landowners and providers was carried out in August with direct interviews from mid-September 2022 onwards. A process review for Low Intensity properties finalised, with landowners contacted from early September. With the Audit Advisor now on board, we are able to roll out the auditing programme and have dedicated focus on providing feedback to landowners and providers. This will not impact the schedule of the 2024 resubmissions cycle.</p>	Updated since 31 Aug
10	Erosion Control Scheme (ECS) Programme (incl. Soil Conservation Nursery & HCEF)				Reporting for ECS will no longer be tracked by the PMO.	Updated since 31 Aug
11	Partial Pest Plan Review				Reporting for Partial Pest Plan Review will no longer be tracked by the PMO. This review is nearing completion.	Updated since 31 Aug

	Project/Programme Title	Schedule	Risks*	Budget	Comment	Status Change
12	IRG Flood Control & Drainage Programme (Heretaunga Flood Control & Drainage, Upper Tukituki (UTT) Flood Control Scheme and Wairoa River, River Parade Erosion) Will now be reported as a Programme, not individual projects.				Taradale stop bank substantially complete. Ngatarawa contract awarded, construction to start in October. Moteo detailed design completed, and contract being finalised, ready to tender. Ōmarunui detailed design is underway. Moteo and Ōmarunui require imported material to complete these projects and a consent is required for importing material. Moteo tender process paused until certainty around consenting process gained, this will result in a delay in this the construction of project. UTT Gravel Extraction tender process well advanced to allocate 500,000m ³ for extraction. 5 contracts will be awarded for extraction on all available reaches to commence by October. A third tranche of extraction will be considered this summer if progress and contractor compliance is acceptable. All projects with exception to Moteo and East Clive are progressing to schedule. East Clive has significant consenting requirements - the current priority is to progress a consent application to enable construction.	Updated since 31 Aug
13	Revenue & Financing Policy/ Rates Review (incl. Scheme Rating Reviews)				All stage one workshops have now been completed and a report to Council to discuss and agree final decisions is being prepared. Rating model for stage two is being prepared.	Updated since 31 Aug
14	Enterprise Asset Management				The recruitment of a EAM project manager is underway after an earlier resignation and the Asset Management Group restructure is still impacting staff. The temporary absence of a project manager continues to impact project progress. The recent contracting-in of an external Technology One service provider, will improve HBRC capability and alleviate some of the ongoing resourcing issues. Workshops to determine current state processes have commenced and licensing for the EAM capability is underway.	Updated since 31 Aug
15	Urban Catchment Plans (Te Karamū Catchment Plan/ Ahuriri Catchment Plan)			N/A	Reporting frequency for this project has changed to quarterly. The next update will be given in October.	No update since 27 Jul

	Project/Programme Title	Schedule	Risks*	Budget	Comment	Status Change
16	Climate Action Plan				The draft proposal for developing the Regional Climate Action Plan was discussed in a Council workshop at the end of August and was presented to Māori Committee on 6 September 2022. We have confirmed collaboration from NCC, HDC and the Environment Centre and are preparing a paper for Council at the end of the month with more information about working group membership. Planning is underway for a public event in December. The Regional Carbon Footprint has been delivered for Hastings in draft form and we are waiting for the other community and regional reports. Initial engagement with Ngāti Kahungunu suggested that a wānanga will be necessary.	Updated since 31 Aug
17	Synergy Synergy is the enhancement phase of the TechOne modules introduced through the earlier FUSE project.				There has been ongoing work on mapping of financial processes as well as requirements for documentation for the payroll stream. A plan has been developed between the ICT and Finance teams to establish the priority of these areas within TechOne. Atturra, external TechOne consultancy, has been engaged and is starting work on the Payroll and Budgeting streams as these are the first two streams identified in the plan.	Added

Project Summaries

1	Right Tree Right Place A pilot on up to five farms with loans offered to landowners to plant trees on marginal land that can earn a return and enhance regenerative farming practices. Project is run in collaboration with The Nature Conservancy and the Ministry for Primary Industries to accelerate erosion control work and extend the programme to more farms.
2	Regional Water Security Programme Investigating water supply options aiming to ensure HB has long-term, climate-resilient, and secure supplies of freshwater for all. This supports the Kotahi Plan and includes: <ol style="list-style-type: none"> exploring above ground, medium-scale water storage options in the Ngaruroro catchment for and on behalf of the community setting up a Managed Aquifer Recharge (MAR) trial in Central Hawke's Bay to determine whether MAR is a viable water storage option that can contribute to water security in the area We will also work with water users to drive more efficient and effective use to complement water storage following the completion of a comprehensive 40-year Regional Water Assessment.
3	Ahuriri Regional Park Working alongside Napier City Council and Mana Ahuriri to redevelop the Lagoon Farm site into a Regional Park to address water quality issues in the Ahuriri Estuary, as well as enhancing biodiversity, and bringing cultural and recreational benefits to the community.

Project Summaries	
4	<p>Clifton to Tangoio Coastal Hazards Strategy Implementation</p> <p>Working in collaboration with coastal communities and local entities for over eight years to develop the Clifton to Tangoio Coastal Hazards Strategy 2120. We now need to confirm which Council or Councils will take charge and lead this work, and are undertaking consultation, proposing that HBRC should take charge of coastal hazard adaptation between Clifton and Tangoio, as recommended by an independent Funding Review. This would give the Regional Council the mandate to finalise the Strategy. This includes consulting the community on the full implications of implementation, such as the timing and detailed costs of physical works, and who pays for what through the Long Term Plan 2024-2034 process.</p>
5	<p>Kotahi Plan</p> <p>Developing a combined resource management plan for the HB region. It will refresh how we manage the use and protection our natural and physical resources looking at all aspects of the environment. This includes land and freshwater, air, the coastal and marine area, climate change, biodiversity, urban form and development, natural hazards and risks, energy, transport, and infrastructure. Kotahi will combine and update the existing Regional Policy Statement, the Regional Resource Management Plan, and the Regional Coastal Environment Plan into one, while also giving effect to the new policies, planning and technical standards from central Government.</p>
6	<p>TANK Plan Change (Policy)</p> <p>Proposed TANK Plan Change (PPC9) will add new rules to the Regional Resource Management Plan to manage water quality and quantity for the Tūtaekurī, Ahuriri, Ngaruroro and Karamū (TANK) catchments.</p> <p>TANK Plan Change (Implementation): TANK Subcatchments Community Engagement</p> <p>An external communications project, intended to inform rural landowners about the Proposed Plan Change 9 (PPC9) framework and to promote catchment group formation. It is a precursor to the overall PPC9 implementation, the latter contingent on a decision awaited from Hearings Commissioners and any subsequent appeals.</p>
7	<p>Farm Environmental Management Plans (FEMPs)</p> <p>These aim to address environmental outcomes and actions to improve environmental performance on properties over four hectares initially within the Tukituki region in three-yearly submission cycles.</p>
8	<p>IRG Flood Control and Drainage Programme</p> <p>Project 1: Heretaunga Flood Control & Drainage Scheme</p> <p>We are reviewing and upgrading flood protection assets across the Tūtaekurī, Ngaruroro, Lower Tukituki and Clive rivers, to increase flood protection across the scheme from a 1 in 100 to a 1 in 500-year event.</p> <p>Project 2: Upper Tukituki Flood Control Scheme: Gravel Extraction</p> <p>We are removing gravel from the Upper Tukituki River to improve flood protection in CHB. Decreased demand for gravel has seen a build-up of gravel (aggradation). Extracting gravel from the riverbeds helps increase river capacity and reduces the risk of water inundation of neighbouring properties during a flood.</p> <p>Project 3: Wairoa River, River Parade Erosion</p> <p>We installed sheet piles to protect Wairoa District Council roading and Wairoa River Bridge from further erosion. In winter 2022 we will be planting trees for further protection and to enhance the area and increase biodiversity.</p>

Project Summaries	
9	Revenue & Financing Policy/ Rates Review (incl. Scheme Rating Reviews) First principles review of our Revenue and Financing Policy, and full review of our rating system. The aim is to improve transparency for who pays what, ensure legal compliance, simplify the Policy and provide more flexibility in applying the Policy. Consultation is planned to take place towards the end of 2023 prior to the next Long Term Plan when the amounts rated for many Council services will be likely to change.
10	Enterprise Asset Management Aims to embed an Asset Management Information System that integrates into and expands on the Enterprise Resource System (ERP) that was introduced during the Finance Upgrade Systems & Efficiency (FUSE) project. The goal is to improve efficiency, allowing us to confidently identify assets (both spatially and uniquely within a register), manage and maintain our current infrastructure through whole-of-life, and assess risk to determine when changes or additions are required.
11	Urban Catchment Plans (Te Karamu Catchment Plan/ Ahuriri Catchment Plan) Plans will be developed with stakeholders to provide coordination of activities within the Ahuriri and Te Karamū catchments, and identify options to help improve water quality, particularly in relation to land drainage and stormwater management, and to improve biodiversity.
12	Climate Action Plan Developing an inaugural Regional Climate Action Plan by July 2023 with broad community involvement, support and engagement, which will be integrated with the next long term plans of the region's Councils. The Action Plan will be informed by a greenhouse gas emissions inventory to establish the carbon footprint at city, district, and regional levels - a first for HB.
13	Synergy The enhancement of already implemented TechnologyOne modules to ensure a stable foundation for the future stages of the TechnologyOne ERP deployment at HBRC.

Key Strategic Projects Pipeline		
Title:	Group	Estimated Start Date
Regional Water Efficiency Programme ('Future Water Use')	Asset Management (Water Security)	TBC
Biosecurity Information System	Integrated Catchment Management	TBC
Clive River Dredging 2030	Asset Management (Regional Assets)	TBC
On Demand Public Transport (Napier trial)	Policy & Regulation (Transport)	TBC

Key Strategic Projects Pipeline		
Title:	Group	Estimated Start Date
Tukituki Plan Change Policy Implementation (Land Use Consents)	Policy & Regulation (Consents)	Decision pending, whether project tracking is to commence.
Clive River Dredging 2030	Asset Management (Regional Assets)	TBC
On Demand Public Transport (Napier trial)	Policy & Regulation (Transport)	TBC

Enforcement Actions		
33. There are 8 active prosecutions before the court, at various stages, therefore not able to comment publicly on. There are three further investigations in progress likely to lead to prosecution.		
Date	Type of Enforcement Action	Status
Mar 2020	Discharge to land that may enter water	Before the court – Defended Hearing Oct 2021
Jul 2020	Discharge to land that may enter water	Before the court – Defended Hearing Feb 2023
Jan 2021	Discharge to air - odour	Before the court – Guilty Plea entered – Next court date 11 October 2022 for sentencing
Feb 2021	Discharge to land that may enter water	Before the court – Pre-trial conference set down for 4 October 2022
Sep 2021	Burning prohibited items	Before the court – Defended Hearing - Next court date 4 October 2022 for nominal trial date
Sep 2021	Burning prohibited items	Before the court – Plea to be entered – Next call over 13 October 2022
Dec 2021	Discharge to land that may enter water	Before the court – Guilty Plea entered – Next court date 4 October 2022
Jul 2022	Discharge to land that may enter water x2 Breach of enforcement order	Before the court – Plea to be entered – Next call over 18 October 2022

Environment Court Proceedings		
Date	Type of Proceedings	Status
June 2021	Three Environment Court appeals lodged against Independent Panel decisions made in June 2021 on submissions to Outstanding Water Bodies Plan Change (PC7).	Mediation continued through July. Latest update reported to Environment Court on 16 September 2022. Update indicated matters that parties are in agreement on and also requested Court set a timetable of next steps, including setting dates for formal court hearing preferably in first half of 2023.
2021	Appeals to Environment Court on the Draft Water Conservation Order application for Ngaruroro River.	Before the Environment Court. Hearing held in 2021. Awaiting Environment Court decision – no update since previous report.

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 organisational activities looking forward through October 2022* staff report.

Authored by:

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SCHEME

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Approved by:

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GROUP MANAGER ASSET MANAGEMENT

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Attachment/s

There are no attachments for this report.

Subject: CALL FOR MINOR ITEMS NOT ON THE AGENDA

Reason for Report

1. This item provides the means for councillors to raise minor matters relating to the general business of the meeting 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 19:

Topic	Raised by

Annelie Roets
GOVERNANCE ADVISOR

James Palmer
CHIEF EXECUTIVE

Subject: REVENUE AND FINANCING POLICY REVIEW – STEP ONE ANALYSIS

Reason for Report

1. In its 2021-2031 Long Term Plan, the Council signalled its intention to review its Revenue and Financing Policy.
2. This report is presented for Council to consider, discuss and confirm step one of the process that is required when undertaking a review of Council's Revenue and Financing Policy.
3. The scope of step one is outlined in *Prescribed process – Section 21*.

Officers' Recommendation(s)

4. Staff recommend that Council consider this process paper and systematically review the assessment made for each of the 34 separately identified activities in the attached *Step One Funding Impact Analysis* and adopt it as step one of the process to review the Council's Revenue and Financial Policy.

Executive Summary

5. Under the Local Government Act 2002 (LGA), Council must have a Revenue and Financing Policy (R&F Policy). Sector advice states it is good practice to review R&F policies approximately every ten years on a first principles basis. The Council's policy is overdue for review and it has signalled to ratepayers that a review will be undertaken before the next long term plan.
6. The objectives of the review are to:
 - 6.1. improve transparency for who pays what,
 - 6.2. ensure legal compliance and good practice, and
 - 6.3. simplify the policy thereby providing more flexibility in application, for example stating a rating "range" and/or bundling sub-activities together.
7. The review process must follow the requirement of the two steps set out in the Local Government Act 2002 (LGA). The process takes approximately 12-18 months including formal consultation.
8. Council has undertaken an initial assessment of the requirements of step one by way of a series of workshops. The purpose of the report is to provide full details of this initial assessment so that Council can review the initial work, discuss/debate each activity and agree on the final step one analysis before adopting the step one analysis.
9. The initial analysis is set out in the attachment titled "HBRC's Revenue and Financing Policy - Step One Funding Needs Analysis"
10. Further detail has been provided in a second attachment "R&F Policy – Activity Breakdown" to describe the activities being assessed and to provide context.

Background

11. Council is required to have a Revenue and Financing Policy. This policy sets out how each activity is to be funded including details of the types of rates to be used. It is Council's view following public consultation.
12. The policy is important because it underpins the various funding mechanisms by which Council funds its activities. By defining the various rates it enables council to set the rates and collect its rates revenues each year.

13. Sector advice states it is good practice to review revenue and financing policies approximately every ten years on a first principles basis. This is because over time, ad hoc changes can result in the overall policy not delivering the optimum outcome for Council and the community.
14. The Council's current policy has evolved over time with a number of small changes made over the last four long term plans but without a review of all components (and the relativity between activities).
15. The council signalled in its most recent long term plan that it would be reviewing its R&F Policy. A specific undertaking was given to review the Upper Tukituki targeted rates.

Scope of the review

16. The review is not an assessment of the adequacy of current spend or the existing levels of service nor is it a review of Council's Financial Strategy, which describes Council's broad funding principles and sets debt and rates limits.
17. The review is confined to how existing activities and levels of services are funded. Potential future activities, such as coastal hazard implementation, is also out of scope of this review.
18. The objectives of the review are to:
 - 18.1. improve transparency for who pays what,
 - 18.2. ensure legal compliance and good practice, and
 - 18.3. simplify the policy thereby providing more flexibility in application, for example stating a rating "range" and/or bundling sub-activities together.

Timing of the review

19. A first principles review generally takes 12-18 months. The review was timed to fall between long term plans (LTP) to enable ratepayers to distinguish between impacts from the policy change versus impacts from level of service or cost changes. In addition, rating reviews can be controversial because changing the way rates are assessed always means there are winners and losers which can upstage the LTP consultation.
20. It was agreed by Council to complete step one before the local government elections in October 2022. The new Council will then be tasked with reviewing the step one analysis and either reconfirming or amending it prior to undertaking step two analysis. It is expected that the new Council would complete step two and consult on the policy, together with any new or amended rates in October 2023.

Prescribed process

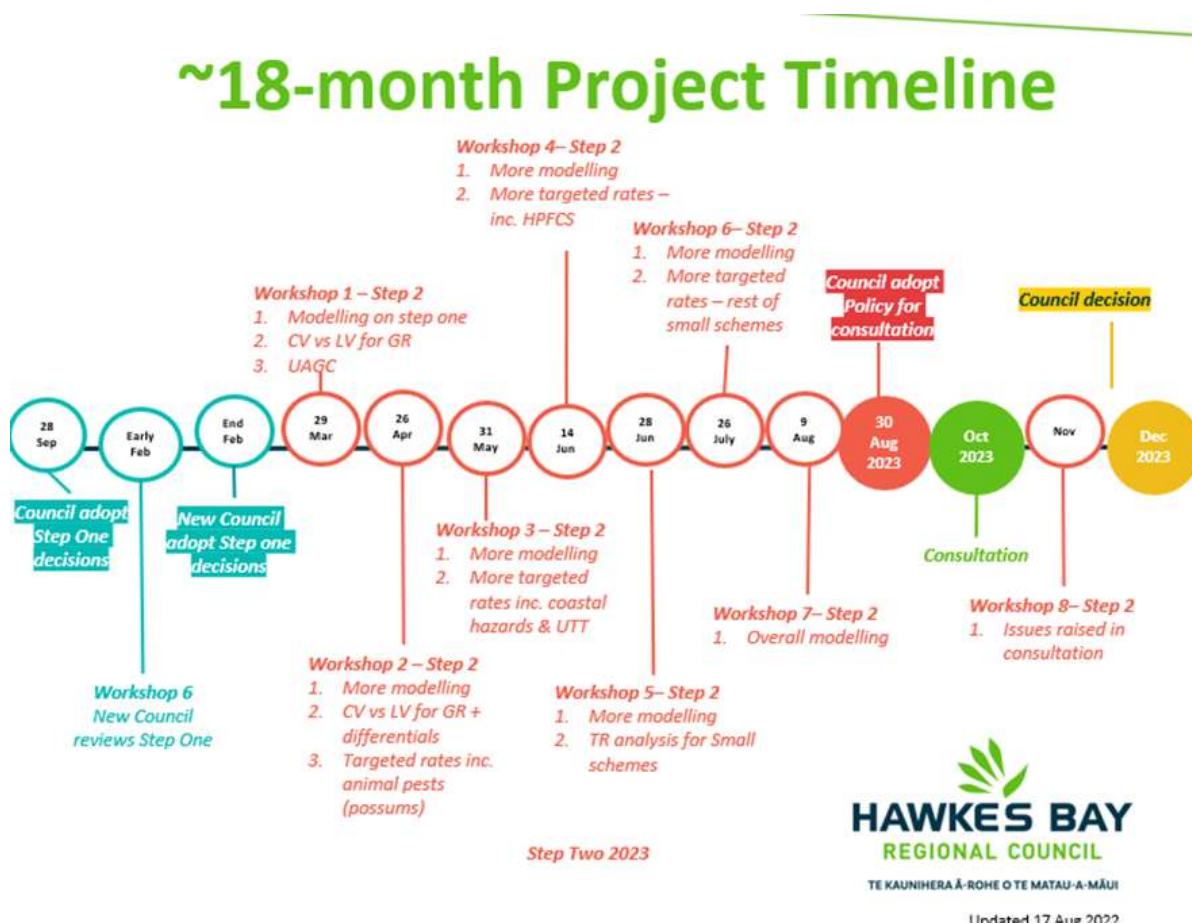
21. The process to review the policy is prescribed in the LGA and must be followed to mitigate the risk of judicial review. Section 101(3) LGA requires the Council to develop the policy in two steps. In the first step, it must consider in relation to each activity to be funded the following:
 - 21.1. Community outcomes to which the activity primarily contributes
 - 21.2. Distribution of benefits – who gets the benefit the whole/part of community or individuals?
 - 21.3. The period the benefits are expected to occur
 - 21.4. Extent that actions or inactions contribute to the need to undertake the activity (exacerbators)
 - 21.5. Costs and benefits of funding the activity separately from other activities
22. The process of working through the step one assessment is an iterative one and the rationale for choices made must be documented.

Process to date

23. To assist Councillors to understand the process a number of workshops were held to help draft an outline for consideration. This is attached entitled “HBRC’s Revenue and Financing Policy - Step One Funding Needs Analysis”.
24. Within the funding needs analysis, there is text highlighted yellow, indicating where queries were raised at a workshop or where additional information since the workshop has been included. These areas in particular need further discussion to agree the best approach. These are:
 - 24.1. Sustainable Homes – an alternative option for council to consider has been added to consider General Rate funding rather than a Targeted Rate by airshed.
 - 24.2. Resource Consents – should the wording around the recoverable/non-recoverable split be the same as Compliance?
 - 24.3. Maritime Safety (Port Operations) – should the community outcome be Prosperous Community rather than Resilient Community now we have split out port operations?
 - 24.4. Farm Environmental Management Plans (FEMPs) – should a portion of the costs be funded by FEMP holders who have a distinct benefit?

Process going forward

25. The following graphic shows an indicative timeline going forward.



26. Step two of the R&F review requires the Council to consider the results of step one and modify (if required) the allocation of tools that were identified in step one based on the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community.
27. This work will be progressed throughout 2023, culminating in consultation in October 2023.

Strategic Fit

28. The Revenue and Financing Policy sets out how Council proposes to fund its activities. It underpins the values of accountability and transparency in Council's Strategic Plan 2020-25. Namely:
 - 28.1. Accountability – we hold ourselves accountable to deliver results, be responsive to community expectations, and the best use of ratepayers' funds and assets.
 - 28.2. Transparency – We report on what we do and the value this delivers to our community.
29. It is important that this policy is reviewed on a regular basis to ensure we practice these values.

Significance and Engagement Policy Assessment

30. Staff have assessed this decision paper against the Council's Significance and Engagement Policy and have concluded that this is not a significant decision at this stage and can be made without public consultation. This review follows a process set out in legislation and the substantive decision will be to adopt the Revenue and Financing Policy for consultation in October 2023.

Considerations of Tāngata whenua

31. No specific consideration is required as part of the step one funding analysis.

Financial and Resource Implications

32. The LTP provides a budgetary provision to support the Revenue and Financing Policy review. This is within the existing Finance budget.

Consultation

33. While there is no consultation required to support the decision in this report, as noted above it is expected that consultation will take place in October 2023.

Legal Implications

34. Section 102 (2) (a) LGA requires the Council to have a Revenue and Financing Policy.
35. Section 101 (3) LGA sets out the process on how a local authority should decide who should pay including specifying the two-step process.
36. Section 103 details disclosure requirements of a Revenue and Financing Policy.

Decision Making Process

37. 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:
 - 37.1. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy and relates to step one of a statutory process to review Council's Revenue and Financing Policy. No public consultation is required at this stage of the process.
 - 37.2. The persons directly affected by this decision are all of the Hawke's Bay community.

Recommendations

That Hawke's Bay Regional Council:

1. Receives the report *Revenue and Financing Policy Review – Step One Analysis*.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.

3. Adopts the step one funding analysis, as set out in the attachment titled “HBRC Revenue and Financing Policy - Step One Funding Needs Analysis”, incorporating any amendments made at the meeting.
4. Recommends to the 2022-2025 Council that it considers this step one analysis prior to undertaking the step two analysis in 2023.

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Attachment/s

- 1 [↓](#) HBRC's Revenue and Financing Policy- Step One Funding Needs Analysis
- 2 [↓](#) R F Policy - Activity Breakdown

HBRC's Revenue and Financing Policy - Step One Funding Needs Analysis

Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity <u>primarily</u> contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? • General Rates • Targeted Rates • Fees & Charges • Other	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Governance and Partnerships									
Community Representation & Leadership	Healthy Environment	The community as a whole benefits from democratic representation and transparent and legally compliant Council processes.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General rates	<ul style="list-style-type: none"> General Rates Subsidies & Grants Fees & Charges Reserves 	<ul style="list-style-type: none"> General Rates Fees & Charges Reserve funds
Tangata whenua Partnerships	Healthy Environment	The community as a whole benefits from the quality of decisions enabled by a Treaty-based partnership approach with tangata whenua.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General rates	<ul style="list-style-type: none"> General Rates Subsidies & Grants Fees & Charges 	<ul style="list-style-type: none"> General Rates Fees & Charges Reserve funds
Community Sustainability	Healthy Environment	The community as a whole benefits from a coordinated programme to drive climate action to reduce the region's and its own carbon footprint including environmental education.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General rates	<ul style="list-style-type: none"> General Rates Subsidies & Grants Fees & Charges Sale of carbon credits 	<ul style="list-style-type: none"> General Rates Fees & Charges Reserve funds

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action</u> or <u>inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> • General Rates • Targeted Rates • Fees & Charges • Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Governance and Partnerships									
Sustainable Homes	Resilient Communities	<p>Individuals who take up the service are the primary beneficiaries.</p> <p>Parts of the community benefit from less air pollution.</p> <p>The community as a whole benefits to a lesser degree from reduced emissions.</p>	There are ongoing benefits from cleaner and more sustainable homes.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately as separate funding enables Council to target those who benefit either from improvements to their property or from residing in a healthy airshed.	<p>Individuals benefit from services that improve their property and those in the airshed benefit from cleaner air therefore targeted rates are considered the most appropriate funding source.</p> <p>Currently we apply rates by defined airshed, which is problematic as urban sprawl has made boundaries subjective.</p> <p>An alternative option for council to consider is GR funding for the airshed component (i.e. the balance after excluding individual targeted rates applied to those who have taken up the service).</p>	100% Targeted Rates	<ul style="list-style-type: none"> • Targeted Rates • Fees and Charges • Reserves • Borrowing 	<ul style="list-style-type: none"> • Targeted Rates • Fees & Charges • Reserves • Borrowing

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity <u>primarily</u> contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action</u> or <u>inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> • General Rates • Targeted Rates • Fees & Charges • Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Governance and Partnerships									
Regional Development	Prosperous Community	The broader business community (commercial and industrial) are the primary beneficiaries of tourism promotion and economic development. The community as a whole benefit to a lesser extent.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately as separate funding enables Council to apply revenue requirements that are consistent with the levels of benefit that different ratepayer categories receive. Separate funding also supports accountability and transparency to the ratepayers who fund the activity.	Businesses greatly benefit from the united approach to attracting visitors and commercial opportunities. Residents benefit from the enhanced lifestyles with modern amenities, things to see and do, accessibility and a greater sense of security which is vital for health and wellbeing. Therefore, differentiated TR is consider the most appropriate funding source.	Differentiated Targeted Rate	<ul style="list-style-type: none"> • Differential Targeted Rate • Subsidies and Grants • Reserves • Fees & Charges 	No capital

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> • General Rates • Targeted Rates • Fees & Charges • Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Policy and Regulation									
Policy Planning & Implementation	Healthy Environment	The community as a whole benefits.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need. Everyone uses the region's natural resources to some extent.	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General Rates	<ul style="list-style-type: none"> • General Rates • Reserves • Grants & Subsidies 	<ul style="list-style-type: none"> • General Rates • Reserves
Resource Consents	Healthy Environment	<p>Consent applicants are the primary beneficiaries.</p> <p>The community as a whole benefits to a lesser degree from environmental outcomes from implementing the Regional Plan via consenting.</p> <p>The community as a whole benefit from the advisory services provided.</p>	There are ongoing benefits.	Consent applicants create a need to process and issue consents.	There are benefits from funding this activity separately to target those who benefit or create the need.	Council considers that those who benefit or contribute to the need for the activity should contribute to the recovery of those costs. When recovery is not possible, then the General Rate is considered the most appropriate funding source after an allowance for any fees.	<p>90% of cost of recoverable consent processing funded from consent applicants</p> <p>10% of recoverable consent processing costs funded by the wider community (general rates)</p> <p>100% of non recoverable consents funded by general rates</p> <p>Note: this has been reworded to be the same as Compliance. Is this what was intended by Council?</p>	<ul style="list-style-type: none"> • General Rates • Fees & Charges 	<ul style="list-style-type: none"> • General Rates • Fees & Charges • Reserve funds

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Compliance	Healthy Environment	Consent holders are the primary beneficiaries. The community as a whole benefits to a lesser degree from environmental outcomes from implementing the Regional Plan via compliance activities.	There is an annual benefit matching the period of expenditure	Non compliant consent holders who form part of the high priority monitoring schedule.	There are benefits from funding this activity separately to target those who benefit or create the need.	Council considers that those who benefit or contribute to the need for the activity should contribute to the recovery of those costs. When recovery is not possible, then the General Rate is considered the most appropriate funding source.	90% of cost of recoverable compliance activity funded from consent holders (private) 10% of cost of recoverable compliance activity funded by the wider community (general rates) 100% of non recoverable compliance costs funded by general rates.	<ul style="list-style-type: none"> Fees & Charges General Rates 	<ul style="list-style-type: none"> Fees & Charges General Rates
Pollution Response	Healthy Environment	The community as a whole benefits from having a 24/7 response capability.	There is an annual benefit matching the period of expenditure	Polluters create the need for pollution response. Generally, polluters can only be identified after a pollution event and sometimes the liable party cannot be identified.	There are benefits from funding this activity separately to target those who benefit or create the need.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source. However where a liable party can be identified they should contribute to the recovery of those costs.	100% General Rate after the recovery of fines and penalties where possible.	<ul style="list-style-type: none"> General Rate Fines and penalties Grants and subsidies (Marine Oil spills cost recovered) Fees & Charges 	No Capital expenditure
Maritime Safety – Port Operations	Resilient Community An alternative option for council to consider is Prosperous Community now we have split out port ops from education/rec users	Napier Port Limited is the beneficiary of Harbourmaster activities to support safe commercial shipping in the Napier harbour.	There is an annual benefit matching the period of expenditure.	Napier Port creates the need for the port related activities.	There are benefits from funding this activity separately to target those who benefit or create the need.	Council considers that there is a distinct benefit for Napier Port from the Harbourmaster services at the port, therefore Napier Port should fund those costs using fees and charges.	100% Fees & Charges	<ul style="list-style-type: none"> Fees & Charges 	<ul style="list-style-type: none"> Fees & Charges Reserves Borrowing
Maritime Safety – Education and recreational users	Resilient Community	The community as a whole benefits. Recreational boat and water users benefit from navigational aids, education programmes and the enforcement of maritime safety regulations	There is an annual benefit matching the period of expenditure	No identifiable groups create a need.	There is no particular need to fund this activity separately.	As there are region wide and whole community benefits from maritime education and safety the General Rate is considered the most appropriate funding source.	100% General Rate after offsetting other income.	<ul style="list-style-type: none"> General Rates Grants and subsidies (Maritime safety) Fees & Charges Penalties & Fines 	<ul style="list-style-type: none"> General Rates Reserves Borrowing

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the action or inaction of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> • General Rates • Targeted Rates • Fees & Charges • Other 	What sources of funding can be used to fund operational expenditure for this activity?	What sources of funding can be used to fund capital expenditure for this activity?
Integrated Catchment Management									
Environmental Information	Healthy Environment	<p>The community as a whole benefits from the collection, monitoring and provision of environmental information. This contributes to the evidence base needed for regional plan development.</p> <p>There is also a distinct benefit for consent holders because the information gathered is necessary for consents to be issued.</p>	There is an annual benefit matching the period of expenditure and some ongoing benefits from having data available.	<p>Everyone uses the region's natural resources to some extent.</p> <p>Consent holders contribute to the need to fund this activity as consented activities such as water takes and discharges drive the need for Council to collect environmental information.</p>	There are benefits from funding this activity separately to target those who benefit or create the need.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source with a portion of the costs funded by consent holders who have a distinct benefit and contribute to the need.	<p>65% General Rates</p> <p>35% Fees & Charges</p>	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges 	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges • Reserve Funds • Loans
Water Information Services	Healthy Environment	<p>Water take consent holders are the primary beneficiaries from the provision of an accurate and reliable telemetry network.</p> <p>The community as a whole benefits to a lesser degree from rainfall, flood modelling and forecasting.</p>	There is an annual benefit matching the period of expenditure and some ongoing benefits from having data available.	Water consent holders create a need.	There are benefits from funding this activity separately to target those who benefit or create the need.	Council considers that those who benefit or contribute to the need for the activity should contribute to the recovery of those costs with the balance funded from the General Rate.	<p>90% Fees & Charges</p> <p>10% General Rate (similar to Resource Consents)</p>	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges 	No Capex
Environmental Science	Healthy Environment	<p>The community as a whole benefits from analysis and interpretation of SOE information and research and investigations on matters relevant to policy development</p> <p>There is also a distinct benefit for consent holders because science activities are needed to issue consents with certainty about potential environmental impacts.</p>	There is an annual benefit matching the period of expenditure and some ongoing benefits from science knowledge.	Consent holders contribute to the need to fund this activity as consented activities such as water takes and discharges drive the need for Council to undertake its science activities.	There are benefits from funding this activity separately to target those who benefit or create the need.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source with a portion of the costs funded by consent holders who have a distinct benefit and contribute to the need.	<p>65% General Rates</p> <p>35% Fees & Charges</p>	<ul style="list-style-type: none"> • General Rates • Fees & Charges • Subsidies & Grants 	<ul style="list-style-type: none"> • General Rates • Fees & Charges • Subsidies & Grants • Reserves • Loans

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
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What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> General Rates Targeted Rates Fees & Charges Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Integrated Catchment Management									
Catchment Management (Environmental enhancement, delivery, policy implementation & water efficiency)	Healthy Environment	The community as a whole benefits from reduced environmental pressures from good management practices and compliance with regulations.	There are ongoing benefits.	No specific, separately identifiable, group causes a need	There is no particular need to fund this activity separately.	As there are region wide and whole community benefits from the General Rate is considered the most appropriate funding source.	100% General Rates	<ul style="list-style-type: none"> Fees & Charges General Rates Reserves Subsidies & Grants 	<ul style="list-style-type: none"> Fees & Charges Reserves Loans
Soil Conservation Nursery	Healthy Environment	Recipients of plants from the nursery are the beneficiaries.	There is an annual benefit matching the period of expenditure	No specific, separately identifiable, group causes a need	There are benefits from funding this activity separately to target those who benefit to fully fund annual costs.	Council considers that those who benefit should contribute to the recovery of those costs so fees and charges are considered the most appropriate funding source.	Fees & Charges and Recoveries from other Council activities fund 100% of costs	<ul style="list-style-type: none"> Fees & Charges Other (recoveries from other council activities) Reserves 	<ul style="list-style-type: none"> Fees and charges Reserves Loans
Erosion Control Scheme\Right Tree Right Place	Healthy Environment	<p>The community as a whole benefits from reduced erosion leading to improved water quality in streams, rivers and the coast as well as improved biodiversity and carbon sequestration from large scale tree planting.</p> <p>Benefits to individuals from the ECS are funded directly by the individual.</p> <p>The RTRP pilot is proof of concept for large scale tree planting that will be funded by external parties. The pilot is due to finish in 2024/25. If it continues beyond that Council will need to reconsider the overall funding split.</p>	There are ongoing benefits.	No specific, separately identifiable, group causes a need. The need is driven by past events and climate change.	There is no particular need to fund this activity separately.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source after the recovery of charges to individuals.	100% General Rate	<ul style="list-style-type: none"> Fees & Charges General Rates Reserves Subsidies & Grants Loans 	<ul style="list-style-type: none"> Fees & Charges Reserves Loans

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What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the action or inaction of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> General Rates Targeted Rates Fees & Charges Other 	What sources of funding can be used to fund operational expenditure for this activity?	What sources of funding can be used to fund capital expenditure for this activity?
Integrated Catchment Management									
Farm Environmental Management Plans (FEMPs)	Healthy Environment	The community as a whole benefits from environmental outcomes from implementing the Regional Plan via FEMPs. Query raised at workshop whether this should be a 90/10 split (similar to telemetry) rather than 100%. In which case we could say "There is also a distinct benefit to the FEMP holder from the expert advice provided by an audited FEMP provider and having an actionable plan to reduce on-farm risks."	There is an annual benefit matching the period of expenditure	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. Or There are benefits from funding this activity separately to target those who benefit.	As there will be a region-wide and whole community benefits the General Rate is considered the most appropriate funding source with a portion of the costs funded by FEMP holders who have a distinct benefit.	100% General Rates for Council's contribution and administration. Or 90% General Rate and 10% Fees & Charges	<ul style="list-style-type: none"> Fees & Charges General Rates Reserves 	
Biodiversity (including possum control)	Healthy Environment	The community as a whole benefits from the protection and restoration of native species and ecosystems including the reduced spread of possums. Biodiversity contributes to the region's natural character and ecosystem services. Parts of the community receive a greater benefit from reduced spread of unwanted pest damage.	There are ongoing benefits.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately assuming the current owner-occupied model, however if the delivery model for possum control management changes there may be a need to target specific beneficiaries.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% funded from General Rate	<ul style="list-style-type: none"> Fees & Charges General Rates Targeted rates Reserves 	<ul style="list-style-type: none"> Fees & Charges General Rates Targeted rates Reserves Loans
Primary production Pests (including rook control)	Prosperous Community	Parts of the community (primary producers) benefit from reduced loss to pasture, crops, trees and shrubs and sustained/increased production.	There is an annual benefit matching the period of expenditure.	High value productive land uses drive the need for this activity.	There are benefits from funding this activity separately to target those who benefit or create the need.	Council considers that those who benefit or contribute the need for the activity should contribute to the recovery of those costs using Targeted Rates.	100% Targeted rates by location and type	<ul style="list-style-type: none"> Fees & Charges Targeted rates Reserves 	<ul style="list-style-type: none"> Fees & Charges Targeted rates Reserves

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action</u> or <u>inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> General Rates Targeted Rates Fees & Charges Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Asset Management									
Flood Protection & Control Works (includes gravel extraction)	Resilient Community	Property owners and residents in flood schemes are the primary beneficiaries from maintaining flood schemes to agreed levels of protection. The community as a whole benefits to a lesser degree from economic and social resilience from protected arterial transport routes and utilities. Districts are interwoven so regardless of where flooding occurs it has a regional economic and social impact.	There are intergenerational benefits due to significant infrastructure.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately to target those who benefit. Separate funding also supports accountability and transparency to the ratepayers who fund the activity.	Council considers that those who benefit should contribute to the costs via Targeted Rates on the flood scheme area with the balance of costs met via the General Rate scaled between 10-30% nuanced based on public assets within the scheme. <u>Note:</u> Aim is to be less administratively complex and have more consistency between schemes.	70% TR:30% GR 70:30 except for Wairoa who may pay less. <u>Note:</u> At step 2 we will consider the impact and equity for Wairoa and other areas outside a scheme Capital value reflects intensification.	<ul style="list-style-type: none"> Targeted rates General Rates Fees and Charges (inc royalty) Agreement between consent holder and industry extractor Subsidies & Grants Reserves 	<ul style="list-style-type: none"> Targeted Rates General Rates Fees & Charges Subsidies and grants Borrowing Reserves
Drainage and pumping	Prosperous Community	Property owners within the drainage scheme areas are the primary beneficiaries. These property owners benefit as the scheme allows land to be used more intensely or for a higher value use. The community as a whole benefits to a lesser degree from economic activity generated from productive land use.	There are intergenerational benefits.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately to target those who benefit. Separate funding also supports accountability and transparency to the ratepayers who fund the activity. Separate funding is useful to demonstrate the benefits from drainage are less regional than flood protection.	Council considers that those who benefit should contribute to the costs via Targeted Rates on the drainage scheme area with the balance of costs met via the General Rate.	90 % Targeted Rates 10% General Rates	<ul style="list-style-type: none"> General Rates Targeted Rates Grants and subsidies Fees and charges Reserves 	<ul style="list-style-type: none"> General Rates Targeted Rates Grants and subsidies Fees and charges Reserves Borrowing

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
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What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> General Rates Targeted Rates Fees & Charges Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Asset Management									
River & stream maintenance (includes 19 river mouth openings)	Resilient Community	The community as a whole stands to benefit. Benefits arise from a mix of planned and reactive interventions across the region. Proximate properties get some direct benefit which could range from high to low but difficult to quantify.	There are minor intergenerational benefits with small capital expenditure.	Some exacerbators but frequency and effect on total cost is low and difficult to identify individuals.	Separate funding for this activity is not sensible as it is too difficult to quantify direct benefit and could be cost prohibitive to charge those direct beneficiaries.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General Rate	<ul style="list-style-type: none"> General Rates Grants and subsidies Fees and charges Reserves 	<ul style="list-style-type: none"> General Rates Grants and subsidies Fees and charges Reserves Borrowing
Flood Risk Assessment and Warning	Resilient Community	The community as a whole benefits from hazard information for land use planning purposes and advice on rainfall and water flows during flood conditions. Information is collected from a comprehensive network of recorders across the region that supports modelling.	There are intergenerational benefits.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. This is work is not specific to an individual scheme.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General Rates	<ul style="list-style-type: none"> General Rates 	<ul style="list-style-type: none"> General Rates Loans Reserves
River investigations, enquiries and subsidised work	Resilient Community	The community as a whole stands to benefit from the advisory service, investigation of community raised issues and subsidised work proposals. Parts of the community and individuals benefit from subsidised works.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately to recover the costs from those who directly benefit. This is work not specific to an individual scheme.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source. When beneficiaries of subsidised works can be separately identified, the costs are partially recovered via Fees & Charges.	100% General Rates. Certain works are recovered on a proportional basis.	<ul style="list-style-type: none"> Fees & Charges General Rates 	<ul style="list-style-type: none"> Fees & Charges General Rates Loans Reserves

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action</u> or <u>inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> General Rates Targeted Rates Fees & Charges Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Asset Management									
Coastal Hazards	Resilient Community	The community as a whole benefits from better understanding of causes and effects of coastal hazards.	There is an annual benefit matching the period of expenditure and some ongoing benefits from coastal hazard knowledge.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. However, with the proposed growth in scope it makes sense to consider Coastal Hazards as a separate activity which may require separate funding in the future to target those who have a distinct benefit.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General Rates for balance after any contributions from other local authorities	<ul style="list-style-type: none"> General Rates Contribution from other local authorities 	<ul style="list-style-type: none"> General Rates Contribution from other local authorities Reserves Borrowing
Westshore Beach Renourishment	Resilient Community	The community as a whole and properties within Westshore and the Napier area are beneficiaries from beach renourishment of the park and reserve.	There are ongoing benefits.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. However, with the proposed growth in scope of coastal hazards implementation it makes sense to consider Westshore Beach Renourishment as a separate activity which may require separate funding in the future to target those who have a distinct benefit.	Council considers that the General Rate is the most appropriate funding source at the moment and should be reviewed as part of the Clifton to Tangoio Strategy implementation when all cells will be analysed.	100% General Rates of HBRC contribution (50:50 split with NCC)	<ul style="list-style-type: none"> General Rates Contribution from other local authorities 	<ul style="list-style-type: none"> General Rates Contribution from other local authorities Reserves

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> General Rates Targeted Rates Fees & Charges Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Asset Management									
Regional Water Security	Resilient Community	As many Hawke's Bay freshwater resources are already under pressure and with the increasing effects of climate change, the community as a whole benefits from investigations into delivery models for water storage and demand management solutions. <u>Note:</u> The current assessment is for the investigative stage only. Like Coastal Hazards it is too early to consider how to allocate costs of specific interventions. Some users may benefit more directly through commercial gain and pay a volumetric charge on water used, as a proxy for environmental impact.	There are intergenerational benefits.	Everyone uses the region's freshwater resources to some extent.	There is no particular need to fund this activity separately. However, there is significant government funding attached to the current activities and with the possible growth in scope and some project potentially commercialized in the future it makes sense to consider Water Security as a separate activity which may require separate funding to target those who have a distinct benefit.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General Rates	<ul style="list-style-type: none"> General Rates Grants & Subsidies Reserves 	<ul style="list-style-type: none"> General Rates Grants & Subsidies Reserves Loans
Open Spaces	Healthy Environment	The community as a whole benefits from provision of regional parks and cycleways spread across the region and available for use by all members of the Hawke's Bay community.	There are intergenerational benefits.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source.	100% General Rates	<ul style="list-style-type: none"> General Rates Subsidies & Grants 	<ul style="list-style-type: none"> General Rates Subsidies & Grants Loans Reserves

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action</u> or <u>inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none">• General Rates• Targeted Rates• Fees & Charges• Other	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Asset Management									
Forestry	Healthy Environment	The community as a whole benefits from HBRC’s management of forestry blocks held primarily for soil conservation and environmental enhancement reasons.	There are intergenerational benefits.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately to transparently show costs are fully funded via harvest revenue.	Council considers that full cost recovery via harvest revenues is the most appropriate funding source.	100% funded by harvest revenue in the medium term	<ul style="list-style-type: none">• Fees & Charges• Reserves	<ul style="list-style-type: none">• Fees & Charges• Reserves

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Emergency Management									
Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity primarily contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? <ul style="list-style-type: none"> • General Rates • Targeted Rates • Fees & Charges • Other 	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Hawkes Bay CDEM	Resilient Community	The community as a whole benefits from hazard knowledge and preparedness for and coordination of regional or localised emergency events.	There is an annual benefit matching the period of expenditure with some ongoing benefit from knowledge gained.	No specific, separately identifiable, group causes a need	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits from the General Rate is considered the most appropriate funding source.	100 % General Rates	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges 	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges • Asset Sales • Borrowing
HBRC Emergency Management	Resilient Community	The community as a whole benefits from HBRC's capability and capacity to respond and manage its staff and assets for regional or localised emergency events.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits from the General Rate is considered the most appropriate funding source.	100 % General Rates	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges 	<ul style="list-style-type: none"> • General Rates • Subsidies & Grants • Fees & Charges • Asset Sales • Borrowing

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Activity	Community outcome	Who benefits? How are the benefits distributed?	Period of benefit	Whose acts create a need	Rationale for separate funding	Overall rationale for funding	Percentage	Funding sources	
								Operational	Capital
What is the activity to be funded?	Which community outcome does the activity <u>primarily</u> contribute to?	The distribution of benefits between the community as a whole, any identifiable part of the community and individuals	The period over which benefits are expected to accrue.	The extent to which the <u>action or inaction</u> of someone contributes to the need to fund the activity	Are there costs or benefits from funding the activity separately (either by fees and charges or targeted rates or a combination), including those for transparency and accountability	Rational for the most appropriate funding source after providing for any other revenue received.	What proportion should be paid by who? • General Rates • Targeted Rates • Fees & Charges • Other	What sources of funding can be used to fund <u>operational</u> expenditure for this activity?	What sources of funding can be used to fund <u>capital</u> expenditure for this activity?
Transport									
Transport Planning & Road Safety	Resilient Community	The community as a whole benefits from planning for the region's transport needs and from road safety activities.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There is no particular need to fund this activity separately. Council reports on the financial and service performance for this activity in its quarterly and annual report/s.	As there are region wide and whole community benefits the General Rate is considered the most appropriate funding source for the balance of costs after grants and subsidies.	100% General Rate for the residual after grants & subsidies.	<ul style="list-style-type: none"> General Rates Subsidies and Grants Fees and Charges Reserves 	No capital
Passenger Transport	Prosperous Community	Individuals who use and communities who can access public transport services are the primary beneficiaries. The community as a whole benefits to a lesser degree from less congestion on roads and reduced emissions.	There is an annual benefit matching the period of expenditure.	No specific, separately identifiable, group causes a need.	There are benefits from funding this activity separately to target those who benefit.	Council considers that those who benefit should contribute to the costs therefore a Targeted Rate for those areas served by PT services is considered the most appropriate funding source after allowing for fees and charges and government subsidies.	100% Targeted Rate for the residual after fees & charges, and grants & subsidies.	<ul style="list-style-type: none"> Targeted Rate Fees and Charges Grants & Subsidies 	<ul style="list-style-type: none"> Targeted Rate Borrowing Reserves Grants & Subsidies

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R&F Policy - Activity Breakdown

In developing the Revenue and Financing Policy, step one requires Council to consider five matters¹ for each separately identified activity. In our Long Term Plan we have 21 activities.

For the purpose of this review, the council identified 34 sub-activities for separate analysis during the series of workshops held between June - August 2022.

The table below lists the 34 sub-activities with an explanation of the work involved and the reason for separately identifying it. We have also provided the breakdown of these sub-activities into 117 cost centres with the 2022-23 opex and capex budgets for further context.

The 34 sub-activities are presented by Group of Activities in this order:

- Governance & Partnerships
- Policy & Regulation
- Integrated Catchment Management
- Asset Management
- Emergency Management
- Transport

¹ For the five matters to be considered see Attachment One: HBRC's Revenue and Financing Policy - Step One Funding Needs Analysis.

Sub-Activity	Explanation of Sub-Activity	Reason the sub-activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Governance and Partnerships					
Community Representation & Leadership	HBRC provides for democratic representation and maintains the integrity of Council processes through transparent and legally compliant practices.	This matches an activity in the Long Term Plan (LTP) and elected member salaries are set by the Remuneration Authority, outside the Council's control. This is a significant proportion of the activity cost. For this reason and the unique nature of the activity it was considered appropriate to identify separately.	Community Partnership & Leadership This cost centre covers council/committee meetings, election costs and elected member's remuneration, allowances, travel, training and development.	\$1,730,410	\$NIL
			Regional Infrastructure This cost centre tracks principal and interest repayments on loan funding for historically funded regional development projects.	\$4,567	\$NIL
Tangata Whenua Partnerships	HBRC actively involves Māori in its decision-making processes, engages in strategic relationships with Tangata Whenua and builds internal capability and capacity to engage effectively.	This matches an activity in the LTP and Council has a statutory obligation to work in a treaty-based partnership approach with tangata whenua therefore council considered it appropriate to identifying this activity separately to demonstrate how it was giving effect to its statutory obligation (i.e. for transparency and accountability).	Tangata Whenua Partnerships This cost centre covers tangata whenua representatives' remuneration allowances, travel, training and development and operating funding to support mana whenua engagement in council processes.	\$1,127,021	\$NIL
Community Sustainability	HBRC delivers environmental education and the EnviroSchools programme across the region to inspire and empower people of all ages to actively engage in creating a sustainable future.	This matches an activity in the LTP and council considered it appropriate to identify this activity separately as climate action (including education) is a pressing and urgent need and	EnviroSchools 60+ schools and early childhood centres	\$247,814	\$NIL

	HBRC develops and leads a coordinated programme to drive climate change action to reduce the region's and its own carbon footprint.	should be identifiable to ratepayers.	Corporate Sustainability This it to monitor, report and implement initiatives to reduce HBRC's own corporate carbon footprint.	\$70,833	\$NIL
			Climate Change Engagement This cost centre funds the Climate Action Ambassador and operating budget.	\$403,609	\$NIL
Sustainable Homes	HBRC will promote and facilitate sustainable solutions to reduce energy consumption and regional greenhouse gas emissions and improve air quality for environmental and health benefits. This includes measures such as the installation of solar electricity systems, water tanks, septic tanks, replacement of non-compliant fires, installing or upgrading insulation and double glazing.	The Council's role in lending was considered sufficiently different to justify separate funding analysis so Sustainable Homes has been separated out from the Community Sustainability activity.	Sustainable Homes (Includes Clean Heat) This activity has capex for community loans currently funded by a 10-year targeted rate on individual properties. The 10- year targeted rate on individual properties funds interest costs and repays the original service amount. In addition, this funds the cost of clean heat subsidies, administration, and low interest clean heat loans.	\$723,879	\$6,901,350
Regional Development	HBRC will co-invest in regional economic development organisations for the benefit of the HB economy. HBRC as a whole plays a broad role in regional economic development by ensuring the natural resource platform upon which both the economy and community relies on is managed to meet the reasonably foreseeable needs of future generations.	This matches an activity in the LTP and Regional Development is a separate discrete activity that is unlike other Council activities and is a significant amount of annual expenditure so justifies separate consideration under the R & F policy.	Regional Development \$1.5M for HB Tourism by agreement with the region's councils. The balance funds Matariki Regional Economic Development Strategy (REDS) related work.	\$2,365,562	\$NIL

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Policy and Regulation					
Policy Planning & Implementation	HBRC establishes and maintains appropriate policies and plans that promote the integrated management of the region's natural and physical resources, protects the community from resource management related risks and assists the Council in carrying out its legislative functions.	This matches an activity in the LTP and Council's policy functions are different to other regulatory functions so warrants separate consideration for funding.	Planning This activity develops, reviews and evaluates Resource Management Act 1991 (RMA) planning documents. A significant focus of this activity is the development of the Kotahi Plan which will implement the Essential Freshwater policies and regulations that came into force in September 2020.	\$3,223,246	\$NIL
			Statutory Advocacy The Policy Planning activity also provides statutory advocacy of Council's resource management policies and interests through submissions and various exchanges with other resource management agencies	\$551,718	\$NIL
			Policy Implementation This activity also includes Policy Implementation (Regulation) which ensures that HBRC has the necessary internal processes in place to be able to implement the regulation required by the Regional Resource Management Plan, Regional Coastal Environment Plan, National Environment Standards, and section 360 regulations under the RMA, as well as communicating the requirements to external stakeholders.	\$446,940	\$NIL
Consents	HBRC will efficiently and effectively process resource consent applications under the Resource Management Act 1991 to enable the lawful use and sustainable management of natural and physical resources.	This matches an activity in the LTP and consent applicants receive a distinct benefit from the service so warrant separate consideration for funding.	Resource Consents This covers the cost of processing resource consents and it also includes advisory services where members of the public and potential consent applicants can enquire and receive advice on consenting processes.	\$2,307,365	\$NIL

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
			Appeals & Objections This covers the cost of appeals and objections to consents issued by Council.	\$41,453	\$NIL
Compliance	These activities involve monitoring resource consents, checking activities comply with regional plan rules or national regulations and standards. Enforcement tools may be used when conditions are breached.	This matches an activity in the LTP. Compliance activities are often linked to consents and Council's statutory functions that enforce planning rules. The mixed nature of the compliance activities between recoverable and non-recoverable costs warrants separate consideration for this funding analysis.	Compliance Recovery This activity has a significant target for revenue recovery. Recoverable activities are consent compliance monitoring, low flows consent compliance monitoring, administration.	\$1,123,442	\$NIL
			Compliance Non-Recoverable Non recoverable activities include permitted activity monitoring, compliance programme other (including responding to public queries, provision of info/advice to Exec and Council, project management, strategic planning, annual plan development and reporting, post EDG enforcement, attending industry meetings, internal audits and external surveys)	\$1,019,250	\$NIL
			Building Act Implementation This covers the responsibilities to hold and provide information and develop audit systems. These costs are not recoverable from consent applicants and holders. Apart from the occasional issuance of Project Information memorandum and the imposition of a fine for non-compliance there is very limited income.	\$79,090	\$NIL
Pollution Response	Council provides a 24-hour/7-day-a-week pollution response service and ensures compliance by acting on environmental complaints, incidents, and breaches. This includes investigation of contaminated land, management of hazardous	This matches an activity in the LTP. There are 3 separate cost centres all linked to Council's pollution response, as a distinct area of operation.	Environmental Incident Response Activity has capex for equipment in LTP. Some revenue is gathered from enforcement activities (fines).	\$1,169,794	\$NIL
			Hazardous Waste/Substance Management Activity has capex for equipment in LTP.	\$331,919	\$NIL

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
	substances and response and management of marine oil spills within the Hawke's Bay Coastal Marine boundary. HBRC maintains a Tier 2 oil spill response plan which identifies priority areas in Hawke Bay for protection.		Marine Oil Spill Any costs incurred can be funded from govt grants.	\$103,726	\$NIL
Maritime Safety Port of Napier	The Marine Safety activity monitors and enforces the Navigation and Safety Bylaw and provides navigation aids to ensure the region's navigable waters are safe for people to use. HBRC through the Harbourmaster provides advice and education to commercial and recreational users and the community at large on water safety and safe boating.	Maritime Safety has been separated out due to the inclusion of the Harbourmaster activities and possible discussions on what proportion the Port of Napier should pay. The activity is further split to clearly differentiate between operations at the Napier Port and other maritime safety activities. This activity relates to the 60% share of the costs of the wider Maritime Safety sub-activity.	Maritime Safety – Port of Napier 60% of time\costs related to harbourmaster activities at Napier Port and the maintenance of a Maritime New Zealand accredited risk and safety management system for the Napier Pilotage Area. Capex may be needed to purchase equipment for the Harbourmaster.	\$669,362	\$NIL
Maritime Safety - Recreational users and education		See above.	Maritime safety – recreational users and education This is the 40% share of costs of Maritime Safety that relate to educational and recreational activities such as boat/water safety and navigation aids for the region's other navigable waters. In summer months, time is spent at boat ramps and Clive River.		

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Integrated Catchment Management					
Environmental Information	HBRC collects, monitors, and provides accurate and timely environmental data including a reliable telemetry network	Environmental Information is an activity in the LTP. Some cost centres include s36 charges so warrant separate benefit analysis.	Surface Water Quality Info	\$1,209,793	\$43,341
			Surface Water Quantity Info	\$1,057,606	\$216,707
			Ground Water Quality Info	\$233,848	\$43,341
			Ground Water Quantity Info	\$293,552	\$43,341
			Estuarine Quality Info	\$165,648	
			Land Monitoring Info	\$10,173	\$26,005
			Air Quality Info	\$6,425	\$30,339
			Coastal Quality Info	\$272,313	\$30,339
Water Information Services	HBRC ensures that all water consent holders who have to record their water takes are doing so and that the records of the water takes are as accurate as possible.	This activity has been separated out from Environmental information as individual consent holders benefit.	Water Information Services		
				\$386,839	
Environmental Science	HBRC collects, monitors, and provides accurate and timely analysis and interpretation to decision makers and the community on the State of the Environment (SOE) for Hawke's Bay.	Environmental Science is an activity in the LTP. Some cost centres include s36 charges so warrant separate benefit analysis	State of the Environment Reporting	\$246,939	
			Surface Water Quality Science	\$297,093	
			Surface Water Quantity Science	\$362,690	
			Ground Water Quality Science	\$251,983	
			Ground Water Quantity Science	\$332,510	
			Estuarine Quality Science	\$60,663	
			Land Monitoring Science	\$629,400	\$259,840
			Land Research & Investigations	\$465,608	
			Air Quality Science	\$561,954	
			Coastal Quality	\$254,052	
			Research & Grants	\$492,702	
			Regional Groundwater Research Science	\$1,232,997	
			Regional Surface Water Research & Investigations Science	\$394,660	
			Freshwater Ecology Investigations Science (Projects)	\$656,486	
	HBRC will undertake targeted science research and investigations on matters relevant to policy development to inform the Council and community.		Coastal Water Quality Research & Investigations	\$270,954	

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Integrated Catchment Management					
Catchment Management	HBRC will work with industry, communities, and landowners, to implement good management practices (GMP) in catchments to improve water quality, help mitigate erosion and increase the protection and enhancement of the region's biodiversity	These cost centres have been grouped together as they relate to interventions (advice, subsidy/incentives education) to support collective action.	Environmental Enhancement Projects	\$1,879,314	
			Delivery	\$2,468,422	
			Policy Implementation	\$729,238	
			Water efficiency HBRC will engage and liaise with groups of urban and rural water users to encourage efficient and effective water use to maximise the benefits of the water allocated	\$90,503	
Soil Conservation Nursery		The Nursery has been separated out from Catchment Management as it is quasi-commercial in nature so user-pays applies.	Soil Conservation Nursery	\$1,097,108	
Erosion Control Scheme/ RTRP			Erosion Control Scheme	\$6,703,299	
			Right Tree Right Place pilot	\$1,389,373	
FEMPS			Integrated Catchment Activities - FEMPs	\$438,175	
Biodiversity (incl possum control)	HBRC will work with partners and stakeholders to implement the HB Biodiversity Strategy and Action Plan so biodiversity is enhanced, healthy and functioning	These cost centres have been grouped together as they have a greater regional (versus property) benefit.	Biodiversity	\$1,357,022	
			Possum Control	\$1,498,503	
			Possum Bait & Rabbit Subsidy	\$128,446	
			Pest Management Strategies	\$118,067	
Primary Production Pests	HBRC will manage and limit the risks posed by unwanted pests to protect the health of our community and environment, as prescribed by the Regional Pest Management Plan	These animal and plant pest costs centre have been grouped together as they can be more directly linked to landowner or groups of landowner benefit.	Rabbit Control	\$87,375	
			Rook Control	\$175,436	
			Site Specific Pest Animal Control	\$188,908	
			Predator Free HB	\$512,575	
			Marine Pests	\$86,555	
			Pest Animal Research	\$71,072	
			Pest Annual General Advice	\$78,170	

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Integrated Catchment Management					
			Primary Production Pest Plants	\$443,399	
			Environmental/human health pest plants	\$627,121	
			Biological Control	\$56,316	
			Pest Plant Incentive Scheme	\$127,499	

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Asset Management					
Flood Protection & Control Works	This relates to the construction\maintenance of stopbanks or other man-made assets for flood protection. It involves protection from what can be a catastrophic event (breach of stopbanks affecting a wide area). The rivers rely on gravity flow (no pumps). This also includes gravel management as this is closely linked to the flood control schemes.	Flood Protection & Control Works have been separated out from Drainage and River & Stream Maintenance based on the nature of the service provided and the degree of risk being mitigated by flood activities. There is more regional benefit from flood protections than drainage.	Heretaunga Plain Rivers	\$3,094,323	\$9,516,951
			Upper Tukituki	\$1,378,820	\$4,200,599
			Upper Makara	\$238,908	\$0
			Maraetotara (Te Awanga)	\$22,321	--
			Gravel Management HBRC actively manages gravel levels in the region's waterways to maintain flood capacity. Industry uses allocated gravel.	\$238,814	\$5,197
Drainage and pumping	These costs are linked to schemes associated with land drainage. The main purpose is to increase the productivity of land (such as by dropping the water table). The benefits are more localized in smaller, discrete catchment areas. The drainage activities often involve pumping water into the rivers to drain land.	Drainage has been separated from Flood Protection and Control Works because drainage activities are more localized affecting fewer properties, and the benefits are more likely to sit with the properties directly benefiting from the drainage schemes.	HPFCS drainage - Napier/Meeanee/Puketapu	\$1,348,922	\$1,253,376
			Muddy Creek	\$301,661	\$25,984
			Brookfields/Awatoto	\$184,882	\$125,440
			Haumoana	\$136,112	\$72,755
			Pakowhai	\$184,629	\$400,154
			Puninga	\$168,710	\$20,787
			Karamu & Tributaries	\$1,230,202	\$1,268,932
			Tutaekuri-Waimate	\$233,965	\$1,039
			Twyford/Raupare	\$180,555	--
			Ohuia/Whakaki	\$72,408	\$286,445
			Opoho	\$79,742	\$NIL
			Poukawa	\$46,928	\$NIL
			Paeroa	\$31,480	\$NIL
River & Stream Maintenance	These are activities where there are no defined level of service. Most maintenance	These cost centres have been separated from Flood	Central & Southern Rivers & Streams	\$78,457	--

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
(including river mouth opening)	is reactive when issues are identified from inspections or identified by local ratepayers.	Protection & Control and Drainage as being different in nature due to the way expenditure arises. A number of maintenance schemes are included as they all have similar characteristics. No benefit from considering each separately. The river & stream maintenance activities differ from Flood Control and drainage as it neither controls flooding events nor does it provide land drainage.	Wairoa Rivers and Streams	\$194,835	\$39,240
			Porongahau	\$45,902	\$NIL
			Whirinaki	\$21,542	\$5,197
			Kairakau	\$11,875	--
			Kopuawhara	\$13,096	--
			Esk	\$32,466	--
			Te Ngarue	\$15,651	--
			River/Lagoon Opening	\$189,980	--
			River & Lagoon Opening	\$189,980	\$62,362
			HBRC monitors river mouths of rivers and lagoons across the region and responds as required to limit inundation where river flows are not able to maintain outflow in the face of high swell and coastal sediment movement. This is becoming more regular on rivers from Mahia to Haumoana. In some cases, a higher level of remote monitoring will be required to provide a suitable level of service.		
River investigations, enquiries and subsidised work	HBRC responds to many enquiries about flood risk, drainage related issues and coastal erosion. Depending on the issue, HBRC is able to help through:	This grouping are actions undertaken for the broader flood protection and control LTP activity where, apart from some revenue direct	Investigations & Enquiries HBRC responds to many enquiries about flood risk, drainage related issues and coastal erosion.	\$317,015	\$NIL

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
	<ul style="list-style-type: none"> provision of flooding and drainage advice, provision of advice relating to riverbed land and other HBRC owned or administered land provision of advice on coastal erosion and flood risk. <p>This activity also includes investigation of community raised issues, development, and subsidised work proposals. There are a wide range of technical works enquiries which require review and assessment but not always in a designated scheme. Some of these are deemed beneficial and HBRC provides partial funding support on a case-by-case basis.</p>	recoveries from fees and charges (or subsidies) the activities are across the region (and can be outside schemes) and are generally for the benefit of the whole community.	Subsidised Work Funding is provided to undertake works across the region we external funding can be leveraged to deliver outcomes for the community.	\$159,179	\$NIL
Flood Risk Assessment and Warning	Council identifies, investigates, and monitors to plan for major climate change hazards such as increased storm intensity, and inundation. HBRC works with other local authorities through liaison, provision of floodplain mapping, catchment management planning,	These cost centres relate to Council's broad role in assessing, forecasting, and issuing warnings to the community on flooding risks. It also matches an activity (sub-group) within	Flood risk assessment Council identifies, investigates, and monitors to plan for major climate change hazards such as increased storm intensity and inundation.	\$207,966	\$51,968
			Flood warning system	\$392,045	\$NIL

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
	and investigation of specific flooding issues. It operates a comprehensive network of rainfall and river level recorders across the region to support sophisticated computer modelling and has plans to improve monitoring technology to ensure Hawke's Bay maintains an effective flood warning and forecasting system. This activity also provides advice on rainfall and water flows during flood conditions and hazard information for land use planning purposes to encourage community resilience and preparedness.	Council's Asset Management GOA in the LTP.	Flood forecasting HBRC operates a comprehensive network of rainfall and river level recorders across the region to support sophisticated computer modelling and has plans to improve monitoring technology to ensure Hawke's Bay maintains an effective flood warning and forecasting system.	\$130,369	\$61,440
Coastal Hazards	This activity seeks to better understand causes and effects of coastal hazards and works with our territorial authorities and engages with landowners and communities to find solutions to reduce their impact. Coastal erosion and inundation threats from climate change and associated sea level rise is a significant issue facing our region.	There are historical funding arrangements attached to the current activities where funds are provided by other TLAs in the region. With the proposed growth in scope going forward it makes sense to consider Coastal Hazards as a separate activity.	Coastal Processes This is the CURRENT activity of developing the coastal strategy with funding contributions from the other Councils. A separate analysis will be needed to review the R & F Policy when Council develops an approach to funding the proposed broader coastal hazards function related to implementation of the Clifton to Tangoio Coastal Hazard Strategy.	\$952,413	\$51,968
Westshore Beach Renourishment	This activity currently includes gravel renourishment of Westshore Beach so that erosion is managed seaward of the 1986 erosion line. The 1986 line was the extent of erosion before beach renourishment began and is identified on a series of posts along the foreshore.		Westshore Beach Erosion Currently there is an agreement where Napier City fund 50% of the costs.	\$569,386	\$NIL

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Regional Water Security	With many of Hawke's Bay's freshwater resources already under pressure and with the increasing effects of climate change, this activity aims to develop and identify delivery models for water storage and demand management solutions. Council leveraged \$5m that was allocated in the previous LTP to secure \$30.6m of the Provincial Growth Funding that provides a mix of suspensory loan funding for project investigations and project finance for subsequent projects.	Water security is a discrete activity where there is potentially a mix of Council and other funding with some projects potentially commercialized in the future. It was a specific area of focus in the LTP with a significant amount of investment proposed during the term of the LTP.	Regional Water Security LTP has total capex funding of \$7.6m. The Government has supplied some PGF suspensory loan funding that could be converted to grants if the investigations do not result in a viable project progressing. Council must provide an equal amount of co-funding.	\$65,026	\$2,612,690
Open Spaces	HBRC owns and manages Pākōwhai, Pekapeka, Tūtira and Waitangi Regional Parks, and various river berm areas. These have multi-purpose functions including flood control, soil conservation and water quality enhancement, as well as protecting and enhancing biodiversity, cultural and historic values and providing recreational opportunities. HBRC leverages government funding to support these initiatives and partners with landowners with the aim to improve public access to these areas where practicable and sustainable. Hawea Regional Park is co-managed by HBRC in partnership with tāngata whenua. Council also contributes towards the management	These cost centres relate to the provision of regional recreational facilities openly available for use by all members of the Hawke's Bay community. The Open Spaces activity provides for broad community engagement with HBRC assets and the local culture and environment. They have a different level of service as public access areas relative to the core flood protection assets which they	Regional Parks Network In addition to the 2022-23 Capex there is \$10 million in the LTP for the Ahuriri Regional Park. All capex (apart from \$62k of asset renewals that is funded from reserves) is currently budgeted to be funded from loans.	\$1,632,019	\$938,720
			Public Access to Rivers	\$2,044	\$76,800
			Regional Cycling The LTP currently assumes that 50% of capex will be funded from external sources.	\$228,793	\$229,768

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
	of Te Mata Park, and manages the Waipātiki Beach Holiday Park land holding, which is operated through a lease arrangement. The Whittle Bush area is a recent acquisition to this activity area. This activity also manages approximately 105km of pathways on land it owns or administers.	sometimes co-exist with in the region.	Hawke's Bay Trails There is ongoing capex in the LTP of approx. \$110k p.a.	\$405,808	\$215,841
Forestry	HBRC manages several forestry blocks including the Tangoio Soil Conservation Reserve and Waihapua forestry block. The purposes for holding each block differ based on the location and history associated with each forestry block.	In the LTP forestry is included under the Open Spaces activity. As forestry assets are intended to be fully cost recoverable forestry activities have been presented separately for consideration.	Forestry There is a mixture of funding for forestry. Costs accumulate and are funded until harvest. Some expenditure is incurred for non-commercial reasons and the use of funds varies (Tangoio Soil Conservation funds have restricted use).	\$670,950	\$356,608

Activity	Explanation of Activity	Reason the activity has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Emergency Management					
HB CDEM Group	The Hawke's Bay CDEM Group will educate people about hazards, increase natural hazards knowledge through research and provide this information for risk reduction measures including land use planning, asset management, and infrastructure.	The wider CDEM function is identified separately from HBRC's internal emergency management function. This has previously been funded separately and there is separate reporting to a joint committee of all councils in the region.	Reduction Hazard Identification & Mitigation	\$613,818	\$NIL
			Community Engagement and Resilience	\$814,169	\$NIL
	The Hawke's Bay CDEM Group will increase readiness and ensure a coordinated and appropriate response and recovery from a civil defence emergency to reduce the impact on people and property.		Operational Readiness	\$1,247,368	\$NIL
	As the Hawke's Bay CDEM Group's Administering Authority, HBRC will provide an agreed budget and support to enable the Group to achieve the CDEM outcomes agreed to in the Group Plan		Group Leadership and Governance	\$294,445	\$NIL
HBRC Emergency Management	HBRC will ensure it has capability and capacity to respond and manage its assets during a civil defence emergency, including a 24-hour duty management system.	This relates to HBRC's internal capabilities rather than the CDEM activities referred to above.	HBRC Emergency Response	\$331,461	

Activity	Explanation of Activity	Reason the activity/cost centre has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Transport					
Transport Planning & Road Safety	The Regional Council is responsible for regional transport planning under the Land Transport Management Act 2003 and co-ordination of road safety education across Hawke's Bay.	Transport Planning and Road Safety are combined (like they are in the LTP) as both are activities linked to transport strategy and advocacy\community activities that are done in conjunction with Waka Kotahi (who supplies subsidies).	Regional Transport Strategy Key deliverables are the Regional Land Transport Plan and the Regional Public Transport Plan. Both plans are reviewed every three years.	\$157,996	\$NIL
			Regional Road Safety RoadSafe Hawke's Bay is a business unit of HBRC, set up in 2009 as a regional resource providing road safety education, raising driver awareness of key road safety issues, and working with other key stakeholders to reduce the incidence and severity of road traffic crashes. The key focus is to change road user behaviour, making roads safer for people to use. Through RoadSafe Hawke's Bay, HBRC has taken a leadership role in education and awareness building to help achieve some of the objectives of the Regional Land Transport Plan.	\$666,578	\$NIL

Activity	Explanation of Activity	Reason the activity/cost centre has been identified for separate R & F analysis	Cost centres	2022-23 OPEX	2022-23 CAPEX
Passenger Transport	<p>The region's public transport system forms a key component of the region's strategic land transport network. It links the cities of Napier and Hastings and services across district boundaries.</p> <p>The provision of passenger transport services enables Council to deliver on its public transport objectives in the Regional Land Transport Plan.</p>	Passenger Transport forms a significant amount of annual expenditure so justifies separate consideration under the R & F policy.	<p>Passenger Transport</p> <p>A major part of the Council's transport role is to contract bus and Total Mobility taxi services to provide the community with access to work, education, social and recreational activities. Public bus services are provided in and around Hastings, Flaxmere, Havelock North, Taradale and Napier.</p>	\$6,211,097	\$23,905

Subject: REPORT AND RECOMMENDATIONS FROM THE MĀORI COMMITTEE**Reason for Report**

1. This item provides a brief summary of discussions at the 7 September 2022 Māori Committee meeting along with recommendations for Council's consideration and provides the opportunity for the Māori Committee Co-chairs to add additional context as they wish.

Agenda Items

2. The regular **Take Ripoata ā Takiwā – Taiwhenua Representatives' updates** covered:
 - 2.1. **Kahungunu Executive** report highlighted that the AFFCO non-consented discharge court case resulted in a \$138,000 fine on two accounts. AFFCO has applied for a variation of their storm water consent. Wairoa Taiwhenua has asked AFFCO Wairoa to involve mana whenua in these discussions.
 - 2.2. Sheet piling Wairoa Scour protection works: Various plantings have been undertaken on the river bank as the first stage of recommendations from the Cultural Impact Assessment (CIA).
 - 2.3. Attended the first drop-in session on Kotahi alongside other members of the community. Good feedback received
 - 2.4. Taiao Komiti: Establishing the Terms of Reference around Taiao Komiti which includes representation from the seven Kahui. All matters relating the taiao in the Wairoa District will be referred to this tepu and the Komiti will make recommendations to the Board of Directors.
 - 2.5. The **Te Taiwhenua o Tamatea** report covered current activities undertaken in their rohe and spoke on the Tamatea (social services) hub and a brief update on Te Mana Taiao o Tamatea was provided. It was noted that water is presenting major challenges for whanau (Trance 2, Three Waters and Ruataniwha dam project).
 - 2.6. The **Te Taiwhenua o Heretaunga** acknowledges work Tamatea Taiwhenua is doing in the rohe and the collaboration and working relationship that exists.
 - 2.6.1. With relating to the Gravel extraction consent hearings - it was noted that all consent conditions were reviewed, and all omissions have since been resolved.
 - 2.6.2. Two tāngata whenua groups for the Tukituki and Ngaruroro have been established.
 - 2.7. The **Te Whanganui-ā-Orotu** report highlighted that mana whenua hapū are finalising the cultural assessment on the future housing development around the Puketitiri Hills. Noted that Taiwhenua strongly opposed the decision that Kahui Ohanga be appointed as the sole iwi representatives for mana whenua and foresee serious concerns in the future. Taiwhenua are not in a position to identify where this recommendation may add value to their current position as they work collaboratively and positively through the Kotahi Plan with HBRC.
3. The **HBRC Chair and Chief Executive's verbal updates** reminded the committee that the Kotahi Plan Change provides an opportunity for great success. This programme will not only be led by staff; there will be all inclusive input from all governors from the Māori Committee and the RPC Committee for a better outcome. The Chair spoke on the recent visit to Waikato and Tauranga as well as a trip to the House of Parliament to meet with the Speaker of the house. It was important for governors to understand how parliament works and how Central and Local Government interrelate within each other.

4. The Chief Executive highlighted that the challenges Council have experienced are easing down and operations have restored following Covid-19. 2021-2022 Carry Forwards have been approved and three major consultations have been undertaken on Coastal Hazards, Possum Control, and the Regional Public Land Transport Plan. Currently awaiting the final decision on the TANK Plan Change which is due for public release. The future of the Māori Committee and broader Regional Planning Committee were discussed. The Chief Executive thanked the Māori Committee for their mahi over the years and acknowledged Councillors for embracing the partnership.
5. The **Tāngata Whenua Representatives Remuneration Review** item put forward a process for an independent review of tāngata whenua representatives' remuneration and sought the Māori Committee's support for the appointment of the reviewer and the Terms of Reference for the scope of the review.
 - 5.1. Proposed that Strategic Pay interview the Māori Committee members to get a wider scope of the role in its entirety, including travel and meeting preparations.
6. The **2020-2022 Reflections and 2022-2025 vision for the Māori Committee** item provided the opportunity for committee members to share their reflections of the past few years serving as Taiwhenua representatives, as well as their aspirations for the future of the Māori Committee. The item enabled the Committee to present a recommendation to the incoming Regional Council relating to the re-establishment of the Māori Committee and its ongoing membership.
7. The **HBRIC Limited – Proposed name change and re-branding** item updated the Committee on the proposed renaming of the Hawke's Bay Regional Investment Company and presented the Committee with options for the final re-brand, graphics and colouring. The majority of the tāngata whenua members chose Option 2 for the proposed logo, colour and graphics.
8. The **Climate Action** item updated the Committee on activities undertaken since the Climate Action Ambassador's first report in March 2022.
 - 8.1. A range of initiatives have taken place such as community outreach programmes, raising community awareness, education and cross-council collaboration and building internal capacity through Climate Fresk workshops.
 - 8.2. Next step is to establish a regional climate resilience plan with tāngata whenua involvement, setting values and aspirations, regional targets and determining actions and timelines - to deliver the plan by July 2023. Emission reductions must be considered as part of the bigger picture.
9. The **Sustainable Seas project outcomes** item provided an update on the Council's operational activities and collaboration with the HB Marine and Coast Group (HBMaC) and the Sustainable Seas National Science Challenge case study for HB. The case study aims to implement the principals of Ecosystem Based Management – an integrated, science-based approach to the management of natural resources, and how to integrate management for a range of stressors across legislative boundaries.
10. The **Reports from Regional Council and Committee Meetings** item provided information from recent meetings attended by the Committee Co-chairs and representatives on Council committees. The Māori Committee representatives had the opportunity to discuss any matters of particular interest arising from those meetings
11. The **August 2022 Statutory Advocacy update** item provided a regular update from the Policy team on proposals forwarded to the Council for comment.
12. The **verbal update on Kotahi community drop-in sessions** item highlighted that the Policy and Regulation team have had seven of the 12 meetings across the region with good feedback received from communities. This feedback will be analysed and reported back to the Committee early next year.

13. The **verbal update on TANK Plan change decisions** item noted that a decision is now expected from the independent Commissioners within the next two weeks and will be provided to all submitters and governors in due course.

Decision Making Process

14. The items were specifically considered by the Māori Committee on 7 September 2022 and are now the subject of the following recommendations to Council.

Recommendations:

1. That Hawke's Bay Regional Council receives and notes the *Report and recommendations from the Māori Committee* including the following Māori Committee resolutions:

Tāngata Whenua Representatives Remuneration Review

2. Recommends that Hawke's Bay Regional Council appoint Strategic Pay to undertake the independent review of remuneration for tāngata whenua members of the Regional Planning Committee and the Māori Committee.
- 2.1 Agree to the proposed Terms of Reference for the independent review as set out in the report.

2020-2022 Reflections and 2022-2025 vision for the Māori Committee

3. Recommends that Hawke's Bay Regional Council re-establishes the Māori Committee as part of the Council's governance structure for the 2022-2025 triennium, including:
 - 3.1. Consideration of membership for the Māori Committee to comprise:
 - 3.1.1. Twelve representatives nominated by each of the four Taiwhenua and one Executive in Te Matau a Māui, being Heretaunga Taiwhenua, Tamatea Taiwhenua, Te Taiwhenua o Te Whanganui-a-Orotū, Wairoa Kahungunu Executive, and Wairoa Taiwhenua.
 - 3.1.2. One representative nominated by Ngāti Kahungunu Iwi Incorporated.
 - 3.1.3. Up to *three* elected members of the Hawke's Bay Regional Council.
 - 3.2. That the Māori Committee Charter is refreshed, to enable agreement to it and execution of it by the Chair of the Regional Council and Chair/s of the Māori Committee, to be completed by 30 March 2023.

Reports received

- 3.3. Notes that the following reports were provided to the Māori Committee.
 - 3.3.1. HBRIC Limited – Proposed name change and re-branding
 - 3.3.2. Climate Action
 - 3.3.3. Sustainable Seas project outcomes
 - 3.3.4. Reports from Regional Council and Committee Meetings
 - 3.3.5. August 2022 Statutory Advocacy update.

Authored by:

Annelie Roets
GOVERNANCE ADVISOR

Peter Martin
SENIOR GOVERNANCE ADVISOR

Approved by:

Pieri Munro
TE POU WHAKARAE

Attachment/s

There are no attachments for this report.

**Subject: REPORT AND RECOMMENDATIONS FROM THE REGIONAL TRANSPORT
COMMITTEE MEETING 9 SEPTEMBER 2022**

Reason for Report

1. The following matters were considered by the Regional Transport Committee (RTC) on 9 September 2022 and are now presented for Council's information alongside any additional commentary the Chair, Councillor Martin Williams, wishes to offer.

Agenda items

2. The **Deputation from Walter Breustedt** item enabled a member of public to provide the Committee with information on transport decarbonisation options.
3. The **Submissions received on the draft Regional Transport Plan** item provided the Committee with a full list of submissions received on the planned changes to the public transport network in Hawke's Bay and a schedule for the hearing of verbal submissions being considered at the meeting:
 - 3.1. 18 verbal submissions were scheduled including three from the disability community
 - 3.2. 15 late submissions were received and accepted by the Committee; these largely related to the reinstatement of passenger rail services in HB
 - 3.3. the Committee deliberated on the planned changes on 16 September 2022.
4. The **Active Transport** item provided the Committee with recommendations to improve governance and representation for the active transport sector in Hawke's Bay. Key points of discussion included:
 - 4.1. The 2022 Regional Land Transport Plan sets a clear direction for transport mode shift and emission reductions. To achieve this, it is important that active transport is effectively championed and advocated for at all levels
 - 4.2. TAG has reviewed their structure and meeting practices and by restructuring these, will be better placed to work alongside representatives from all modes of transport including those from the active transport community, and provide better technical advice to the RTC
 - 4.3. RTC voting membership is set by the Land Transport Management Act. It is proposed that a community appointed active transport group will be collaborating at TAG level, and operating in an advisory role at the RTC level
 - 4.4. Active transport will be recorded as an express function of the RTC and will be a standing item at each RTC meeting.
5. The **Transport Manager's report** provided an update on transport matters, including current national and local issues and work programmes from Waka Kotahi, the Total Mobility Scheme (including the Ridewise project), Road Safety Promotion, the Driver Licensing Programme, and the Transport Advisory Group (TAG). The report highlighted:
 - 5.1. The MyWay trial launched in June 2022 is tracking well and a Napier trial is being developed, hopefully starting in July 2023
 - 5.2. CHBDC is reporting a large number of slips affecting roads in their catchment following many rain events over past few months
 - 5.3. Driver Licensing – Waka Kotahi is trialing a scheme to allow rurally isolated regions to get licence testing in place. The scheme is likely to be expanded into other regions such as Hawke's Bay early in 2023.

6. The **NZTA Central Region – Regional Relationship Directors September 2022 report** provided an overview of HB road maintenance matters and national strategies which included:
 - 6.1. Coastal shipping - Waka Kotahi is co-investing with four private companies to improve shipping services. There are potentially significant decarbonisation and road congestion benefits
 - 6.2. SH5 timelines have been pushed back to allow a steering group, reference group, the governance structure, and an independent Chair to be put in place.
7. The **Waka Kotahi update – Emissions Reduction Plan (ERP)** item provided details of how the ERP affect regions:
 - 7.1. Government emission reduction target is 41% by 2035. Three focus areas have been identified to reduce reliance on cars by:
 - 7.1.1. supporting active and public transport
 - 7.1.2. rapid adoption of low emissions vehicles
 - 7.1.3. decarbonising heavy transport and freight.
 - 7.2. Indicative Vehicle Kilometres Travelled (VKT) reduction target for Napier/Hastings combined urban area is 16%; major city targets are in 20% - 35% range
 - 7.3. Two thirds of NZ emissions are produced by the light vehicle fleet.

Decision Making Process

8. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as the items were specifically considered by the Regional Transport Committee and 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 9 September 2022 Regional Transport Committee meeting*, including the following resolutions of the Regional Transport Committee:

Submissions received on the draft Regional Public Transport Plan

That the Regional Transport Committee:

- 1.1 Receives and considers the written submissions and social media feedback on the *Draft Regional Public Transport Plan 2022-2032*
- 1.2 Receives and considers the verbal submissions on the *Draft Regional Public Transport Plan 2022-2032* as presented by members of the community
- 1.3 Receives and accepts 15 late submissions received on the future of rail in Hawke's Bay.

Active transport

That the Regional Transport Committee:

- 1.4 Receives and notes the Active Transport staff report
- 1.5 Acknowledges the intended formation of a Hawke's Bay Regional Active Transport Committee (RATC) comprising a community appointed and facilitated committee representing active transport interests at regional level, including cycling and walking, as the key community stakeholder for all future transport infrastructure planning and investment decisions with active transport implications

- 1.6 Recommends that the terms of reference of the Committee be amended (as soon as possible in the next triennium) to:
 - 1.6.1 record active transport as an express function of the Committee, with active transport to be a standing agenda item at each Regional Transport Committee meeting
 - 1.6.2 include an advisory member dedicated to Active Transport on the Regional Transport Committee (with the intent that this would be the Chair of the RATC when established)
 - 1.6.3 require that the Technical Advisory Group invite the Active Transport advisory member to attend all workstream discussions involving active transport and consult the RATC (when established) regarding the active transport implications of all transport infrastructure planning and investment decisions in the region.

Transport Manager's September 2022 report

- 1.7 Receives and notes the Transport Manager's September 2022 report.

NZTA Central Region - Regional Relationships Director's September 2022 report

- 1.8 Receives and notes the *NZTA Central Region – Regional Relationships Director's September 2022 Report*.

Waka Kotahi update - Emissions Reduction Plan (ERP)

- 1.9 Receives and notes the *Waka Kotahi update – Emissions Reduction Plan* staff report.

General business

- 1.10 Supports an amendment being made to its Terms of Reference, during the triennium Committee structure review process, to allow the Hawke's Bay Mayors and HBRC Chair to be ex officio members of the RTC.
- 2 The Regional Transport Committee received the following information reports:
 - 2.1 Transport Manager's report
 - 2.2 NZTA Central Region – Regional Relationship Directors September 2022 report
 - 2.3 Waka Kotahi update – Emissions Reduction Plan.

Authored by:

Katie Nimon
TRANSPORT MANAGER

Peter Martin
SENIOR GOVERNANCE ADVISOR

Approved by:

Katrina Brunton
GROUP MANAGER POLICY & REGULATION

Attachment/s

There are no attachments for this report.

Subject: REPORT AND RECOMMENDATIONS FROM THE REGIONAL PLANNING COMMITTEE

Reason for Report

1. This item provides a brief summary of discussions held at the 14 September 2022 Regional Planning Committee meeting, along with recommendations for Council's consideration and also provides the opportunity for the Co-chairs to add additional context as they wish.

Agenda Items

2. The **Tāngata Whenua representatives' remuneration review** item proposed a process for an independent review of tāngata whenua representatives' remuneration. It sought the Committee's support for the appointment of an independent reviewer and for the Terms of Reference for the scope of the review.
 - 2.1. Tāngata whenua representatives noted that the item implied that the Appointee provides a recommendation that is then confirmed/approved by Council, and that such a process appears to be inconsistent with the Regional Planning Committee Terms of Reference (ToR).
 - 2.2. There are obvious efficiencies in only appointing one party (Strategic Pay) to determine the remuneration as opposed to the two provided for in the ToR.
 - 2.3. Tāngata whenua representatives noted the proposal is for both the Regional Planning Committee and the Māori Committee, however these are two different committees with very different roles and responsibilities and should be dealt with individually.
 - 2.4. Tāngata whenua representatives indicated they are comfortable in principle with Strategic Pay being engaged to undertake the review, subject to agreement on the process and the criteria for the review.
 - 2.5. It was proposed that amendments be made to the recommendations that were provided for consideration.
3. The **Sustainable Seas project outcomes** item provided an update on the Council's operational activities and collaboration with the HB Marine and Coast Group (HBMaC) and the Sustainable Seas National Science Challenge case study for HB. The case study aims to implement the principals of Ecosystem Based Management – an integrated, science-based approach to the management of natural resources, and how to integrate management for a range of stressors across legislative boundaries.
4. The **Regional Spatial Strategy and related matters update** item provided an overview and update on the preparation of a 'Regional Spatial Strategy' (RSS) for the Hawke's Bay region.
 - 4.1. Senior staff from each of the five councils involved will continue to oversee work to produce the scoping report for the RSS which should be completed by late October. The scoping report, including recommendations to the partner organisations, will be available in November 2022 for all incoming Councils to consider.
5. The **verbal update on Kotahi community drop-in sessions** item highlighted that the Policy and Regulation team have had 7 of the 12 meetings across the region with good feedback received from communities. This feedback will be analysed and reported back to the Committee early next year.
6. The **Verbal update on TANK plan change decisions** item noted that the TANK decision was received on Friday, 9 September 2022 which is a significant milestone for this Council and the

region. Highlights from the decision were circulated to the Committee members last week and the decisions made are significant.

7. The **Policy Projects update** provided information on policy development projects currently underway including:
 - 7.1. PC7 Outstanding Waterbodies Plan change
 - 7.2. Mohaka Catchment Policy Development for Kotahi
 - 7.3. PC9 Greater Heretaunga/Ahuriri catchment area plan change (TANK)
 - 7.4. implementation of a National Policy Statement on Urban Development 2020
 - 7.5. Ngaruroro and Clive Rivers Water Conservation Order and Statutory Acknowledgement of Treaty settlements.
8. The **September 2022 Statutory Advocacy update** item provided a regular update from the Policy team on proposals forwarded to Council for comment.

Decision Making Process

9. The items were specifically considered by the Regional Planning Committee and are now the subject of the following recommendations to Council.

Recommendations

1. That Hawke's Bay Regional Council receives and considers the *Report and recommendations from the Regional Planning Committee* staff report, including the following resolutions of the Committee, being:

Tāngata Whenua Representatives' Remuneration Review

- 1.1. Agrees to Strategic Pay being appointed as the sole Appointee to undertake the independent review of remuneration for Tāngata Whenua Representatives on the Regional Planning Committee subject to agreement on the process and criteria for the review
- 1.2. Notes the Tāngata Whenua Representatives have delegated authority to Allana Hiha and Mike Mohi to represent them regarding the Remuneration Review
- 1.3. Agrees to delegate the authority to finalise the process and criteria for the RPC Remuneration Review to the HBRC Chair, and RPC members Allana Hiha and Mike Mohi on behalf of the Tāngata whenua representatives to the Regional Planning Committee.
- 1.4. Agrees the remuneration of members of the Māori Committee is not a matter for the Regional Planning Committee and must be determined between Hawke's Bay Regional Council and members of the Māori Committee.

Reports received

- 1.5. Notes that the following reports were provided to the Committee.
 - 1.5.1. Sustainable Seas project outcomes
 - 1.5.2. Regional spatial strategy and related matters update
 - 1.5.3. Policy Projects update
 - 1.5.4. September 2022 Statutory Advocacy update.

Authored by:

**Annelie Roets
GOVERNANCE ADVISOR**

**Peter Martin
SENIOR GOVERNANCE ADVISOR**

Approved by:

**Desiree Cull
STRATEGY & GOVERNANCE MANAGER**

Attachment/s

There are no attachments for this report.

**Subject: REPORT AND RECOMMENDATIONS FROM THE REGIONAL PUBLIC TRANSPORT
PLAN DELIBERATIONS MEETING OF THE REGIONAL TRANSPORT COMMITTEE
16 SEPTEMBER 2022**

Reason for Report

1. This item shows matters considered at the Regional Transport Committee meeting on 16 September 2022 for Council's consideration alongside any additional commentary that the Committee Chair wishes to add.

Agenda items

2. The **Regional Public Transport Plan Deliberations** item provided the Committee with the draft Regional Public Transport Plan 2022-2032. Some amendments to the proposed plan were proactively made in response to public submissions, for recommendation to Council for adoption and lodging with Waka Kotahi. Amendments arising from the public submissions to the draft plan included:
 - 2.1. The development and inclusion of a policy to investigate the feasibility of intra and inter-regional passenger rail, and further advocate for investment from central government in partnership with regional stakeholders.
 - 2.2. A stronger focus to be placed on ongoing engagement with aged, and mobility impaired communities in Hawke's Bay to ensure the public transport network and associated infrastructure / supporting services meet their needs and constraints.
 - 2.3. Provision to work with local authorities to achieve effective integration of multi modal transport, including the delivery of secure bike storage and e-bike charging stations within easy reach of bus stops at key interchanges and locations, such as Clive, that are fed by cycleways that provide vital connections to more remote communities like Te Awanga and Haumoana.
3. Following consideration of the officers' report on submissions and further deliberations during the 16 September meeting, the RTC agreed some additional amendments regarding:
 - 3.1. Identifying option two as the appropriate choice for route two.
 - 3.2. Inclusion of a policy to investigate the feasibility of intra and inter-regional passenger rail, and further advocate for investment from central government in partnership with regional stakeholders
 - 3.3. Undertake a high-level feasibility study of future commuter rail inclusion in the wider Hawke's Bay Public Transport network.
 - 3.4. Actively engage with key reference groups as subject matter experts within aged, and mobility impaired communities in Hawke's Bay. The scope of engagement will be to ensure the design of bus stops, fare structures, customer experience, and service development ensures equity and accessibility across the network and meet the needs of all people using public transport services.
 - 3.5. Exploring opportunities to fast track the trial commuter bus service to and from CHB. It is anticipated this would require a targeted rate increase in CHB in conjunction with LTP consultation.
 - 3.6. Consider opportunities for targeted shift-based routes / partnerships to service key industrial and employment nodes. These are to be commercially based arrangements, funded via commercial arrangements with employers.

- 3.7. Inclusion of a policy to review the effectiveness of transition to a high frequency network, with a particular focus on the efficacy of reducing VKTs in line with central government goals
4. The resolutions from the 16 September 2022 meeting were that the Committee:
 - 4.1. Agrees that Hawke's Bay Regional Council can exercise its discretion and make decisions on this issue having considered these formal recommendations of the Regional Transport Committee (noting these recommendations were made having received and considered submissions received as the result of community consultation over the period 1 August through 31 August 2022)
 - 4.2. Recommends that HBRC adopts the Regional Public Transport Plan, with the proposed amendments attached as discussed at the RTC deliberations meeting 16 September 2022.
 - 4.3. Recommends to HBRC that it includes provision for the CHB bus service trial in its 2023 annual plan and that funding to support that trial is discussed with Waka Kotahi as a part of the annual plan process.
5. Following the 16 September 2022 meeting, staff have amended the Plan to incorporate matters agreed at that meeting. The finalised Regional Public Transport Plan 2022-2032 is attached.

Decision Making Process

6. These items were specifically considered by the Committee and are now the subject of the following recommendations to Council.

Recommendations:

1. That Hawke's Bay Regional Council receives and notes the *Report and Recommendations from the 16 September 2022 Regional Transport Committee meeting*
2. That HBRC adopts the Regional Public Transport Plan 2022-2032, with the proposed amendments attached as discussed at the RTC deliberations meeting 16 September 2022.
3. That HBRC includes provision for the CHB bus service trial in its 2023 annual plan and that funding to support that trial is discussed with Waka Kotahi as a part of the annual plan process.

Authored by:

Katie Nimon
TRANSPORT MANAGER

Bryce Cullen
TRANSPORT STRATEGY & POLICY ANALYST

Approved by:

Katrina Brunton
GROUP MANAGER POLICY & REGULATION

Attachment/s

- 1 Regional Public Transport Plan September 2022 Under Separate Cover

Subject: REPORT AND RECOMMENDATIONS FROM THE ENVIRONMENT AND INTEGRATED CATCHMENTS COMMITTEE MEETING 21 SEPTEMBER 2022

Reason for Report

1. The following matters were considered by the Environment and Integrated Catchments Committee (EICC) meeting on 21 September 2022. The recommendations agreed are now presented for Council's consideration alongside any additional commentary the Chair, Councillor Hinewai Ormsby, wishes to offer.

Decision Agenda items

2. The following agenda items sought recommendations to the Regional Council from the EICC for decisions as detailed:
3. The **Biosecurity Operational Plan and Annual Report** item presented the Hawke's Bay Regional Council's Biosecurity Annual Report for the 2021-2022 year and Operational Plan for the 2022-2023 year.
 - 3.1. Following the end of each financial year, Council is required to produce an Annual Report (AR) recording progress on implementation of the RPMP via the Operational Plan.
 - 3.2. Although almost all programme objectives were achieved, the following areas of concern were identified:
 - 3.2.1. 142 possum monitoring lines were above a 4% RTC, resulting in 40 properties failing their monitor (6.6% of properties monitored). Staff followed up with these properties requiring possum control to be undertaken.
 - 3.2.2. Rabbit enquiries continue to increase, particularly in urban areas. Rabbits are a difficult pest to control and requires expensive ongoing management. National conversations regarding rabbit management continue across the biosecurity sectors due to their impact and difficulty in managing them long-term.
 - 3.2.3. The number of properties with pest plants (primarily Chilean needle grass) continues to grow, resulting in increased pressure on Pest Plant budgets and staff.
4. The **Central Hawke's Bay Tukituki swing bridge funding options** item sought the Committee's recommendation to the Regional Council for the funding source (Regional Disaster Damage Reserve – RDDR) to transfer funds from Council to Central Hawke's Bay District Council (CHBDC) for the rebuild of the Tarewa Swing Bridge (Waipukurau). The RDDR (last reviewed 2007) is a reserve established to meet the commercial insurance excess \$600,000 on each event, the uninsured 60% of edge protection damage and the costs of managing the response and recovery for a disaster event. Since this policy was approved, the excess has changed
 - 4.1. It was recommended that the Committee approves the funding of \$565,000 total (\$23,632 from Upper Tukituki Depreciation Reserve and \$541,368 from the General Disaster Relief Reserve) and provide this as a grant to Central Hawke's Bay District Council to contribute towards the rebuild Tarewa Swing Bridge.
 - 4.2. The bridge was damaged beyond repair in the March 2022 flooding event and was on the asset register and insured, but the overall cost of the damage from the March 2022 flood event came under the minimum excess, therefore no claim was made and now requires replacement funding from reserves.

Information reports

5. The following agenda items were provided to the EICC for information only as summarised.
6. The **Organisational Ecology by Dr Edgar Burns** item presented the third Organisational Ecology report and reported on the Council's environmental work to support improved environmental practices and climate change readiness. The report brought a social lens to the Council's role using the idea of organisational ecology to show the complexity and opportunities of Regional Council work. Dr Burns also presented the findings of his research to Council.
7. The **Riparian margin survey results from Tukituki catchment** item presented the results of the survey and an overview of the Council's riparian monitoring programme.
 - 7.1. The riparian monitoring project has investigated the present status of fencing and stock exclusion in the Tukituki catchment and will continue collecting fencing and stock exclusion information in other parts of Hawke's Bay.
 - 7.2. The programme estimates the present status of stock exclusion in Hawke's Bay as a baseline for ongoing monitoring.
 - 7.3. The riparian monitoring programme supports the collective work by staff on stock exclusion and can assist in identifying areas of high priority for education.
 - 7.4. A new survey approach has been instigated to achieve better survey efficiency across the large number of monitoring sites. SKYVUW was hired to collect four-band orthophotography at the resolution of 2.5 cm for the remaining 213 sites outside the Tukituki catchment. Imagery was collected from September to December 2021, when the sun angle ensured good illumination of site areas. The imagery collected from the 213 sites can be analysed in stereo view in a GIS environment, which enables riparian characteristics to be collected effectively. The analysis workflow has been planned with assistance from the GIS team and will be initiated in November this year.
 - 7.5. The new approach holds potential to shorten our current planned survey intervals (5 years) and provide more timely information
8. The **Farm Environmental Management Plan (FEMP)** updated the Committee on Farm Environmental Management Plans (FEMPs) in the Tukituki catchment.
 - 8.1. FEMPs have been mandatory in the Tukituki catchment since 31 May 2018 and the Regional Resource Management Plan (RRMP) required these FEMPs to be updated on a 3-yearly basis, with the first round of updates due on 31 May 2021.
 - 8.2. Most FEMP reviews and resubmissions have been completed, covering 95% of eligible land in Tukituki catchment. Follow-up action continues with the remaining 42 properties.
 - 8.3. The focus for the period leading to the next resubmission in May 2024 is on auditing FEMPs, implementing process improvements, and planning the regional transition to Freshwater Farm Plans following clarification of those national requirements at the end of 202.
 - 8.4. Planning is well underway to ensure success in the 2024 FEMP submission cycle for Tukituki focussing on five key deliverable areas.
 - 8.5. An external consultant has been engaged to survey and interview landowners and FEMP providers to gather feedback on aspects of the 2021 resubmission process. The survey and interviews will help inform process improvements to be put in place for the next FEMP resubmissions.
9. The **Environmental Enhancement programmes (EEP)** item updated the Committee on the activities and achievements undertaken as part of the larger Environmental Protection and Enhancement Programme (PEP).
 - 9.1. Following the 6 July EICC meeting, Council approved the request to implement a new delivery model for the PEP that will include a contestable community Environmental

- Enhancement Fund, along with an expansion of our Targeted Catchment Work Programme.
- 9.2. As implementation of the new delivery model begins, the report updated the Committee on the key activities and achievements delivered through the PEP since its inception.
 10. The **IRG programme delivery to date and next steps** item provided an update on the four projects approved for funding as part of the Crown's Flood Control Resilience Funding with the Infrastructure Reference Group (IRG) managed by Kānoa – Regional Economic Development & Investment Unit (formerly known as the Provincial Development Unit).
 - 10.1. *Heretaunga Plains Flood Control Scheme (HPFCS) Levels of Service - \$20m* – Physical works on the Taradale stopbank are now successfully completed, the cycleway has been redeveloped and is now open to the public. Completion of the maintenance access track, redistribution of topsoil and hydroseeding of the berm areas are due to be completed by 20 September 2022.
 - 10.1.1. Moteo Stopbank upgrade is nearing the completion of detailed design and draft contract documents have provided for review.
 - 10.1.2. Planning for the next tranche of stopbank upgrades (2023-2024 construction season) is underway, with the Raupare Upper, Chesterhope Upper, Brookfields Lower and Pakowhai Park having been prioritised for upgrade.
 - 10.1.3. With four stopbank upgrades in progress, the anticipated expenditure for this work in the 2022-2023 Financial Year is \$9.33m.
 - 10.2. *Upper Tukituki Flood Control Scheme Gravel Extraction - \$8 million* – The second tranche of extraction involves three reaches on each of the Waipawa and Upper Tukituki Rivers with a total of 433,000m³ of gravel being made available. Two of these reaches have Chilean needle grass present, so Regional Projects is working closely with Biosecurity to ensure the risk associated with extracting these gravels is adequately managed.
 - 10.2.1. Tenders for the second tranche of extraction are currently under evaluation with 11 submissions received. Five preferred tenders have been identified. Extraction is likely to proceed in late September/early October 2022.
 - 10.2.2. A third tranche of extraction will be investigated for the 2022-2023 extraction season, if the second tranche progresses in a timely fashion and contractor performance is acceptable.
 - 10.3. *Upper Tukituki Flood Control Scheme SH50/Waipawa Erosion - \$1 million* now completed.
 - 10.4. *Wairoa River, River Parade Erosion - \$1 million* – This project is substantially completed, with the fence and path being the only work remaining. Expected to be completed by 30 September 2022.
 - 10.5. The **Napier Meeanee Scheme Review – progress update** item provided an update of the status and preliminary findings of the Napier Meeanee Drainage Scheme Review work undertaken to date and preliminary findings.
 - 10.5.1. Prioritised schemes were selected on the basis that urgent review was required to support growth and/or provide a higher level of service to urban areas.
 - 10.5.2. The scheme reviews will inform the Asset Management Plan and 30 Year Infrastructure Strategy and allow for decisions to be made on the appropriate level of capital investment in subsequent LTP development.
 - 10.5.3. Staff will continue to develop the Napier Meeanee Drainage Scheme Review and present the final report to a future Environment and Integrated Catchments Committee (EICC) meeting.

Decision Making Process

11. 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:
 - 11.1. Given the items were specifically considered by the Environment and Integrated Catchments Committee on 21 September 2022, Council can exercise its discretion and make decisions without consulting directly with the community or others having an interest in those in accordance with the following recommendations.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers 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 issues without conferring directly with the community or persons likely to have an interest in the decision.

Biosecurity Operational Plan and Annual Report

3. Adopts the Biosecurity Operational Plan for 2022-2023.

Central Hawke's Bay Tukituki swing bridge funding options

4. Agrees to source funding totalling \$565,000 (\$23,632 from Upper Tukituki Depreciation Reserve and \$541,368 from the General Disaster Relief Reserve) to contribute towards the rebuild of the Tarewa Swing Bridge in Central Hawke's Bay.
5. Grant \$565,000 to Central Hawke's Bay District Council, with the understanding the funding will be going towards the construction of a replacement swing bridge, which will have pedestrian access in perpetuity.
6. Subject to the Chief Executive obtaining a satisfactory agreement for the maintenance of the bridge (the bridge will be responsibility of the CHBDC) and CHBDC guaranteeing pedestrian access in perpetuity.

Information reports received

7. Notes that the following reports were provided to the Environment and Integrated Catchments Committee:
 - 7.1. Organisational Ecology by Dr Edgar Burns
 - 7.2. Riparian margin survey results from Tukituki catchment
 - 7.3. Farm Environmental Management Plan (FEMP) update
 - 7.4. Environmental Enhancement programmes
 - 7.5. IRG programme delivery to date and next steps
 - 7.6. Napier Meeanee Scheme Review – progress update.

Authored by:

Annelie Roets
GOVERNANCE ADVISOR

Approved by:

Peter Martin
SENIOR GOVERNANCE ADVISOR

Attachment/s: There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 28 September 2022

Item 13

Subject: AFFIXING OF THE 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 499 DP 9412 CT C2/487 - Agreement for Sale and Purchase	4517	7 September 2022
1.2	Staff Warrants 1.2.1 H. Campbell (Delegations under Resource Management Act 1991 (Sections 34A (1) and 38(1); Maritime Transport Act 1994 (Section 33G(a); Building Act 2004 (Section 317B); Biosecurity Act 1993 (Sections 103 and 105); Civil Defence Emergency Management Act 2002 (s.86-92) and Local Government Act 2002 (Section 177)) 1.2.2 A. Mentzer (Delegations under the Civil Defence Emergency Management Act 2002 (s.86-92 inclusive) and Local Government Act 2002 (section 177))	4516 4518	30 August 2022 20 September 2022

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. No cross-lease properties were sold, with 64 remaining on Council's books
 - 3.2. No single leasehold property was sold, with 75 remaining on Council's books.

Decision Making Criteria

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 the following:
 - 4.1 Sections 97 and 88 of the Act do not apply

- 4.2 Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others due to the nature and significance of the issue to be considered and decided
- 4.3 That the decision to apply the Common Seal reflects previous policy or other decisions of Council which (where applicable) will have been subject to the Act's required decision-making process.

Recommendations

That 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

Vanessa Fauth
FINANCE MANAGER

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

Subject: END OF TRIENNIUM WRAP-UP AND INTERIM DELEGATIONS TO THE CHIEF EXECUTIVE

Reason for Report

1. This agenda item seeks the Council's delegation of the responsibilities, duties, and powers of the Council during the interim election period, except for certain powers set down in the legislation that cannot be delegated to the Chief Executive, and informs Councillors of the activities to essentially 'wrap up' this triennium.

Delegations to the Chief Executive during Interim Election Period

2. It is recommended that Council delegates the power to make decisions in the interim election period to the Chief Executive.
3. This delegation is for the limited time period between the public notice of the final election result (expected 13 October 2022) and the inaugural meeting of the new Council (26 October 2022), and delegates all of Council's responsibilities, duties, and powers for the period in question, except those that cannot be delegated, in accordance with Schedule 7, Clause 32(1), being:

Unless expressly provided otherwise in this Act, or in any other Act, ... a local authority may delegate ... any of its responsibilities, duties, or powers except—

- (a) *the power to make a rate; or*
 - (b) *the power to make a bylaw; or*
 - (c) *the power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan; or*
 - (d) *the power to adopt a long-term plan, annual plan, or annual report; or*
 - (e) *the power to appoint a chief executive; or*
 - (f) *the power to adopt policies required to be adopted and consulted on under this Act in association with the long-term plan or developed for the purpose of the local governance statement.*
 - (h) *the power to adopt a remuneration and employment policy.*
4. It is also recommended that the delegation relates only to those matters that cannot reasonably wait until the first ordinary meeting of the new Council and that the Chief Executive is required to report any decisions to the first ordinary meeting of the new Council, scheduled for 16 November 2022.

Discharge of Committees

5. Council's committees will be discharged at the end of the triennium in accordance with the Local Government Act 2002 Schedule 7, Part 1, Section 30(7) "*A committee, subcommittee, or other subordinate decision-making body is, unless the local authority resolves otherwise, deemed to be discharged on the coming into office of the members of the local authority elected or appointed at, or following, the triennial general election of members*" with the exception of:
 - 5.1. Regional Transport Committee
 - 5.2. Regional Planning Committee
 - 5.3. Civil Defence and Emergency Management Group (CDEMG) Joint Committee.

6. For any Committee meetings which have not yet had minutes confirmed, it is necessary for the Chairperson of the relevant Committee and the principal administrative officer (Chief Executive) to confirm and sign those in accordance with Standing Order 27.4.

Decision Making Process

7. Council is required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
 - 7.1. the decision does not significantly alter the service provision or affect a strategic asset
 - 7.2. the use of the special consultative procedure is not prescribed by legislation
 - 7.3. the decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy
 - 7.4. the decision is not inconsistent with an existing policy or plan
 - 7.5. given the nature and significance of the issue to be considered and decided, 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. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision.
2. In accordance with Council's Standing Order 27.4 the Minutes of the Committee meetings listed below will be reviewed, and then signed as 'Confirmed', by the Chair of the Committee and the HBRC Chief Executive as a true and correct record.
 - 2.1. Tenders Committee meeting held 27 January 2021
 - 2.2. Finance, Audit and Risk Sub-committee meeting held 10 August 2022
 - 2.3. Corporate and Strategic Committee meeting held 24 August 2022
 - 2.4. HB CDEM Group Joint Committee meeting held 29 August 2022
 - 2.5. Māori Committee meeting held 7 September 2022
 - 2.6. Regional Planning Committee meeting held 14 September 2022
 - 2.7. Hearings Committee meeting held 16 September 2022
 - 2.8. Regional Transport Committee meeting held 16 September 2022
 - 2.9. Environment and Integrated Catchments Committee meeting held 21 September 2022
 - 2.10. Clifton to Tangoio Coastal Hazards Joint Committee meeting held 23 September 2022.
3. In accordance with Council's Standing Order 27.4 the Minutes of the Regional Council meeting held 28 September 2022 will be received, reviewed, and then signed as 'Confirmed' by the HBRC Chair and Chief Executive as a true and correct record when they are finalised.

Authored by:

Desiree Cull
STRATEGY & GOVERNANCE MANAGER

Peter Martin
SENIOR GOVERNANCE ADVISOR

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

Subject: CLIMATE RESILIENCE

Transitioning to a sustainable low emissions future for Hawke's Bay

Purpose

1. This paper seeks Council's agreement to develop the region's first emissions reduction plan towards the current goal of carbon neutral by 2050. This builds on the information provided in the Council workshop on 31 August. This paper provides further detail on working group membership and proposed approach.
2. At the time of writing, the Community Carbon Footprints for each Council in the Hawke's Bay region have not been received from the consultants. When these are available, they will be circulated to Councillors in the usual fashion and included in the public agenda available on the Council's website. Copies of all these documents will also be available at the Council meeting. These carbon footprints are important as they set the baseline for the Emissions Reduction Plan.

Officers' Recommendations

3. Staff recommend that Council consider this report and agree to the proposed approach to develop the region's first Emissions Reduction Plan.

Objectives

4. The Regional Emissions Reduction Plan will:
 - 4.1. use the Regional Community Carbon Footprint as a starting point to identify regional greenhouse gas emissions
 - 4.2. express a cultural narrative that engages local communities and inspires behavioural shifts and collective action,
 - 4.3. refer to the table of actions in the national emissions reduction plan
 - 4.4. propose quantified and measurable actions that can be monitored over time
 - 4.5. convey the complex relationship between climate change variables and community wellbeing at a regional level,
 - 4.6. be supported by multiple signatories, and
 - 4.7. be incorporated into the long term plans of the region's Territorial Local Authorities (TLAs), and supports proactive transition planning.
5. The objective of the Regional Emissions Reduction Plan is to play a leadership role in the regional contribution to international efforts under the Paris Agreement to limit the global average temperature increase to 1.5° Celsius above pre-industrial levels.
6. Our regional response will align with New Zealand's Nationally Declared Contribution (50 per cent reduction of net emissions below our gross 2005 level by 2030), with our national emissions budgets and with the greenhouse gas emissions reduction targets to reduce net emissions of all greenhouse gases (except biogenic methane) to zero by 2050 (Climate Change Response (Zero Carbon) Amendment Act 2019).
7. Regionally, HBRC declared a regional goal for net zero carbon by 2050. To achieve and go beyond this goal, we need a targeted and measurable emissions reduction plan with strong stakeholder input, cross council collaboration and community buy-in.

Scope

8. Although emissions reduction and adaptation are interconnected, staff believe that adaptation is covered by existing work programmes, both by regional council and territorial authorities, and that combining the two would result in adaptation dominating the plan and resulting actions. Recent and regular events such as floods, storm surges and heatwaves keep this work at the forefront of the community's consciousness and create a platform for action. Emissions reduction on the other hand is a harder sell to the community as it requires systemic change which is more difficult to achieve across longer time frames, as well as behaviour change which can be perceived as giving up something.
9. The advantage of this approach is a dedicated table of actions that focus on transitioning regional activity towards a low-emissions future while maintaining prosperity, quality of life and wellbeing. Reducing emissions rapidly is a fundamental means of slowing the destabilisation of the climate, thus limiting the severity and frequency of extreme weather events which will impact our communities.
10. Staff propose that priority be given to reducing gross emissions of all greenhouse gases. With regard to biogenic methane emissions (ruminant animal emissions), we propose to follow the national He Waka Eke Noa approach with a focus on support for landowners and farmers across the region to achieve these nationally set targets.
11. In addition, we propose that emissions reductions actions are considered separately to offsetting / sequestration conversations so that priority is given to reducing emissions and sequestration is reserved only for essential emissions.
12. Note that this paper refers to region-wide greenhouse gas emissions relating to all activities, farming, industry and households. We differentiate between these and emissions relating to HBRC activities which are currently measured and managed by Corporate Services.

Project method

13. We propose to establish a core working group who will attend all hui and be responsible for maintaining momentum, achieving milestones and advocating for the final plan within their respective entities.
14. The working group will be tasked with systematically working through the proposed actions from the national Emissions Reduction Plan and assessing them for relevance to Hawke's Bay and impact on regional emissions. It is hoped that by participating directly in the drafting of the plan, these member organisations will have strong buy-in and become automatic signatories to the final document.
15. While membership is not yet finalised, suggested membership (entity and role) includes:
 - 15.1. Napier City Council (Climate Change Policy Analyst)
 - 15.2. Hastings District Council (tbc)
 - 15.3. Central Hawke's Bay District Council (tbc)
 - 15.4. Wairoa District Council (tbc)
 - 15.5. Environment Centre (Chief Executive)
 - 15.6. HB Biodiversity (General Manager)
 - 15.7. Forest & Bird (Freshwater Advocate)
 - 15.8. Unison (tbc)
 - 15.9. Ministry of Primary Industries (tbc)
 - 15.10. Ngāti Kahungunu (tbc)
 - 15.11. Sustainability Council (tbc)

- 15.12. 3R Group (tbc)
- 15.13. PSGE representatives (tbc).
- 16. In addition to the core working group listed above, subject matter experts will be invited to participate in specific meetings relating to their topics of expertise and chapters below. They will also participate in wider collaborative group meetings (including launch, mid way and final meeting).
- 17. All members will be asked to nominate a reserve who will attend any meetings in their absence.
- 18. Workshops will be facilitated by an external facilitator.

Draft themes / Chapters (based on national Emissions Reduction Plan):

- 18.1. Building & Construction
- 18.2. Transport
- 18.3. Equitable transition
- 18.4. Planning and infrastructure
- 18.5. Working with nature
- 18.6. Waste
- 18.7. Housing.

Tāngata whenua engagement

- 19. Initial engagement with Ngāti Kahungunu indicated support for this approach and propose that the work commence with a wānanga to develop a cultural narrative for climate change that would frame the development of the plan. This wānanga would need to be co-designed and led by a facilitator with deep environmental mātauranga.

Community engagement

- 20. Broader community engagement will consist of a range of awareness building and education opportunities to bring the wider community along and seek their support and buy-in for the Plan. All organisations and individuals will also be invited to sign up to the Plan to reiterate that collective action is needed and that even small actions, such as household recycling or businesses making sustainable improvements to their supply chain, contribute to further actions and an overall shift to a lower emissions future.
- 21. While climate change adaptation activities include an equity focus for communities which will be more heavily impacted by extreme weather events and have less resilience to respond, equity considerations in emissions reduction work must ensure that all actions maintain a minimum adequate quality of life. The biggest focus must be placed on activities that have the highest emissions and where there is the capacity to adapt. Support will need to be offered to communities with low levels of resilience and where transition may impact livelihoods.
- 22. At this stage, we are proposing two events to build awareness and seek broad community input. A breakfast event is proposed for 22 November 2022 with guest speakers to effectively launch the process to develop a plan. The second in March 2023 would be to test ideas and seek direct community feedback.
- 23. We anticipate that the launch of the plan will also generate profile and media interest, particularly if we can successfully get individuals and organisations pledging and signing up the Plan.

Project Governance

- 24. Staff propose that the Emissions Reduction Plan be governed by the Matariki Governance Group that oversees Matariki Regional Development Strategy for economic, inclusive and sustainable growth. This entity which is represented by councils, iwi and business would be a

natural home for the regional climate action work. It would elevate the Emissions Reduction Plan as a strategic priority for the region and naturally cascade into the work programmes and budgets of its members, thereby operationalising the plan. Emissions reduction sit under Pou 3: Resilient Communities & Infrastructure.

Project timeline

25. There is a short window to develop the Emissions Reduction Plan by 1 July 2023. This is to ensure it is completed in time to inform the next round of long-term plans and to show urgency reflecting the Council's emergency declaration in June 2019.
26. In recognition of the time available, it must be emphasised that this is the first of many such plans. It will be iterative based on best information at the time and, by design, adaptable in line with future developments. We need to show action pathways but recognise that national frameworks are evolving quickly and that the regional resource management plan review is also happening during this window.
27. Key dates include:

Date	Hui theme	Attendees
October	Launch, set goals, scope of work	All WG members
November	Public breakfast event with Guest Speakers (22 Nov) Transport theme meeting	All WG + Public Core + transport
December	Wānanga	All WG members
January	Building and construction theme meeting	Core + transport
February	Waste theme meeting	Core + waste
March	Public Event tbc	All WG + Public
April	Equitable transition theme meeting	All WG members
May	Housing theme meeting	Core + housing
June	Working with nature theme meeting	Core + Nature-based
July	Public Event to launch ERP	All WG + public

Next steps

28. Working group membership will be formalised and hui schedule confirmed.

Strategic Fit

29. As noted in the Strategic Plan 2020-25, climate change is at the heart of everything we do. This emissions reduction plan directly relates to the strategic goal *'By 2025, HBRC is carbon zero and plays a leadership role in the region's goal of net zero greenhouse gases by 2050'*.

Significance and Engagement Policy Assessment

30. Staff have assessed this decision paper against the Council's Significance and Engagement Policy and have concluded that this is not a significant decision at this stage and can be made without public consultation. The more substantive decision will be to adopt the emissions reduction plan in July 2023.

Considerations of Tāngata whenua

31. We have had initial engagement with Ngāti Kahungunu to discuss how tangata whenua considerations can be taken into account for this work. This paper proposes to continue this engagement and to prioritise mana whenua involvement.

Financial and Resource Implications

32. This work is covered within the existing Response to Climate Change budget and the carry forward from the 2021-2022 financial year.

Legal Implications

33. The proposed Emissions Reduction Plan is a non-statutory document so there are no legal implications.

Decision Making Process

34. 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:
- 34.1. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 34.2. The persons directly affected by this decision are all of the Hawke's Bay community.

Recommendation

That the Hawke's Bay Regional Council:

1. Receives and considers the *Climate Resilience– Transitioning to a sustainable low emissions future for Hawke's Bay* staff report.
2. Agrees that the decision to be made is not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
3. Agrees to develop the region's first emissions reduction plan aiming for carbon neutrality, informed by the recently completed Regional Community Carbon Footprint.

Authored by:

Pippa McKelvie-Sebileau
CLIMATE ACTION AMBASSADOR

Desiree Cull
STRATEGY & GOVERNANCE MANAGER

Approved by:

James Palmer
CHIEF EXECUTIVE

Attachment/s

- | | | |
|----------|-------------------------------------------------|----------------------|
| 1 | Napier City Council Carbon Footprint | Under Separate Cover |
| 2 | Hastings District Community Carbon Footprint | Under Separate Cover |
| 3 | Wairoa District Community Carbon Footprint | Under Separate Cover |
| 4 | Central Hawke's Bay Community Carbon Footprint | Under Separate Cover |
| 5 | Hawke's Bay Regional Community Carbon Footprint | Under Separate Cover |

Subject: REGIONAL ECONOMIC DEVELOPMENT AGENCY ESTABLISHMENT/ UPDATE

Reason for Report

1. This paper provides councillors with a progress update on the establishment of the Regional Economic Development Agency (REDA). It outlines the:
 - 1.1. governance and shareholding framework for REDA
 - 1.2. roles and accountabilities of key parties in relation to REDA
 - 1.3. updated establishment timeline
 - 1.4. business Hub relocation
 - 1.5. current activity and proposed next steps.

Background

2. In November 2021, a Stage 2 Review of Investment in Business and Industry Support across the Hawke's Bay region was undertaken by Gus Charteris Consulting for the five Hawke's Bay councils.
3. On 24 November 2021, HBRC supported the Stage 2 Review recommendations for priority activities/services and the focus for ratepayer investment in business and industry support and supported the establishment of a regional development entity in Hawke's Bay. At the same meeting, Council endorsed the Hawke's Bay councils' partnership approach with iwi/hapū and agreed to accommodate the Regional Council's funding contribution for the new entity from reprioritisation within the targeted rate funded regional development budget in the 2022-2023 Annual Plan.
4. It was acknowledged at that time that establishment of a regional entity effectively removed HBRC from direct delivery of business and industry development and transfers that activity to the new entity. However, this does not affect HBRC's existing relationship and funding with HB Tourism.
5. Oversight of progress of establishment was transferred to the Matariki Governance Group (MGG).

Governance and Shareholding

6. The Matariki Governance Group (MGG) met in August 2022 to confirm, amongst other things the governance and shareholding arrangements for REDA.
7. From that meeting, the following governance and shareholding was proposed:
 - 7.1. A skills-based board for REDA will be appointed by MGG, delegated to an appointments panel comprising representatives from iwi/hapū, councils, business and Māori business.
 - 7.2. The legal entity for REDA will be a limited liability company with shareholding in equal thirds to the following parties:
 - 7.2.1. Councils – apportioned pro-rata according to funding level
 - 7.2.2. Te Kāhui Ōhanga o Takitimu – representation to be confirmed.
 - 7.2.3. Business in two parts being:
 - 7.2.3.1. Business represented by the Hawke's Bay Chamber..
 - 7.2.3.2. Māori business, representation to be confirmed.

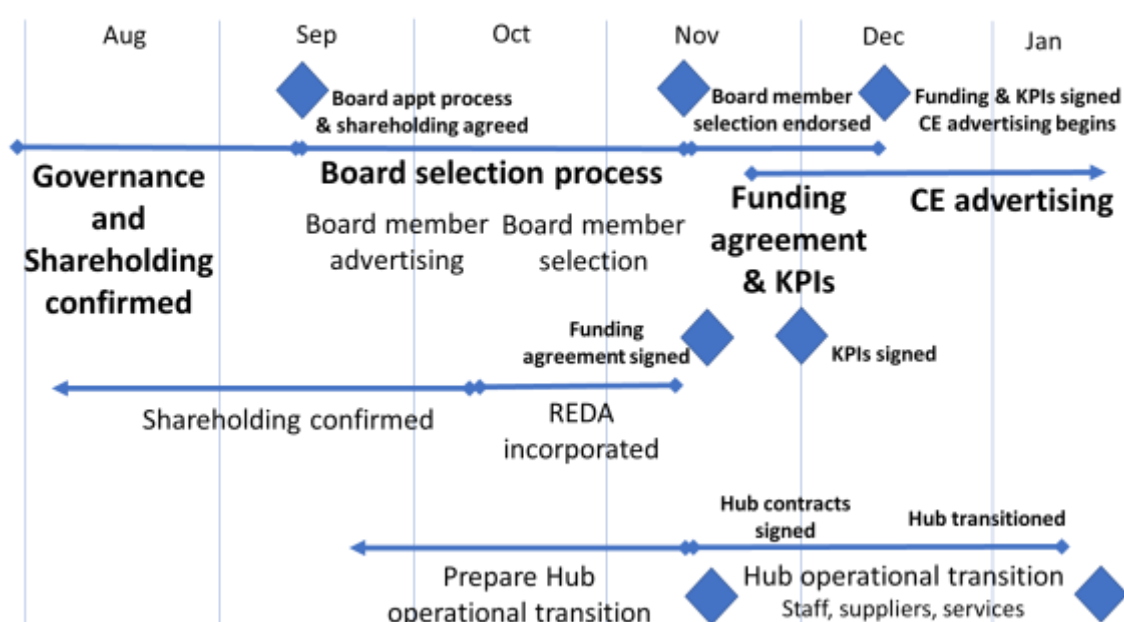
Roles and Accountabilities

8. At their August meeting, the MGG also confirmed the roles and responsibilities of the various stakeholders in relation to REDA. These are illustrated in the attached RACI model.
 - 8.1. Matariki Governance Group is accountable for:
 - 8.1.1. Board Appointments Panel and process to approved board members
 - 8.1.2. determining the Key Performance Indicators (KPIs) for REDA supporting the Matariki vision and strategy.
9. In order to better fulfil its role for oversight of regional economic development in the region, Matariki has agreed to seeking further business representation onto the Governance Group. Currently Matariki currently comprises Post Settlement Group Entity Chairs, Council mayors/chair and the Napier Port Chair. The Governance Group has previously had more business representation.

High-level timeline

10. An updated high-level timeline for REDA establishment is outlined below:

REDA High-level Establishment Timeline 2 September 2022



11. The revised summary timeline sets out the following:
 - 11.1. The board appointments process will start mid-September. Board members are expected to be announced in mid-November.
 - 11.2. Confirmation of the shareholding entities for REDA and incorporation of REDA will occur in parallel and is expected to be completed end of October.
 - 11.3. The funding agreement with councils will be signed by the end of November, allowing REDA to enter into contracts and transition the Business Hub functions.
 - 11.4. KPIs will be reviewed and confirmed by the REDA Board and MGG by the end of November.

Relocation of Business Hub

12. HBRC has provided funding and management of the operational home for the Business Hub pending the transfer to REDA when it is established. Currently this includes operational funding for the Business Hub premises in Ahuriri, and 2.15 full time equivalent staff that manage the Hub operation during the current transition period.
13. In August 2020, owners of the current Business Hub premises in Ahuriri gave formal notice of termination for the lease effective at the end of January 2023.
14. Although this is an additional complexity in establishing REDA, it offers the opportunity to reset the Business Hub alongside a newly formed REDA.
15. The Business Hub currently accommodates other entities under Occupation License Agreements. Council is working with tenants and stakeholders to identify new location options and plan for relocation.
16. Councils propose to run an Expressions of Interest type process to find a new location until the end of September. A panel will be selected to assess location options and then work to secure the preferred option.

Related Activity

17. Chief Executives are exploring the scope for a piece of work to support the inaugural Board with areas of focus for the REDA to support the strategic priorities and objectives in Pou 4: Economic Growth of the Matariki Regional Development Strategy.
18. Related to the above, the Matariki Governance Group is considering a proposal received from Napier Port for REDA funding of \$250,000 to progress the development of a Hawke's Bay Distribution Network Strategy, subject to an acceptable statement of work, deliverables, and business plan.

Current activity and next steps

19. The following activity has been completed:
 - 19.1. governance and shareholding arrangements confirmed
 - 19.2. board appointments process has been confirmed and recruitment process is underway
 - 19.3. roles and Responsibilities associated with REDA by MGG confirmed
 - 19.4. parties confirmed that the board appointments process should proceed
 - 19.5. constitution and legal advice have been drafted and undergoing amendments by the parties
 - 19.6. KPIs have been drafted and undergoing review by the current project team and CE's.
20. Next steps include the following activity and accountability:
 - 20.1. assemble the board appointments panel and initiate the appointments process – Board Appointment Panel
 - 20.2. MGG co-chairs to release media about REDA establishment and board appointments process in line with advertising of the roles – MGG co-chairs
 - 20.3. work with tenants and stakeholders to identify and plan for relocation of the Business Hub – HBRC as lead for Hawke's Bay councils
 - 20.4. finalise the constitution – proposed shareholder signatories: PSGEs, councils, business
 - 20.5. confirm shareholding entities for PSGEs and Māori Business and incorporate REDA – PSGEs

- 20.6. review draft KPIs ready for review by the incoming REDA Board – Matariki including new business representation.

Decision Making Process

21. 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 *Regional Economic Development Agency establishment/update* staff report.

Authored by:

Michael Bassett-Foss
RTRP PROJECT MANAGER

Approved by:

Susie Young
GROUP MANAGER CORPORATE SERVICES

Attachment/s

- 1 [!\[\]\(5950fde355bafc747b20583b30242b59_img.jpg\)](#) REDA RACI Matrix

DRAFT RED A Establishment RACI

Roles and Responsibilities
Responsible, Accountable,
Consulted, Informed

Item	RED A Project Team	RED A Board	RED A Establishment Group	RED A Board Appointment Panel	Matariki Governance Group	Matariki Executive Steering Group	Chamber of Commerce (on behalf of business)	TKO (on behalf of Maori/Iwi)	Councils
Board Appointments Process & Decisions			C	R	A	I	I	I	I
Onboarding of Board Members			R		A	I	I	I	I
Company Structure & Shareholding			R		C	I	A	A	A
Company Constitution			R		C	I	A	A	A
Funding Agreement	R				I	I	I	I	A
Setting of KPI's			R		A	I	C	C	C
Business Hub Transition	R	A			I	I	I	I	C

R	Responsible
A	Accountable
C	Consulted
I	Informed

Assigned to complete the task or deliverable.

Has final decision-making authority and accountability for completion.

An adviser, stakeholder, or subject matter expert who is consulted before a decision or action.

Must be informed after a decision or action.

**Subject: SUMMARY REPORT FROM THE CLIFTON TO TANGOIO COASTAL HAZARDS
STRATEGY JOINT COMMITTEE 15 AUGUST 2022 MEETING**

Reason for Report

1. This item provides a summary of discussions (attached) that took place at the 15 August 2022 Clifton to Tangoio Coastal Hazards Strategy Joint Committee meeting for the Council's information alongside any additional commentary the Chair, Jerf van Beek, may wish to provide.

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.

Recommendations

That Hawke's Bay Regional Council receives and notes the *Summary report from the Clifton to Tangoio Coastal Hazards Strategy Joint Committee 15 August 2022 meeting*.

Authored by:

**Simon Bendall
COASTAL HAZARDS STRATEGY PROJECT
MANAGER**

Approved by:

**Chris Dolley
GROUP MANAGER ASSET MANAGEMENT**

Attachment/s

1. [Summary Report from the Clifton to Tangoio Coastal Hazards Strategy Joint Committee meeting on 15 August 2022](#)



Clifton to Tangoio Coastal Hazards Strategy

Summary Notes of Meeting held 15 August 2022

1. PURPOSE

This briefing note has been prepared to communicate the activity of the Clifton to Tangoio Coastal Hazards Strategy Joint Committee to the Partner Councils, as the Committee progresses with Stage 4 of the Strategy. More information on the Strategy can be found on the project website at www.hbcoast.co.nz.

2. JOINT COMMITTEE MEETING SUMMARY: 15 AUGUST 2022

Key points from the Joint Committee meeting held 15 August 2022 are highlighted below. The full minutes of the meeting will be provided to each Partner Council in due course.

Community Deputation: Whirinaki Erosion

- The Joint Committee heard from a community representative about ongoing coastal erosion at Whirinaki. Community concern is increasing. Improved communications and information to address uncertainty was requested.

The Future of our Coastline update

- HBRC have been consulting through July on the proposal that it lead Strategy implementation. The Joint Committee resolved to enter a statement in support of the proposal to be presented as part of HBRC deliberations.

Current Coastal Projects Update

- An update was provided on key coastal hazards projects and matters within the Strategy area, including the proposed Whakarire Ave revetment, Westshore sand deposition area Haumoana 18 and Whirinaki erosion.

Triggers Workstream Update

- Final proposed adaptation thresholds were presented for feedback from the Joint Committee. Once confirmed, they would form part of the community consultation process in 2023.

Mātauranga Māori Workstream Development Update

- A new workstream is being developed to achieve more effective tangata whenua engagement and to look at ways that Mātauranga Māori could guide Strategy development.

Managed Retreat Workstream update

- Tonkin+Taylor Managed Retreat report has been publicly released. It has generated some media interest and community concern. Discussion was held around the context, intent and focus for this work, which was to explore and cost the option of retreat so the option can be better understood by the Councils and community.

Next Meeting

- The next meeting of the Joint Committee will be held on 23 September 2022.

Subject: COUNCILLORS' REPORTS FROM MEETINGS OF OUTSIDE BODIES

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 TBFree 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)
 - 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 Hawke's Bay Regional Council receives and notes the *"Councillors' Reports from 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 28 September 2022

Subject: DISCUSSION OF MINOR ITEMS NOT ON THE AGENDA

Item 19

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.

Topic	Raised by