

Meeting of the Hawke's Bay Regional Council

Date: 29 March 2023
Time: 1.30pm
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

Item	Title	Page
1.	Welcome/Karakia/Apologies/Notices	
2.	Conflict of Interest Declarations	
3.	Confirmation of Minutes of the Regional Council meetings held on 8 March and 22 March 2023	
Decision Items		
4.	Financial delegations	3
5.	Cyclone Recovery Committee establishment	5
6.	Annual Freshwater Science charges (s.36) 2022-2023	11
7.	Report and recommendations from the Regional Transport Committee	19
8.	HBRIC Ltd and FoodEast 2023-2024 draft Statements of Intent and Quarterly update	25
Information or Performance Monitoring		
9.	Significant activities in the organisation's transition to recovery from Cyclone Gabrielle	35
Decision Items (Public Excluded)		
10.	Confirmation of Public Excluded minutes of the meetings held on 8 March and 22 March 2023	43
11.	Investment Strategy review outcomes	45

Subject: Financial delegations**Reason for Report**

1. The purpose of this paper is to obtain the necessary delegations to authorise the borrowing of new debt to the Chief Executive (CE) and Group Manager Corporate Services (GMCS) under the Treasury Policy.
2. Previously, any new debt within the annual plan proposed limits was entered into by previous Chief Executive, James Palmer. Subsequent review of the Treasury Policy, in particular the delegation of authority and authority limits on page 252 of the Council's 2021-31 Long Term Plan (LTP), suggests this authority requires specific delegation by Council.

Officers' Recommendations

3. Council officers recommend that Council delegates borrowing up to the annual plan total debt amount of \$104m (new debt of +\$44m) to the CE and GMCS, noting that further delegation over and above this level, if required, will be a Council decision.

Background

4. The Annual Plan 2022-2023 provisioned for new debt of \$27.5m with a total debt totalling \$104m. Our current total borrowing is \$59.2m which includes new debt during the year of \$14m (excluding \$5m of undrawn overdraft (OD) facility for liquidity purposes).

External Debt	New Borrowing Amount	Running Total
Existing Debt facilities		\$45,233,333
LGFA - August 2022	\$4,000,000	\$49,233,333
LGFA – March 2023 (6mth floating)	\$10,000,000	\$59,233,333
Total Borrowing	\$14,000,000	\$59,233,333

5. Following Cyclone Gabrielle we have highlighted there will be a short term cashflow need due to timing of creditors needing payment and the claim of costs from both NEMA and insurances that will subsequently follow. We estimate this could range between \$20m and \$40m.

Financial and Resource Implications

6. The potential impact of borrowing will be on interest expense as current interest rates are approximately 5.5% per annum as opposed to the 2.5% per annum in the 2022-2023 Annual Plan. However due to limited borrowing to date as planned, savings have already been made against this.
7. The overall interest impact will also depend on the timing of any new borrowing.

Decision Making Process

8. 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:
 - 8.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.

- 8.2. The use of the special consultative procedure is not prescribed by legislation.
- 8.3. The decision is necessary for the financial delegations to be compliant with Council's current Treasury Policy.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Financial delegations* staff report.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
3. Delegates borrowing up to the 2022-2023 Annual Plan total debt amount of \$104m (new debt of +\$44m) to the Hawke's Bay Regional Council Chief Executive and Group Manager Corporate Services, noting that further delegation over and above this level, if required, will be a Council decision.

Authored by:

Jess Bennett
Treasury & Investments Accountant

Chris Comber
Chief Financial Officer

Approved by:

Susie Young
Group Manager Corporate Services

Attachment/s

There are no attachments for this report.

Subject: Cyclone Recovery Committee establishment

Reason for Report

1. This paper seeks the appointment of a Cyclone Recovery Committee to coordinate and direct the Hawke's Bay Regional Council's recovery initiatives in support of environmental and community recovery from Cyclone Gabrielle.

Officers' Recommendations

2. Council officers recommend that the Council agrees to replace the Environment and Integrated Catchments Committee (EICC) with the Cyclone Recovery Committee, as part of its governance structure for the remainder of the 2022-2025 triennium.
3. Further, officers recommend that the Council considers and adopts the proposed Terms of Reference (attached), including any amendments agreed today, in order to establish the Cyclone Recovery Committee.
4. In addition, Council is asked to agree that the Cyclone Recovery Committee retains councillors Sophie Siers as Chair and Di Roadley as deputy chair, effectively transferring those roles from EICC.

Background /Discussion

5. Under clause 30 of [Schedule 7](#) of the Local Government Act 2002 (LGA), the Council may appoint committees, sub-committees and other subordinate decision-making bodies that it considers appropriate. Council can, at any stage, review its committee structure to ensure that it is appropriate and operating as intended.
6. On 16 November 2022, the newly elected Regional Council adopted its committee structure including the appointment of the Environment and Integrated Catchments Committee (EICC). Among other things EICC is responsible for considering the state and condition of the environment, the effectiveness of council services such as flood protection, soil conservation, pest control, environmental protection initiatives, navigational safety, and open spaces, and responses to emerging and significant environmental issues including climate change and water security.
7. Post Cyclone Gabrielle, it is proposed to change the remit of the EICC to a dedicated Recovery Committee. This recognises that most of the work programmes reporting to EICC will now need to pivot to recovery. Repurposing EICC should avoid duplication and streamline decision-making for recovery.

Meeting frequency and membership

8. EICC is a committee of the whole that meets quarterly in line with other council committees. It is proposed to increase the frequency of the Cyclone Recovery Committee meetings to around 6-weekly through to until at least the end of the calendar year to reflect the fast pace of work, desire for information and to avoid any bottlenecks from Council decision-making processes.
9. It is also proposed to increase tangata whenua membership from one appointed member of the Māori Committee and one appointed member of the Regional Planning Committee to two members from each to ensure that affected communities are well represented on the Recovery Committee.

Strategic Fit

10. The establishment of a Cyclone Recovery Committee will support the achievement of the Regional Council's mission, vision and several of the strategic goals set in the Regional Council's [*Strategic Plan 2020-2025*](#) including *By 2030, flood risk is being managed to adapt to foreseeable climate change risks out to 2100 and By 2050, all highly erodible land is under tree cover.*

Significance and Engagement Policy Assessment

11. The governance structure is a decision of council, required by the Local Government Act and does not require consultation.

Climate Change Considerations

12. Climate resilience will be an important consideration of the Cyclone Gabrielle Committee during the environmental and community recovery.

Tangata Whenua considerations

13. The proposal to increase tangata whenua representation on the Committee was canvassed with the Co-chair of the Regional Planning Committee and the Co-chairs of the Māori Committee, and while capacity issues were noted, the clear message was to ensure coverage of the affected areas across the region so no one is left out.

Financial and Resource Implications

14. There will be a minor financial impact related to mileage and meeting costs due to the increased frequency of meetings.
15. There will be no change to remuneration for councillor members if the Council agrees to replace the Environment and Integrated Catchments Committee (EICC) with the Cyclone Recovery Committee and retain its Chair and Deputy Chair.
16. The current rate for additional meetings for appointed members is \$452 per meeting per representative. The increased costs for additional tangata whenua representation are minor and can be accommodated within existing budgets due to fewer *All Governors Forum* meetings.

Decision Making Process

17. 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:
 - 17.1. Council is required to (LGA sch.7 cl.19(1)) hold the meetings that are necessary for the good government of its region
 - 17.2. Council may appoint (LGA sch.7 cl. 30(1)(a)) the committees, subcommittees, and other subordinate decision-making bodies that it considers appropriate
 - 17.3. Given the provisions above, Council can exercise its discretion and make these decisions without consulting directly with the community or others having an interest in the decision.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Cyclone Recovery Committee establishment* staff report.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community.

3. Appoints the Cyclone Recovery Committee, under Clause 30 of Schedule 7 of the Local Government Act 2002.
4. Adopts the proposed Terms of Reference (attached) with the inclusion of any changes agreed on 29 March 2023.

Authored by:

Desiree Cull
Strategy & Governance Manager

Louise McPhail
HBRC Recovery Manager

Approved by:

Pieri Munro
Interim Chief Executive

Attachment/s

- 1 [!\[\]\(e7a5b2ecc7ab80b32b565dd7dfa9a5a9_img.jpg\)](#) Cyclone Recovery Committee draft Terms of Reference



Cyclone Recovery Committee

Terms of Reference

Adopted by resolution of Hawke's Bay Regional Council on **29 March 2023**

1. The purpose of the Cyclone Recovery Committee is to coordinate and direct the Hawke's Bay Regional Council's (HBRC) recovery initiatives in support of environmental and community recovery from Cyclone Gabrielle, which resulted in a national state of emergency declared on 14 February 2023, and related matters.
2. Recovery actions will necessarily happen at pace requiring agile and joined-up decision-making. This Committee fits within a broader recovery context which includes the Hawke's Bay Regional Recovery Agency. The HBRC's Cyclone Recovery Committee will focus on recovery tasks related to the environment resilience, primary sector, and resilient infrastructure pou (proposed HB Cyclone Gabrielle Recovery wiring diagram to be attached once finalised).
3. The Civil Defence Emergency Management Act 2002 (the CDEM Act) defines recovery as: *"the coordinated efforts and processes used to bring about the immediate, medium and long-term holistic regeneration and enhancement of a community following an emergency."* Recovery is more than simply building back infrastructure; it is a managed, comprehensive and participatory process inclusive of all people and organisations, that also supports restoring the social, economic, natural and cultural fabric of affected communities.
4. The Cyclone Recovery Committee will also cover the business-as-usual functions, previously considered by the Environment and Integrated Catchments Committee.

Cyclone Gabrielle Recovery responsibilities

5. The primary role of the Cyclone Recovery Committee is to develop and oversee implementation of a Regional Resilience Plan. This Plan will focus on land-use planning, hazard management, risk, and flood protection and will inform locality plans of other entities.
6. The Cyclone Recovery Committee will also be responsible for considering and making recommendations to HBRC on work programmes such as, but not limited to the rapid rebuild of stop banks, scheme reviews and protection levels, land use planning, nature-based solutions for water management and biodiversity, rural recovery including an enhanced Erosion Control Scheme and changes to the Land for Life programme and improvements to the hydrometric network.

Business as usual responsibilities

The Cyclone Recovery Committee will consider and make recommendations to Council on:

7. Policy

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

8. Environmental Monitoring and Research

- 8.1. Environmental monitoring strategies and research and investigation programmes, including the

State of the Environment Reports

- 8.2. Technical reports on the findings of research and investigations into the impact of activities on the receiving environments and recommend to Council the development of new policy frameworks based around such information.

9. Implementation

- 9.1. Management plans or any similar such documents for the effective implementation of environmental enhancement and improvement programmes of Council.
- 9.2. All other policy implementation issues of Council.
- 9.3. Periodically review the effectiveness of Council's non-regulatory resource management operational work programmes within the ambit of the Committee and make recommendations to Council for any changes
- 9.4. Assist staff, where appropriate, in identifying a preferred option and/or funding mechanism for Council consideration of biosecurity/ biodiversity initiatives, proposals for new or expansion of existing open spaces and regional parks, and infrastructure asset construction or improvement work; and in promoting the preferred option to the beneficiaries/ community.

10. Financial Authority

- 10.1. Consideration of possible financial implications of specific initiatives.

11. Use of Delegated Powers for the Environment & Integrated Catchments Committee

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

Members:	<ul style="list-style-type: none"> • All Councillors being: Hinewai Ormsby, Will Foley, Neil Kirton, Charles Lambert, Jerf van Beek, Martin Williams, Sophie Siers, Di Roadley, Thompson Hokianga, Jock Mackintosh, Xan Harding. • Two appointed members of the Māori Committee, TBC • Two appointed members of the Regional Planning Committee, TBC
Chair:	A member of the Committee as elected by the Council being: Sophie Siers
Deputy Chair:	A member of the Committee as elected by the Council being: Di Roadley
Meeting Frequency:	6-weekly (or as required)
Staff Executive:	HBRC Recovery Manager Group Manager Integrated Catchment Management Group Manager Asset Management Group Manager Policy & Regulation

Subject: Annual Freshwater Science charges (S.36) 2022-2023

Reason for Report

1. This report seeks a decision from Council on the approach to take for the Annual Freshwater Science Charges for the 2022-2023 financial year, given the impacts of Cyclone Gabrielle on resource consent holders and on the science and monitoring activities that HBRC are performing.

Officers' Recommendations

2. Officers recommend that Council considers the paper and approves option 3 for the approach to annual freshwater science charges and water meter administration charges for the 2022-2023 financial year, being:
 - 2.1. to reduce the annual freshwater science charges to all discharge consent holders by 42%, representing a change in water quality business-as-usual activity for five months of the financial year after the Cyclone hit, and
 - 2.2. to proceed with annual freshwater science charges and water measuring device administration fees for the water take consent holders as per the Annual Plan fees & charges schedule, and
 - 2.3. to accept requests for one-off fee exemptions where consent holders have been unable to exercise their consent due to Cyclone Gabrielle damage, or financial hardship due to the Cyclone.
3. Officers also recommend that Low Flow Monitoring charges are waived for the 2022-2023 financial year.

Executive Summary

4. The Annual Freshwater Science Charges were set at the start of 2022-2023, based on the Annual Plan for this financial year. The charges are to water take and discharge resource consent holders, for a proportion of the science research, investigation and monitoring of water quantity and quality in the region. The total budgeted expenditure for this activity was \$7.9m, with \$2.5m being funded from fees and charges, and the balance from general funds.
5. In addition to the Annual Freshwater Science charges, eligible water take consent holders are also charged a water measuring device administration fee and a low flows annual monitoring fee. These fees cover 100% of the cost of the water information services team and the monitoring of river flows during incidents of low flows.
6. Flooding and other damage caused by Cyclone Gabrielle has significantly impacted many resource consent holders, to the extent they are not currently able to exercise their resource consent. The work programme for water science has also been impacted, where staff time has been re-prioritised to cyclone response/recovery, and the focus of water quality activities has shifted to analysis of the cyclone impacts which have a wider public benefit.
7. The Annual Freshwater Science Charges are set under Section 36 of the RMA. Under section 36AAB(1), Council has the power to give full or partial remissions of any charges set under this section.
8. On the basis that some resource consent holders have been significantly impacted, and the focus of the water quality science work programme has changed since Cyclone Gabrielle occurred, it is proposed to reduce the Annual Freshwater Science charges for this financial year.

9. This paper proposes three different options for what the fees approach might take:
 - 9.1. Option 1: Proceed with annual freshwater science charges and water measuring device administration fees as per the Annual Plan fees & charges schedule, with no fee waivers.
 - OR
 - 9.2. Option 2: Proceed with annual freshwater science charges and water measuring device administration fees as per the Annual Plan fees & charges schedule and accept requests for one-off fee exemptions where consent holders have been unable to exercise their consent due to Cyclone Gabrielle damage or financial hardship due to the Cyclone.
 - OR
 - 9.3. Option 3: Reduce the annual freshwater science charges to all discharge consent holders by 42%, representing a change in water quality business-as-usual activity for the five months of the financial year after the Cyclone hit, and proceed with annual freshwater science charges and water measuring device administration fees for the water take consent holders as per the Annual Plan fees & charges schedule, and accept requests for one-off fee exemptions where consent holders have been unable to exercise their consent due to Cyclone Gabrielle damage, or financial hardship due to the Cyclone.
10. This paper also proposes full remission of the low flows monitoring fee for this financial year, on the basis that there have not been any incidents of low flows so far this year, and therefore there has been very limited expenditure incurred for this activity.
11. Officers seek a decision from Council on which option should be used for the preparation of invoices for this financial year. Based on this decision, officers will prepare invoices for consent holders to be issued during the month of April, with a due date of 20 May. A plan will also be prepared for communication to effected resource consent holders for any changes agreed.

Background /Discussion

12. The Annual Freshwater Science Charges for 2022-2023 were set based on the Annual Plan. The charges are levied against water take and discharge resource consent holders, for 35% of the total costs of science research, investigation and monitoring of water quantity and quality in the region, as determined in the Revenue and Finance policy. The current schedule for these charges is attached.
13. Broadly speaking, the proportion of costs of water quantity activities are recovered from water take consent holders, and the water quality activities from discharge to land/water consent holders.
14. Two additional administration fees are also included on the annual freshwater science charges invoice, specifically for water take resource consent holders.
 - 14.1. Water measuring device administration – which funds the Water Information Services activity, including administration of record keeping for installation and verification of water meters and the retrieval and processing of water meter data.
 - 14.2. Low flows annual monitoring – which funds the cost of the environmental information team to monitor river low flows, to inform consent holders who have low flow conditions on their water take consents.
15. Table 1 following shows the current administration charges for water meters and low flows monitoring.

Table 1

	2022-23 Annual Charge (excl GST)
Annual water measuring device admin charge (for first meter)	\$210
PLUS, each additional water measuring device	\$40
Annual water measuring device admin charge – non exercised consent	\$40
Low flows annual monitoring fee	\$250

16. Cyclone Gabrielle has impacted a significant number of resource consent holders in the region, where they are either currently unable to exercise their resource consent due to flood damage and/or they are experiencing financial hardship due to the interruption to their commercial enterprises. Officers are seeking councillor consideration of how assistance can be given to these consent holders via some form of financial relief of the annual freshwater science charges.
17. The original programme of scientific research, investigations and monitoring for water quality has been interrupted by the Cyclone event, with the focus broadening out from the State of the Environment type of programmes to include disaster impact investigations. As such the purpose of water quality science has taken on a wider public benefit from February 2023 and is expected to do so for the remainder of this financial year.
18. Water quantity related activities will largely continue as planned, and as such no changes are proposed in relation to water take consent charges, other than fee remissions for consent holders impacted by the Cyclone.
19. There have been no incidents of low flows in the rivers to date this year, and therefore there has been limited expenditure incurred to monitor these occurrences.
20. The water science related consent charges are fixed under Section 36 of the Resource Management Act. Discretionary fee reductions are permitted under section 36AAB(1), however the forfeit revenue would need to be offset by reduced expenditure on water science activities and/or funded via general funds. Currently the water science activities are underspent, and this is expected to continue as a proportion of staff time has, and continues to be, directed towards cyclone response/recovery.
21. The invoices for the water science related charges are usually sent in March, to cover the period of the current financial year (1 July to 30 June). Due to the timing of the Cyclone, invoice preparations have been delayed. Once direction has been received from Council on any changes to the fees that will be charged, council officers will run the billing process for invoices to be issued by the end of April, with a payment due date on 20 May 2023.
22. The invoices are accompanied by an information flyer explaining what the charges are for and the science and monitoring activities achieved during the year for which their fees are contributing towards. This information flyer would be used to explain any agreed changes in approach for this financial year and to provide an opportunity to explain how the environmental science and information teams have responded to the Cyclone. The flyer will also discuss the appropriate avenue for applying for one-off fee exemptions if these are part of the approved approach.

Options Assessment

Annual Freshwater Science charges and Water measuring device admin fee

23. Three options for changes to this year's Annual Freshwater Science charges and water measuring device admin fee are proposed for Council consideration, which vary in the amount of relief to consent holders, and consequently the total impact on income for the financial year.

24. The estimate of the forfeit revenue from each option is in table 2. The assumption made for the quantum of fees remitted for effected consent holders is based on 25-30% of water take consents, which is derived from a high-level analysis of the flood map overlayed with the sites of current resource consents.

Option 1: Annual Charge as scheduled, no fee remissions

25. All eligible consent holders are invoiced in line with the annual plan fees and charges schedule, with no fee remissions considered. This option acknowledges the financial pressure HBRC is experiencing, though does not address any financial relief to the Region's affected consent holders.

Option 2: Annual Charge as scheduled, but remit fees by exception

26. All eligible consent holders are invoiced in line with the annual plan fees and charges schedule, however consent holders are advised that we will consider applications for a fees remission in circumstances where they have experienced significant financial hardship and/or they are physically unable to exercise their consent due to damage caused by the Cyclone.
27. The advantage of this option is that unaffected consent holders will still receive normal annual charges, and those directly affected will receive financial relief, albeit by request.
28. The disadvantage of this option is the administrative burden of processing remission requests. An alternate option to identify effected consents before running the billing and amend the invoices accordingly is not considered practical as there is not a definitive data source to adequately guide which consent holders have been affected (unlike red and yellow stickering of properties for rates).

Option 3: Annual Charge reduced by 42% for discharge consent holders, and remit fees by exception

29. All eligible water take consent holders are invoiced in line with the annual plan fees and charges schedule. All discharge consent holders are invoiced in line with the annual plan fees and charges, and a 42% fee reduction is applied to each invoice representing the period of the financial year post Cyclone Gabrielle. In addition to this, consent holders would be advised that we will consider applications for a fees remission, in circumstances where they have experienced significant financial hardship and/or they are physically unable to exercise their consent due to damage caused by the Cyclone.
30. The advantage of this option is that significantly affected consent holders will receive financial relief, and the collection of fees and charges for water quality science is in line with the principles of user pays (i.e.: water quality activities post the cyclone is overtaken by the cyclone disaster impact assessments with a wider general public benefit, and it is therefore more appropriately funded through general funds than fees and charges).
31. As per the previous option, the disadvantage of option 3 is the administrative burden of managing and processing the remission requests.

Table 2 – Estimated forfeit revenue from fee changes

Option		Estimate of forfeit revenue
1	Annual Charges issued as scheduled, no fee remission	\$0
2	Annual Charges issued as scheduled but accept fee remissions <i>by exception</i> for consent holders who are unable to exercise their water take or discharge consent due to cyclone damage.	\$684,000 to \$760,000
3	Annual Charges issued as scheduled for water take consents, but reduced by 42% for discharge consents, and accept fee remissions by exception for consent holders who are unable to exercise their water take or discharge consent due to cyclone damage.	\$1,155,000 to \$1,187,000

Low Flows monitoring charge

32. Options are to:
 - 32.1. Charge the fee as scheduled or
 - 32.2. Remit 100% of the fee for this year (i.e. charge not applied).
33. Full remission of the fee would forfeit \$93,750 in revenue. It should be noted however that current costs incurred for the programme this financial year are negligible.
34. It is the view of Council Officers that it would be unpalatable to consent holders to receive an invoice for a fee to monitor river low flows in a year that has had no need for low flow monitoring and record-breaking rainfall, and as such the preferred option is to remit this fee in full for this financial year.

Financial and Resource Implications

35. Hawke' Bay Regional Council is experiencing significant financial pressures as a result of Cyclone Gabrielle. Any decision to reduce income from fees and charges will add to this financial pressure.
36. Any agreed forfeit of fees and charges income from s.36 charges would be met first by reduced expenditure in the water science activities, and the balance from general funds. There is currently some underspend in these areas through staff vacancies, staff time directed to the emergency response and no low flow monitoring, but this is not a significant amount.
37. For the remainder of the year water quantity activity will continue as planned, and activities related to water quality will continue with a different focus than originally planned.

Decision Making Process

38. 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:
 - 38.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 38.2. The use of the special consultative procedure is not prescribed by legislation.
 - 38.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 38.4. The persons affected by this decision are those resource consent holders who are eligible to pay freshwater science charges.
 - 38.5. Given the nature and significance of the issue to be considered and decided, and also the persons likely to be affected by, or have an interest in the decisions made, Council can exercise its discretion and make a decision without consulting directly with the community.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Annual Freshwater Science charges (s.36) 2022-2023* staff report.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community.
3. Directs Council officers to amend the Annual Freshwater Science Charges approach for the 2022-2023 financial year to:

3.1. Option 1: All eligible consent holders are invoiced as per the Annual Plan fees and charges schedule

OR

3.2. Option 2: All eligible consent holders are invoiced as per the Annual Plan fees and charges schedule, and accept requests for one-off fee exemptions where consent holders have been unable to exercise their consent due to Cyclone Gabrielle damage or financial hardship due to the Cyclone.

OR

3.3. Option 3: Reduce the annual freshwater science charges to all discharge consent holders by 42%, representing a change in water quality business-as-usual activity for five months of the financial year after the Cyclone hit, and proceed with annual freshwater science charges and water measuring device administration fees for the water take consent holders as per the Annual Plan fees & charges schedule, and accept requests for one-off fee exemptions where consent holders have been unable to exercise their consent due to Cyclone Gabrielle damage, or financial hardship due to the Cyclone.

OR

3.4. Option 4: an alternate approach (*Council to confirm*)

AND

4. Waives the Low Flows Monitoring annual fee for the 2022-2023 financial year.

Authored by:

Amy Allan
Senior Business Partner

Rob Hogan
Manager Compliance

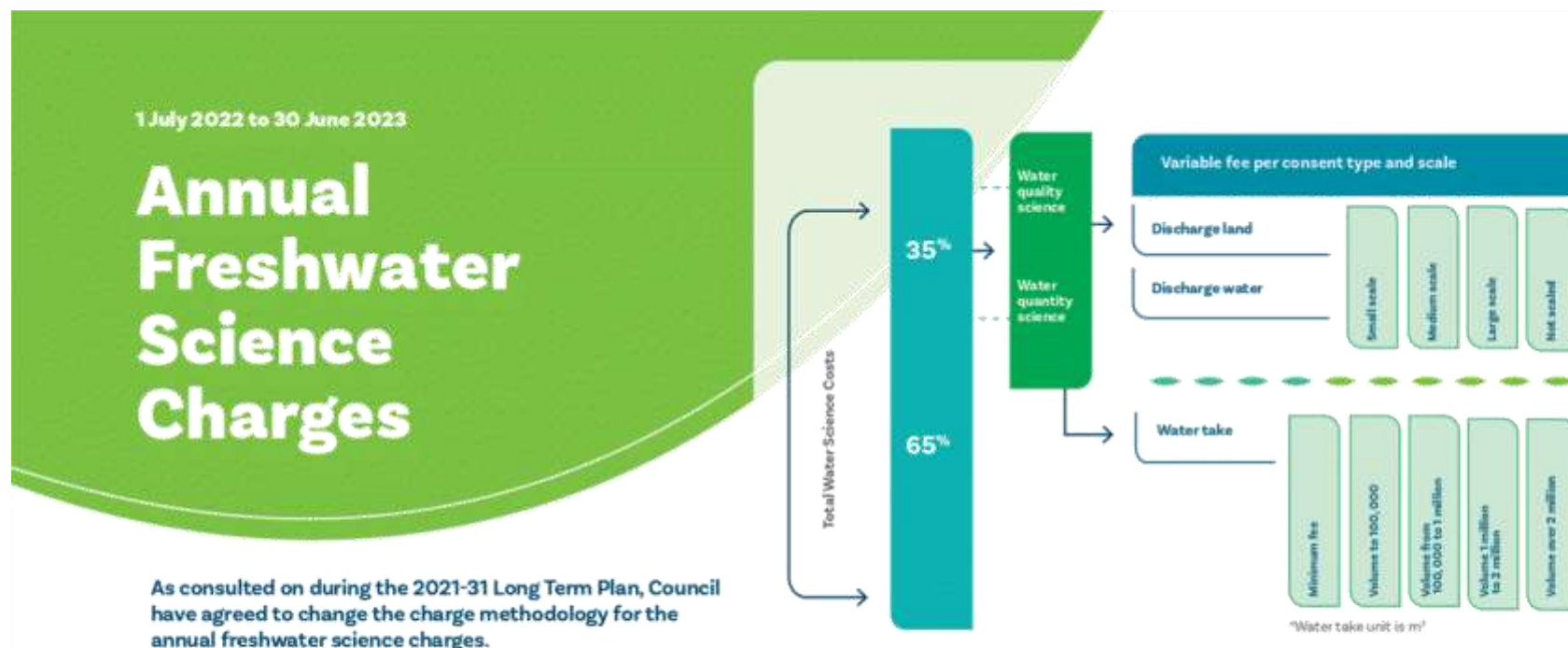
Approved by:

Katrina Brunton
Group Manager Policy & Regulation

Susie Young
Group Manager Corporate Services

Attachment/s

1 [!\[\]\(235bfe13ebf007ce2eea9e689707fac7_img.jpg\)](#) Annual Freshwater Science Charges 2022-23



Discharges to land/water:

The charges for discharge to land or water consents are based on the scale of the consented discharge activity (as defined in table 2 over the page), and based on whether the receiving body of the discharge is land or water. The fee schedule for 2022-23 is in table 1 (excluding GST).

Annual fixed charge to discharge consent holders for freshwater management research, investigations & monitoring

Table 1

Primary purpose of consent: Drainage, sewage, stormwater & wastewater			
Discharge to:		Water	Land
Small	1	\$882	\$ 441
	2	\$1,763	\$ 882
	3	\$2,645	\$1,322
Medium	4	\$3,526	\$1,763
	5	\$4,408	\$2,204
	6	\$5,289	\$2,645
Large	7	\$6,171	\$3,086
	8	\$7,053	\$3,526
	9	\$7,934	\$3,967

Activities not scaled:		
Discharge to:	Water	Land
Solid Waste	\$3,526	\$1,763
Other	\$1,763	\$ 882

Table 2: Discharge consent category scale definitions

Primary purpose of discharge	Small			Medium			Large		
	1	2	3	4	5	6	7	8	9
Drainage	Max discharge rate: < 10 l/s	Max discharge rate: 10 - 25 l/s	Max discharge rate: 26 - 75 l/s	Max discharge rate: 76 - 200 l/s	Max discharge rate: 201 - 1,000 l/s	Max discharge rate: 1,001 - 5,000 l/s	Max discharge rate: 5,001 - 10,000 l/s	Max discharge rate: 10,001 - 20,000 l/s	Max discharge rate: > 20,000 l/s
Sewage	Max discharge: 2-5 m ³ /day	Max discharge: 6-10 m ³ /day	Max discharge: 11-50 m ³ /day	Max discharge: 51-100 m ³ /day	Max discharge: 101-200 m ³ /day	Max discharge: 201-500 m ³ /day	Max discharge: 501-1,000 m ³ /day	Max discharge: 1,001-2,000 m ³ /day	Max discharge: > 2,000 m ³ /day
Stormwater	Catchment area: < 1 Ha	Catchment area: 1 to 5 Ha	Catchment area: 6 to 10 Ha	Catchment area: 11 to 20 Ha	Catchment area: 21 to 40 Ha	Catchment area: 41 to 60 Ha	Catchment area: 61 to 80 Ha	Catchment area: 81 to 100 Ha	Catchment area: > 100 Ha
Wastewater	Dairy & Piggery operations: Herd size < 100 cow equiv. All other operations: Max discharge < 15 m ³ /day	Dairy & Piggery operations: Herd size 100-400 cow equiv. All other operations: Max discharge 16-50 m ³ /day	Dairy & Piggery operations: Herd size 401-700 cow equiv. All other operations: Max discharge 51-250 m ³ /day	Dairy & Piggery operations: Herd size 701-1,000 cow equiv. All other operations: Max discharge 251-1,000 m ³ /day	Dairy & Piggery operations: Herd size 1,001-1,300 cow equiv. All other operations: Max discharge 1,001-2,000 m ³ /day	Dairy & Piggery operations: Herd size 1,301-1,600 cow equiv. All other operations: Max discharge 2,001-5,000 m ³ /day	Dairy & Piggery operations: Herd size 1,601-2,000 cow equiv. All other operations: Max discharge 5,001-10,001 m ³ /day	Dairy & Piggery operations: Herd size 2,001 to 3,000 cow equiv. All other operations: Max discharge 10,001-20,000 m ³ /day	Dairy & Piggery operations: Herd size > 3,000 cow equiv. All other operations: Max discharge > 20,000 m ³ /day
Solid waste and other	No scale applied. HBRC may apply scale factor to "non-scaled" discharge consents if outliers become apparent.								

*Sheep, goats and pigs are converted to cow equivalents using the following conversions;
6.5 sheep = 1 cow equiv, 8.13 goats = 1 cow equiv, 3.75 pigs = 1 cow equiv.

Water takes:

The charges for water take consents are based on the maximum consented weekly volume of take (not actual use) at the rates set out in Table 3 (excluding GST).

Annual fixed charge to water take consent holders for freshwater management research, investigations & monitoring

Table 3

	Annual Variable charge rate 22/23	
	\$	Units
Minimum charge	\$215	Per consent
Volume up to 100,000 m ³	\$0.067	Per m ³ deemed weekly volume
Volume from 100,000 to 1,000,000 m ³	\$0.046	Per m ³ deemed weekly volume
Volume from 1 million to 2 million m ³	\$0.023	Per m ³ deemed weekly volume
Volume above 2 million m ³	\$0.006	Per m ³ deemed weekly volume

For example, if your consented weekly take is 110,000m³, then your charge will be based on the following:

100,000m³ @ \$0.067 per m³ = \$6,700
plus 10,000m³ @ \$0.046 = \$460
Total charge (exc GST) = \$7,160

For more details, refer to the fees and charges section of the 2021-31 Long Term Plan

Subject: Report and recommendations from the Regional Transport Committee**Reason for Report**

1. The following matters were considered by the Regional Transport Committee (RTC) on 10 February 2023 and are now presented for Council's consideration alongside any additional commentary the Chair, Councillor Martin Williams, wishes to offer.

Agenda items

2. The **Regional Transport Committee Terms of Reference (ToR) and member appointments** item was of an administrative nature and prompted the RTC requesting the following amendments be incorporated for Regional Council adoption.
 - 2.1. Health sector advisory representative is to be specified as representing Te Whatu Ora
 - 2.2. Hawke's Bay Airport to be represented as a non-voting advisory member if application is made
 - 2.3. Tracked changes of amendments to the 2019 version of the ToR (attached) to be provided to the 5 May RTC meeting for confirmation.
3. The **Setting the priorities and principles for the Regional Speed Management Plan** item sought, and was granted, agreement to the principles and priority areas for the development of the regional Speed Management Plan which will incorporate the individual Road Controlling Authorities' (RCAs) local plans. The principles and priorities agreed and adopted by RTC resolution are:

Principles

- 3.1. Safe communities and connections for all, applying a whole of system approach
- 3.2. Greater public and community understanding of safe system principles, and by all those involved in transport network planning and decision-making
- 3.3. Increased connectivity within and between communities – designed with and for the community
- 3.4. Network coherence across the region and beyond the region
- 3.5. Increased opportunity for, and access to safe multi-modal/active transport
- 3.6. A speed management approach that serves the needs of the community that the network is serving / supporting
- 3.7. Work with iwi and community leaders as key partners in the development of speed management plans
- 3.8. Movement and place framework - speed limits will be appropriate for the function, the surrounding environment and design of the road, reflecting that people use them in different ways

Primary priority areas

- 3.9. Schools/Kura and their immediate walking and cycling catchments
- 3.10. Marae

Other priority areas

- 3.11. Community plan areas
- 3.12. Those streets and roads with currently misaligned speed limits across our urban and rural networks
- 3.13. Isolated rural communities and beaches in the region
- 3.14. Town centres
- 3.15. Locations with the presence of other key community facilities, such as hospitals, parks, rest homes, early childhood education centres, etc
- 3.16. Road works zones, as applicable and appropriate
- 3.17. Active transport corridors.
4. The **Johanna Birrell deputation** presented the **Te Whatu Ora HB safe cycling report** which highlighted the findings of Ms Birrell's research project including:
 - 4.1. HB hospital staff survey revealed lack of safe cycling routes as key reason hospital workers don't cycle to work.
 - 4.2. Hastings based research estimated the health cost-benefit ratio of 1:11 from improvements in cycling infrastructure. Measurable, positive returns on investment in safe cycling infrastructure.
 - 4.3. Several recommendations of the report include establishing visionary policies for reallocating street space for pedestrians and cycling (including mandatory upgrades during street renewals based on traffic conditions and establishing off-road direct cycle highways.
5. The **Regional Land Transport Plan investment and delivery update** highlighted early, high level inputs to the 2024 Regional Land Transport Plan that the Transport TAG is beginning to develop.
6. The **Transport Emissions Reduction Plan update** provided an update on the TAG's work to develop the Transport Emissions Reduction Plan for inclusion within the overall Regional Emissions Reduction Plan; a key outcome of the Climate Action Joint Committee.
7. The **Regional Transport Programme update February 2023** item highlighted the programme tracker proposed for future reporting to the RTC. The RTC resolved that it:
 - 7.1. receives and notes the *Regional Transport programme update February 2023* staff report and requests that staff prioritise items (on the Regional Transport Programme tracker) for future reports where decisions need to be made.
8. The **Regional Road Safety update** highlighted that an integrated approach to road safety involves moving from the traditional 'inform and educate' model to a model where communities identify their own road safe landscape and local solutions.
9. The **Public Transport update** highlighted that transport facilities at the Regional Sports Park are being upgraded and learnings from the Hastings My-way trial to date.
10. The **Active Transport update** highlighted:
 - 10.1. next steps for the active transport workstream for the development of a regional active transport strategy
 - 10.2. HBRC has offered assistance to help establish the Regional Active Transport Committee (RATC) which, once formed, will have advisory representation at RTC and be involved with TAG.
11. The **NZTA Regional Relationships Director's February 2023 report** noted that Ernst and Young is evaluating/reviewing the State Highway 5 80km/h speed limit introduction, the SH5 programme business case is expected by the end of July 2023, and emergency works are becoming more difficult to resource, particularly with increased number of weather events.

Decision Making Process

12. 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:
 - 12.1. Given the items were specifically considered by the Regional Transport Committee (RTC) on 10 February 2023, Council can exercise its discretion and make decisions without consulting directly with the community in accordance with the following recommendations made by the RTC.

Recommendations

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

1. Receives and notes the *Report and recommendations from the Regional Transport Committee*.

Regional Transport Committee Terms of Reference and member appointments

- 1.1 Adopts the Terms of Reference, including membership, for the Regional Transport Committee (RTC) as proposed (attached), including incorporation of the amendments agreed by RTC on 10 February 2023.

Setting the priorities and principles for the Regional Speed Management Plan

- 1.2 Notes the following resolutions of the 10 February 2023 Regional Transport Committee, being:
- 1.3 Adopts the principles and priority areas as proposed; being:

Principles

- 1.3.1 Safe communities and connections for all, applying a whole of system approach
- 1.3.2 Greater public and community understanding of safe system principles, and by all those involved in transport network planning and decision-making
- 1.3.3 Increased connectivity within and between communities – designed with and for the community
- 1.3.4 Network coherence across the region and beyond the region
- 1.3.5 Increased opportunity for, and access to safe multi-modal/active transport
- 1.3.6 A speed management approach that serves the needs of the community that the network is serving / supporting
- 1.3.7 Work with iwi and community leaders as key partners in the development of speed management plans
- 1.3.8 Movement and place framework - speed limits will be appropriate for the function, the surrounding environment and design of the road, reflecting that people use them in different ways

Primary priority areas

- 1.3.9 Schools/Kura and their immediate walking and cycling catchments
- 1.3.10 Marae

Other priority areas

- 1.3.11 Community plan areas
- 1.3.12 Those streets and roads with currently misaligned speed limits across our urban and rural networks
- 1.3.13 Isolated rural communities and beaches in the region

- 1.3.14 Town centres
- 1.3.15 Locations with the presence of other key community facilities, such as hospitals, parks, rest homes, early childhood education centres, etc
- 1.3.16 Road works zones, as applicable and appropriate
- 1.3.17 Active transport corridors.

Information reports received

- 2 Notes that the following reports were provided to the Regional Transport Committee:
 - 2.1 Johanna Birrell deputation - Te Whatu Ora HB safe cycling report which will feed into the development of the next Regional Land Transport Plan, particularly safe cycling initiatives
 - 2.2 Regional Land Transport Plan investment and delivery update
 - 2.3 Transport Emissions Reduction Plan update
 - 2.4 Regional Transport Programme update February 2023
 - 2.5 Regional Road Safety update
 - 2.6 Public Transport update
 - 2.7 Active Transport update
 - 2.8 NZTA Regional Relationships Director's February 2023 report.

Authored by:

Bryce Cullen
Transport Strategy & Policy Analyst

Leeanne Hooper
Team Leader Governance

Approved by:

Katrina Brunton
Group Manager Policy & Regulation

Attachment/s

- 1 [!\[\]\(c33cb967c8fc4f5e27188a389b621c8e_img.jpg\)](#) amended 2022-25 Regional Transport Committee Terms of Reference for adoption

Regional Transport Committee

Terms of Reference



Adopted by Hawke's Bay Regional Council resolution 29 March 2023

The purpose of the Regional Transport Committee is to:

1. Prepare the Regional Land Transport Plan (RLTP) and any significant variation to the RLTP for adoption by the Regional Council, in accordance with the Land Transport Management Act 2003.
2. In accordance with the Land Transport Management Act 2003, adopt a policy that determines significance in respect of:
 - 2.1. variations made to regional land transport plans under section 18D of the Land Transport Management Act 2003, and
 - 2.2. the activities that are included in the regional land transport plan under section 16 of the Land Transport Management Act 2003.
3. Prepare the Regional Public Transport Plan (RPTP) for adoption by the Regional Council, in accordance with the Land Transport Management Act 2003.
4. Monitor the implementation of the Regional Land Transport Plan and the Regional Public Transport Plan.
5. Monitor and provide advocacy for emissions reductions through multi modal activities.
6. Monitor and provide advocacy for active transport in the region.
7. Advocate on strategic regional and inter-regional transport matters to Central Government and other key stakeholders as appropriate.
8. Make recommendations in support of land transport activities that are eligible for national funding and align with the regional land transport plan.
9. Approve submissions to Central Government, local authorities and other agencies on Regional Transport Committee matters.
10. ~~Undertake governance of RoadSafe Hawke's Bay.~~ Monitor and provide advocacy on regional road safety matters.
11. Monitor passenger transport objectives and make recommendations to the Regional Council on public transport policies.
12. Provide the Regional Council with any advice and assistance it may request in relation to its transport responsibilities.

Members Voting Members

Two elected members of the Regional Council, being:

- Councillors Martin Williams and Jerf van Beek

One representative and one alternate, appointed by each of the following organisations, being:

- Wairoa District Council: Mayor Craig Little and Cr Chaans Tumataroa-Clarke as alternate
- Hastings District Council: Cr Tania Kerr and Mayor Sandra Hazlehurst as alternate
- Napier City Council: Cr Keith Price and Mayor Kirsten Wise alternate
- Central Hawke's Bay District Council: Cr Kate Taylor and Mayor Alex Walker as alternate
- New Zealand Transport Agency, being Linda Stewart and Sarah Downs as alternate

Advisory Members (non- voting)

- New Zealand Police (representing road safety), being Matthew Broderick
- Automobile Association (representing access and mobility, including private motorists, pedestrians, cyclists and public transport users), being Paul Michaelson
- Port of Napier – representing the Port and coastal shipping- Nick Ganivet
- KiwiRail (representing rail issues) - Angus Hodgson
- Road Transport Association NZ (representing the road transport industry) being Ian Emmerson
- HBRC Māori Committee (representing cultural and environmental interests) – Api Robin
- Te Whatu Ora HB Health sector representative - Dr Bridget Wilson
- HB Regional Active Transport Committee (name to be confirmed) representing active transport, to be confirmed
- Hawke's Bay Airport - to be confirmed

Chair One Regional Council elected member, being Cr Martin Williams

Deputy Chair One Regional Council elected member, being Cr Jerf van Beek

Quorum Majority of voting members (4)

Voting In accordance with section 105(7) of the Land Transport Management Act, at any meeting of the RTC, the Chairperson, or any other legislated person presiding at the meeting:

- (a) has a deliberative vote and
- (b) in the case of an equality of votes, does **not** have a casting vote (and therefore the act or question is defeated and the status quo is preserved).

Regional Council, Territorial Authority and NZ Transport Agency representative members have full speaking and voting rights on all matters

Advisory Members The role of advisory members is to:

- Provide advice to the Regional Transport Committee on matters pertaining to their advisory portfolios, when requested by the Chair
 - Report on relevant activities or events pertaining to their advisory portfolios.
- Advisory members have full speaking rights on all matters, but no voting rights.*

Meeting Frequency Quarterly, or as required

Staff Executive Group Manager Policy & Regulation and Transport Manager

Technical Advisory Group (TAG) The Transport Committee considers advice relating to strategic transport issues from a Technical Advisory Group (TAG), generally comprising roading and infrastructural planning officers from NZTA and the Territorial Authorities, and chaired by the HBRC Transport Manager. TAG members may attend RTC meetings and may provide advice at meetings when invited to do so by the Chair, but do not vote.

Subject: HBRIC Ltd and FoodEast 2023-2024 draft Statements of Intent and quarterly update

Reason for Report

1. This item presents two matters relating to HBRIC which, for convenience, have been incorporated into a single paper, being:
 - 1.1. the draft *2023-2024 Statement of Intent* (Sol) for each of Hawke's Bay Regional Investment Company (HBRIC) and FoodEast for the Council's feedback
 - 1.2. The HBRIC Quarterly update.

Officers' Recommendations

2. Council staff recommend that councillors consider the content of the draft Sols provided and agree feedback for the HBRIC board's consideration to enable the adoption of the FoodEast and HBRIC 2023-24 Sols within the statutory deadlines.

Background

3. Cyclone Gabrielle resulted in the cancellation of the 27 February HBRIC Board meeting and the 8 March Corporate and Strategic Committee meeting, thereby removing the normal information and decision-making pathways for reporting to Council. These reports are now provided directly to Council in order to stay within statutory timeframes.

HBRIC and FoodEast Statements of Intent

4. Sections 1 through 6 of Schedule 8 of the Local Government Act require the Sols for both HBRIC and FoodEast to be approved by Council before the commencement of the 2023-24 financial year. Ideally, the draft Sols would have been presented to the HBRIC Board on 27 February and thereafter to the 8 March C&S with the goal of generating feedback commentary for both entities via recommendations through to Council's 29 March meeting.
5. Both HBRIC and FoodEast are then required to confirm their final draft Sols before 1 May so that they can be approved by Council prior to the end of June.
6. Extensions to these timelines can be sought for up to one month. However, for the reasons set out below, we are recommending that the attached drafts be presented to Council for feedback at this month's meeting.
7. Note that the LG Act makes provision for a CCO to request for a Sol to be modified at any time if it gives notice to HBRC of the proposed changes and then considers HBRC's comments within one month. Equally, HBRC can, after consultation with a CCO Board, require modifications to its Sol.

HBRIC Statement of Intent

8. Matters relating to HBRIC's strategic direction are currently connected with a range of decisions that need to be made in respect of HBRC's strategic and operational response to Cyclone Gabrielle. At the same time, Council has initiated a review of its overall investment strategy, in part to understand how it can best enable its investment company to meet its long-term investment performance objectives.
9. In light of this, we have drafted an updated Sol with only minimal recommended changes from the 2022-23 Sol. In doing so we fully anticipate, in the months ahead, Council will have resolved

many of these uncertainties and the HBRIC Sol can either formally be modified (as provided for by the legislation) or updated guidance can be provided to HBRIC's directors via a Letter of Expectation for the remainder of the financial year.

10. Accordingly, we ask Councillors to provide their feedback on the attached marked-up draft 23-24 HBRIC Sol to the meeting and to Council on the 29th.

FoodEast Statement of Intent

11. FoodEast's Directors have provided the attached draft 23-24 Sol for feedback with proposed changes highlighted in the documents.
12. The key changes reflect the impact on budgets and timelines of the construction delays that were necessitated by the re-scoping and re-design work brought about by construction cost inflation and constraints.
13. Accordingly, we ask Councillors to provide their feedback on the attached marked-up draft 23-24 FoodEast Sol to the meeting and to Council on the 29th.

HBRIC Quarterly update

Financial Reporting

14. HBRIC's YTD Financial Statements as at 31 December 2022 are attached to this report.
15. Key Items to note:
 - 15.1. Statement of Financial Performance – YTD Surplus of \$5.3 million (excluding fair value movements through other comprehensive income)
 - 15.2. Statement of Financial Performance – \$5.17m million of dividend revenue received from Napier Port Holdings Limited (NPHL) in the year
 - 15.3. Statement of Financial Performance – YTD \$272k Interest Income
 - 15.4. Statement of Financial Position – an increase in net assets of \$6.8 million YTD due to the drop in NPHL share price and losses from managed funds.
 - 15.5. NPHL share price had increased 2.18% YTD from \$2.75 to \$2.81.
 - 15.6. Net Assets of \$376 million as at 31 December 2022.

Managed Funds

16. The funds remain under management in compliance with Council's SIPO.
17. The value of managed funds with HBRIC after divestments as at 31 December 2022 amounted to \$43.3 million, a movement of approximately +\$89k (+0.2%) year to date.

HBRIC Managed Funds Performance Summary					
Fund	01/07/2022 balance	YTD Divestments	31/12/2022 balance	YTD gain / (loss)	YTD % gain / (loss)
Jarden HBRIC	13,690,729	-	13,624,628	(66,101)	-0.48%
Mercer HBRIC	29,535,219	-	29,690,722	155,503	0.53%
HBRIC Total	43,225,948	-	43,315,350	89,402	0.21%

FoodEast

18. The following summary is drawn from FoodEast's H1 report to Limited Partners.
19. Activities undertaken during the second quarter ending 31 December 2022.
20. The primary activity during the past quarter has been the awarding of tenders for earthworks and Building B, along with final cost estimates for Building A and associated siteworks. All building work is scheduled to be completed in the current calendar year.

21. A strategy workshop was held on 28 October 2022, facilitated by David Todd, with representatives from Hastings District Council, Hawke's Bay Regional Council, Hawkes Bay Regional Investment Company, Ministry of Business, Innovation and Employment, The Food Innovation Network and the Waikato Innovation Park. Key action points arising from the meeting were to:
 - 21.1. Develop a position description for an Executive / CEO role and seek and appoint a suitable candidate (in progress)
 - 21.2. Recruit a skill-based board for each of the construction, transition, and operational phases (target April 2023)
22. In relation to the last item, to date HBRIC has currently only appointed one director out of a total of its four possible appointees. HBRIC has resolved to commence a recruitment process in respect of those appointments and has been consulting with both the FoodEast Board and the other Limited Partners about the skills and attributes for those candidates.
23. Over the remainder of the 2023 calendar year, the construction of Building B is scheduled to start in February 2023, with construction on Building A scheduled to start in March 2023. Completion of both buildings is scheduled for the last quarter of 2023. This timing is similar to that signalled in the last quarterly report.

Cyclone Gabrielle Update

24. FoodEast directors have undertaken an initial inspection of the construction site, and engaged with the constructor. At this early stage, other than some flooding of trenching and scouring of some of the compacted building platform, the site has escaped any major damage. There may be a minor cost impact to recompact the building platform.
25. While it is not yet known how the aftermath of the cyclone will impact the availability of resources, materials and labour, the constructor has expressed confidence and a willingness to continue its work. There may be a minor timing delay in getting pricing and contract in place for Building A because contractors are attending to urgent cyclone-related work.

Napier Port

26. On 12 January Napier Port released positive trade volumes for the first quarter ended 31 December 2022, with a 12.8% container volume increase on the same period in the prior year. Cruise vessel calls during the first quarter were 20 compared to nil in the same period in the prior year. Assuming no further booking cancellations, Napier Port anticipated actual calls plus remaining bookings totalling 81 cruise vessels for the current cruise season, down from the 87 bookings reported earlier.
27. On 17 March, Napier Port withdrew its earning guidance due to continuing post-cyclone Gabrielle uncertainty regarding trade volumes and the extent of any business interruption insurance mitigation. Napier Port had resumed full container and bulk cargo operations promptly following the cyclone, having suffered only minor damage. Cruise ships had returned and the berth windows for container shipping, previously disrupted during the pandemic, has resumed.
28. Napier Port reported that, prior to Cyclone Gabrielle, the result from operating activities was tracking towards the top end of its previously reported guidance range, and still expected to report an unaudited result from operating activities in the half year to 31 March 2023 in excess of that reported in the corresponding period last year.

Decision Making Process

29. 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:

- 29.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
- 29.2. The use of the special consultative procedure is not prescribed by legislation, nor is the decision significant under the criteria contained in Council's adopted Significance and Engagement Policy.
- 29.3. Given the nature and significance of the issue to be considered and decided, Council can exercise its discretion and make the relevant decisions without consulting with the community.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *HBRIC Ltd and FoodEast 2023-2024 draft Statements of Intent and Quarterly update* staff report.
2. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
3. Recommends that the HBRIC Board considers the following agreed feedback for incorporation in the final Statements of Intent:
 - 3.1.
 - 3.2.


Authored by:

Jess Bennett
Treasury & Investments Accountant

Approved by:

Tom Skerman
HBRIC Commercial Manager

Attachment/s

- | | | |
|----------|---|----------------------|
| 1 | FoodEast Statement of Intent 2023-24 | Under Separate Cover |
| 2 | Draft HBRIC Statement of Intent 2023-24 | Under Separate Cover |
| 3 |  HBRIC Quarterly update financials | |

Quarterly Update to HBRC

Hawke's Bay Regional Investment Company Limited
For the 6 months ended 31 December 2022

Prepared by Jess Bennett

Statement of financial performance

Hawke's Bay Regional Investment Company Limited For the 6 months ended 31 December 2022

	NOTES	YTD DEC 2022	ACTUALS FY 2021/22
Income			
Interest income			
Interest received - bank		46,661	62,044
Interest received - managed funds		58,754	55,463
Interest received - HBRC		166,630	333,261
Total interest income		272,045	450,768
Dividend income			
Dividends received - PONL		5,170,000	8,250,000
Dividends - managed funds		57,911	218,735
Total dividend income		5,227,911	8,468,735
Total Income		5,499,957	8,919,503
Expenditure			
Operating expenses			
Audit fees and charges		11,023	109,004
Bank fees		28	60
Contractor payments		27,059	93,382
Director's fees		22,500	45,000
Insurance		19,438	38,374
Legal fees and charges		1,130	7,203
Management services - HBRC		66,280	130,000
Marketing and sales		4,910	12,620
Professional advice		11,925	28,975
Subscriptions		-	1,210
Total operating expenses		164,293	465,829
Project expenses			
Other projects		7,860	48,430
Food Hub project expenses		-	(100,000)
Total Project expenses		7,860	(51,570)
Investment expenses			
Investment fees		18,462	75,950
Realised (gain) / loss from managed funds		(2,397)	339,483
Total Investment expenses		16,065	415,433
Subvention payment			
Subvention payments		-	120,683
Total Subvention payment		-	120,683
Total Expenditure		188,218	950,375
Surplus / (deficit) before tax		5,311,738	7,969,128

Quarterly Update to HBRC Hawke's Bay Regional Investment Company Limited

Statement of financial performance

	NOTES	YTD DEC 2022	ACTUALS FY 2021/22
Income tax			
Income Tax Expense		-	(159,351)
Total Income tax		-	(159,351)
Surplus / (deficit)		5,311,738	8,128,479

Quarterly Update to HBRC Hawke's Bay Regional Investment Company Limited

Statement of financial position

Hawke's Bay Regional Investment Company Limited As at 31 December 2022

	NOTES	31 DEC 2022	30 JUN 2022
Equity			
Asset revaluation reserves		25,635,355	19,028,272
Shareholder's funds			
Authorised "A" share capital		177,500,000	177,500,000
Retained earnings		172,981,811	173,877,875
Current Year Earnings		5,311,738	8,128,479
Dividends paid		(5,000,000)	(9,024,543)
Total shareholder's funds		350,793,550	350,481,811
Total equity		376,428,905	369,510,084
Liabilities			
Current liabilities			
Accrued expenditure		33,780	107,378
Trade accounts payable		-	27,462
Subvention payable		97,155	97,155
Current tax liability		28,000	28,000
Total current liabilities		158,935	259,995
Total liabilities		158,935	259,995
Assets			
Current assets			
Cash and cash equivalents			
BNZ accounts		382,866	4,693,379
Jarden Cash Facility (ANZ)		5,002,026	559,857
Total Cash and cash equivalents		5,384,892	5,253,236
Accounts receivable		83,315	-
HBRC loan interest receivable		-	83,315
Prepayments		82,353	101,791
GST		1,268	3,563
Current tax asset		155	-
Total current assets		5,551,983	5,441,904
Non-current assets			
Shares - Napier Port Holdings	1	309,100,000	302,500,000
Funds with fund managers	2	43,315,350	43,207,667
HBRC loan receivable		16,663,036	16,663,036
Investment in Foodeast GP Limited		1,701,280	1,701,280
Deferred tax asset		256,191	256,191
Total non-current assets		371,035,857	364,328,174
Total assets		376,587,840	369,770,079
Net assets		376,428,905	369,510,084

Quarterly Update to HBRC Hawke's Bay Regional Investment Company Limited

Notes to the statement of financial position

Hawke's Bay Regional Investment Company Limited For the 6 months ended 31 December 2022

YTD 31 DEC 2022

1. Investment in listed equities

Napier Port Holdings Limited - Movements

Opening balance	302,500,000
Net gain / (loss)	6,600,000
Closing balance at reporting date	309,100,000

YTD 31 DEC 2022

> Napier Port Holdings Limited - Share value

Total number of shares	200,000,000
HBRIC's share at 55%	110,000,000
NZX price per share at reporting date	3
Shares - Napier Port Holdings	309,100,000

YTD 31 DEC 2022

2. Funds with fund managers

Mercer

Opening Balance	29,535,220
Net gain / (loss)	155,503
Total Mercer	29,690,722

Jarden

Opening Balance	13,672,448
Net gain / (loss)	(47,821)
Total Jarden	13,624,627

Total closing value of funds with fund managers	43,315,350
---	------------

YTD 31 DEC 2022

3. Jarden Managed Funds - Net gain / (loss)

Gross interest	58,754
Net dividend income	57,911
Investment fees	(18,462)
Realised gain / (loss) on sale of investment	2,397
Unrealised gain / (loss) on revaluation of investment	(148,421)
Net gain / (loss)	(47,821)

YTD 31 DEC 2022

4. Mercer Managed Funds - Unrealised Gains / (losses)

Unrealised gain / (loss) on revaluation	(155,503)
Total Mercer Managed Funds - Unrealised Gains / (losses)	(155,503)

Quarterly Update to HBRIC Hawke's Bay Regional Investment Company Limited

Subject: Significant activities in the organisation's transition to recovery from Cyclone Gabrielle

Reason for Report

1. The following commentary is for councillors' information to highlight significant areas of Council activity particularly in response to Cyclone Gabrielle.

Significant activities by group

Asset Management Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Napier urban waterways	<ol style="list-style-type: none"> 1. Most of the Napier urban waterways received very little or no damage as a result of Cyclone Gabrielle. 2. All other activities associated with the new resource consent compliance are on track. 3. Workshop on Napier Urban Waterways scheme planning was deferred as a result of cyclone. 	Regional Assets
Clive River dredging	<ol style="list-style-type: none"> 4. No action since 14 February. Work put on hold and stakeholders informed. Awaiting direction on BAU projects. 	Regional Projects
Wairoa	<ol style="list-style-type: none"> 5. Contractors continuing with disrupted maintenance contract including tree clearing on the Awatere Stream 6. Asset inspections – preliminary inspections completed by Catchment Management staff, routine inspections being carried out with Works Group as part of annual maintenance programme, and additional technical specialist inspections to be carried out by external Councils. 7. Scheme review being carried out on Opoho and Ohuia schemes. 8. Ohuia Pump Station expecting arrival of new pump within the next month, but otherwise functions to level of service. 	Operations
Central Hawke's Bay	<ol style="list-style-type: none"> 9. Makara – active monitoring for recovery including dewatering Dam #4. Siltation to be programmed for suitable conditions with ratepayers consultation. 10. Cyclone stopbank repairs continuing. 11. Reactivating the annual maintenance programme. 	Operations
Napier Meanee NCC MOU	<ol style="list-style-type: none"> 12. This work has been delayed due to the cyclone response 	GM

Asset Management Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Gravel extraction	<p>13. Existing 22 Authorisations are still in place and being actively monitored, predominantly on the Tukituki Catchment. This equates to over 900,000m3 of gravel being made available to the industry and still actively being extracted since 1 July 2022.</p> <p>14. Responding lifelines agency applications account for 5 of the current applications.</p> <p>15. As at 20 March 2023 there have been 28 applications for gravel Authorisations, predominantly on the Ngaruroro and Tūtaekurī. These are still be assessed. The total volume requested sits at 1.04 million m3.</p> <p>16. Invitations to form Tangata Whenua Operational Groups have been sent in January. Māori Partnerships team is assisting.</p> <p>17. An Industry meeting will be held on 14 April 2023.</p> <p>18. Allocations for sustainable gravel extraction for the 2023-2024 FY will be finalised in May 2023.</p>	Operations
Napier Meanee Scheme Review	<p>19. Modelling work and options analysis has been completed for the LOS review.</p> <p>20. A staff workshop on options analysis held on 9 February 2023 indicated the capital investment required to meet scheme LOS, pre Cyclone Gabrielle.</p> <p>21. The completed review is expected on 31 March 2023.</p>	Regional Assets
Hastings Karamu Scheme Review	<p>22. A project plan has been created to deliver the scheme review.</p> <p>23. Work has started on verifying assets and asset sizing prior to modelling, with staff ground truthing culverts and drainage channels.</p> <p>24. Post Cyclone Gabrielle, a truncated and expediated review will be undertaken to develop capital planning further.</p>	Regional Assets
Cyclone Gabrielle Response	<p>25. Rapid Rebuild of stopbanks continues to progress at pace. Five breaches have been permanently repaired with all other breach sites in execution/construction phase (with exception to new breach discussed below). Further repair sites are expected to be completed each week over the next 2-3 weeks.</p> <p>26. A fifth breach has been discovered downstream of the Springfield Bridge, bringing the total breaches on the left bank of that reach to five.</p> <p>27. Suitable material and materials testing remains our most critical task.</p> <p>28. 18 additional breach sites identified in Central Hawke's Bay rivers; PODS are being developed to allocate to these sites.</p> <p>29. River and Waterway Assets inspections are being carried out with support from Environment Southland, Otago Regional Council, Environment Canterbury and Bay of Plenty Regional Council.</p> <p>30. Pump station temporary repairs are nearing completion and are returning to normal operating where possible.</p> <p>31. Drain silt excavation programme is underway as part of the recovery.</p> <p>32. Business as usual Asset Management Maintenance Contract, eg mowing, starting up again where possible.</p>	Regional Assets/Operations

Asset Management Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Regional Parks	<p>33. Significant damage has occurred on our regional parks from Cyclone Gabrielle.</p> <p>34. A big effort has been made to get Waitangi and Pākōwhai open to the public, involving contractors, HBRC works group and Jobs for Nature workers.</p> <p>Waitangi Improvements</p> <p>35. No action since 14 February. Work put on hold and stakeholders informed. Awaiting direction on Business as Usual (BAU) project.</p> <p>Waitangi: Partially open</p> <p>36. Ongoing wood, silt and other flood debris removal. Removal of fuel tank in wetland and storage container near Ngaruroro rivermouth pending.</p> <p>37. Carpark and Ātea a rangi opening Wednesday 22 March following solstice ceremony at 6.30am.</p> <p>Pakowhai: Open</p> <p>38. One footbridge under repair. Ongoing debris removal.</p> <p>Pekapeka: Closed</p> <p>39. Major damage to boardwalks.</p> <p>40. Partial reopening potentially by the end of the week.</p> <p>Tūtira: Closed</p> <p>41. Significant damage to fences and tracks and siltation.</p> <p>Hawea Historic Park</p> <p>42. No action since 14 February. Work put on hold and stakeholders informed. Awaiting direction on BAU projects.</p>	Regional Projects/Operations
Cycle Networks	<p>43. Currently 70% of the Hawke's Bay Trails network is open, still damaged but able to be used, repairs continuing.</p> <p>44. 30% closed – has significant stopbank damage, slips or bridges destroyed (4x Tutaekuri) and will need coordination with all councils, NZTA and Kiwirail.</p> <p>45. Completing the 'Managing Great Rides' or MGR Extreme Events application with MBIE to cover 100% of damage. Both NZ Cycle Trail and MBIE want to help.</p>	Regional Assets

Integrated Catchment Management Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Rural Impact Assessment Survey	<p>46. A two-phase framework has been proposed with phase one to be an in-depth survey of trusted key advisors to gain a better picture of the most affected communities.</p> <p>47. Phase two of the impact assessment is to understand the community's potential needs, which will help identify our role in supporting our rural communities recover.</p> <p>48. Framework to be delivered to the Rural Advisory Group this week for feedback.</p>	Catchment Management / Catchments Policy Implementation
Hill Country Erosion (HCE)	<p>49. Amendments to milestones in our 2024-27 HCE contract were made to reflect the impacts of the cyclone. This is now with MPI for final review, and we expect this to be signed by April.</p> <p>50. MPI advisor meeting in Napier on Wednesday, 29 March.</p>	Catchment Management

Integrated Catchment Management Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Soil Conservation Nursery	<p>51. Cyclone Gabrielle has damaged the physical infrastructure (irrigation, sheds, office block, tracks, machinery, and equipment) at the nursery but, fortunately, has left our poplar and willow poles mostly intact, which will serve us well for the upcoming harvest.</p> <p>52. The objective for the next month is to ensure full access and facilities for staff to harvest all blocks in May for delivery across the region, as the trees have survived well.</p> <p>53. We have removed over 100 tons of silt from the nursery, clearing all access and yard areas and removing a building while checking utilities. The nursery is currently without power and will be for the foreseeable future.</p> <p>54. Over the next few months, irrigation pumps and sheds will be replaced, tracks throughout the nursery will be graded and limed for access, drains and culverts will be fixed, and any debris in damaged areas will be removed. The replacement of equipment is also in process.</p>	Catchment Management
Erosion Control Scheme	<p>55. Cancelled the six “Managing pastoral hill country erosion” workshops but pivoting these to rural recovery workshops.</p> <p>56. Cancelled the national annual pole nursery managers workshop in our Nursery and replaced with an online 1-day meeting.</p> <p>57. Revision of the stock take of poplar and willow poles for the 2023 planting season due to flood damage.</p> <p>58. Catchment Advisors continue to contact landowners who have yet to complete erosion control plans. The aim is to check in on them and offer technical advice where possible while understanding if they could proceed with planned works for this financial year, or if these need to be deferred. Some would rather reinstate ECS works that have been damaged (fences, trees etc.) rather than implement newly planned work. We are prioritising those that have invested with us to date ahead of new works.</p> <p>59. Some team members have been working out at the GECC, and others within HBRCs EOC.</p> <p>60. Without easy access to Wairoa, the team has been unable to connect as a whole section. We are conscious of keeping connections tight via phone calls and MS teams meetings.</p>	Catchment Management
Post-cyclone rural recovery workshops	<p>61. Plans have been developed to pivot and use key speakers from the cancelled ‘Managing Pastoral Hill Country Erosion’ workshops to deliver a series of post-cyclone rural recovery workshops.</p> <p>62. Investigations are underway into what rural communities want from a workshop, timings, and locations. Initial investigations indicate communities are not yet ready. Catchment staff in Wairoa to attend 13 x BBQ events planned by the Wairoa Community Development Trust across the Northern Hawke’s Bay region to support and gain an understanding of community needs.</p> <p>63. Workshop preparations are underway by the Tukituki, Tukipo and Pōrangahau Catchment Groups and the MPI On Farm Support team for an event planned for the Tukituki area in April, supported by HBRC.</p> <p>64. HBRC is working with the MPI On Farm Support team to deliver workshops across Hawke’s Bay.</p>	Catchment Management / Catchments Policy Implementation
Hydrology	<p>65. Site repairs completed at Ruakituri and Esk @ Waipunga Bridge after storm damage. Several high level flow measurements undertaken as rivers remain high.</p>	Environmental Information

Integrated Catchment Management Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Predator Free Mahia	<p>66. Overall, as far as this project is concerned, Mahia escaped the brunt of the cyclone with little damage.</p> <p>67. A few farm tracks were damaged, but nothing significant.</p> <p>68. The wireless lines (apart from a couple of setups) have escaped any damage. So apart from installing the new nodes and turning them on, they remain ready to go.</p> <p>69. The field cameras that have been assessed have water damage. We are discussing options to prevent water from seeping in.</p>	Biosecurity
Whakakī Freshwater Improvement Fund Project	<p>70. Lack of access to Wairoa from the cyclone damage means the project will be delayed due, and specifically the construction of the weir will be pushed back.</p> <p>71. Other project objectives, such as continued fencing and planting, will continue to progress where it is safe and accessible.</p>	Biodiversity
Biosecurity	<p>72. Three biosecurity staff continue to work at the GECC.</p> <p>73. The cyclone affected some staff members, and they have just recently returned to work.</p> <p>74. Our Wairoa-based Biosecurity Advisor has assisted our Asset Management team by assessing our Wairoa assets for damage and reporting maintenance needs back to the Asset Management Team.</p> <p>75. Controlled Area Notice work to allow river gravel movement in a section of the Tukituki (Waipawa and Tukituki Confluence to Patangata Bridge) and the entirety of the Waipawa River's natural diversion post-cyclone. This has been formulated, legal advice sought, and it is due to go to print media. This gravel is specifically to be used for rural infrastructure repairs post-cyclone and carries strict controls around usage.</p> <p>76. Aerial spray work in Wairoa is being planned while rural Woolly Nightshade work continues.</p>	Biosecurity
Biodiversity and Priority Ecosystems	<p>77. Biodiversity staff is currently dispersed, with two staff working in the GECC response and one in the HBRC response team, two working on BAU with other staff significantly impacted by the cyclone.</p> <p>78. As staff return to BAU, all completed and planned projects within the priority ecosystem and protection and enhancement programmes are being assessed for damage and feasibility from the impacts of the cyclone.</p>	Biodiversity
Massey University Catchment Solutions Project	<p>79. The Catchment Solutions Project will have its inaugural community workshop in April.</p>	Catchments Policy Implementation
Animal pests	<p>80. All pest control activities within the Wairoa District have been put on hold till further notice (possum maintenance DOC reserves x 2, possum education monitoring approximately 85,000ha, Erepeti PCA maintenance assistance 3,760ha).</p> <p>81. Ruahine and the Ruahine Extension maintenance assistance contracts 7,000ha are back on track and will be completed shortly.</p>	Animal pet management

Policy and Regulation Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Large, high profile and/or complex resource consent applications	82. The decision to decline the applications for Ruataniwha Tranche 2 groundwater has been received and is now open to appeal. 83. An appeal has been lodged with the Environment Court against the decision granting individual wastewater treatment consents for 41 lots at Tangoio.	Consents
Plan Change 9 (TANK plan) appeals	84. HBRC submitted a memo to the Environment Court on 23 January suggesting grouping of appeal points/topics and requesting the Court schedule a pre-hearing conference after 17 February. 85. Mediation for the 17 appeals to the Environment Court is expected to commence in the first half of 2023.	Policy
Plan Change 7 (Outstanding waterbodies) appeals	86. Four appeals were lodged with the Environment Court and parties asked the Environment Court to set a hearing date in mid 2023 for those matters where agreements could not be achieved. 87. A Minute has been received from the Environment Court setting out the evidence exchange timetable with Hearings scheduled on or after 28 August, noting that this is subject to change and final confirmation.	Policy
Napier-Hastings Future Development Strategy (FDS)	88. HBRC, HDC and NCC adopted the Terms of Reference as proposed and agreed to appoint the Napier-Hastings Future Development Strategy Joint Committee and appointed their respective members. 89. Invitations were sent to Mana Ahuriri Trust, Maungaharuru Tangitū Trust and Heretaunga Tamatea Settlement Trust to participate in FDS Joint Committee and appoint respective members. 90. Preliminary hui have been held with Mana Ahuriri and Maungaharuru Tangitū Trust. 91. Joint Committee meeting dates have been scheduled for 27 April, 3 August, 26 October and 12 December 2023, with further meetings to conduct hearings in April/May 2024. These will function alongside council workshops as relevant.	Policy

Executive Advisory Group		
Project /Activity description	Significant upcoming milestone(s)	Team or Section
Climate Action	92. TOR adopted and appointments made by HBRC, Hastings, Napier and Wairoa councils. 93. First meeting now scheduled 22 May 2023.	Climate Action Ambassador
Governance	94. New Governance Advisor appointed, starts 27 March 95. Senior Governance Advisory and Team Leader alternating on GECC Logistics roster.	

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 activities in the organisation's transition to recovery from Cyclone Gabrielle* staff report.

Authored by:

Mell Anderson
Project Manager Hill Country Erosion Scheme

Chris Comber
Chief Financial Officer

Desiree Cull
Strategy & Governance Manager

Peter Davis
Manager Environmental Information

Harry Donnelly
Project Engineer

James Feary
Regional Asset Manager

Dan Fake
Freshwater Ecologist

Craig Goodier
Principal Engineer

Simon Harper
Team Leader Hydrology & Groundwater Science

Rob Hogan
Manager Compliance

Gavin Ide
Principal Advisor Strategic Planning

Mike Johansson
Director Communications & Engagement

Jon Kingsford
Project Manager

Dr Kathleen Kozyniak
Team Leader Marine Air & Land Science

Anna Madarasz-Smith
Manager Science

Pippa Mckelvie-Sebileau
Climate Action Ambassador

Malcolm Miller
Manager Consents

Ken Mitchell
Asset Management Engineer

Jolene Townshend
Manager Catchment Operations

Richard Wakelin
Senior Catchment Advisor Policy Implementation

Approved by:

Katrina Brunton
Group Manager Policy & Regulation

Chris Dolley
Group Manager Asset Management

Iain Maxwell
Group Manager Integrated Catchment Management

Attachment/s

There are no attachments for this report.

Subject: Confirmation of Public Excluded Minutes

That Hawke's Bay Regional Council excludes the public from this section of the meeting being Confirmation of Public Excluded Minutes Agenda Item 10 with the general subject of the item to be considered while the public is excluded. The reasons for passing the resolution and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are:

General subject of the item to be considered	Reason for passing this resolution	Grounds under section 48(1) for the passing of the resolution
HBRIC Ltd Independent Director appointments	s7(2)(a) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to protect the privacy of natural persons	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.
Potential Sale of Wellington Leasehold Property	s7(2)(i) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

Authored by:

Leeanne Hooper
Team Leader Governance

Approved by:

Desiree Cull
Strategy & Governance Manager

Subject: Investment Strategy Review outcomes

That Hawke's Bay Regional Council excludes the public from this section of the meeting, being Agenda Item 11 Investment Strategy Review outcomes with the general subject of the item to be considered while the public is excluded. The reasons for passing the resolution and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are:

General subject of the item to be considered	Reason for passing this resolution	Grounds under section 48(1) for the passing of the resolution
Investment Strategy review outcomes	s7(2)(b)(ii) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of that information is necessary to protect information which otherwise would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

Authored & Approved by:

Susie Young
Group Manager Corporate Services