



HAWKES BAY
REGIONAL COUNCIL
TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI

Minutes of a meeting of the Hawke's Bay Regional Council

Date: 29 May 2024

Time: 9.00am

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

Present: Cr H Ormsby, Chair
Cr W Foley, Deputy Chair
Cr X Harding
Cr T Hokianga
Cr N Kirton
Cr C Lambert
Cr J Mackintosh
M Paku, Māori Committee Co-chair
Cr D Roadley
Cr S Siers
Cr J van Beek
Cr M Williams

In Attendance: N Peet –Chief Executive
T Munro – Te Pou Whakarae
S Young – Group Manager Corporate Services
K Brunton – Group Manager Policy & Regulation
C Dolley – Group Manager Asset Management
I Maxwell – Group Manager Integrated Catchment Management
L Hooper – Team Leader Governance
D Cull – Manager Strategy & Governance
S Bell – Team Leader Strategy & Performance
J Keown – Team Leader Comms & Engagement

1. Welcome/Karakia/Housekeeping /Apologies/Notices

The Chair welcomed everyone and Councillor Charles Lambert led the group in offering a karakia to open the meeting.

An apology for lateness from Mike Paku was noted.

2. Conflict of Interest Declarations

Councillor Sophie Siers declared a conflict of interest as a director on the board of HB Tourism.

3. Confirmation of Minutes of the Extraordinary Hawke's Bay Regional Council meeting held on 10 April 2024

RC43/24 **Resolution**

Minutes of the Extraordinary Hawke's Bay Regional Council meeting held on Wednesday, 10 April 2024, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Harding/Williams
CARRIED**

Councillor Thompson Hokianga arrived at 9.04am

4. Call for minor items not on the agenda

Recommendations

That Hawke's Bay Regional Council accepts the following *minor items not on the agenda* for discussion as item 11.

Topic	Raised by
Funds for commercial silt/debris removal	Cr Jerf van Beek

5. Corporate & Strategic Committee recommendations to Council

Xan Harding, Chair of the Committee introduced the item and highlighted the receipt of the Bush report on the independent review of the HB CDEM Group's response to Cyclone Gabrielle.

RC44/24 **Resolution**

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

1. Receives and considers the following recommendations from the Corporate and Strategic 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 this issue without conferring directly with the community or persons likely to have an interest in the decision.

Future of Severely Affected Land (FOSAL) delivery

3. Increases the financial delegations to the Chief Executive to \$15m as they pertain to the North Island Weather Events Resilience Programme (NIWE) only, to enable contract execution and loading of purchase orders and payments.
4. Agrees that approval by exception is delegated to the Chief Executive for contracts beyond

\$15m, solely within the North Island Weather Events (NIWE) Resilience Programme and pertaining to the Future of Severely Affected Land agreement of \$250m and documented in the Hawke’s Bay Regional Council’s Three Year Plan 2024-2027, to enable contract execution and loading of purchase orders and payments.

Harding/Mackintosh
CARRIED

6. Affixing of Common Seal

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

		Seal No.	Date
1.1	Leasehold Land Sales		
	1.1.1 Lot 2 DP 14614 CT G2/1408 - Agreement for Sale and Purchase	4595	4 April 2024
	1.1.2 Lot 62 DP 12780 CT E1/742 - Agreement for Sale and Purchase	4596	9 April 2024

RC45/24 **Resolution**

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.

Foley/Kirton
CARRIED

8. Summary report from the Clifton to Tangoio Coastal Hazards Strategy Joint Committee

Councillor Jerf van Beek introduced the item as Chair of the Joint Committee, and provided a brief overview of discussions at the meetings held 15 March and 17 May, including a presentation by Keith Newman on his recently published *Saving the Cape Coast: A legacy of frustration and hope* and work to develop a funding model for implementation of the Strategy.

RC46/24 **Resolution**

That Hawke’s Bay Regional Council receives and notes the *Summary reports from the Clifton to Tangoio Coastal Hazards Strategy Joint Committee*.

van Beek/Williams
CARRIED

7. Report from the Risk and Audit Committee

Councillor Xan Harding, Deputy Chair, introduced the item which was taken as read. It was noted that Health & Safety reporting is provided to the Corporate and Strategic Committee as part of the quarterly Organisational Performance Report.

RC47/24 **Resolutions**

1. That Hawke's Bay Regional Council receives and considers the *Report from the Risk and Audit Committee*, noting the resolutions of the Committee that:
 - 1.1. Confirms that the actions taken to address the ECAAS Certification *Gap Analysis* findings are adequate in the circumstances explained.
 - 1.2. Confirms that the *Internal Assurance Corrective actions update* report has provided adequate information on the status of the Internal Assurance Corrective Actions.

Harding/Mackintosh
CARRIED

9. Submissions received on our recovery focussed three-year plan

Desiree Cull introduced the item, which provides the means for Council to formally receive the written submissions on the Three Year Plan.

Jenny Keown provided an overview of the engagement undertaken through the consultation period.

Sarah Bell advised that two submissions were received after the agenda had been issued and sought Council's decision on accepting those. A correction to submissions #790 and # 1088 – the option chosen should have been B.

Discussions covered:

- Councillors noted apologies for not having attended CHB engagement events to support Councillor Foley.
- Statistics on the submissions will be included in the deliberations papers for each topic.
- It was noted that when the Woofoo online submission form closed early, staff were monitoring the system and emailed those that were part way through making a submission at that time and put a notification up on the council's Facebook page. Once the form was re-opened staff again emailed submitters to advise they could now go back online to submit or email their submission, the Facebook message was updated, and the online form was kept open an extra hour.
- There were apparently some discrepancies using the Rates calculator but staff were not made aware so don't know what the issues were.

RC48/24 **Resolution**

That Hawke's Bay Regional Council receives and considers the written submissions received on *our recovery-focussed Three-Year Plan 2024-2027, including 2 late submission from Tim Coull and Marion Jean Martin.*

Williams/Harding
CARRIED

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Desiree Cull introduced the item, which introduces the hearing of the verbal submissions.

RC49/24 **Resolution**

That Hawke's Bay Regional Council receives and considers the verbal submissions on *Our recovery focussed Three-Year Plan 2024-2027* consultation as presented by members of the community.

Williams/Mackintosh
CARRIED

11. Discussion of minor items not on the Agenda

Topic	Raised by
Funds for commercial silt/debris removal. Councillor van Beek noted that some farmers did not understand that they could apply for this funding initially and therefore missed out. An ongoing need in the farming sector is recognised and discussions with DIA and the Recovery Agency are under way.	Cr Jerf van Beek

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council commenced hearing verbal submissions at 10.00am.

Chantel Paget obo Forest and Bird (374) Regional Conservation Manager. Appreciate hard work of Council on recovering from Cyclone Gabrielle and building future resilience. Support nature-based solutions and giving rivers room as alternatives to hard engineering. Deeply concerned about cuts to funding for erosion control and biosecurity/biodiversity activities. Wants maintenance funding retained for regional parks and Te Mata Park. Significant costs for the environment and community if nothing is done to control deer.

Andrew Pearce on behalf of Kaiangaroa Residents Association (647). Support council's preferred options consulted on except the funding for flood control, which they believe should be 100% general rates funded. Increases to rates are obscene. Suggests a 33% cap on individual rates increases. Does not support CV for public transport rate – instead suggests a UAGC or based on distance of bus stop from residence. Argues that personnel cost growth has clearly driven the rates increase and that the Council cannot continue to grow and needs to stop. Governors need to direct CE to reduce staff and therefore costs and rates. Increased regulatory costs are agreed but not 14%.

Sarah Bell spoke to the submission from Gabriella & Ralf Spindler (717) that Council should manage within limited budgets the same as private businesses and requesting that RV vs CV is re-examined. Rates need to stay affordable and suggests a cap on rates.

The meeting adjourned at 10.35am and reconvened at 11.20am

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council recommenced hearing verbal submissions.

Dennis Hall (757) also speaking, Karen Knight, Stephen Domino. Rates rise obscene and unaffordable. Public transport levy unwarranted for those in Esk Hills community. Suggests public transport rate is levied as a UAGC. Opposed to change from LV to CV as a wealth tax. Council should cap rates increase, e.g. 30% for individual property, and have differentials for the Esk Hills community. HBRC to absorb difference in costs between cap and what the total rate take would have been. Unreasonable and unaffordable.

Pip Thompson (1056) GM Napier City Business Association (\$400k funded by levy on building owners in Napier CBD). Wholeheartedly supports retaining status quo funding for HB Tourism. 450 members of the association employing over 2000. Tourism drives the economy and is essential for our community. Option B or status quo.

Callum Ross (CE) on behalf of HB Fruitgrowers Assn (1168). Oppose cutting funding to HB Tourism because it would be detrimental to the entire community. Opposed to discontinuing sustainable homes grants as will stop growth toward a sustainable future. Opposed to the guiding principles of the Revenue and Financing Policy, particularly in the current economic

climate. Fees & users charges don't consider growers' increased economic challenges and rebuilding from the cyclone. Growers should be given rates relief as the increases disadvantage growers more than the rest of the community. Main concern amongst growers is rates increase not being affordable.

Anna Lorck (863) Councillors elected to represent the community. Decisions should be apparent from submissions. Very disappointed that submissions to the Revenue and Financing Policy against the change from LV to CV were ignored. Need to show examples of other sources of subsidies for sustainable homes before cutting the programme. Lack of connection between the regional council and the HB community, and can't see the wood for the trees. No information about organisational restructure to cut costs. People need help – not to be hit twice with massive rates rises. Council just needs to cut back and focus on a couple of really important things. Sustainable homes is a great programme – simple and easy for people to access.

Stuart Nash (611). As a former Minister of Tourism understands the value of tourism to the economy. If there isn't a well-funded regional tourism organisation the region will be overtaken by regions that are. Tourism contributes \$600M to the regional economy. Domestic market - tourism is an industry where people have choices. Whether HBRC funds HB Tourism isn't the issue – there needs to be a source of funding before HBRC cuts it. Tourism businesses too busy running their businesses to have time to promote themselves so body to do that is essential. Prioritise

Paul Atkins (926), Troy Duncan (1180) and Sue Averill (957). Paul Atkins – Opposed to switch from LV to CV which has confused the proposed rates increase. Advise that the comment that properties with higher capital value can afford to pay more is not true. Submission form online needs to include more information about the consultation in addition to the questions – in the same place. Council needs to get better returns from HBRIC. Flood protection for Pakowhai is undervalued and losses caused by the cyclone extend into the wider community. All flood protection should be paid 100% by general rate. Troy Duncan – don't presume that no submission equates to agreement. Personal increases \$6,300 this year just for insurance and HDC/HBRC rates. Does not see any value added by additional 200 staff. Increased regulatory requirements should be directed back to the government that requires them. Sue Averill – supports comments made by Paul and Troy. People feel they can't make a difference by submitting. Infrastructure needs to be funded by general rates. Prioritise what rates dollars are most effectively used for and what is essential – not luxuries like HB Tourism and Sustainable Homes. Look to efficiency and the number of employees to cut costs. Public Transport is not valued by HB community.

The meeting adjourned at 12.46pm and reconvened at 1.15pm.

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council recommenced hearing verbal submissions at 1.15pm.

George Hickton (Chair) and Hamish Saxton (GM) on behalf of HB Tourism (1089) Job of HB Tourism isn't to promote individual businesses, but to promote the Region to the rest of NZ. Haven't increased funding from HBRC in the last 5 years. Unified voice for HB and established the brand, and have worked consistently over the last 10 years to position the region as a premier destination. All tourism agencies in NZ are funded by the government, either local or national. 2018 HB Tourism was asked to look for alternative funding sources and have explored alternatives however haven't been able to find a solution. Has approached central government without success. Data shows that 20% of spending goes directly to tourism businesses and the other 80% goes to other businesses. Example from Waikato when they closed their regional tourism promotion agency and quickly saw visitor numbers drop.

Matthew Bonnett (812). Wholeheartedly supports retaining current funding for HB Tourism. Far reaching consequences for businesses and the region's economy of cutting the funding and

would undermine progress to date to recover from Covid-19 and Cyclone Gabrielle. Councillors will only make decisions after considering all of the written and verbal submissions and the deliberations reports on 18 June.

Tom Young (916). Modelled visitor data (12 retailers in Napier) when events are on to show the difference in daily spend when there are no events.

Barbara Arnott (Chair) and Jeremy Smith (Heritage Manager) on behalf of Art Deco Trust (301). Art Deco in February is the biggest community festival in the North Island and partner with HB Tourism to promote the festival to visitors they would never be able to attract on their own. Doesn't support a compromise 18000 unique visitors, 70% from outside the region and 10% of those from outside NZ. Economic development is different than tourism, but tourism may be part of economic development. The Art Deco Trust doesn't make money from the festival, it's the event tickets and funding from supporters and grants that fund the trust.

Terry O'Connor (1066). Can massage statistics to say whatever you want them to say, as a ratepayer does not support funding HB Tourism. Resents going places in NZ and not being able to access tourism services because there were too many international tourists. Get back to your knitting and make the rivers more resilient to floods. Prepare for future events.

Pau Baker (856). The call on Council's money for things like tourism and sustainable homes are not as important as the funding needed for soil conservation and erosion control – especially since Cyclone Gabrielle. Floods are happening more often and flood models need to be recalibrated in response. Cut out other activities to accelerate erosion control work and flood protection infrastructure. Get back to core functions. If you believe you can do something you'll be able to achieve more.

Sir Graeme Avery (685). Former chair of HB Tourism and other tourism organisations. There has to be continuing funding for HB Tourism to continue the complex range of activities that it does. If anything HB Tourism needs more funding and it will be a disaster if the funding is diminished. Sees the issue as being that HBRC should not be collecting the rates to fund it, that should be done by the individual city and district councils and supplemented by central government.

Bruno Chambers (993). Forebears vision come to fruition with immense spiritual and physical benefits to the community as well as biodiversity benefits for the environment. Thousands of volunteer hours per year leveraged off the HDC and HBRC funding.

Christine Kilpatrick (VP) on behalf of Hospitality NZ (1003) represents 109 businesses in HB. Opposed to funding being cut to HB Tourism and failing status quo would choose option B. Inevitably, cutting funding to HB Tourism will lead to decreased visitor economy by at least 20%. There is currently no alternative funding source for HB Tourism – which would have to shut its doors on 1 July.

Stewart Horn (1138). Frustration over the direction council has taken over the last 3-4 election cycles, straying outside its core business. Concerned about the impacts of increased rates on those on fixed incomes and in the primary sector.

The meeting adjourned at 3.25pm and reconvened at 3.34pm

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council commenced hearing verbal submissions at 3.34pm.

Sharlene Baird (1038). Waste of ratepayers money spent by HB Tourism is astounding based on her previous experience in the tourism sector and does not support HBRC giving them funding. Thinks there's been a lack of transparency with ratepayers in relation to rates and the new system is not affordable or equitable. Should never have sold Napier Port shares because the Council can be 'held to ransom' by whoever owns the Port.

Gren Christie (1116). Rating system is unjust. Financial situation is the result of past mistakes made by previous councils. Understands a 20% increase but not 100% increase.

Nigel Bickle on behalf of Hastings District Council (1127). Asserts that the local share of the funding for Havelock North streams flood resilience work under the agreement with Central Government should have been shown in the HBRC three year plan. Proposed a pragmatic solution to the 3000% increase in rates as an outlier, to cap utilities assets rates at \$100M for territorial authorities. Committed to finding the most sustainable funding model for HB Tourism alongside the councils, Napier Port, HB Airport and others with a stake in regional tourism.

Scott Lawson on behalf of Hawke's Bay Vegetable Growers Assn (930). Since submitting to the Revenue & Financing Policy consultation have lost faith in the consultation process because it appears decisions have already been made. For flood protection only see BAU for Heretaunga Plains and expect massive rates increases in years to come. Think that Council should still be able to reverse the decision to change from LV to CV. Rates increases poorly timed and don't reflect the current economic climate. Generally very disappointed with where the Council is at currently. At some stage the extra costs need to stop. Capital value important in the community but less important in terms of the environment.

Sally Duncan on behalf of the HB Winegrowers Assn (712). Strongly urges Council to continue to fund HB Tourism (option B). The success of the wine industry is integral to the HB economy and the loss or reduction of HB Tourism funding will be a cut to the region as a whole. Loss of HB Tourism will reduce visitor numbers by 20%. Need continued promotional activities of HB Tourism. Without HB Tourism there will be no tourism, it threatens Great Wine Capital status and strikes at the heart of the region.

David Kriel on behalf of Napier Port (676). Benefits directly from the cruise industry which has increased significantly (88 ships (139k people) in 2023-2024) as the result of the hard work of HB Tourism over past years. Supports option B.

Councillor Charles Lambert led the group in offering a karaia to close the day.

The meeting adjourned at 4.55pm.

The meeting reconvened at 9.30am on Thursday, 30 May 2024

Present:

- Cr H Ormsby, Chair
- Cr W Foley, Deputy Chair
- Cr X Harding
- Cr T Hokianga
- Cr N Kirton
- Cr C Lambert
- Cr J Mackintosh
- M Paku, Māori Committee Co-chair
- Cr D Roadley
- Cr S Siers
- Cr J van Beek
- Cr M Williams

In Attendance:

- N Peet –Chief Executive
- T Munro – Te Pou Whakarae
- S Young – Group Manager Corporate Services
- K Brunton – Group Manager Policy & Regulation
- C Dolley – Group Manager Asset Management
- I Maxwell – Group Manager Integrated Catchment Management
- L Hooper – Team Leader Governance
- D Cull – Manager Strategy & Governance
- S Bell – Team Leader Strategy & Performance

4. Welcome/Karakia/Housekeeping /Apologies/Notices

The Chair welcomed everyone to the meeting and --- led the group in offering a karakia.

Apologies for absence were received from Tania Hopmans and Councillor Thompson Hokianga, and Mike Paku for early departure.

5. Conflict of Interest Declarations

Councillor Xan Harding declared a conflict of interest in submission 789 as a member of the HB Future Farming Trust.

Councillors Di Roadley and Will Foley declared an interest in submission 1065 as members of Federated Farmers.

Councillor Sophie Siers declared a conflict of interest as a director on the board of HB Tourism.

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council recommenced hearing verbal submissions at 9.35am.

Patrick Dingemans (462), spoke in support of retaining the \$120k per year Te Mata Park funding as a regional asset and recreational, cultural and historical treasure that deserves to be protected with adequate funding. He suggests alternative funding by GST returned by central government.

Jim Galloway (HB President) and Rhea Dasent (Policy Advisor) on behalf of HB Federated Farmers (1065). Federated Farmers supports the change from land value to capital value with differentials. Disappointed HBRC spending more and more on internal overhead costs meaning less is available for 'services'. Staff costs increased by 3x since 2014 and over 300 staff is

considered excessive. Council must emulate central government cost cuts and stop rates increases year on year. Would like to see better use of UAGC, specifically Governance and hope reduction to \$5.4M by 2026-27 is realised. Concerned about double-up of services like erosion control and Council should cut services that are offered by private sector providers. Members appreciate having a relationship with a particular staff member (key contact). Suggested targeted rate for HB Tourism funding – to those that directly benefit, e.g. tourism operators.

Janet Campbell, Anne Todd and Jen Ellingham (*online*) on behalf of Hawke's Bay Horse Trails Advocacy Group Inc (506) advocates for the inclusion of horse trails in planning and development of recreational areas across HB. Horse trails created alongside cycle trails around 10 years ago. Have worked collaboratively with HBRC to maintain the horse trails since 2022 and disappointed the trails and horse access from Awatoto to Guppy Road and Guppy Road to Puketapu were not included in the repairs after the cyclone. To access the trails horse-riders purchase a key for \$20/yr. Wanting HBRC to include horse trails and access to them in all planning and development of the cycle trails. Councillors will re-share the business case submitted previously.

The meeting adjourned at 10.26am and reconvened at 10.42am

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council recommenced hearing verbal submissions at 10.42am

Stu Burden (1166). Shared slides in support of engineers working with what's already in existence and improving flood protection schemes to 500 year level, potentially paid for through a reserve 'built up' over time. Public transport fee was a surprise as a rural property owner and doesn't believe he should pay for something he doesn't have access to.

Ross Webb on behalf of East Coast Rowing (999). The proposal that 2030 is the target date for dredging the Clive River and this is very disappointing and far too late. Very important for rowing and waka ama. Now infested with tubeworm. Reserve fund being used for other purposes? Suggests that disposal of the dredge spoil is onto the beach as was done in the past. Believes that rules of use will need to be instituted because use of the river is increasing. Dredging needs to be done sooner due to the flood risk as well as cost increase risks. Suggested using dredge spoil to build up and enhance the river edges from the bridge toward the coastline.

Sarah Austin-Smith and Mike Devonshire on behalf of Te Mata Park Trust (1008). Seeking continued funding for Te Mata Park as a treasured community asset, through the partnership funding model (1/3 HBRC, 1/3 HDC and 1/3 from the Trust's active fundraising) which is well established. The heart of the vision for the park is enhancing our environment together. Not only about the money that comes from HBRC for maintenance of the tracks, it's the expertise of the staff that it pays for.

Roy Boonen on behalf of Flood protection of the Cape (1114). Cape coast community group that has been working tirelessly with councils on coastal hazards. Concerns about the stormwater system which flows out to the Maraetotara River. Cyclone Gabrielle scoured 5 meters of gravel off the beach, including where the stormwater ran so now 350 houses without a stormwater system. Anxious about what will happen in the next. Proposing an 'Eco Reef' solution as used on the Wairarapa coast, to defend against further erosion, and asks councils to work together with the community to fund and build the eco reef solution as part of the cyclone recovery programme, paid for with public good funding. Coastal Hazards Strategy has the potential to be of national significance.

Carmen Morrell (1191). Tabled photos to show the erosion from the river along Riverside Road in Frasertown, and the point where the rivers meet. Flood resilience work in Wairoa should include all waterways, not just North Clyde. Make the best decisions for the next generation.

Peter Allen on behalf of Hawthorne House (568). Funding HB Tourism is funding the region. HB

Tourism promotes the region in ways individual businesses can't. Peter demonstrated through a presentation how the money the business earns is either directly or indirectly spent in Hawke's Bay. Question should be "do you want to fund tourism"? Vibrancy of the Bay is because of the visitor economy.

Kevin Murphy (569). Really disappointing that regional council is pulling away from funding HB Tourism. The region needs HB Tourism because the work they do to promote the region builds the HB brand. Encourages council to keep funding at status quo as an effective funding model.

Mike Paku left the meeting at 12.20pm

The meeting adjourned at 12.20pm and reconvened at 12.38pm

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council recommenced hearing verbal submissions at 12.38pm.

Sue MacDonald on behalf of Ahuriri Estuary Protection Society (1036). Put Ahuriri Estuary and its wellbeing at the forefront of planning. Please use the 3-year delay of the Ahuriri Regional Park development to gather information to benefit the project.

Trevor Le Lievre and Gren Christie on behalf of Wise Water Use Hawke's Bay (1169). Expressed the view that there is not a water supply issue in HB, it's a legacy issue. HBRC needs to call in water consents in CHB and review them to claw back water allocations. Suggested that there's an opportunity for the Council to raise new revenue by collecting a fee under s36 when a property changes hands and the consent is transferred. CHB has the highest water use per capita for the lowest return. Water is tied up in intensive dairy consents which use 3x more water than most other uses and leach nitrogen and other pollutants, depriving others of the opportunity to benefit economically with access to water. Water allocation should be done according to the most sustainable use for the best economic return.

Willie White and Colin Tyler on behalf of Tukituki Land Care (1171). Largely support the change to CV from LV – maybe if people in town paid more rates there would be less apathy and more accountability. Concerned about the value for ratepayers provided by the huge increases in HBRC's operating budgets and would like to see more efficiency in activities. Catchment groups (varying from 50 to 1000 landowners) across HB are doing a great job and farmers are keen to take care of their land and put their own money into projects like planting. Asking for help for landowners to overcome roadblocks to progress, particularly around river management. There's an opportunity for HBRC to work with catchment groups on solutions.

Doug Tate & Mayor Alex Walker for CHB District Council (1171). Sympathise with the need for rates rises. CHB adopted middle option for wastewater, stormwater and drinking water infrastructure – pushing significant capital investment in wastewater the treatment plan out, awaiting outcomes of scheme review. The Pōrangahau community is quite isolated and needs direct engagement on complex infrastructure needs. The support of HB Tourism benefits CHB through promotion of a huge variety of events and brand Hawke's Bay and the regional council should continue to fund. Thanks to HBRC for continued support on water security and water storage in CHB. Urban areas particularly affected by change to CV and were also some of the hardest hit by the cyclone. Looking forward to storage and other solutions to get flows back up in the Tukituki and Waipawa rivers. Desire for transport solutions for CHB-Hastings commuters including school students.

Vanessa Moon (1181). Spoke about the urgency to respond to climate change and deliberative democracy to urgently address the environmental and social breakdown happening worldwide.

David France, Willie White and Phillip Schofield on behalf of HB Future Farming Charitable Trust (789). Thanks Council for seed funding to get the Trust set up five years ago. Big, six year Carbon Positive project is up and running but need more funding to get more projects under way.

Biodiversity HB (1097). Don't support Council's slowdown of biodiversity and biosecurity programmes. Need operational funding assistance from Council to continue their work helping community groups to get project funding – from 2025. Have been successful getting project funding.

Bob Solomon on behalf of Whakakāi Marae (1103). Asking to be included in the flood resilience plans and work in Wairoa, to have the stopbank adjacent to the marae raised, particularly to be able to assist in future emergency events after having been part of the Cyclone Gabrielle response. By raising the stopbank 300-500 mm the marae can avoid having to raise all the buildings 2.7 metres.

John Bostock (1200). A lot of angst in the community about the combined effect of the change to CV and the 19.6% rates rise and council needs to 'read the room', focus on productivity issues and cut staff and services. Supports selling assets to pay down debt. Flood protection infrastructure needs urgent work. Need quick decisions and immediate actions.

Barb Hansen on behalf of Hansen Property Group (871). Supports HB Tourism funding being retained and shortsighted to cut funding because HB Tourism is key to promoting the region.

Lucinda Perry on behalf of the Hastings City Business Assn (6) represents around 500 businesses (funded by HDC rates). If it wasn't for HB Tourism, if you weren't from HB you wouldn't know all that HB has to offer. Businesses rely on the single voice of HB Tourism to promote the region. Preference is status quo – no funding cuts.

Karen Greenslade on behalf of Tākaro Trails Cycle Tours (1083). Opposed to cutting funding to HB Tourism. Thinks more needs to be spent on the cycleways and 2 projects currently on hold (Karamu to Bridge Pa and Ngaruroro Explorer Fernhill to Taradale) should be progressed.

The meeting adjourned at 2.50pm and reconvened at 3.04pm

10. Hearing of submissions on our recovery focussed Three Year Plan 2024-2027

Council recommenced hearing verbal submissions at 3.05pm.

Rayma Jenkins on behalf of Cobden Garden Bed & Breakfast (746). Opposed to cutting HB Tourism funding.

John Loughlin (313). Believes funding HB Tourism should be shared amongst councils. Option B preferred to allow 'change-over' to new funding model. Tourism industry not suited to a user pays model. Agrees the Port and airport should contribute funding to HB Tourism.

Megan Harris on behalf of HB Tourism Industry Assn Board (915) (not for profit) and Hamish Prins on behalf of Prinsy Tours (1094). Some struggle to understand why HBRC funds HB Tourism but it is the most efficient way because all residents of HB are beneficiaries of a healthy tourism economy. Businesses pay to attend travel expos or attend as members of HB Tourism. Industry already paying more in membership fees to HB Tourism than the 20% economic benefit they get from visitors' spend in the region.

Prue Barton on behalf of Mister D Dining (1001). Advocating for option B. Funding cuts would have long term negative impacts for the entire region and regional promotion is crucial.

Bex Tacon on behalf of Planit Events (1015). Thanks to council for managing the funding for HB Tourism over the last 10 years. Acknowledges the significant challenges the region is facing after Cyclone Gabrielle. Supports status quo or option B for the HB Tourism funding. Impacts of cutting HB Tourism funding would be devastating for the region. Urges councillors to consider the families in our communities in their decision-making.

Jane Libby (1024). HBRC funding HB Tourism has been invaluable. Without HB Tourism Hawke's Bay will be forgotten. Views consultation as disingenuous as considers the decision has already been made. Suggests that HBRC will still collect the rate but spend it on something else.

Tourism operators don't have the money to fund HB Tourism. Return on investment provides compelling case to retain the funding for HB Tourism.

Jessica Vandy (1041). Thriving sector relies heavily on domestic and international visitors. Tourism can drive trade and economic development in regions. Cannot cut the funding at this critical time. RTO role is critical to driving visitors into the region which can easily drop away within 6 months. Suggest working with HB Tourism to develop a demonstrable reporting framework.

Lynda Keene (CE) on behalf of Tourism Export Council NZ (1108). Acknowledges the depth and breadth of relationships that HB Tourism has within and outside the region, NZ and internationally, which are invaluable to bring visitors to the region.

Judi Godbold & Rochelle Ham (CFO) on behalf of HB Airport (1160). Opposed to the development of Ahuriri Regional Park because it would attract more birds and threaten HB Airport. HB Airport is a recognised lifeline in emergency events. Support option B at a minimum for funding HB Tourism. Not yet recovered to pre-Covid passenger numbers through the airport. Depend on HB Tourism to grow. HB Airport is a member of HB Tourism, paying an annual membership. Roughly 55% of passengers are visitors to the region.

Sandi Boyden (1172). Supports option B for funding HB Tourism at a minimum. Looking more broadly at the region, many are still in crisis. Those that invest in marketing in challenging times will do better in recovery and long term. Highlighted the part of Council's vision for a "vibrant and prosperous community." There's not going to be much discretionary money to spend from someone who is paying increasing rates so it's imperative to attract visitors to the region to bring money into the region.

Councillor Neil Kirton left the meeting at 5.00pm

Marisa Bidois (CE) on behalf of the Restaurant Association of NZ (1167). Acknowledges difficult decisions councillors have to make. Visitor spend allows for innovation and growth and that only happens when there's sustained investment in an RTO. Council needs to keep funding HB Tourism so that HB retains its market share of international visitors.

Thank you to all the submitters for their time.

The group offered a karakia to close the meeting.

Closure:

There being no further business the Chair declared the meeting closed at 5.14pm on Thursday, 30 May 2024.

Signed as a true and correct record.

Date: by HBRC resolution 18 June 2024

Chair: Hinewai Ormsby