

Meeting of the Hawke's Bay Regional Council

Date: Wednesday 27 August 2025
Time: 12.30pm
Venue: Council Chamber
 Hawke's Bay Regional Council
 159 Dalton Street
 NAPIER

Agenda

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Subject: Public Forum

Reason for report

1. This item provides the means for Council to give members of the public an opportunity to address the Council on matters of interest relating to the Council's functions.

Background

2. The Hawke's Bay Regional Council's Standing Orders (14.) provide for public forums which are run as follows.
 - 2.1. Public forums are a defined period of time of up to 30 minutes, usually at the start of a meeting, put aside for the purpose of public input. Public forums are designed to enable members of the public to bring matters to the attention of the local authority.
 - 2.2. Any issue, idea or matter raised in a public forum must fall within the terms of reference and ideally, relate to an agenda item for that meeting.
 - 2.3. Requests to speak at public forums are to be submitted to the HBRC Governance Team (06 835 9200 or governanceteam@hbrc.govt.nz) at least 2 working days prior to the meeting it relates to.
3. Some time limits and restrictions apply, including:
 - 3.1. A period of up to 30 minutes will be set aside for the Public Forum and each speaker allocated up to 5 minutes to speak. If the number of people wishing to speak in the public forum exceeds 6 in total, the meeting Chairperson has discretion to restrict the speaking time permitted for all presenters.
 - 3.2. The meeting Chairperson has the discretion to decline to hear a speaker or to terminate a presentation at any time if:
 - 3.2.1. the speaker's topic / issue is not within the terms of reference for the Committee or on the Agenda for the meeting
 - 3.2.2. the speaker is repeating views presented by a previous speaker
 - 3.2.3. the speaker is criticising elected members and/or staff
 - 3.2.4. the speaker is being repetitious, disrespectful or offensive
 - 3.2.5. the speaker has previously spoken on the same issue
 - 3.2.6. the matter is subject to legal proceedings
 - 3.2.7. the matter is subject to a hearing, including the hearing of submissions where the local authority or committee sits in a quasi-judicial capacity.
4. At the conclusion of a speaker's time, the Chairperson has the discretion to allow councillors to ask questions of speakers to obtain information or clarification on matters raised by the speaker.
5. Following the public forum no debate or decisions will be made at the meeting on issues raised during the forum unless related to decision items already on the agenda.

Decision-making considerations

6. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions

do not apply.

Recommendation

That Hawke's Bay Regional Council receives and notes the *Public Forum speakers' verbal presentations*.

Authored by:

Leanne Hooper
Team Leader Governance

Approved by:

Desiree Cull
Strategy & Governance Manager

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 August 2025

Subject: Call for minor items not on the Agenda

Reason for Report

1. This item provides the means for councillors to raise minor matters they wish to bring to the attention of the meeting.
2. Hawke's Bay Regional Council standing order 9.13 states:
 - 2.1. "A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However, the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion."

Recommendations

That Hawke's Bay Regional Council accepts the following *minor items not on the agenda* for discussion as item 17.

Topic	Raised by

Subject: Fit for the Future Action Plan

Reason for report

1. The purpose of this report is to seek Council's approval of the Fit for the Future Action Plan.

Staff recommendation(s)

2. Staff recommend that Council approves the Fit for the Future Action Plan.

Executive summary

3. Council received and endorsed the Fit for the Future report at its 30 July 2025 meeting.
4. The report was the first output from an extensive efficiency and effectiveness review.
5. This item presents a Fit for the Future action plan that serves as the blueprint for implementation of the Fit for the Future report. It also provides indicators of success.
6. The action plan identifies the key areas of work, sequencing and expected outcomes from implementing the Fit for the Future report findings.
7. Together the two documents provide a basis for reshaping HBRC to allow it to move confidently into the future and to deliver quality services with and for communities across the region.

Discussion

8. Council directed the Chief Executive to initiate an efficiency and effectiveness review as part of adopting its 2024 – 2027 Long-Term Plan.
9. The review has now been completed. The findings have been received and endorsed by Council.
10. The Fit for the Future Action Plan takes the information provided in the earlier report and clearly sets out the critical shifts and sequence of actions to be taken to focus HBRC's resources where they are needed most.
11. Alacrity Lab, through Mr Henley and Mrs Black, have authored the Action Plan. A two-page summary and a more detailed analysis are attached to this report.
12. Implementation of the action plan will enable HBRC to shift from an organisation set up to deliver on an outdated strategic plan to one that is ready and confident to deliver on a new strategic plan, and has, where appropriate evolved its operating model to equip and empower communities to deliver for themselves and is still able to complete the long tail cyclone recovery.
13. An implementation programme will need to be nimble enough to respond to the changing pressures and expectations of local government and the wide-ranging reforms ahead being driven by central Government.
14. The following is a broad outline of implementation. It will be further refined.
15. There is a critical role for the incoming Council in monitoring implementation through receiving regular reporting on progress, outputs and outcomes and holding the Chief Executive accountable for overall delivery of the Action Plan.
16. It will be important that Council is provided with a clear pathway to achieving expected outcomes. Equally Council will need confidence that the desired outcomes have been achieved.
17. The Council will also have a critical decision-making role on key elements of the action plan particularly in developing a new strategic plan, refining priorities and making decisions on levels

of service. These elements will require governance decisions and will entail community feedback and interaction led by elected members. The incoming Council will need to consider getting this tranche of work underway with some speed in the new triennium.

18. Beneath that the Chief Executive and executive leadership team have the job of leading implementation at an organisation level. Implementation will necessarily involve staff across HBRC.
19. Implementation will require a programme manager estimated at 1 FTE and some programme support c 0.3 FTE plus communications and human resources capacity.
20. Individual projects will then require additional support. Where possible this will be sourced internally and from existing budgets. Where that is not possible potential costs will be proactively identified to Council.

Options assessment

21. Option 1: Council approves the Fit for the Future action plan as attached to this report. This option would enable the Chief Executive and executive leadership team to complete implementation design and get the process underway. Timing is important for the outcomes to be apparent in time for the 2027-2037 Long-Term Plan.
22. Option 2: Council could seek further work to refine the action plan. This option would likely delay implementation. In any event HBRC will likely need to adapt the action plan as implementation proceeds and the Council's operating environment continues to change. Regular reporting to Council of progress will allow that flexibility. Approval of the action plan does not mean that every action is locked in stone.

Strategic fit

23. The Fit for the Future action plan (and preceding report) are key elements in Council's strategic approach to both reduce cost impacts on ratepayers and to rebalance the organisation both financially and in terms of its focus. The key strategic actions to date have included:
 - 23.1. a savings target for the 2025-26 annual plan – achieved and in place
 - 23.2. an investment strategy to realise improved returns from Council's investments – in place and underway
 - 23.3. an efficiency and effectiveness review – reported in this paper with implementation to follow.
24. This approach is critical for the future of the organisation. No one element will reduce the pressure on rates, the Council's debt headroom, or the pressure on delivery. All levers will need to be implemented.
25. The action plan reported in this paper is not purely about contributing to a sustainable financial future. Equally, it is a response to Council's operating environment that is significantly complex and is changing fast at many levels. There is change in terms of community expectations and the ability of communities to deliver services, through to growing relationships with mana whenua to Resource Management Act reform, proposals for rates capping and uncertainty about the future role of regional councils.

Significance and Engagement Policy assessment

26. Adoption of the Fit for the Future action plan does not trigger Council's Significance and Engagement Policy.
27. Individual projects within the Fit for the Future Programme will likely require public engagement and / or formal consultation. Examples include a new strategic plan, changed Council priorities and significant changes to levels of service.

28. Decisions will need to be made in relation to individual projects once scope is clear.

Financial and resource implications

29. Initial estimates are that there will be an unbudgeted cost of approximately \$200,000 per annum to run the implementation programme.

Decision-making considerations

30. 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:
- 30.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 30.2. The use of the special consultative procedure is not prescribed by legislation.
 - 30.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 30.4. The persons affected by this decision are ratepayers in the region and the staff of HBRC.
 - 30.5. 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 or others having an interest in the decision.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and approves the *Fit for the Future Action Plan*.
2. Notes that the Chief Executive will proceed with implementation and will provide the incoming Council with a reporting and monitoring schedule.
3. 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.

Authored and Authored by:

Nic Peet
Chief Executive

Attachment/s

- | | | | |
|---|--|----------------------|---------------------------------------|
| 1 | Fit for the Future Action Plan Summary | Under Separate Cover | Available online only |
| 2 | Fit for the Future Action Plan | Under Separate Cover | Available online only |

Subject: 2024-25 Carry forwards

Reason for report

1. This item seeks approval from the Council to carry forward expenditure budgets from 2024-25 to 2025-26.

Executive summary

2. During 2024-25, several work programmes experienced delays and could not be completed as originally planned. Where this work cannot be accommodated within the existing 2025-26 Annual Plan budget, carry forwards of unspent expenditure are requested to ensure funding is available and approved to complete the remaining work.
3. The interim financial results for 2024-25 indicate a general funds surplus of \$4.3M. After deducting \$0.7M in carry forwards related to the HBRIC special dividend already approved by Council, a balance of \$3.6M remains.
4. A total of \$71.5M is proposed to be carried forward into the 2025-26 Annual Plan budget, comprising \$64.9M in capital expenditure (capex) and \$6.5M in operating expenditure (opex).
5. The funding sources for the total carry forward request are broken down as follows
 - 5.1. \$1.9M General Funding
 - 5.2. \$17.3M Debt Funding
 - 5.3. \$2.2M Reserve Funding
 - 5.4. \$50.1M External Funding.

Background

6. This report presents the proposed carry forward of unspent operational and capital budgets from the 2024-25 financial year into the 2025-26 financial year for Council's consideration.
7. The carry forwards relate to activities and projects that were either delayed, committed but not yet completed, or deferred for strategic or operational reasons. Carrying these budgets forward ensures continuity of delivery and enables completion of work that remains aligned with Council's approved plans and funding allocations.
8. All carry forward items have been reviewed to confirm that they remain necessary and are deliverable in the 2025-26 financial year.
9. The funding types are defined as follows:
 - 9.1. General Funding - includes general rates, rates smoothing loans, and net investment income (after costs).
 - 9.2. Debt Funding - refers to loan funding not yet drawn down. Repayments (both interest and principal) are already factored into the 2025-26 Annual Plan.
 - 9.3. Reserve Funding - derived from targeted rates that are allocated to specific reserves (e.g. asset replacement or scheme reserves).
 - 9.4. External Funding - comprises income received from external sources such as grants and subsidies, tied to specific projects.
10. The table below provides a summary of 2024-25 activity expenditure and associated funding sources. It shows the total expenditure against budget across Council's groups of activities and the funding sources across the Council. The budget figures reflect the management budget - that is, the first year of the Three-Year Plan budget, adjusted for approved carry forwards and

any new external funding agreements confirmed after the Three-Year Plan was adopted.

	Operating					Capital				
	YTD Actual	YTD Budget	YTD Variance	Annual Budget Forecast	YTD as % of FY	YTD Actual	YTD Budget	YTD Variance	Annual Budget Forecast	YTD as % of FY
Expenditure										
Governance and Partnerships	7,100	7,606	506	7,606	93%	927	594	(333)	594	156%
Integrated Catchment Management	27,989	29,878	1,890	29,878	94%	660	570	(91)	570	116%
Asset Management	30,409	29,098	(1,311)	29,098	105%	22,723	97,568	74,845	97,568	23%
Policy & Regulation	46,629	41,947	(4,681)	41,947	111%	4	0	(4)	0	0%
Emergency Management	6,902	6,498	(404)	6,498	106%	5	0	(5)	0	0%
Transport	10,639	10,979	340	10,979	97%	155	0	(155)	0	0%
Corporate/Other	5,831	5,808	(23)	5,808	100%	866	1,584	718	1,584	55%
Total	135,498	131,814	(3,684)	131,814	103%	25,341	100,316	74,975	100,316	25%
Funding										
Fees & charges	5,884	6,636	752	6,636	(89%)	0	0	0	0	0%
General Rates	25,122	24,728	(393)	24,728	(102%)	93	93	0	93	(100%)
Loan funding	(7,013)	10,955	17,969	10,955	64%	7,814	23,625	15,810	23,625	(33%)
Other funding	92,522	66,240	(26,282)	66,240	(140%)	19,312	72,233	52,921	72,233	(27%)
Reserves funding	1,767	2,319	552	2,319	(76%)	(3,089)	2,443	5,532	2,443	126%
Targeted Rates	20,782	20,724	(58)	20,724	(100%)	1,924	1,923	(1)	1,923	(100%)
Total	139,064	131,603	(7,461)	131,603	106%	26,054	100,316	74,262	100,316	26%
Surplus/ (Deficit):	3,566	(211)	(3,777)	(211)		713	(0)	(713)	(0)	
Overall General Funds Surplus/ (Deficit)	4,279									

11. The interim financial results indicate that, if the final \$3.5M general rate smoothing loan is drawn down, there will be a general funds surplus of \$4.3M.
12. \$0.7M has already been approved by Council for carry forward as part of the 2025-26 Annual Plan, leaving an unallocated balance of \$3.6M.
13. The forecast unallocated general funds surplus position reported to Council at Q3 was \$3.3M.
14. Contributing to the \$4.3M general funds surplus are the following key factors:
 - 14.1. \$0.4M from penalties higher than budget
 - 14.2. \$1.8M in investment income, resulting from realised gains on managed funds following a switch in fund managers.
 - 14.3. \$0.5M underspend from Corporate.
 - 14.4. \$1.2M underspend from ICM.
 - 14.5. \$0.4M underspend from Policy and Regulatory.

Operating expenditure carry forward requests

Activity/Project	Amount Requested	Source of Funding			
		General	Debt	Reserves	External
Asset Management					
1 Coastal Hazards	125,918	17,440		26,161	82,317
2 NIWE - Category 2 works	1,163,442		289,115		874,327
3 IRG - Gravel Extraction	1,897,705		482,897	200,277	1,214,531
4 Reimagining Flood Resilience	500,000	150,000		350,000	
5 Hazard Mapping	55,708	55,708			
6 Forestry	172,000			172,000	
7 Regional Water Security	394,072		394,072		
Integrated Catchment Management					
8 Biodiversity/Biosecurity	50,000				50,000
9 Rural Partnerships	91,831				91,831
Corporate Services					
10 ICT Software as a Service Development (SAAS)	173,464		173,464		
11 Payroll	1,650,000	1,650,000			
Governance & Partnerships					
12 Tangata Whenua Partnerships	100,000		100,000		
Transport					
13 Transport	171,809			171,809	
Total Operating Expenditure Carry Forwards	6,545,949	1,873,148	1,439,548	920,246	2,313,006

Coastal Hazards (opex – 1)

15. The timeline for the Coastal Hazards strategy development continues into 2025-26, with work to prepare for Council decision on strategy adoption and consultation. Rates fund HBRC's contribution to the strategy development.
16. Historically, the Hastings District Council (HDC) and Napier City Council (NCC) have jointly funded the remaining balance of the strategy. However, for the 2025-26 financial year, both councils have withdrawn their direct funding. They have, however, agreed that if the HBRC exceeds its budget, HBRC may submit reimbursement claims to HDC and NCC, which the councils will consider on a case-by-case basis.
17. Financial Assessment: Surplus targeted and general rates were collected in 2024-25 and are available for carry forward. Additionally, external funding has already been received and recorded as income in advance on the balance sheet.
18. Recommendation: Approve the carry forward of \$126K, comprising both targeted rates, general rates and external funding.

NIWE (opex – 2)

19. When the Year 1 budget for the 3YP was set, the programme was in its early stages, and key insights were still emerging. To reflect updated assumptions and a more refined understanding of scope and delivery, a carry forward of unspent budget from 2024-25 is required.
20. Financial Assessment: Co-funding from NIFF has not yet been received, and HBRC's loan funding remains undrawn. However, internal loan interest and repayments have been accounted for in the 2025-26 budget.
21. Recommendation: Approve the carry forward of \$1.1M, comprising loan funding and external NIFF contributions.

IRG – Gravel Extraction (opex – 3)

22. This relates to IRG gravel extraction work that has been committed but is yet to be completed. It includes the IRG Tranche 6 gravel extraction contract, which has been tendered and awarded, as well as a commitment to construct the Waipawa Haul Track.
23. Financial Assessment: The MBIE portion of funding has been received and is currently recorded as income in advance. HBRC's loan funding has not yet been drawn; however, provisions for internal loan interest and repayments have been included in the 2025-26 budget. Reserves have

sufficient balance to support carry forward.

24. Recommendation: Approval is granted to carry forward \$1.9M, comprising loan funding, reserve funding, and external MBIE contributions.

Reimagining Flood Resilience (opex – 4)

25. The 2025-26 annual plan has \$0.7M approved for reimagining flood resilience to be funded by the sale of carbon credits.
26. Additional budget is required in 2025-26 for Tonkin & Taylor technical engineering support and modelling various flood mitigation scenarios as part of the Reimagining Flood Resilience Project. The output from these models will assist with creating a suite of flood mitigation solutions to be presented in the next LTP.
27. Financial Assessment: The additional \$0.5M required will be funded from the Heretaunga Rivers reserve, which can contribute \$0.35M, with the remaining \$0.15M to be covered by the general funds surplus.
28. Recommendation: Approve the required \$0.5M funding to be met through a combination of reserve drawdown and use of the general funds surplus.

Hazard Mapping (opex – 5)

29. Funding is requested to cover consultant costs for Natural Hazard mapping, supporting the finalisation of new hazard layers for inclusion in the Hazard Portal and distribution to district councils.
30. Financial Assessment: Surplus general funds is available for carry forward.
31. Recommendation: Approve the carry forward of \$56K in general funds.

Forestry (opex – 6)

32. This funding will support landowner obligations at Tangoio, including wilding pine control, vegetation and tree management, predator and pest control, fence maintenance, and other essential forest upkeep activities
33. Financial Assessment: The Tangoio Soil Conservation Reserve has a surplus balance.
34. Recommendation: Approve the carry forward of \$172K from the Tangoio Soil Conservation Reserve.

Regional Water Security (opex – 7)

35. Loan funding of \$0.4M was not utilised in 2024-25 due to competing priorities for water security projects. This funding is required to be carried into 2025-26 in order to fund water efficiency and usage initiatives as part of the regions water security programme. This is a high priority for the council.
36. Financial Assessment: Loan funding has not yet been drawn. Internal loan interest and repayments for this loan have been allowed for in the 2025-26 budget.
37. Recommendation: Approve the carry forward of \$0.4M in loan funding.

Biodiversity/Biosecurity (opex – 8)

38. Tukipo Wetlands funding - External funding was granted to HBRC to support wetland development in Tukipo, but due to competing BAU priorities in 2024-25, the project could not commence. It is proposed that the unspent grant be carried forward into 2025-26 to enable delivery of the intended work. Without this funding, the project cannot proceed due to the absence of alternative budget sources.
39. Financial Assessment: Signed agreement in place for external funding.
40. Recommendation: Approve the carry forward of \$50K external funding.

Rural Partnerships (opex – 9)

41. The surplus in Rural Partnerships originates from the Ministry for the Environment’s Essential Freshwater Fund. This funding enabled the appointment of two additional FTEs in 2024-25, and with funding available for 2025-26, these roles can be retained to continue providing enhanced support to our rural catchment groups.
42. Financial Assessment: This external grant funding is available to be carried forward into the 2025-26 financial year to support FTE costs, in conjunction with the existing budget allocation.
43. Recommendation: Approve the carry forward of \$92K from the MfE grant for Essential Freshwater funding.

ICT Software as a Service Development (SAAS) (opex – 10)

44. The ICT Digital Transformation work programme was underspent in 2024-25 due to under-budget delivery and delays in the rollout of SEAM, which postponed the commencement of additional initiatives. The unspent funds are required to support delivery of the 2025-26 work plan, including catch-up on activities deferred from 2024-25.
45. Financial Assessment: Loan funding has not yet been drawn. Internal loan interest and repayments for this loan have been allowed for in the 2025-26 budget.
46. Recommendation: Approve the carry forward of \$173K in loan funding.

Payroll (opex – 11)

47. HBRC is currently undertaking a detailed review of its payroll systems and processes following audit concerns about potential non-compliance with legislation, including the Holidays Act 2003. While the full extent of any miscalculations is not yet known, HBRC is committed to ensuring legislative compliance, supporting staff wellbeing, and remediating any confirmed issues. To enable this critical work to continue into the new financial year – including further analysis, remediation planning, and potential system improvements or replacement – a carry-forward of \$1.65M from the 2024–25 general funds surplus is requested. This provision will allow HBRC to progress the necessary investigations and, if required, implement solutions and reimburse affected staff. Any unused funds will be returned to the general reserve.
48. Financial Assessment: This expenditure is not included in the 2025-26 Annual Plan and must therefore be funded from the 2024-25 general funds surplus.
49. Recommendation: Approve the carry forward of \$1.65M in general funds surplus.

Tangata Whenua Partnerships (opex – 12)

50. Due to the initiation of RMA reform, the loan-funded expenditure allocated for Kotahi support through Tangata Whenua Partnerships was not utilised. This funding will be required in 2025-26 to provide support once the direction of the RMA reform is confirmed.
51. Financial Assessment: Loan funding has not yet been drawn. Internal loan interest and repayments for this loan have been allowed for in the 2025-26 budget.
52. Recommendation: Approve the carry forward of \$100K in loan funding.

Transport (opex – 13)

53. NZTA funding allocated for marketing and promotions has not been spent for 2024-25 due to delays in the National Ticketing Solution (Bee Card replacement) and the roll out of the new network.
54. Financial Assessment: Surplus targeted rates were collected in 2024-25 and are available for carry forward.
55. Recommendation: Approve the carry forward of \$171K in targeted rates funding.

Capital expenditure carry forward requests

Activity/Project	Amount Requested	Source of Funding			
		General	Debt	Reserves	External
Asset Management					
1 NIWE - Category 2 works	57,882,432		11,725,749		46,156,683
2 Drainage & Pumping	351,001		218,856	132,145	
3 Other Flood Protection & Control Works	202,030		202,030		
4 Flood Protection Schemes	31,960	9,588		22,372	
5 IRG - HPFCS	1,574,284		566,742		1,007,542
6 Forestry	144,171			144,171	
7 Regional Parks	407,961		407,961		
8 Great Rides	591,024				591,024
9 Regional Water Security	2,704,430		2,704,430		
Corporate Services					
10 ICT	1,046,722		41,622	1,005,100	
Total Capital Expenditure Carry Forwards	64,936,015	9,588	15,867,391	1,303,788	47,755,249

NIWE (capex – 1)

56. When the Year 1 budget for the 3YP was set, the program was in its early stages, and key insights were still emerging. To reflect updated assumptions and a more refined understanding of scope and delivery, a carry forward of unspent budget from 2024-25 is required.
57. The capital expenditure carry forward for the North Island Weather Event (NIWE) programme relates to flood mitigation infrastructure in land category 2 areas across Wairoa, Waiohiki, Whirinaki, Pakowhai, and Porangahau. It also includes critical upgrades to regional telemetry systems and pump stations, which form part of the broader resilience and service-level improvement strategy.
58. Financial Assessment: Co-funding from NIFF has not yet been received, and HBRC's loan funding remains undrawn; however, internal loan interest and repayments have been accounted for in the 2025-26 budget.
59. Recommendation: Approve the carry forward of \$57.9M, comprising loan funding and external NIFF contributions.

Drainage & Pumping (capex – 2)

60. There are four requests within this space:
 - 60.1. The Napier Urban Waterways carry forward will fund a concrete pad at Beatson Drain, upgrades to two Mission culverts, Plantation bridge removal, Church Road culvert update, generators for pumpstations, and County & Plantation drain clearing.
 - 60.2. Karamu funding allocated for weedboat research and development has been delayed due to cyclone recovery efforts being prioritised.
 - 60.3. Ohuia-Whakaki will fund electrical safety works across the three pumpstations
 - 60.4. Muddy Creek renewal was planned for 2024-25, but funding will be carried over to support the renewal programme in 2025-26.
61. Financial Assessment: Loan funding is yet to be drawn. Interest and repayments have been included in the 2025-26 budget, and reserves are sufficient to support the carry-forwards.
62. Recommendation: Approve the carry forward of \$351K, comprising loan funding and reserve funding.

Other Flood Protection & Control Works (capex – 3)

63. Carry-forward funding will support construction of the Waipawa Haul Track (along with IRG carry forward) and cover final payments for a Doda Pump, locking system (3.1), shed floor rail for a generator, and safety features at Haumoana and East Clive.
64. Financial Assessment: Loan funding has not yet been drawn. Internal loan interest and repayments for this loan have been allowed for in the 2025-26 budget.

65. Recommendation: Approve the carry forward of \$202K in loan funding.

Flood Protection Schemes (capex – 4)

66. A carry-forward of unspent 2024-25 budget is requested to support final SCADA capital works in 2025-26, including electrical and water level sensor upgrades at 19 Heretaunga Plains sites and a VSD upgrade at Lower Muddy pumpstation.
67. Financial Assessment: Surplus targeted, and general rates were collected in 2024-25 and are available for carry forward.
68. Recommendation: Approve the carry forward of \$32K, comprising targeted rate and general rate funding.

IRG - HPFCS (capex – 5)

69. The remaining \$1.6M in IRG Levels of Service funding has been committed, primarily to complete the Farndon Rd rock revetment. The balance will support final design inputs for Pākowhai Park, Raupare Upper & Lower, Chesterhope Upper, and East Clive.
70. Financial Assessment: The MBIE portion of funding has been received and is currently recorded as income in advance. HBRC's loan funding has not yet been drawn; however, provisions for internal loan interest and repayments have been included in the 2025-26 budget.
71. Recommendation: Approval is granted to carry forward \$1.5M, comprising loan funding and external MBIE contributions.

Forestry (capex – 6)

72. The White Pine Bridge in the Tangoio Soil Conservation Reserve is vital for soil conservation, forestry, recreation, and emergency access. Cyclone Gabrielle caused damage, including a scour hole and retaining wall failure that requires repair to ensure safe access and compliance with Class 1 standards for logging trucks. As the asset was uninsured, a carry-forward of unspent 2024-25 funds is requested to reprioritise repairs to the forestry road and water controls to prevent further damage and costs. Assessment is complete, and the Works Group has been engaged as the contractor, with pricing still underway.
73. Financial Assessment: The Tangoio Soil Conservation Reserve has a surplus balance.
74. Recommendation: Approve the carry forward of \$144K from the Tangoio Soil Conservation Reserve.

Regional Parks (capex – 7)

75. Hawea Historical Park represents a collaborative effort, with a 50/50 partnership involving four hapū. This project has also experienced delays due to the cyclone recovery efforts, and the unspent funds (\$407k) are requested to be carried over to meet the commitments made to stakeholders. Commitments include walking and cycling paths, and the design and installation of corten steel sculptures, four pou, storyboards, and an information centre.
76. Financial Assessment: Loan funding has not yet been drawn. Internal loan interest and repayments for this loan have been allowed for in the 2025-26 budget.
77. Recommendation: Approve the carry forward of \$407K in loan funding.

Great Rides (capex – 8)

78. Following Cyclone Gabrielle, Great Rides received \$2.2M in funding from MBIE to support repair efforts. While repairs to the Waiohiki cycleway have been delayed due to pending NIWE works, progress is now underway.
79. Financial Assessment: This external funding is available to be carried forward into the 2025-26 financial year.
80. Recommendation: Approve the carry forward of \$591K in external funding.

Regional Water Security (capex – 9)

81. Under the Regional Water Security umbrella we have the Heretaunga Water Storage (HWS) and the Central Hawke's Bay Managed Aquifer Recharge (CHB MAR) projects that had allocated budget in the 2024-25 and 2025-26 years.
82. The HWS project requires the unspent funds from 2024-25 in order to complete the commercialisation of the project to complete HBRC's role in the pre-feasibility work.
83. The CHB MAR project has a funding agreement with the Provincial Growth Fund. Previously Council had agreed to pause this project with the understanding this funding would continue to be available. That is no longer the case; as such the unspent funds from 2024-25 are required in 2025-26 in order to progress this work around assessment of project viability and secure the external loan funding.
84. Financial Assessment: Loan funding has not yet been drawn. Internal loan interest and repayments for this loan have been allowed for in the 2025-26 budget.
85. Recommendation: Approve the carry forward of \$2.7M in loan funding.

ICT (capex – 10)

86. The ICT capex budget was not utilised in three areas for 2024-25:
 - 86.1. GIS Aerial Imagery (\$346K) – This was delayed in 2024-25 due to the search for a more suitable vendor. Without the allocated funds, securing the most up-to-date imagery, critical for accurate post-disaster risk assessments, will not be possible
 - 86.2. End User Hardware Renewal (\$300K) – ICT postponed replacing several end-user hardware units (e.g. laptops and phones) while exploring leasing options instead of outright purchase. This review concluded in May with a decision to continue purchasing hardware. As a result, scheduled 2024-25 renewals were delayed, and the budget is now required in 2025-26 to proceed with these renewals and maintain compliance with HBRC's internal hardware policies
 - 86.3. Servers & Storage (\$400K) – The budget was not utilised in 2024-25 due to an investigation into resilience options and warranty replacements for Storage Area Networks (SANs) and network switches. It is now required in 2025-26 to complete this work and ensure HBRC's network resilience and operational continuity.
87. Financial Assessment: Internal loan interest and repayments have been included in the 2025-26 budget, and the asset replacement reserve has a surplus balance available to support the carry-forward.
88. Recommendation: Approve the carry forward of \$1.1M in loan funding and reserve funding.

Options assessment

Option 1

89. Council approves all the carry forwards proposed from 2024-25 to 2025-26 to ensure project completion, achievement of service levels, fulfilment of commitments to external organisations, and appropriate funding of future work.
90. In addition, Council approves a reduction of the general rates smoothing loan from \$3.5M to \$1.8M, bringing the general funds balance to zero.

Option 2

91. Council approves the carry forward of reserve-funded, debt-funded, and externally funded expenditure only, with general-funded carry forward requests to be reconsidered and reprioritised within the 2025-26 Annual Plan approved budgets.
92. In addition, Council approves not drawing down the final tranche of the general rates smoothing loan of \$3.5M.

Option 3

93. Council does not approve the carry forwards as proposed and provides staff with direction on which carry forwards, if any, should be approved and how much of the general rates smoothing loan should be drawn down.

Financial and resource implications

94. Debt-funded expenditure can be carried forward without any additional impact on ratepayers in future years, as the repayment of these funds is already accounted for in the 2024-2027 Three-Year Plan and 2025-26 Annual Plan
95. Reserve-funded expenditure can be carried forward without impact, as the funds have not yet been drawn and remain available for use in 2025-26.
96. Approved externally funded carry forward requests will be covered by income received in 2024-25 and recorded as income received in advance in our Annual Report or new income received in 2025-26, including additional funding to be claimed under grant agreements.

Decision-making considerations

97. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded:
- 97.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 97.2. The use of the special consultative procedure is not prescribed by legislation.
 - 97.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 97.4. The persons affected by this decision are Council's ratepayers.
98. 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

1. That Hawke's Bay Regional Council receives and notes the *2024-25 Carry forwards* 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. Approves the carry forward of all expenditure requests from the 2024-25 budgets to 2025-26 budgets, being:

Operating Expenditure Carry Forward Requests

Activity/Project	Amount Requested	Source of Funding			
		General	Debt	Reserves	External
Asset Management					
1 Coastal Hazards	125,918	17,440		26,161	82,317
2 NIWE - Category 2 works	1,163,442		289,115		874,327
3 IRG - Gravel Extraction	1,897,705		482,897	200,277	1,214,531
4 Reimagining Flood Resilience	500,000	150,000		350,000	
5 Hazard Mapping	55,708	55,708			
6 Forestry	172,000			172,000	
7 Regional Water Security	394,072		394,072		
Intergrated Catchment Management					
8 Biodiversity/Biosecurity	50,000				50,000
9 Rural Partnerships	91,831				91,831
Corporate Services					
10 ICT Software as a Service Development (SAAS)	173,464		173,464		
11 Payroll	1,650,000	1,650,000			
Governance & Partnerships					
12 Tangata Whenua Partnerships	100,000		100,000		
Transport					
13 Transport	171,809			171,809	
Total Operating Expenditure Carry Forwards	6,545,949	1,873,148	1,439,548	920,246	2,313,006

Capital Expenditure Carry Forward Requests

Activity/Project	Amount Requested	Source of Funding			
		General	Debt	Reserves	External
Asset Management					
1 NIWE - Category 2 works	57,882,432		11,725,749		46,156,683
2 Drainage & Pumping	351,001		218,856	132,145	
3 Other Flood Protection & Control Works	202,030		202,030		
4 Flood Protection Schemes	31,960	9,588		22,372	
5 IRG - HPFCS	1,574,284		566,742		1,007,542
6 Forestry	144,171			144,171	
7 Regional Parks	407,961		407,961		
8 Great Rides	591,024				591,024
9 Regional Water Security	2,704,430		2,704,430		
Corporate Services					
10 ICT	1,046,722		41,622	1,005,100	
Total Capital Expenditure Carry Forwards	64,936,015	9,588	15,867,391	1,303,788	47,755,249
Total	71,481,964	1,882,736	17,306,939	2,224,034	50,068,254

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Nic Peet
Chief Executive

Attachment/s

There are no attachments for this report.

Subject: Funding remaining Cyclone Gabrielle recovery work

Reason for report

1. To provide an update on the outstanding Cyclone Gabrielle recovery work and seek Council approval for the remaining work.

Staff recommendations

2. The remaining \$14.2M in expenditure will be funded through an internal loan. The outstanding balance of this loan and its implications for future rates will be considered as part of the next Long-Term Plan (LTP).

Executive summary

3. The forecasted funding gap for all Cyclone Gabrielle related work is \$30M, including outstanding expenditure. This excludes the NIWE flood resilience programme.
4. This paper recommends approval of \$14.2M from an internal loan for the remaining work.
5. Due to limited coverage from insurance and NEMA, original funding assumptions are no longer valid.

Background

6. As of 30 June 2025, a total of \$67.8M has been spent on cyclone response and recovery, broken down as follows:
 - 6.1. \$45.4M was spent on infrastructure-related expenditures, including \$26.7M on stopbanks, \$3.0M on dams, \$3.4M on drains, and \$3.6M on pump stations. The remaining expenditure is currently under review.
 - 6.2. \$8.4M was spent on welfare, of which \$5.8M was recovered through NEMA, while \$2.6M was deemed ineligible. The ineligible costs include expenses such as welfare-related internal staff time, CDEM food and assets, and generators.
 - 6.3. \$13.9M was spent on other costs, including all other HBRC internal time (planning, asset inspection and prioritisation, and claim support), flood reviews, legal costs and related activities. Noting that some of the claim support costs will be recoverable through the insurance process.

Claim Update

7. The claims process with both NEMA and insurers is ongoing. As our understanding of coverage improves, the financial assumptions regarding the impact on ratepayers are being updated.
8. Key updates contributing to uncertainty around claimable amounts:
 - 8.1. The distinction between natural and engineered land is currently under review. However, because natural land is not covered by our insurance, the severity of ground scouring in some areas may require negotiation on settlement amounts.
 - 8.2. NEMA does not provide coverage for any waste removal activities.
 - 8.3. NEMA does not fund betterment and only supports like-for-like replacements. For example, upgrading from planting edge protections to rope and rail will not be fully reimbursed.
 - 8.4. The timing of silt entering drains defines the event.

Outstanding Expenditure

9. The current estimate for the remaining Cyclone Gabrielle expenditure is \$1.3M for the Coroner's inquiry and \$12.9M for infrastructure repairs, detailed as follows:

Asset Type	Estimated Costs	Funding Gap
Dam	\$ 2,304,665	\$ 30,000
Drain	\$ 4,558,270	\$ 4,558,270
Edge Protection	\$ 1,138,908	\$ 91,019
Forestry	\$ 20,000	\$ 20,000
Other	\$ 340,000	\$ 340,000
Stopbank	\$ 4,493,067	\$ 2,177,441
Coroner's Inquiry	\$ 1,300,000	\$ 1,300,000
	\$ 14,154,911	\$ 8,516,730

10. It is estimated that this \$14.2M of outstanding expenditure will have a funding gap of \$8.5M.

11. Below lists the delivery partners and cashflows of the projects:

Asset Type	Delivery Partner		Timing								Risk # Projects		
	Works Group	IPMO	2025-26				2026-27				Low	Medium	High
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
Stopbank	756,008	3,737,059	10,500	505,272	1,452,157	725,747	166,437	1,062,480	300,175	270,299	3	27	9
Edge Protection	303,396	835,512	-	166,437	596,202	332,873	-	-	43,396	-	2	2	3
Drain	1,209,597	3,348,673	57,807	288,218	987,310	930,268	586,989	1,152,889	332,873	221,916	11	11	9
Dam	100,000	2,204,665	-	-	667,438	568,104	221,916	312,646	534,561	-	-	-	3
Other	340,000	-	30,000	95,000	45,000	40,000	40,000	40,000	20,000	30,000	3	1	2
Forestry	20,000	-	-	-	-	20,000	-	-	-	-	-	-	1
Sub Total	2,729,001	10,125,910	98,307	1,054,927	3,748,108	2,616,992	1,015,341	2,568,015	1,231,006	522,214	19	42	26
	Total:	12,854,911		Total 2025-26:	7,518,334		Total 2026-27:	5,336,577		Total Projects:	87		

Risk Commentary

12. The risk associated with not completing this work is outlined in the below table:

Asset Type	Low	Medium	High
Stopbank	Deflection Banks only. Low return period flood flows affect larger area of pastoral land	Moderately weakened stopbank could lead premature failure.	Significantly weakened stopbank could lead premature failure.
Edge Protection	Debris migration during higher water flows	Flow deflected causing damage to stopbanks	Tree debris within rivers/berms is resprouting which will collect sediment which will have significant effect on river flows. deflection of flow will damage stopbanks.
Drains	Loss of capacity leading to water ponding and overflow.	Further slumps, narrow areas and loss of access. Loss of capacity leading to more frequent flooding of private property.	Significant increase of risk of flooding including private property, environmental damage and costly asset repairs.
Dam	N/A	N/A	Further erosion along with non-compliance with Dam standards
Misc	Unable to honor HBRC leased properties. (Tutira and Rivers)	Further erosion with the risk of entering Tutira lake	Regional Parks - operational access & health/safety related risks
Forestry	N/A	Unable to execute forest operations	N/A

Projected Total Cost of Recovery

13. The forecasted funding gap (total costs less external income) for all Cyclone Gabrielle-related work, including outstanding expenditure is \$30M.
14. This gap is forecasted to be covered as follows:
- 14.1. \$3.3M General Rate already collected and allocated
 - 14.2. \$3.6M Scheme Disaster Damage Reserves
 - 14.3. \$1.5M Council Disaster Damage Reserve
 - 14.4. \$5.8M General Reserve
 - 14.5. \$15.8M Internal Loan – to be repaid from future general rates

	22/23	23/24	24/25 YTD Actuals	Forecast	Total
Costs					
Infrastructure	22,461,910	20,135,462	2,796,127	12,854,911	58,248,410
Welfare	8,489,521				8,489,521
Other	8,785,947	4,201,552	933,813	1,300,000	15,221,312
	39,737,378	24,337,014	3,729,941	14,154,911	81,959,243
Funding					
Other Income	(15,157,521)	(12,552,965)	(6,268,292)	(18,018,132)	(51,996,910)
General Rate		(3,122,126)	(179,689)		(3,301,815)
Internal Loans	(9,638,227)	(5,655,591)		(475,456)	(15,769,274)
Reserves					
Scheme Disaster Reserves		(3,544,821)			(3,544,821)
Council Disaster Damage Re	(6,808,123)	176,015	3,472,165	1,659,943	(1,500,000)
General Reserve	(5,454,773)	362,473	(754,124)		(5,846,424)
Emergency Management Re	(2,678,734)			2,678,734	(0)
	(39,737,378)	(24,337,014)	(3,729,941)	(14,154,911)	(81,959,243)

15. The Three-Year Plan includes \$1.3M per year allocated for interest and loan repayments related to cyclone recovery loans.
16. To repay the forecasted internal loan balance of \$14.5M (after accounting for two years of repayments from the original \$15.8M), Council would need to either increase rates by \$2.6M for 4 years or extend the loan term to 16 years.
17. As part of the next LTP we will be addressing increasing the disaster damage reserves to appropriate levels.

Approved Budgets by Council

18. The 2023-24 Annual Plan included a total budget of \$92.5 million for infrastructure repairs and rebuilds related to Cyclone Gabrielle, allocated within a single financial year.
19. A total of \$42.6M was spent on cyclone-related infrastructure costs across 2022-23 and 2023-24, leaving a remaining budget of \$49.9M.
20. In the 2023-24 carry forward paper presented to the Corporate and Strategic Committee on 4 September 2024, \$10M of the \$92.5M allocated for Cyclone Gabrielle infrastructure repairs was approved to be carried forward into 2024-25 financial year. At the time, this funding was expected to be funded by insurance and NEMA.
21. This leaves \$39.9M in budget that was not carried forward, as \$10M was the best available estimate of the outstanding work at the time.
22. The original \$92.5M was assumed to be fully funded by NEMA and insurance.
23. As it is now clear that not all costs will be reimbursed by NEMA and insurance, the funding assumptions on which these budgets were originally approved are no longer valid.

Options Assessment

Option 1

24. Approve the remaining \$14.2M in expenditure to be funded through an internal loan. The loan balance and its impact on rates will be addressed in the upcoming Long-Term Plan (LTP)

Option 2

25. Cease all remaining cyclone recovery work, with Council acknowledging and accepting the associated risks of this decision.

Strategic fit

26. The 2025-26 Annual Plan focuses on recovery and flood resilience, supporting our long-term goals of community stability and sustainability. These priorities align with the Strategic Plan 2020–2025 goals of building resilient infrastructure and protecting communities from climate-related risks, ensuring a proactive path to a more resilient future.

Significance and Engagement Policy assessment

27. This decision is of low significant. This decision does not involve changes to the rate, nor does it significantly impact the wider community. The focus on recovery efforts is not expected to affect strategic assets. Given the low significance, the engagement process can be managed with minimal community involvement, relying on internal processes rather than requiring extensive consultation.

Decision-making considerations

28. 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:
 - 28.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 28.2. The use of the special consultative procedure is not prescribed by legislation.
 - 28.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 28.4. The persons affected by this decision are wider Hawke's Bay Community and rate payers.
 - 28.5. 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 or others having an interest in the decision.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Loan funding final Cyclone Gabrielle repairs* 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. Agrees to approve spending the remaining \$14.2M in expenditure, to be funded from an internal loan. The balance of the loan and its impact on rates will be addressed in the next Long-Term Plan (LTP).

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Attachment/s

There are no attachments for this report.

Subject: Procurement Plan for Wairoa

Reason for report

1. This item seeks approval from Council for delegation to the Chief Executive (CE) of the Hawke's Bay Regional Council to:
 - 1.1. Approve the procurement plan for the North Island Weather Events (NIWE) Wairoa Project after seeking the support and approval of National Infrastructure Funding and Finance Company Limited (NIFF) for the procurement plan given the Crown is fully funding the Wairoa Project up to a maximum of \$70m.
 - 1.2. Enter into an Early Contractor Involvement (ECI) agreement with the preferred tenderer to advance planning, finalise the design and refine the cost estimate of the project
 - 1.3. Upon successful completion of 1.2 above, enter into the construction contract(s) to construct the flood mitigation works necessary to deliver the project subject to the cost of the construction falling within the project budget ceiling of \$70m.
2. Council to note:
 - 2.1. the currently proposed weighting on non-price and price attributes in the evaluation process for selecting the preferred contractor
 - 2.2. the approach to meeting the broader outcomes of the Wairoa Project and particularly the objective of providing project related social and economic benefit to the Wairoa District that the procurement plan seeks to enable.

Background /Discussion

3. Currently the CE of Council has delegated financial authority for up to \$15m of expenditure for any one contract related to the NIWE Projects being delivered by Council.
4. Consequently, the current delegated financial authority is insufficient to proceed initially with approval of the procurement plan for the project and the subsequent award of a contract to the successful contractor(s).
5. Given the likely interest of Councillors in the procurement plan for the Wairoa Project, a brief outline of the likely plan is provided in the paper. This is to give Councillors confidence in the consideration of broader outcomes from the project, as part of the procurement plan, and in particular, the issue around social and economic benefit to the Wairoa District from the construction works.
6. The Wairoa project involves the design, consent, land acquisition and construction of a floodway and associated flood mitigation structures including stop banks and, potentially, floodwalls in Wairoa. As the project has progressed, a key driver for the Wairoa project has emerged to commence physical works in the 2025-26 earthworks season to demonstrate progress to the community and key external stakeholders, and mitigate cost-escalation risk.
7. If good progress can be achieved over the 2025-26 construction period, then there is every likelihood the project can be completed by 30 June 2027 which is the current objective. If we fail to deliver any meaningful work over the 2025-26 summer, then it is highly likely the project will not be completed until the 2027-28 construction period as high ground water levels coupled with Wairoa's high winter rainfall make construction outside of the main summer construction windows very unlikely.

ECI approach and managing cost risks

8. Typically, under a traditional procurement approach, confirmation of land access and the design and consenting of the works would be completed prior to procuring the physical works. Although the preferred technical solution has been developed, it is yet to be fully detailed or consented. Also, although the land access requirements are now clear, they continue to pose a significant challenge and will require a progressive approach to resolve.

9. As such, an alternative procurement approach has been developed to achieve the strategic objective of commencing physical works during the upcoming 2025-26 earthworks season, while overcoming challenges such as land access, design finalisation, and consenting.
10. A Registration of Interest (RoI) process was undertaken in 2024 to identify contractors with the technical expertise, capacity, capability, and relevant experience to deliver earthworks projects. As part of this process, ten contractors were shortlisted based on their submissions and are now Council's preferred Contractors for the NIWE Land Cat projects.
11. During the RoI stage, two contractor groups were established: Pool A and Pool B. This separation was based on each contractor's demonstrated capability and resourcing to deliver projects of various scale with the Pool A contractor's being deemed more capable of delivering larger contracts. These Contractors are: HEB, Fulton Hogan, Goodman and Higgins.
12. For the Wairoa RfP specifically, a closed tender will be issued exclusively to Pool A contractors. This group demonstrated the necessary capability and resources to successfully deliver this type of project and are most experienced with an Early Contractor Involvement (ECI) approach which is now proposed for the Wairoa project.
13. Due to the need to run many key aspects of the project in parallel – including finalisation of the consenting, land access and design activities, as well as optimising the 2025-26 construction season – an ECI approach is considered most beneficial.
14. An ECI is a delivery method where the contractor is involved in the project's design phase, offering their expertise on constructability, cost, and scheduling before the detailed design is finalised. It also provides the additional benefit of a contractor being ready and able to commence works (including enabling works such as site dewatering, tree clearance, fence removal, haul road construction and temporary road realigning) as soon as matters such as land access and consenting are finalised. The use of separable portions in advance of obtaining all consents, design or land is the contracting approach used to reduce the overall timeframe for delivery of the Project.
15. The ECI process includes price tension for most higher cost aspects of the project, such as nominated margin, selected Preliminary and General items and specified rates for some of the more significant direct works, personnel and plant items. Once design is complete a period of negotiation occurs between the successful contractor and a specialist Quantity Surveyor engaged on behalf of HBRC to ensure pricing represents value for money and is consistent with the tendered rates and other market rates benchmarks. Should agreement on costs fail to be reached the Council could conclude negotiations and seek alternative contractors to complete the project works. Should the project estimate exceed the allocated funds after completion of the preconstruction activities (design, consenting and land acquisition), HBRC will review options to reduce costs and provide a recommendation to council on how to proceed.
16. Council has engaged RCP which is a consultancy familiar with ECI processes and WTP Quantity Surveyors to assist them through the ECI process.
17. Upon uplift of the necessary consents, finalisation of the design and securing of the required land, construction of the works will proceed under a NZS3910:2023 Measure & Value contract utilising the agreed rates from the proposal phase and/or negotiated rates where applicable.

Attribute weighting and broader outcomes

18. The construction value of the Wairoa Flood Works project is estimated to cost approximately \$30m. While its primary objective is to improve flood resilience, the scale of the project also presents opportunities to deliver broader outcomes. The current proposal is for a goal that at least 30% of the construction contract value is to be sourced locally (i.e. within the Wairoa District Council Area).
19. To support that goal, Broader Outcomes, specifically employment (including employing priority groups) and the utilisation of the local supply chain, will have a significant weighting (20% of the total non-price attributes) in the selection of the contractor.
20. The current thinking is for the Non-price attributes to be weighted 75% and Price 25% given the criticality of selecting a contractor who has the right collaborative approach to an ECI procurement

approach and the importance of the broader outcome's objective. The proposed weighting between price and non-price is consistent with other government ECI contracts.

Strategic fit

21. The Wairoa Flood Mitigation project aligns with the Strategic Plan 2020-2025 Outcomes, Goals, and Actions (pages 12-15). This project contributes towards achieving the strategic goal of sustainable and climate-resilient services and infrastructure, through increasing flood protection levels to provide practical and affordable protection to our communities.
22. This project contributes to Council's community outcomes of:
 - 22.1. **Resilient Community** - Our communities are prepared for natural hazards, supported by planning and infrastructure, partnerships and knowledge sharing on the increasing effects of climate change.
 - 22.2. **Prosperous Community** - Our communities thrive from high-performing regional infrastructure that enables the region's natural and human resources to deliver goods and services that underpin prosperity and wellbeing.
23. In addition to the Strategic Plan 2020-2025 this project contributes towards achieving a resilient and prosperous community as part of the Infrastructure Strategy in Council's Three-Year Plan 2024-2027.

Significance and Engagement Policy assessment

24. The Wairoa Flood Mitigation project holds a high level of significance as it directly impacts the safety, well-being, and economic stability of the Wairoa region. According to Council's Significance and Engagement Policy (SEP) contained in the Long-Term Plan (pg. 208), the significance of this project is assessed as high.
25. This high level of significance necessitates extensive community engagement to ensure that the views and concerns of all stakeholders are adequately considered.
26. The project has involved extensive engagement and collaboration with various community groups, including the Stakeholder Group, which provides a platform for representative views from different sections of the community.
27. The Crown Manager's team has made substantial progress in this area with the full knowledge, support and agreement of Council.
28. The Project Team and the Crown Manager's team are continuing with ongoing engagement required to ensure full compliance with our policy and other statutory obligations, including those under the Local Government Act 2002 (LGA), Public Works Act 1981 (PWA), Te Ture Whenua Māori Act 1993 and the Order in Council (OiC), specifically in relation to land access and to satisfy the conditions of the OiC.

Decision-making considerations

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 relate to a strategic asset, as listed in the Council's Significance and Engagement Policy.
 - 29.2. The decision will involve the commencement of a new significant activity, being flood protection works for Wairoa. This type of decision needs to be provided for in the Council's Long-Term Plan (LTP), and for that reason it included provision for this project, and others, in the 3-year LTP 2024-2027. As a result, this decision is not inconsistent with any existing Council policy or plan.
 - 29.3. The use of the special consultative procedure is not required in this situation, as provision for the decision has been included in the existing LTP.
 - 29.4. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.

Recommendations

That Hawke's Bay Regional Council:

1. **Receives** and considers the *Delegation of the Wairoa NIWE Project procurement* 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. **Agrees** to delegate authority to the Chief Executive to:
 - 3.1. Approve the procurement plan for the North Island Weather Events (NIWE) Wairoa Project after seeking the support and approval of National Infrastructure Funding and Finance Company Limited (NIFF) for the procurement plan given the Crown is fully funding the Wairoa Project up to a maximum of \$70m.
 - 3.2. Enter into an Early Contractor Involvement (ECI) agreement with the preferred tenderer to advance planning, finalise the design and refine the cost estimate of the project
 - 3.3. Upon successful completion of 3.2, enter into the construction contract(s) to construct the flood mitigation works necessary to deliver the project subject to the cost of the construction falling within the project budget ceiling of \$70m.
4. **Note:**
 - 4.1. The currently proposed weighting on non-price and price attributes in the evaluation process for selecting the preferred contractor
 - 4.2. The approach to meeting the broader outcomes of the Wairoa Project and particularly the objective of providing project related social and economic benefit to the Wairoa District that the procurement plan seeks to enable.

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Director IPMO

Approved by:

Chris Dolley
Group Manager Asset Management

Attachment/s

There are no attachments for this report.

Subject: Ahuriri Regional Park Masterplan

Reason for report

1. This item presents the Ahuriri Regional Park Masterplan as recommended by the Ahuriri Regional Park Joint Committee for Regional Council to receive and consider.

Executive summary

2. This report presents the Ahuriri Regional Park Masterplan (masterplan) (**Attachment 1**) for Regional Council's consideration, as a result of recommendations from the Ahuriri Regional Park Joint Committee (ARP-JC).
3. The Masterplan presents a long-term, strategic vision for the restoration and enhancement of Te Whanganui o Orotū (Ahuriri Estuary or Te Whanga) through stormwater treatment, ecological regeneration, and cultural recognition.
4. The plan prioritises stormwater quality improvement and biodiversity enhancements, recognising the balance of environmental, cultural, and recreational goals. It has been shaped by relevant technical expertise, mana whenua leadership, as well as public and stakeholder engagement.
5. HBRC had allocated budget within its LTP to contribute towards planning and implementation of the masterplan; however this was deferred due to Cyclone Gabrielle related financial pressures and the *Tough Choices* consultation process. The level of financial support from Hawke's Bay Regional Council towards the Ahuriri Regional Park masterplan will be reconsidered as part of the 2027 LTP process.

Background

6. Ahuriri Regional Park (ARP) was first identified as a priority initiative in the Napier City Council Ahuriri Estuary and Coastal Edge Masterplan in 2018. The project gained momentum as Napier City Council and Hawke's Bay Regional Council considered their joint responsibilities under the combined urban stormwater discharge permit for the Pūrimu Stream (AUTH-123310-01). As illustrated in Figure 1, stormwater from Napier's urban area is conveyed via a pumped network into the Pūrimu Stream prior to entering the Te Whanganui o Orotu (Ahuriri Estuary or Te Whanga hereafter), with future discharges to be directed through the ARP.

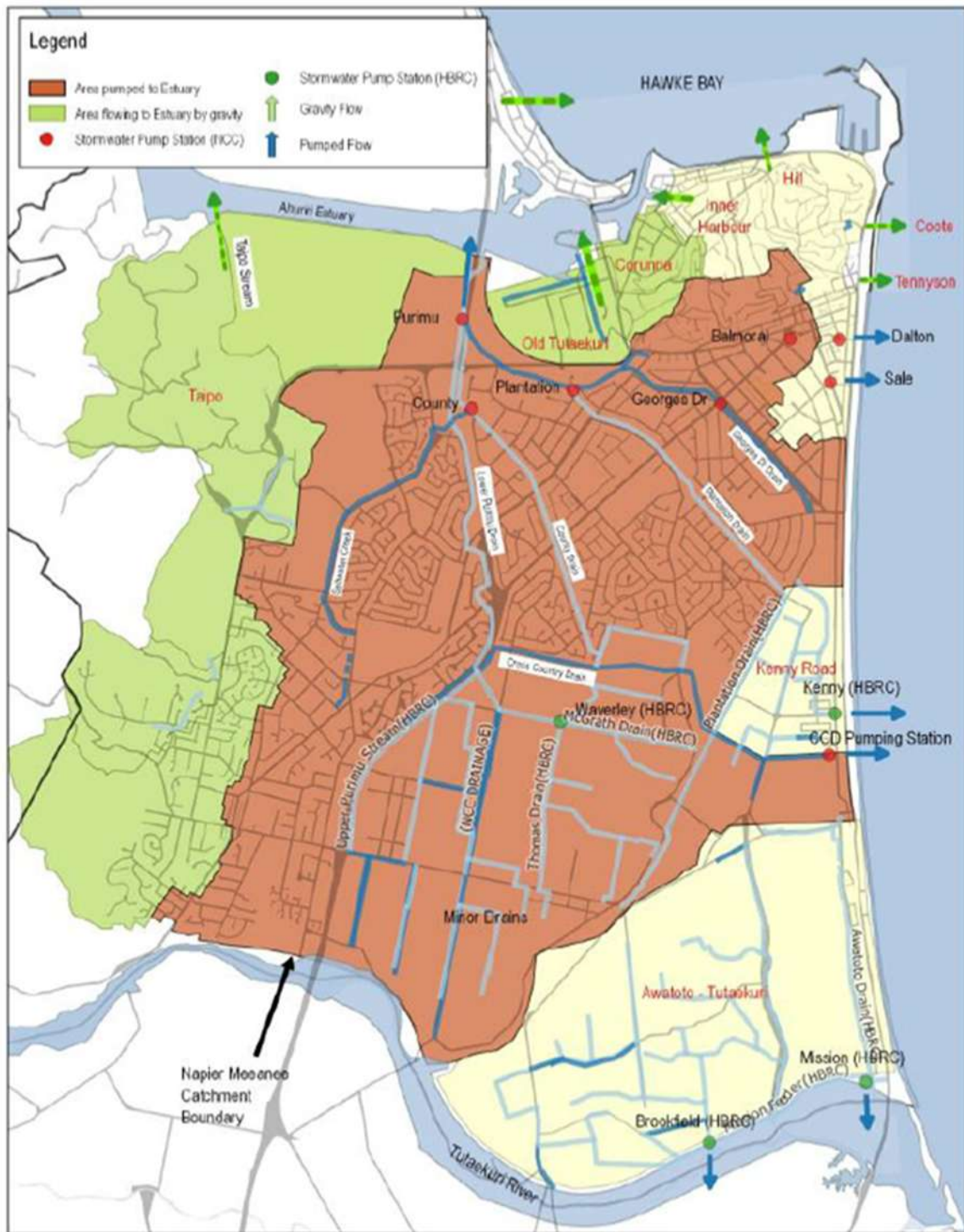


Figure 1. Napier Urban area stormwater map

7. This discharge consent expires in 2040 and sets out a staged programme of investigations and implementation to improve water quality, including at-source, in-stream, and end-of-line treatment methods. The ARP provides an opportunity to implement end-of-line stormwater treatment via constructed detention wetlands. The ARP aims to align with strategic initiatives such as the Napier City Proposed District Plan's stormwater provisions, the Napier City Council Stormwater Bylaw, and the stormwater quality provisions of the Hawke's Bay Regional Resource Management Plan specifically the proposed TANK Plan Change. There is potential for these efforts to position the councils more favourably for re-consenting the urban discharge, with the ARP wetlands expected to enhance stormwater quality prior to entering Te Whanga.
8. Utilising the Lagoon Farm site for stormwater improvements, alongside biodiversity enhancement and cultural narratives have also been identified through the Lagoon Farm

Strategy for Future Land use (2020), Napier City Stormwater Masterplan (2020), Stormwater Quality and Flooding Options (2023) and Te Muriwai o Te Whanga Plan (2024).

9. The ARP-JC was established in 2023 involving Napier City Council, Hawke’s Bay Regional Council, and Mana Ahuriri Trust. Its purpose is to lead the development of the park in a way that actively restores the health and wellbeing of the estuary, recognising shared governance responsibilities and cultural values.
10. To support the Joint Committee, a Technical Advisory Group (TAG) was formed in 2024. This multidisciplinary group brings together expertise in ecology, mātauranga Māori, flood protection, avifauna, parks, and planning from across the partner organisations, along with representatives from the Department of Conservation and Hawke’s Bay Airport Limited.
11. The ARP-JC has set a vision for the park; to create a resilient, ecologically rich landscape that enhances stormwater quality, enhances biodiversity, and enables sustainable cultural and recreational opportunities. The Masterplan focuses on promoting climate resilience, restoring natural estuarine margins, and improving the health of stormwater systems discharging into Te Whanga. A key project driver includes the establishment of stormwater treatment wetlands.

Development Process

12. The development of the Ahuriri Regional Park Masterplan followed a structured, four-phase process (Figure 2), established at the project’s inception:
 1. Establishment and discovery
 2. Visioning
 3. Options and shaping
 4. Delivery

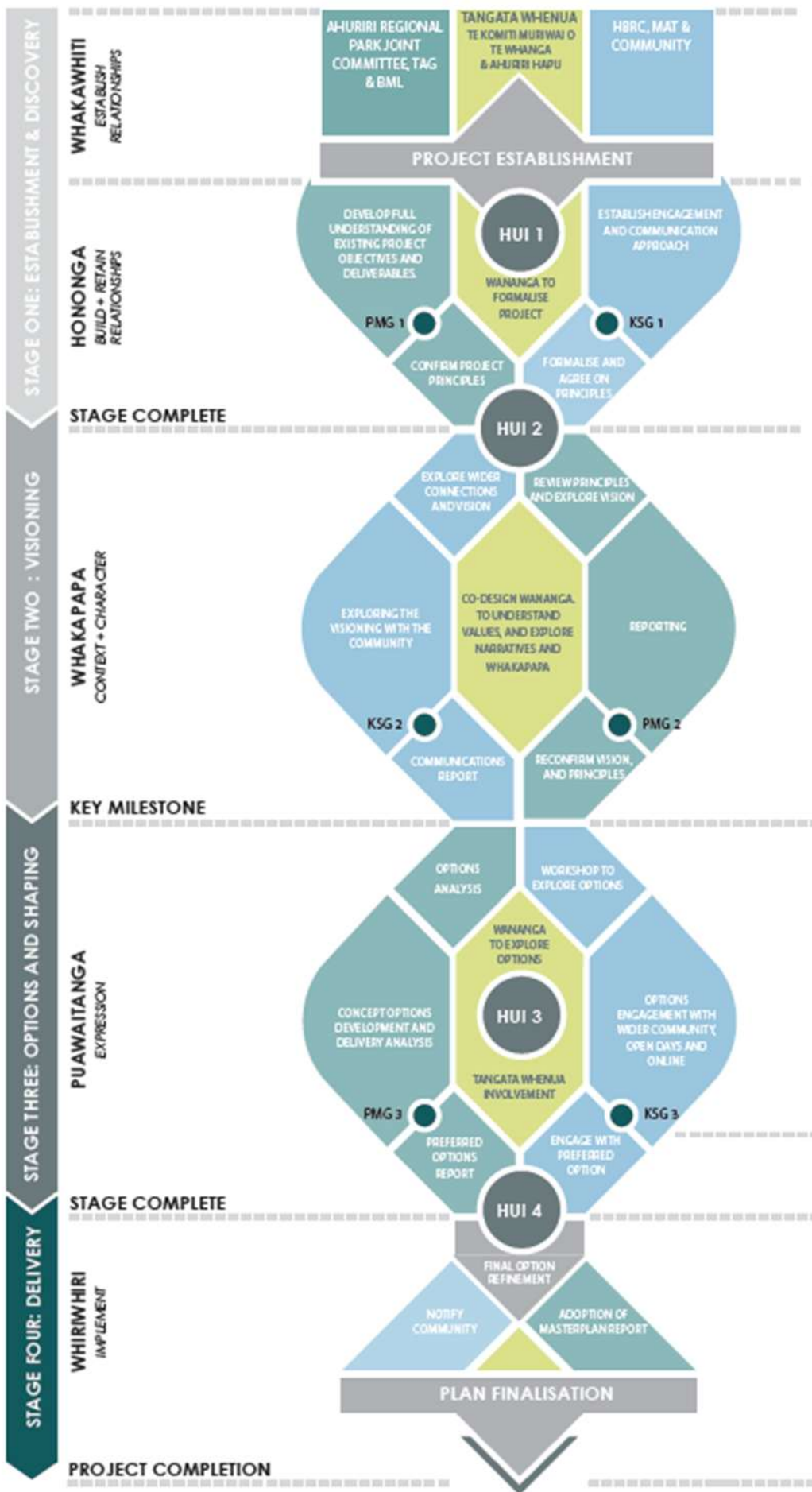


Figure 2. Masterplan development methodology

13. Specialist input was sought to inform the process, including avifauna expertise and direct engagement with Hawke’s Bay Airport. These inputs played a critical role in shaping the draft concept and will continue to guide the delivery of specific elements of the park.
14. The development of the masterplan is captured by Figure 3 which highlights key dates.
15. The masterplan now presented for consideration is a refined version of that preferred concept, shaped by feedback from the public, further technical input from TAG, and the recommendations of the Joint Committee at its meeting on 23 May 2025. It includes a suite of sub-projects, with several core initiatives recommended for early implementation.
16. All projects within the masterplan will require further technical investigations, risk assessment, detailed design, and cost estimation prior to progressing through formal approvals and into delivery. Later-stage initiatives (Stages 2 and 3) are aspirational in nature and will depend on future funding, partnerships, and the preparation of robust business cases to confirm feasibility and long-term sustainability.

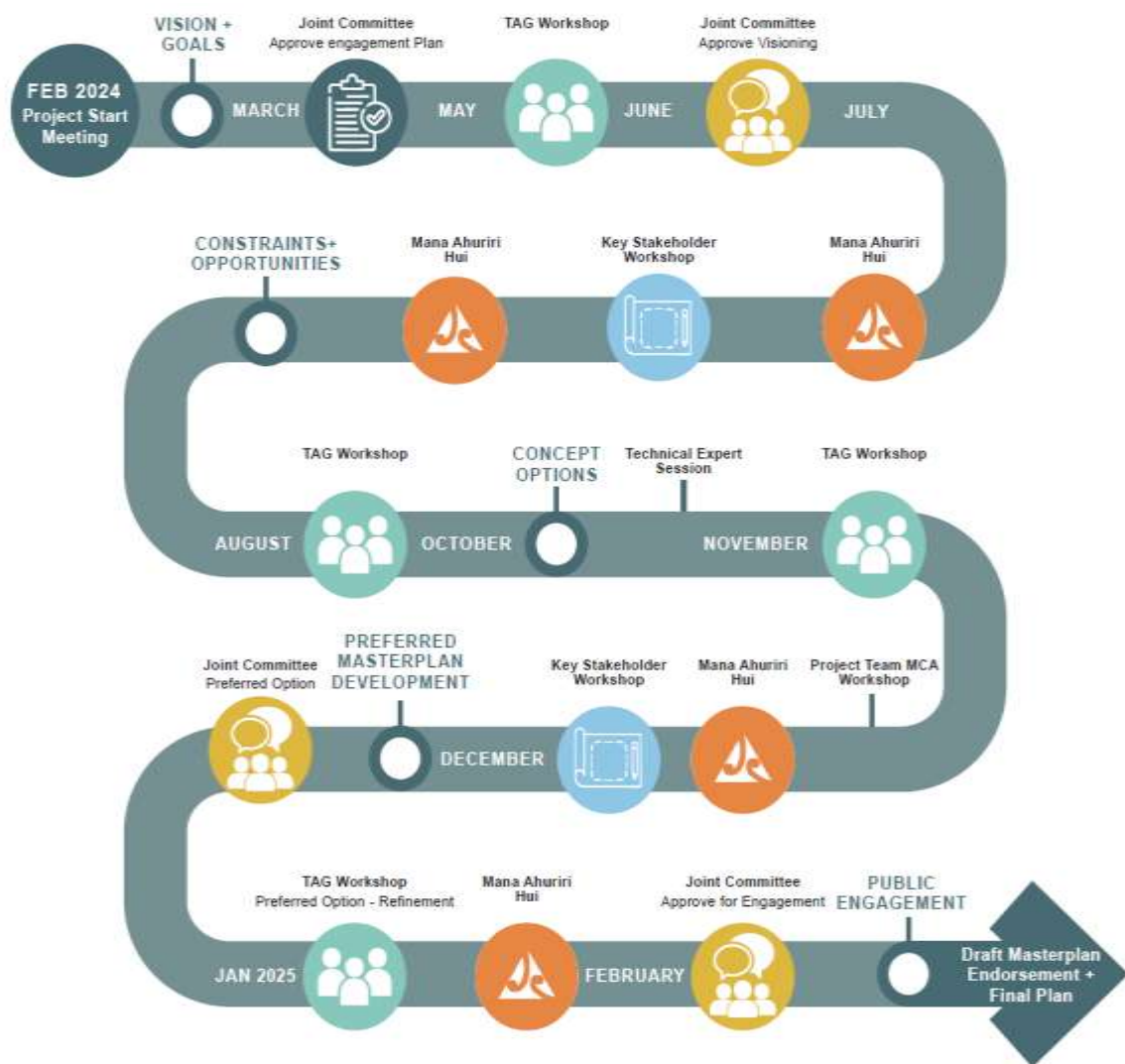


Figure 3. Masterplan development journey - page 28

17. Key initiatives include:
 - 17.1. Constructing a 100+ hectare treatment wetland at Lagoon Farm to intercept and filter

stormwater from urban catchments, such as the Pūrimu, before it reaches the estuary. The wetlands have been sized to accommodate all of Napier's urban stormwater being discharged into Te Whanga excluding Taipo (low flow) and Pandora. Scope to include peak event flow from Taipo requires further analysis as part of detailed design to ensure maximised flood protection for parts of Taradale.

- 17.2. Undertaking large-scale revegetation with native forest, shrubland, and wetland ecosystems to support future mahinga kai (traditional food gathering) practices.
 - 17.3. Embedding cultural values, histories, and stories throughout the park.
 - 17.4. Developing recreational pathways and park facilities that align with low-impact, nature-compatible use.
 - 17.5. Exploring partnerships for the development of public amenities and complementary commercial facilities.
18. The risk of bird strike is currently being assessed and mitigation measures are being developed as part of the bird strike risk assessment and development of a Wildlife Monitoring and Maintenance Plan. A fundamental objective of this work is to avoid any increase in risk and ideally will reduce overall risk of bird strike to HBAL directly related to the site and masterplan.

Masterplan staging

19. Following public feedback, the ARP-JC reviewed all proposed initiatives within the masterplan. The Committee was conscious of the need to ensure that the plan remained fiscally responsible and deliverable. The review centred on identifying only the essential projects that align with the core objectives of the park specifically improving stormwater quality, restoring ecological and cultural values, and providing accessible public space.
20. The ARP-JC consolidated the masterplan to prioritise essential projects, deferred lower-priority projects for future consideration, and identified opportunities for external funding or public-private partnerships labelling these clearly as currently on-funded.
21. The outcome of this effort has resulted in three distinct phases:
 - 21.1. Stage 1: Core Regional Park Programmes (page 38) - to be implemented over the next 10 years
 - 21.2. Stage 2: Regional Park Programmes (page 39) - projects build upon core initiatives, staged for years 6-20
 - 21.3. Stage 3: Non-funded Potential Future Partnership Opportunities (page 40) – aspirational projects intended to come online from year 8 onward as external funding or delivery partnerships emerge.
22. The timing and configuration of individual projects may evolve over time, provided they remain largely consistent with the original intent and vision of the masterplan.

Next steps

23. The project team will prepare an information pack for partner councils and Mana Ahuriri Trust ahead of the next Long Term Plan development cycle. This pack will include a detailed phasing plan, indicative budget for each initiative, and a draft procurement plan to providing greater certainty on the timing, resourcing, and sequencing of works within each stage of the masterplan. It is anticipated that the pack will be completed by April 2026, enabling informed consideration of project implementation as part of each organisation's Long Term Plan development.
24. The ARP-JC has recommended that partner councils and Mana Ahuriri Trust:
 - 24.1. Adopt the Ahuriri Regional Park Masterplan
 - 24.2. Note the inclusion of a phasing framework and cost planning work underway

- 24.3. Maintain high-level funding placeholders in each organisation's Long Term Plan budgets.
25. While there has been a level of positive reaction to the draft masterplan and process, staff recommend that the decision to adopt the masterplan be brought back to Council when detailed design has reached 75%, once the project has been fully costed so that Council understands its financial commitment and budget allocated accordingly in the LTP.

Key issues

Bird strike

26. The proximity of Hawke's Bay Airport has been recognised from the outset as the primary risk to the success of the ARP project. Engagement with Hawke's Bay Airport Limited (HBAL) has included a series of meetings with both the Board, senior leadership and staff, involving ARP-JC members and officers. HBAL staff have been embedded in the TAG, and more recently, HBAL's Chief Executive has joined the ARP-JC in a non-voting capacity to assist with alignment and oversight.
27. The project has engaged an avifauna specialist to assess potential bird strike risk and provide design recommendations, which have been incorporated into the masterplan. A formal Bird Strike Risk Assessment has also been commissioned. The scope of this assessment was developed in collaboration with HBAL and is expected to be completed by the end of the 2025 calendar year.

Value management

28. As with any large-scale infrastructure or environmental project, managing cost escalation presents an ongoing challenge. To address this, a dedicated funding investigation is underway to explore alternative funding mechanisms beyond traditional local government sources. This includes identifying opportunities for central government investment, public-private partnerships, and philanthropic or environmental grant funding to reduce the burden on ratepayers.

Naming of the project / space

29. The term *Ahuriri Regional Park* has been used throughout the development of the masterplan as a working title. From the outset, the project team acknowledged that this name is provisional, pending a more appropriate and culturally grounded identity for the space. Through public feedback and stakeholder engagement, it has become increasingly clear that the term "Regional Park" can unintentionally signal an assumption that HBRC will be managing and maintaining the park at least in the minds of the public. It also potentially suggests a recreational or leisure-focused purpose, where people come to "stay and play" for extended periods (more than a day) which does not reflect the vision or function of the space.
30. To address this, the project team has initiated a naming process in collaboration with Te Waka Rangapū, under the guidance of co-partner Mana Ahuriri Trust. Any proposed name will return to the ARP-JC for endorsement prior to formal consideration by partner councils.

Managing perception of Masterplan adoption

31. It is important to clearly communicate that adopting the Ahuriri Regional Park Masterplan does not represent a commitment to immediate construction. Rather, the masterplan provides a high-level strategic spatial framework that outlines a long-term vision and identifies a suite of potential projects for further development dependent on future funding support or models.
32. Consideration and potential endorsement of the masterplan is a strategic milestone that enables further investigation and refinement of individual initiatives, including concept and detailed design, business case development, procurement planning, and staged implementation; some of these initiatives may span multiple decades or generations. The purpose of adopting the masterplan is to signal Council's support for the vision and direction of the project, not to approve or commit construction funding, aside from ongoing consultation, at

this stage.

Options Assessment

33. Four decision options are viable; receive the masterplan (preferred option), do not adopt the masterplan, adopt the masterplan or adopt the masterplan with recommended amendments. Table 1 below outlines these options.

Option	Comment	
	Benefits	Disadvantages
1. Receive and consider the masterplan (preferred)	<ul style="list-style-type: none"> ☑ Enables clear direction for staged investment in stormwater quality improvement infrastructure, supporting Council’s ability to meet statutory obligations under the urban stormwater discharge consent. ☑ Aligns strongly with strategic outcomes, including water quality, biodiversity, and climate resilience. ☑ Low immediate financial impact, with future funding already identified in the LTP (from 2032). ☑ Masterplan recommended to be delivered in stages commencing with development of stormwater treatment fields with future stages progressed as funds are secured in LTPs. 	
2. Do not adopt the masterplan	<ul style="list-style-type: none"> ☑ No immediate financial commitment or staff resourcing beyond current operations. ☑ Avoids raising public expectations of delivery. ☑ Potential to defer delivery and objective attainment. 	<ul style="list-style-type: none"> ☑ Misses the opportunity to deliver integrated stormwater quality improvements and broader ecological, cultural, and recreational benefits. ☑ Delayed progression to achieving the regulatory conditions of the shared stormwater discharge consent.
3. Adopt the masterplan	<ul style="list-style-type: none"> ☑ Enables clear direction for staged investment in stormwater quality improvement infrastructure, supporting Council’s ability to meet statutory obligations under the urban stormwater discharge consent. ☑ Aligns strongly with strategic outcomes, including water quality, biodiversity, and climate resilience. 	<ul style="list-style-type: none"> ☑ Commits to a programme of work based on conceptual information only. ☑ Commits Council to significant financial expenditure prior to the LTP without the context of other critical projects and their financial requirements. ☑ Removes the flexibility of approach provided by option 1.

Option	Comment	
	Benefits	Disadvantages
4. Adopt the masterplan with recommended amendments	<ul style="list-style-type: none"> ☐ Allows non-committee elected members to directly influence or reprioritise based on current financial conditions or emerging issues. 	<ul style="list-style-type: none"> ☐ Potential to introduces delays, increasing costs and could impact partner relationships. ☐ Risks misalignment with earlier engagement and co-governance processes, potentially requiring re-engagement. ☐ Could delay progress on key statutory outcomes such as water quality improvements. ☐ Minimal financial impact in the short term; however, re-scoping may require additional staff time and funding to revise plans or reconsult.

Table 1: Decision Options

Strategic fit

34. The masterplan aligns with improved water quality and biodiversity outcomes. The masterplan provides much needed scope to improve Napier urban stormwater quality where possible before it is discharged into the sensitive receiving environment of Te Whanga.

Significance and Engagement Policy assessment

35. The masterplan is considered moderately significant and requires a collaborative approach under HBRC's Significance and Engagement Policy. Its implications for the region's environmental health, mana whenua partnership, and stormwater management mean that the project has followed an engagement level of 'Involve–Collaborate', reflecting both public interest and strategic value.
36. The development of the masterplan followed an engagement plan (**Attachment 2**) formally endorsed by the ARP-JC. The engagement plan identified key interest groups likely to have a strong connection to, or be directly affected by, the future park.

Climate change considerations

37. The masterplan supports climate resilience by promoting both native wetlands and infrastructural based wetlands alongside enhancing the existing native ecosystems within and adjoining Te Whanga. The 100+ hectare treatment wetland at Lagoon Farm acts as ecological infrastructure supporting the urban drainage network and providing ecological buffers in a changing climate. Native revegetation and wetland restoration also improve biodiversity, contributing to cooler and more resilient landscapes.

Considerations of tangata whenua

38. Mana Ahuriri Trust representatives are on the Joint Committee and have been consulted and engaged with from the beginning of this process.
39. As project partners, design hui wananga were held with Mana Ahuriri Trustees in the development of the draft masterplan. This has been outlined above in development process.
40. HBRC's Māori Partnerships team are also aware and assisting with this process where needed.
41. Tangata whenua will continue to be integral to the success of the masterplan from this visioning masterplan exercise through to implementation and monitoring thereafter. Ongoing engagement with tangata whenua is a core pillar to the success of this project.

Financial and resource implications

42. There are no additional financial implications for Hawke's Bay Regional Council resulting from receiving the masterplan.
43. The masterplan has been developed within the existing budget allocation, jointly funded by Hawke's Bay Regional Council and Napier City Council. The current Napier City Council 2024–2027 Three Year Plan allocated \$280,000 annually. This budget incorporates the Hawke's Bay Regional Council contribution of \$80,000 annually for three years. Capital funding of \$9 million was originally allocated by HBRC, however this was deferred due to Cyclone Gabrielle related funding pressures. Capital funding allocation to support implementation of the masterplan will be reassessed as part of the 2027 LTP.
44. Napier City Council's Long Term Plan includes funding allocation of \$13.2 million from 2028. These core initiatives (outlined on page 38 of the masterplan) will be developed to project-level detail prior to the next LTP funding cycle, with the intention of seeking formal adoption of detailed budgets in 2027.

Consultation

45. Statutory consultation has not been required at this stage, as adoption of the masterplan in future does not trigger any formal consultation obligations under the Local Government Act or Resource Management Act. However, early and proactive community engagement has been undertaken and is summarised in the Significance and Engagement section of this report.

Decision-making considerations

46. 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:
 - 46.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 46.2. The use of the special consultative procedure is not prescribed by legislation.
 - 46.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the Ahuriri Regional Park Masterplan report and recommendations from the Ahuriri Regional Park Joint Committee (Identified in table 1 as Option 1: preferred)
2. That a report be brought to Council to consider funding provisions to support the first stage of implementation ahead of the 2027 LTP.
3. 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.

Authored by:



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Regional Park Planner

Jon Kingsford
Manager Regional Projects

Approved by:

Chris Dolley
Group Manager Asset Management

Attachment/s

- | | | | |
|--|--|----------------------|---------------------------------------|
| 1  | Draft Ahuriri Regional Park Masterplan June 2025 | Under Separate Cover | Available online only |
| 2  | Ahuriri Regional Park Masterplan Engagement Plan | Under Separate Cover | Available online only |

Subject: Action plan for Water Security

Reason for report

1. The report responds to the Council request at the 30 July 2025 Council Meeting that the Chief Executive prepare a time-bound action plan for prioritising and implementing water supply and demand initiatives, alongside water storage, for Council consideration at the 27 August 2025 meeting.
2. This item discusses water security interventions and controls that have been initiated because of the Regional Water Assessment. It also summarise potential actions and activities that contribute to improving water security, drawing on the principles of the Regional Water Assessment (RWA).
3. Council participated in a public workshop on Monday 18 August 2025 that considered a range of water security options, including potential research options for evaluation and prioritisation. Feedback and direction from Council at this workshop is the foundation of this paper for consideration.

Staff recommendations

4. Staff recommend that the Council notes the interventions available for immediate implementation in this Action Plan, and that cost benefit of some interventions have not been fully evaluated. Additionally, there are existing operational programmes and projects that contribute to Water Security.

Executive summary

5. Water security focuses on the supply of, and demands on, the region's freshwater resource. The Regional Water Security Project is aligned with and forms a part of Council's much larger and wider functions in respect to freshwater policy.
6. Hawke's Bay faces a future of more extreme climate variability. Climate projections for the East Coast of the North Island predict overall drier conditions with "less rainfall over the year, and droughts more likely", along with decreasing river flows in spring and summer.
7. The Regional Water Assessment (RWA) project was jointly funded by Hawke's Bay Regional Council and Kānoa – Regional Economic Development and Investment Unit. The report focused on water use at the time and into the future, the impact of climate change on water supply, and options for reducing demand and increasing supply.
8. Water security is one of Council's strategic priorities, and there are several work programmes across council – including demand, regulation, water information services, engagement and support of water user groups, water use efficiency and conservation, managed aquifer recharge and nature-based solutions.
9. The RWA (2023) made clear that Hawke's Bay faces a material water shortfall of approximately 25 million m³ per annum by 2040, widening to 33 million m³ by 2060. Crucially, this projection assumes incremental improvements in water use efficiency across all sectors. The RWA deliberately adopted an environmental water accounting framework so that Council can evaluate and prioritise the most effective and efficient water security interventions.
10. Previous water security intervention reports were submitted to Council on 25 June 2025 – *Potential Options for Regional Water Security*, and a subsequent paper on 30 July 2025 – *Prioritisation of Strategic Interventions for Water Security*. Both papers drew on the Regional Water Assessment presented to Council in 2023, with additional emerging water security

interventions presented.

11. This report offers a refreshed summary of implementable water security interventions, with high level actions and timing. A concept budget has been prepared to support early phase initiation. Water Security interventions prioritised in this paper are:
 - 11.1. Lincoln Agritech Braided Rivers – Ngaruroro Riverbed Restoration to Enhance Natural Recharge
 - 11.2. Municipal Water Security – reducing water loss in urban networks/recycling/reuse
 - 11.3. Industrial Water Security – recycling food grade wastewater, water efficiency
 - 11.4. Central Hawke’s Bay Managed Aquifer Recharge – evaluating intake design and consenting
 - 11.5. Nature Based Solutions – Room for Rivers – mitigating flood impacts while enhancing biodiversity and ecosystem health
 - 11.6. Water Storage – Whanawhana E2, and Te Tua – withholding water in high flow events to release at later dates during low flow/high demand
 - 11.7. Regulatory / Policy – serving as a regulatory backbone to encourage efficient water use
 - 11.8. Water Use Efficiency and Education – improving irrigation practices and appropriate use of available resources to improve irrigation and water use practices
 - 11.9. Science – continuing to understand the regions water availability, changes in recharge and discharge levels, and the development of water use reporting tools to understand effectiveness of efficiency interventions/impact of demand.
 - 11.10. Land Use Intervention – Understanding the impact of new innovation on land use and their impact on water demand, and different practices that improve soil moisture withholding capacity.

Interventions prioritised for consideration

Lincoln Agritech Braided Rivers

12. Council has recently had an opportunity to receive and review emerging science on braided rivers to enhance water security. Lincoln Agritech’s 2024 research on braided river systems (which included the Ngaruroro River as a case study) provides new insight into how such rivers recharge groundwater. The study introduced a ‘braid plain aquifer’ concept – essentially, the active gravel braid plain of a river acts as a shallow storage reservoir, distinct from but connected to the regional aquifer. In braided reaches, water exchanges occur at multiple scales: near-surface flow between river channels and the braid plain gravels, and deeper flow from those gravels down into the regional aquifer. The implication is that braided rivers can provide substantial aquifer recharge given the right conditions.
13. Lincoln Agritech have proposed a research project to HBRC – ‘Restoring Ngaruroro Recharge Function’ The Kaupapa of this project is based on and understanding that over 80% of the recharge to the Heretaunga Plains aquifer comes from a ~5km reach of the Ngaruroro River between Roy’s Hill and Fernhill, known as the ‘major recharge reach’.
14. This project will improve an existing model of the recharge reach to investigate the benefits of raising and widening different sections of the river. The impact of changes to the riverbed will be monitored and the model improved to enable HBRC operational management of groundwater storage recharge, and any potential reduction in river flow.
15. Preliminary modelling indicates that restoring the riverbed back to 1970s elevations, would raise water levels at Substation by ~1.2m. Volumetric assessment has not been provided, and this would form part of the project discovery.

16. In terms of recharge rate, this is equivalent to on average ~700 l/s of additional recharge. But it's the recovery of aquifer **storage** that is the key element of success of the project. Critical success factor of this project will be its ability to balance - *groundwater level, flow, and flood protection*. To achieve this balance the project seeks to characterise the exchange process well.
17. The Lincoln Agritech Braided Rivers project has two stages – Decision Support with a timeline of 12 to 18 months to complete, to customise the model, address any uncertainties, and run the various scenarios. The second component is Implementation, with a timeline of 18 months to 5 years. This would monitor effects and develop an operational understanding.
18. The two stages are quoted at a total project cost of \$950,000 (Decision Support \$580,000, and Implementation \$370,000). Lincoln Agritech have proposed a funding application process through the MPI Primary Growth Sustainable Futures fund, where MPI are able to support up to 40% of total project costs.
19. The proposal contemplates a combination of cash and in-kind contribution from HBRC and Industry, being \$94,000 in-kind from HBRC and a further cash contribution of \$476,000 from HBRC and industry. These figures are indicative only at this stage, as Lincoln Agritech have proposed a workshop in September/October to refine the in-kind/cash contribution and allocation. For HBRC the in-kind is 'additionality' and will need to be treated in the same context as 'cash' given it will translate to increase in resource demand.

Municipal Water Security

20. The RWA Mid-range scenario assumes a decrease in household water use of approximately 0.6% per annum – i.e. 12% savings by 2040 and 24% savings by 2060.
21. Partnering with municipal water providers to reduce water loss in town supply networks and promote wise use. Urban supply accounts for ~19% of the region's water use and is subject to high infrastructure losses. Studies have found 20–30% of municipal water is suspected to be lost to leakage in ageing pipe networks. Tackling this requires investment in pipe renewals and active leak detection – work which the TAs are planning at various levels.
22. In advance of municipal water providers activating the 'Local Waters done Well' approach and establishing their collective Council Controlled Organisation (CCO), there is an opportunity for high level 'governor to governor' engagement on how best Regional Council can support local initiatives to promote and grow initiatives that result in improved municipal water efficiency.
23. There is strong evidence that suggests a focus on leak detection, consideration of implementing water metering will actively drive water use efficiency. Additional benefits of improved water use efficiency is the ability to defer major infrastructure builds through a lessening or slowing down growth in demand.

Industrial Water Security

24. Manufacturing and processing accounts for ~13% of the region's water use.
25. Engaging with major industrial water users – particularly food and beverage processors on the Heretaunga Plains – to reuse water and share non-potable supplies. There is potential to repurpose 'waste' water from industry for productive use. For example, two of the region's large vegetable processors use about 6 million m³ per year of water, which after processing is still relatively clean (food-grade additives only).
26. Currently that water is discharged to waste at considerable cost, but if even a portion was captured, treated, and stored, it could irrigate several hundred hectares. The volume gains here, while not as high as irrigation, are material.
27. Although some of the efficiency opportunities may be initiated through the 'Local Waters done Well' policy implementation, there is an opportunity for a 'governors to principal' conversation with significant commercial water users to understand the nature of the challenges they face in implementing resource efficiency/savings in their manufacturing processes.

Central Hawke's Bay Managed Aquifer Recharge

28. The CHB MAR pilot project is a key initiative under the Council's Regional Water Security Programme, co-funded with Kānoa (MBIE). The project was designed to test the effectiveness of managed aquifer recharge (MAR) as an alternative to large-scale water storage.
29. The PGF Funding Agreement (administered by MBIE, Kanoa team) and water storage principles excluded the development of large-scale water storage infrastructure and specifically detailed the exclusion of the RWSS Makaroro site.
30. In September 2023, the project obtained 10-year resource consents for the trial and began detailed site investigations. However, technical challenges at the intake site disrupted the investigation work plan. Work on this project recently recommenced.
31. Funding – committed through the 24/25 → 26/27 LTP financial years is:
 - 31.1. Kānoa has committed \$1.45M in suspensory loan financing
 - 31.2. HBRC committed \$2,375,377 of loan funding. This is to be repaid over a 5-year term period at a cost of ~\$320K interest.
32. Year to date, the project has incurred \$211,742 in costs prior to the previously agreed pause in activities. Activities are now continuing through to the stage of consenting as part of the review process.
33. Council directed officers to continue the project based on being able to achieve consenting for a redesign intake methodology, to update Central Hawke's Bay District Council on progress and current state, and to communicate with impacted landowners to ensure awareness and ongoing support.

Nature Based Solution – Room for Rivers

34. Council has also been involved in an MfE funded programme of work – Nature Based Solutions. In August 2023, MfE allocated \$5 million through the Jobs for Nature programme to 15 regional councils and unitary authorities. This funding supports 21 two-year projects focused on investigating nature-based solutions for river and coastal flood risks.
35. These nature-based approaches aim to mitigate the increasing frequency of flooding due to heavy rainfall events, while also enhancing biodiversity and ecosystem health.
36. In July 2023 HBRC was awarded funds from MfE for two areas – the Heretaunga Plains, and the Upper Tukituki catchment. The funding is to investigate *how nature-based solutions may change the run-off coefficients at appropriate scales and the impact of this on peak flows and flood potential, as well as contributing towards landscape water retention in dry periods.*
37. The project was undertaken between October 2024 and June 2025 with a recent series of Wananga to test the initial findings. WSP has completed modelling and is sharing their findings. The outcome of this work will be integrated into future scheme reviews and flood management planning, be considered as part of a business case development, and ensure nature-based solutions are considered alongside other options.
38. Nature-based solutions are actions to protect, conserve, restore, sustainably use, and manage natural or modified terrestrial, freshwater, coastal and marine ecosystems, which address social, economic and environmental challenges effectively and adaptively, while simultaneously providing human well-being, ecosystem services and resilience and biodiversity benefits. For flood resilience, nature-based solutions could include restoring wetlands and coastal ecosystems, restoring and planting native forests in upper catchments and riparian planting.
39. The Nature-based solutions project outcomes will be an input into the Reimagining Flood Resilience Project for the two major flood protection schemes in Hawke's Bay, the Upper Tukituki and the Heretaunga Plains flood control schemes. Discussions with stakeholder reference groups will include topics such as how engineering solutions can work alongside

nature to provide improved flood resilience, including making room for the river.

Water Storage – Whanawhana E2/Te Tua

40. In January 2025, HBRC re-affirmed its commitment to water storage development as a key initiative for water security in Heretaunga. During this meeting, HBRC:
 - 40.1. Confirmed the 27mm³ E2 Whanawhana site as the preferred option and directed staff to re-engage a project team to progress the project under a staged feasibility phase
 - 40.2. Approved a budget of \$3.2 million to support the feasibility assessment, using funds from the existing Long Term Plan budget and Kānoa funding agreements.
41. Since the January decisions, in March 2025 HBRC has publicly committed to the feasibility assessment of the project and clearly and consistently communicated its intention to transition governance from HBRC to a community model that represents water users.
42. In July Council confirmed its commitment and directed project staff to plan, design and make the arrangements to transfer project governance and delivery from HBRC to a new delivery vehicle to be governed by water users (irrigators and industrial), iwi mana whenua, and municipal water users (Napier and Hastings councils).
43. Additionally, Council have agreed in principle to enter into a funding agreement, subject to appropriate due diligence, clear deliverables and criteria with the proposed Heretaunga Water Storage Project delivery vehicle for funding to complete project feasibility.
44. **Te Tua Water Storage** - Associated with and within scope of the Heretaunga Water Storage Project is the ability to consider aligning existing infrastructure and networks that have been developed as part of the Te Tua Water Storage facility. Storage and distribution using existing Te Tua site infrastructure remains within scope of the Heretaunga Water Storage project to move water around the catchment to support key lowland streams and enable water users to offset their groundwater pumping impact during the dryer periods.
45. This could be a staged component to Heretaunga Water Storage providing alternate distribution to key lowland streams or be considered independently. NB: this work is not costed/budgeted.

Regulatory – Policy & Regulation

46. **Plan Change 9 (TANK)** aims to introduce tighter allocation limits, minimum flows, and efficiency requirements aimed at reducing over-abstraction. Notably, it classifies the Heretaunga aquifer as over-allocated and sets a groundwater cap of 90m³/year with no new water permits to be granted. These regulatory “sticks” if implemented will eventually force demand down. The TANK Plan Change introduces both regulatory and non-regulatory improvements to water security: sometimes directly, in terms of allocation policy and streamflow maintenance policy; sometimes indirectly – such as embedded assumptions within the ‘actual and reasonable’ allocation framework that good irrigation technology and soil moisture management reflect the continuous improvements in water use savings and efficiency.
47. However, TANK remains under appeal in the Environment Court as of mid-2025. This ongoing legal process creates uncertainty – the final rules may not be operative for some time, and aspects could change. Therefore, Council cannot rely on the TANK plan alone to deliver the necessary water savings in the immediate future. While the TANK rules (once settled) will be a crucial part of the long-term solution – essentially serving as the regulatory backbone for efficient water use – they are not a panacea for the current deficit. Non-regulatory actions taken now (through the DMW) can start achieving savings and building resilience now.
48. This approach aligns with the RWA’s advice to be “robust to alternative futures” – if, for instance, TANK outcomes are delayed or climate impacts outpace regulatory measures, Council will have other measures already in play.

Water Use Efficiency & Education

49. The **Water Information Services (WIS)**, within HBRC, contributes to supporting water efficiency across the region by ensuring the integrity, availability, and usability of water use data. This includes overseeing telemetry and water meter data, working with consent holders to ensure the required infrastructure is in place, and that accurate readings are being provided and understood.
50. The data management team provides advice and guidance to help users meet their responsibilities and refers cases to Compliance when necessary. WIS maintains the integrity of the data and records within council systems, enabling timely, reliable information for monitoring water use. This information is also increasingly used by the Science team as an input for further analysis or modelling.
51. A specialist **Water Advisor** – works with water user groups to promote both irrigation water use efficiency and training opportunities to improve practices. As an internal resource of 0.4 FTE equivalent, the primary focus of this position is to work directly with irrigator groups, and community groups involved in irrigation. This is a ‘one to some/one to many’ delivery model due to the resource constraints and inconsistent demand profile.
52. Last year, an education programme He Tonga te Wai was developed for school students to understand Hawke’s Bay’s water resources. It explores how everyone plays a role in caring for water in the environment and responsible water use. The programme delivered through the HBRC schools programme and linked into Enviro Schools, included instructional video production and ‘delivery ready’ tools for education purposes.
53. During the 2024-25 irrigation season a series of extension events were held alongside Irrigation NZ (Irrigation sector representative body) to promote irrigation efficiency. These were primarily targeted at water users but also included working with internal HBRC staff to help them better understand how more efficient water use can be achieved as a region.
54. The workshops were delivered through irrigator groups, and through Catchment Groups, such as Tukituki Land Care.
55. The Water Advisor role has recently been repositioned (structurally, within the organisation) to work alongside the Water Information Services team, within Data Management, to better connect users seeking to understand their current demand and consumption profiles, which then creates a more direct conversation to efficiency conversation.
56. Of note in this work, is the variability in demand for guidance and advice. Two of the last four seasons, irrigators have not ‘turned their irrigators on’ due to favourable (moisture availability) seasonal conditions. When seasonal conditions are favourable for growers and they don’t need the direct efficiency guidance and advice, the focus of the Advisor shifts to education and awareness campaigns.
57. Additionally, this role has also been pivotal in the development and ongoing support of the Horticultural Sector Group (separate to the Horticultural Advisory Group, established by growers in the immediate aftermath of 2023 weather events). The Pan Sector Hort Group was primarily established to create an open interaction between growers and landowners in the Hort sector and our emerging Policy requirements. At its foundation it coordinated regulatory and non-regulatory policy implementation engagement.

Science

58. A key function of science contribution to Water Security is the need for a need to continue to understand the regional water availability, changes in recharge and discharge levels, and the development of water use reporting tools to understand effectiveness of efficiency interventions/impact of demand.
59. In recent years, the demands of the regulatory framework has required increasing specificity in groundwater modelling to apply a more accurate interpretation of how policy is developed. This

- has resulted in more up to date ground water models for Heretaunga, and soon, Ruataniwha.
60. Current monitoring of river-groundwater fluxes along critical recharge sections is sparse and infrequent, creating significant uncertainty in our understanding of these vital water exchange processes. This is important to understand given that modelling demonstrates increased groundwater abstraction has intensified stream depletion, with the Ngaruroro River experiencing up to 46% flow loss during dry periods.
 61. Model results indicate depletion from the Ngaruroro increases from approximately 400 L/s in winter to over 900 L/s by summer's end at Fernhill. Regular monitoring data would enhance model calibration and strengthen the evidence base for decision-making on allocation limits.
 62. HBRC requires a strong science presence to deliver robust information in support of future investment decisions. This will also help prioritise investment and water security interventions to ensure Council is considering the most beneficial projects that will benefit needs.

Land Use Interventions

63. Regenerative agriculture and soil conservation studies have shown water savings between 20-60% is possible due to less evaporative demand, improved infiltration and reduced runoff.
64. When estimating the potential savings in land use changes for earlier papers, a conservative water saving of 20% was used to estimate a 6.8 GL saving across the plains this was halved to 3.4 GL assuming a 50% implementation rate across farms.
65. For this to be realised, interventions will need to be tailored to land use and farming infrastructure / capability (cropping, orchards, dairy etc.). A key impediment for water savings/security in land use types where product values are marginal to warrant additional production investment, adoption of practices that require investment, remain marginal
66. The primary opportunity for water security advancement in land use interventions is when the practice is developed a part of the system. i.e., the benefit is largely a co-benefit to the primary intervention.
67. Recent trials at LandWISE micro-farm, funded by the Hawke's Bay Future Farm Trust, was focused on carbon sequestration, through changed production methodology and applying Regen principles to production. A co-benefit of this was reduced moisture demand using different production methodology.

Financials

Activity	Proposed Expenditure	Comment
Appoint Water Security Project Manager	☐ \$150K	Includes overheads and resourcing
Explore co-funding options for HBRC support to Ngaruroro Riverbed Restoration to enhance natural recharge project – Lincoln Agritech	☐ \$94K (in-kind) ☐ \$476K (co-funding) ☐ \$275K (2 x Groundwater Techs) ☐ \$75K (peer review Agritech proposal)	In-kind may need to be identified as a cash gap within HBRC, due to capacity Assumes HBRC co-funds with MPI but may be reduced by industry support from irrigators. Lincoln Agritech assumes Hydro Tech support that HBRC does not have capacity for.
Contingency	☐ \$100K	Research proposals to support municipal and industrial water efficiency proposals
Total	\$1,170,000	Estimated range

Next Steps - Implementing an Action Plan

68. A Water Security Action Plan implementation table is attached (**Attachment 1**)
69. The Water Security Action Plan is implemented, with initial priority being to initiate the project proposed by Lincoln Agritech Braided Rivers – Ngaruroro Riverbed Restoration to Enhance Natural Recharge.
70. Councilors (HBRC) initiate engagement with Territorial Local Authority governors, ahead of Local Waters done Well, to identify water security options available through Municipal and Industrial efficiency interventions.
71. Continuation of existing actions (current operations) that contribute to water security – CHB MAR project, Nature Based Solutions, Regulatory, Water Use Efficiency and Education, Science and existing support for Land Use Interventions, primarily through LandWISE/investment in Hawke's Bay Future Farming Trust and the emerging activities relating to Land for Life.

Decision-making considerations

72. 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:
 - 72.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan
 - 72.2. The use of the special consultative procedure is not prescribed by legislation
 - 72.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy
 - 72.4. There are no persons directly affected by this decision
 - 72.5. 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 or others having an interest in the decision.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Action plan for Water Security* 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. Endorses the Water Security Action Plan.

Authored by:


Richard Wakelin
Group Manager Integrated Catchment
Management

Kelly Burkett
HCE Project & Workshop Support Coordinator

Approved by:

Richard Wakelin
Group Manager Integrated Catchment
Management

Attachment/s

1  Water Security Action Plan Development Under Separate Cover *Available online only*

Subject: Biosecurity Annual Report 2024-25 and Operational Plan 2025-26

Reason for report

1. This item presents the Hawke's Bay Regional Council's Biosecurity Annual Report 2024-25 for information, and Operational Plan 2025-26 for Council's adoption.

Staff recommendation

2. Staff recommend that the Council receives and notes the 2024-25 Annual Report and adopts the 2025-26 Operational Plan as proposed.

Executive summary

3. Pest management is an important part of the sustainable management of natural resources in Hawke's Bay. The Hawke's Bay Regional Council (Council or HBRC) manages risks posed by pests and other organisms through its Biosecurity programme. The Hawke's Bay Regional Pest Management Plan (RPMP) 2018-2038 is the core document behind this and establishes the regulatory basis for pest management in Hawke's Bay. The RPMP was made operative in February 2019.
4. As the management agency, Council is directed by the Biosecurity Act 1993 (the Act) to prepare an Annual Operational Plan (AOP) that sets out how the RPMP is to be implemented. Following the end of each financial year, Council is required to produce an Annual Report (AR), recording progress in implementation of the RPMP via the Operational Plan.

Background

5. Regional councils have a mandate under Part 2 of the Act to provide regional leadership in activities that prevent, reduce, or eliminate adverse effects from harmful organisms that are present in their region. Therefore, HBRC has this leadership role in the Hawke's Bay region.
6. The purpose of the RPMP is to provide for the efficient and effective management or eradication of specified harmful organisms in the Hawke's Bay region. It builds on the 2013 Strategy and previous pest management programmes. The purpose of the plan is to:
 - 6.1. minimise the actual or potential adverse or unintended effects associated with those organisms, and
 - 6.2. maximise the effectiveness of individual actions in managing pests through a regionally coordinated approach.
7. Many organisms in the Hawke's Bay region are considered undesirable or a nuisance. The RPMP only addresses pests where voluntary action is insufficient, due to the nature of the pest or the related costs and benefits of individual action or inaction. The Act specifies criteria that must be met to justify such intervention.
8. The RPMP empowers Council to exercise the relevant advisory, service delivery, regulatory and funding provisions available under the Act to deliver the specific objectives identified within the Plan.

Discussion

9. The RPMP contains 63 pests, comprising of 33 pest plants, 23 pest animals, two marine pests and five horticultural pests.
10. Some of the key outputs during the 2024-2025 financial year were:

- 10.1. The Biosecurity team visited 2560 properties undertaking weed control or auditing, an increase on the previous year of 27 percent.
- 10.2. Staff undertook the second tranche of 10 yearly Californian green thistle beetle monitoring in conjunction with Landcare Research, with all monitored sites nationwide having the beetle present.
- 10.3. Two aerial control operations were undertaken to control Alligator weed at Lake Whatumā. We estimate a reduction in biomass of about 70 percent in comparison to two years ago when it was discovered. Due to its deep root system, some plants will survive chemical control and will regrow over the spring/summer period. Surveillance of the Mangatarata stream was also undertaken with a specialist Alligator weed detection dog and handler with no weed observed in this activity.
- 10.4. The marine biosecurity surveillance programme detected two marine pest incursions. Both were Mediterranean fanworm and both were successfully treated.
- 10.5. No Notices of Direction were issued.
- 10.6. 20 plant sale outlets were inspected this year.
- 10.7. 18,494 hectares were surveyed and controlled for wilding conifers in the Rangitaiki and Napier/Taihape Road areas.
- 10.8. A total of 273 active rook nests were treated.
- 10.9. A total of 728 feral goats were controlled within the Mahia and Maungaharuru feral goat coordinated management areas (CMA)
- 10.10. 23 enquiries on the management of problem rabbit populations were responded to.
- 10.11. Staff worked with 24 land occupier/community groups in managing site specific pests at sites of ecological importance.
- 10.12. Possum monitoring was undertaken across 188,587 ha (approximately 27% of the PCA area) with the overall trap catch across this area being 1.3%, well below the required 4%.
- 10.13. The AgResearch contracted Weed Seeds in River Gravel project was commissioned using the funding of a collective of regional councils including HBRC. The field component of this study was completed with results due in 12 months time.
11. Although almost all programme objectives were achieved, the following areas of concern were identified:
 - 11.1. 294 possum monitoring lines were above a 4% RTC, resulting in 52 properties failing their monitor (10 % of properties monitored). Staff followed up with these properties requiring possum control to be undertaken. Staff can and will initiate legal action if the initial education approach does not work.
 - 11.2. The rook surveillance programme required extra staff resourcing this year. As a result, the total number of active rook nests treated increased by 122 nests, with 12 new rookeries discovered. While this increase could possibly equate to the increased effort, finding new rookeries is still concerning.
 - 11.3. Senegal tea was discovered in May 2024 in the Karamu Stream and Te Awa O Mokotuāraro (Clive River). Meaningful control was not undertaken this financial year due to concerns raised by the Ruahapia Marae Reserve Trust regarding the use of herbicide over water. Staff have been engaging with the Trust to resolve this issue. Surveillance and control tool trials were still undertaken in the absence of a concerted control program. The addition of this pest plant to the staff work programme will add additional pressure during the peak season of spring/summer.
 - 11.4. The number of properties with pest plants (primarily Chilean needle grass) continues to grow, resulting in increased pressure on pest plant resourcing.

- 11.5. The Hawke's Bay Regional Council Regional Pest Management Plan 2018-2038 is approaching for review in the 2025/2026 financial year as required under the Biosecurity Act 1993. Owing to limited budgets, we will explore pragmatic and fiscally prudent options that fulfil the requirements of the Biosecurity Act.
- 11.6. Possum elimination on Māhia Peninsula as part of the Whakatipu Māhia project is in its final stages. Technical challenges posed by the Scenic Reserve, and external influences of covid, and successive weather events have delayed delivery of project milestones. The most recent Government budget announcement in May saw the dissolution of PF2050 Ltd, which has transitioned our milestone deliverables to DOC. We are working closely with DOC to support the final stages of the project, ensuring that necessary permits and resourcing are available to complete the project. We are working closely with two external funding partners in the hope of resourcing this project sufficiently to completion, leveraging the limited funding from HBRC and DOC.
- 11.7. The removal of funding of the Possum Bait and Rabbit Subsidy, Pest Research, Pest Annual General Advice, Pest Plant Incentive Scheme and Pest Management Strategies workstream budgets poses some challenge for the future. An example of this is the removal of the Pest Management Strategies budget which would have funded the Regional Pest Management Plan review.
- 11.8. Biosecurity staff are also working both internally and externally with key partners in preparing for the arrival of H5N1, a highly contagious strain of bird flu that is spreading globally. MPI is the lead agency and is currently monitoring the situation and providing guidance to councils on how best to prepare. Land occupiers are responsible for sick/dead birds on their land, therefore councils have a responsibility in protecting the public from this risk. This preparation is putting further strain on Biosecurity resources.

Strategic fit

12. Regional pest management sits within a biosecurity framework for the Hawke's Bay region, which includes the RPMP, the Hawke's Bay Biodiversity Strategy and the HBRC Strategic Plan. Neighbouring Regional Pest Management Plans and national legislation, policy and initiatives have also influenced Hawke's Bay's RPMP.
13. The activity that is reported in the Operational Report and Annual Plan support Council's healthy functioning biodiversity in its Strategic Plan and the strategic outcome that agricultural and environmental pests are managed and eradicated through the Regional Pest Management Plan.

Financial and resource implications

14. Council's Long Term Plan 2018 – 2028 provides the necessary funding, via rates and user charges, for the operational and planning activities associated with pest management. The 2025-2026 expenditure budgets are summarised within the 2025-2026 Operational Plan.

Decision making process

15. Council and its committees are required to make every decision in accordance with the requirements of the Local Government Act 2002. Staff have assessed the requirements in relation to this item and have concluded:
 - 15.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan
 - 15.2. The use of the special consultative procedure is not prescribed by legislation
 - 15.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy
 - 15.4. The persons affected by this decision are all persons in the region with an interest in the region's biosecurity activities and biodiversity outcomes

- 15.5. 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 or others having an interest in the decision.

Recommendations

That the Hawke's Bay Regional Council:

1. Receives and considers the *Biosecurity Annual Report 2024-25 and Operational Plan 2025-26* 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. Adopts the *Biosecurity Operational Plan 2025-26*.

Authored by:

Mark Mitchell
Principal Advisor Biosecurity Biodiversity

Matthew Short
Catchment Management Lead - Biosecurity

Approved by:

Richard Wakelin
Group Manager Integrated Catchment
Management

Attachment/s

1. HBRC Biosecurity Annual Report 1 JULY 2024 - 30 JUNE 2025. Supplementary Items - Under Separate Cover [Available online only](#)
2. 2025-2026 Combined Pest Plant and Pest Animal Operation Plan Supplementary Items - Under Separate Cover [Available online only](#)

Subject: Delegations for staff under the Fast Track Approvals Act

Reason for report

1. This item seeks delegations from the Council to specified staff so that they can efficiently engage in the process set out by Fast Track Approvals Act (2024) (FTAA) on behalf of the Council.

Staff recommendation(s)

2. That the specified delegations set out in **Attachment 1** are approved.

Executive summary

3. The Fast Track Approvals Act (FTAA) came into force in late December 2024. There are six listed projects in Hawke's Bay, and other applications are likely to seek to be referred.
4. While local authorities do not have a processing or decision-making role under the FTAA, they do have a role in the fast-track process. They are to be consulted on any substantive application prior to lodgement, are invited to provide comments on referral and substantive applications, and on draft conditions. Timeframes to provide input are short and prompt turnaround will be required.
5. Delegations to staff will enable them to efficiently engage in the process on behalf of the Council.
6. These delegations relate only to Council's role as the consent authority in the FTAA process. They do not provide for the roles that the council would have should it decide to apply for an approval under the FTAA.

Background /Discussion

7. The Fast Track Approvals Act (FTAA) came into force in late December 2024. The FTAA provides a bespoke process for a range of approvals, including RMA consents, for projects that are determined to have significant regional or national benefits.
8. Projects are either included in the FTAA as 'listed projects', included as Schedule 2 of that Act, or can be referred at a later stage for assessment against the FTAA criteria.
9. Once listed or referred, an applicant can lodge a substantive application which will then be considered and decided upon by an independent expert panel.
10. There are six projects listed in Hawke's Bay, and additional applications may seek referral. The EPA has recently determined that the substantive application for the listed project for residential development on Arataki Road in Havelock North is complete. It will now proceed through the FTAA process.

Fast track Approvals Act Process

11. The purpose of the FTAA is to facilitate the delivery of infrastructure and development projects with significant regional or national benefits. It creates a 'one-stop-shop' where approvals under various statutory regimes, including the RMA, can be sought at the same time in one process.
12. The Environmental Protection Agency (EPA) is the administrative agency for the FTAA, and substantive applications for approvals required for the relevant project are to be considered and decided on by an independent expert panel. The panel is appointed for each application by the panel convenor (or associate panel convenors). Local authorities do not process the applications or make decisions on them.

13. However, there are various opportunities for local authorities to input into the fast-track process, including on both applications to refer a project for fast-track, and on substantive applications once these are lodged.
14. The FTAA process is fast moving with very short timeframes provided for each stage. Due to the time pressures and the fact that the comments provided are largely technical or regulatory in nature (particularly in respect of substantive applications), it is appropriate that Council's involvement in the applications is delegated to a staff level.

Council's role in FTAA

15. While the Council will not have a processing or decision-making role under the FTAA, it will have a role in the fast-track process.
16. Council will be both a 'relevant local authority' and a 'consent authority' if an approval would apply in its region and the activity would otherwise require a resource consent under the Regional Plan. However, if the proposed activity only required territorial authority consents, Council would only be a 'relevant local authority'.
17. Council can engage in the FTAA process as the local or consent authority at various stages. Inputs that benefit from delegation include:
 - 17.1. providing comments on a referral, and a substantive application.
 - 17.2. consulting with the EPA on completeness of the substantive application.
 - 17.3. providing information to the decision-maker when requested.
 - 17.4. consulting with the decision-maker on certain matters.
 - 17.5. advising applicants whether certain existing resource consents apply to the project;
 - 17.6. being heard at any hearing on a substantive application, and provide evidence;
 - 17.7. providing comments on draft conditions.
 - 17.8. recovering the actual and reasonable costs incurred in consulting and providing assistance to a person prior to an application being lodged.
 - 17.9. nominating one person for appointment to the panel
 - 17.10. providing information or assistance to the panel when requested.
18. Delegations to staff are required to enable them to efficiently engage in the process on behalf of the Council.
19. Delegations to staff have not been sought for some decisions and would remain with the CEO (e.g. appealing to Courts beyond the High Court or land exchanges). This reflects the nature and significance of the decisions.

Options assessment

Relying on CEO delegation

20. In the absence of delegations to staff, the 'catch-all' delegation to the CE will apply. This means the CE will be responsible for exercising all responsibilities under the FTAA (noting that this would typically still be with council staff input).
21. We do not consider this to be an efficient or effective approach, in terms of both time and cost with respect to fast-track consenting.

Returning to Council for approval for each stage

22. This would involve seeking Council approval for input to the FTAA process as required for each application.

23. The expedited nature of the FTAA means timeframes to provide comments or information requested will be short (often 2-3 weeks at most).
24. With the projects needing to deliver regionally or nationally significant benefits, we expect application documents to be extensive and include various technical reports. These will need to be reviewed by Council officers and technical experts and considered before providing comments or further information to the EPA or panel.
25. Any further input will also be under constrained timeframes, given the expeditious nature of the fast-track process. Staff consider that effective delegation of functions, powers, and duties will therefore be essential if these timeframes are to be met, and that returning to Council for approval as comment or other information is required is not practicable.
26. An alternative is for Council to withhold certain delegations from staff, such as the nomination of panel members; however, due to the limited timeframes provided, this approach may not be practicable.

Strategic fit

27. Appropriate statutory delegations to Council officers enable the Council to efficiently undertake its core business delivering the roles and responsibilities required by law.

Significance and Engagement Policy assessment

28. The decision to delegate these functions and powers to staff has no direct implications for community engagement.

Climate change considerations

29. The decision to delegate these functions and powers to staff has no climate change implications. Climate change considerations may be relevant to the substantive exercise of the delegated powers and functions.

Considerations of tangata whenua

30. Tangata whenua will have an interest in the FTAA approvals process and its outcomes. There is opportunity for tangata whenua involvement in the FTAA process, including:
 - 30.1. Applicants must consult with relevant iwi authorities, hapū and Treaty settlement entities.
 - 30.2. When considering a referral application, the Minister for Infrastructure will invite comment from relevant iwi authorities, hapū and Treaty settlement entities and other relevant Māori groups.
 - 30.3. Expert panels must also invite comments on the application and draft conditions from relevant iwi authorities and Treaty settlement entities.
 - 30.4. The panel must include at least one member who has an understanding of te ao Māori and Māori development.

Financial and resource implications

31. There are no unbudgeted financial implications and actual and reasonable staff costs will be recovered as provided for by the FTAA and through the EPA.

Other considerations

32. Any approvals granted under the FTAA are treated as if the Council had granted them under the RMA. Council's existing delegations under the RMA relating to the administration, monitoring and enforcement of resource consents continue to apply and no changes to the RMA delegations are required.
33. The council will be asked by the EPA to nominate a panel member. This may be, but is not required to be, a sitting member. The panel conveyor will consider the nominations and must select one panel member that has been nominated by the relevant local authorities. The panel

conveyor decides on the panel member and will choose based on the skillset and experience they consider is required for the panel.

Decision-making considerations

34. Council and its committees are required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
 - 34.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 34.2. The use of the special consultative procedure is not prescribed by legislation.
 - 34.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 34.4. The persons affected by this decision are applicants under the FTAA and ratepayers of the Hawke's Bay Region.
 - 34.5. 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 or others having an interest in the decision.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Delegations for staff under the Fast Track Approvals Act* 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. Adopt the delegations to staff set out in **Delegations under Fast Track Approval Legislation**.


Authored by:

Paul Barrett
Manager Consents

Approved by:

Katrina Brunton
Group Manager Policy & Regulation

Attachment/s

1  Delegations under Fast Track Approval Legislation

Under Separate Cover [Available online only](#)

Subject: Napier-Hastings Future Development Strategy

Reason for report

1. The purpose of this report is to 'close the loop' on three slightly differing variants of the Napier Hastings Future Development Strategy (FDS) so that a singular FDS can be adopted by HBRC and the other two FDS Partner Councils (Hastings District Council and Napier City Council) that satisfies requirements of the National Policy Statement for Urban Development.
2. The report is not intended to revisit or redebate the Council's earlier resolutions. It is akin to a 'tidy-up' and alignment with similar resolutions in June/July made by Hastings District Council (HDC) and Napier City Council (NCC).
3. Similar reports and recommendations are to be considered for adoption by HDC and NCC at their meetings on 21 August and 28 August 2025 respectively.

Staff recommendation(s)

4. Staff recommend that the Council adopts a final Napier Hastings Future Development Strategy (FDS) attached as **Attachment 2**.
5. If the Council does adopt that final FDS, that version would 'replace' the FDS which Council had adopted at its meeting on 25 June 2025, while:
 - 5.1. still clearly recording and upholding the intent of that decision to adopt an FDS that excludes future residential greenfield areas at Riverbend Road and Middle Road, and
 - 5.2. noting decisions made by the other two partner councils (Hastings District Council and Napier City Council).

Background

6. Previously, the report presented by staff at the 25 June 2025 Council meeting provided a comprehensive background to the purpose and preparation of the FDS so is not repeated here.
7. At that meeting on 25 June 2025, the Council resolutions included:
 - 7.1. Adopts a final Napier-Hastings Future Development Strategy that excludes the Riverbend Road NC4b and Middle Road Hn3a and Hn3b sites for the reasons that:
 - 7.1.1. including those sites is contrary to objectives 3 and 6 of the strategy
 - 7.1.2. the inclusion of those sites is not required to provide sufficient development capacity to meet demand
 - 7.1.3. neither of those sites would provide well-functioning urban environments
 - 7.1.4. having considered all of the information including the summary of submissions provided to the Joint Committee, and HBRC's own submission.
8. The other two partner councils considered recommendations from the FDS Joint Committee separately:
 - 8.1. Hastings District Council (on 26 June 2025, reconvened on 22 July 2025) resolved to approve a final FDS with the exclusion of the Wall Road site and Middle Road sites;
 - 8.2. Napier City Council (on 26 June 2025) resolved to approve a final FDS as had been recommended by the FDS Independent Hearings Panel.
9. The three partner councils have each respectively adopted (or approved) a final FDS with the vast majority of content being agreed (such as strategic objectives, capacity for business land

development, capacity for housing intensification and capacity for short to medium term residential capacity). The table below provides a summary of the few discrete differences across each of the councils' decisions:

	NCC	HDC	HBRC
Riverbend Rd – NC4b	Included	Included	Excluded
Middle Road – HN3a & HN3b	Included	Excluded	Excluded
Wall Road – H5	Included	Excluded	Included

Discussion

10. The three councils' respective decisions slightly differ so that has prompted staff from the councils to contemplate a method for recording those decisions plus also respecting the integrity of FDS's main body content which all three councils do agree with.
11. This report presents an approach developed by staff from the three councils whereby the decisions of each of the three Partner Councils can be upheld while also leaving the body of the FDS relatively intact. This also would ensure that a single FDS can be adopted by each of the Partner Councils which satisfies requirements of the National Policy Statement for Urban Development (NPS-UD).
12. The approach features:
 - 12.1. A 'Summary Document' (refer **Attachment 1**) which summarises the decisions made by each council, and consequential changes references in the FDS to the three sites not fully agreed (Riverbend, Middle Road and Wall Road)
 - 12.2. Those amendments have been incorporated into the final FDS (**Attachment 2**). Section 3 in the final FDS summarises the decisions made by each Council and presents how those decisions differ from the figures, tables and maps in the main body of the FDS
 - 12.3. In the FDS main body, footnotes are used to alert readers to also refer back to Section 3
 - 12.4. Maps and figures apply a hatching overlay to differentiate areas that the Partner Councils fully agree on and those three areas where there is not agreement (i.e. Riverbend, Middle Road and Wall Road).
13. Legal advisors at Simpson Grierson provided input during development of this approach.

Options assessment

14. Option One (Recommended Option) is to adopt the Napier Hastings Future Development Strategy as attached (**Attachment 2**)
 - 14.1. Advantages
 - 14.1.1. Ensures that a singular FDS can be adopted which meets NPS-UD requirements.
 - 14.1.2. Clearly reflects the resolutions of each of the three Partner Councils.
 - 14.2. Disadvantages
 - 14.2.1. No disadvantages noted.
15. Option Two is the FDS as presented in **Attachment 2** is not adopted.
 - 15.1. Advantages
 - 15.1.1. No advantages noted.
 - 15.2. Disadvantages
 - 15.2.1. Will not meet NPS-UD requirements for a singular FDS to be adopted by the jointly

responsible councils (HDC, HBRC and NCC).

15.2.2. Does not recognise that the majority of the FDS has been agreed upon by Partner Councils.

15.2.3. Higher risk of ad hoc development if no FDS is in place.

15.2.4. Difficult for future strategy users to have regard to.

Strategic fit

16. The FDS would contribute to achieving a number of the outcomes and goals identified in HBRC's Strategic Plan 2020-2025, in particular:

16.1. By 2025, HBRC is carbon zero and plays a leadership role in the region's goal of net zero greenhouse gases by 2050.

16.2. From 2020, unplanned urban development avoids highly productive land.

16.3. By 2030, flood risk is being managed to foreseeable climate change risks out to 2100.

16.4. By 2050, there are 50% less contaminants from urban and rural environments into receiving waterbodies.

Significance and Engagement Policy assessment

17. The NPSUD requires that the Partner Councils use the LGA's Special Consultative Process for preparing the FDS. Additionally, significant informal consultation has occurred, for example, through a 'call for opportunities'. Formal consultation was undertaken through the Special Consultative Procedure which included opportunities for public submissions and hearings.

18. Failure of the Partner Councils to agree to a single strategy however, could result in additional costs and/or further community engagement, depending on the degree of divergence.

Financial and resource implications

19. Financial considerations for preparation of the FDS have previously been considered. Failure of the Partner Councils to agree to a consistent strategy however would result in additional costs.

Decision-making considerations

20. 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:

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

20.2. The use of the special consultative procedure in terms of the decision to adopt a final FDS is not prescribed by legislation. However, the NPSUD does require HBRC (and the two other FDS partner councils) to use the Special Consultative Procedure in section 83 of the Act when preparing (or updating) an FDS.

20.3. This decision has been assessed under the Council's Significance and Engagement Policy (adopted 10 July 2024) as being of significance.

20.4. The persons affected by this decision are any person with an interest in the planning for, and management of, future development in the wider Napier-Hastings urban area. There may be other interested persons. All persons have had a formal opportunity to comment on a draft version of the FDS and also informal opportunities during the 'call for opportunities' phase.

20.5. 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 undertaking further consultation directly with the community or others having an interest in the decision. During preparation

of the FDS, the partner councils have been required to use the Act's Special Consultative Procedure.

Recommendations

That Hawke's Bay Regional Council:

1. Receives and considers the *Napier Hastings Future Development Strategy* 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. Notes the final Napier Hastings Future Development Strategy takes into account the decisions made by the Partner Councils (Hastings District Council, Hawke's Bay Regional Council and Napier City Council) to adopt or approve a Future Development Strategy that included or excluded future residential greenfield sites as summarised in the following table:

	NCC	HDC	HBRC
Riverbend Rd – NC4b	Included	Included	Excluded
Middle Road – HN3a & HN3b	Included	Excluded	Excluded
Wall Road – H5	Included	Excluded	Included

4. Adopts a final Napier Hastings Future Development Strategy.

Authored by:

Gavin Ide
Principal Advisor Strategic Planning

Approved by:

Katrina Brunton
Group Manager Policy & Regulation

Attachment/s

- 1 [⇒](#) Napier-Hastings FDS - Summary of amendments and different council decisions (August 2025)
- 2 [⇒](#) Napier-Hastings FDS 2025-2054 (August 2025)

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HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 August 2025

Item 15

Subject: Affixing of the Common Seal

Reason for Report

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

		Seal No.	Date
1.1	Staff Warrants		
	1.1.1 G. Holder <i>(Delegations under Resource Management Act 1991 (Sections 34A(1) and 38(1); Maritime Transport Act 1994 (Section 33G(a); Biosecurity Act 1993 (Sections 103 and 105); Civil Defence Emergency Management Act 2002 (s.86-92) and Local Government Act 2002 (Section 177))</i>	4613	18 August 2025

2. The Common Seal is used twice during a Leasehold Land Sale, once on the Sale and Purchase Agreement and once on the Land Transfer document. More often than not, there is a delay between the second issue (Land Transfer document) of the Common Seal per property. This delay could result in the second issue of the Seal not appearing until the following month.
3. There were no sales. The current numbers of Leasehold properties owned by Council are:
 - 3.1 No cross lease properties were freeholded, with 60 remaining on Council's books
 - 3.2 No single leasehold properties were freeholded, with 70 remaining on Council's books.

Decision-making considerations

4. Council is required to make every decision in accordance with the provisions of Sections 77, 78, 80, 81 and 82 of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within these sections of the Act in relation to this item and have concluded the following:
 - 4.1 Sections 97 and 88 of the Act do not apply.
 - 4.2 Council can exercise its discretion under Section 79(1)(a) and 82(3) of the Act and make a decision on this issue without conferring directly with the community or others due to the nature and significance of the issue to be considered and decided.
 - 4.3 That the decision to apply the Common Seal reflects previous policy or other decisions of Council which (where applicable) will have been subject to the Act's required decision making process.

Recommendations

That Hawke's Bay Regional Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted Significance and Engagement Policy, and that Council can exercise its discretion and make decisions on this issue without conferring directly with the community or persons likely to have an interest in the decision.
2. Confirms the action to affix the Common Seal.

Authored by:

**Diane Wisely
Executive Assistant**

**Vanessa Fauth
Finance Manager**

Approved by:

**Nic Peet
Chief Executive**

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 August 2025

Item 16

Subject: Update on the North Island Weather Events (NIWE) Flood Resilience Programme

Reason for report

1. This item provides a high-level update on the North Island Weather Events (NIWE) Flood Resilience Programme, including governance, funding, delivery progress and key risks.

Background

2. The Crown and Hawke's Bay Regional Council (HBRC) entered into the North Island Weather Events (2023) – Hawke's Bay Crown Funding Agreement on 10 October 2023 (the NIWE Agreement).
3. The NIWE Resilience Programme is delivering a portfolio of flood resilience projects across Hawke's Bay. It includes infrastructure upgrades such as stopbanks, pump stations, telemetry systems, and scheme reviews. The programme is administered by the National Infrastructure Funding and Financing Ltd (NIFF) and delivered by HBRC's Infrastructure Programme Management Office (IPMO).
4. The packages of work funded through this agreement are highlighted below (no change from previous month).

Table 4.1 Confirmed Funding for NIWE Programme

	Original Agreement			Current		
	Crown Funding	HBRC Funding	Total	Crown Funding	HBRC Funding	New re-baselined/ approved total
Wairoa	70,000	0	70,000	70,000	0	70,000
Whirinaki	8,300	2,750	11,050	17,300	5,750	23,050
Waiohiki	7,515	2,485	10,000	7,515	2,485	10,000
Ohiti	7,515	2,485	10,000	7,515	2,485	10,000
Pākōwhai	37,575	12,425	50,000	37,575	12,425	50,000
Porangahau	9,770	3,230	13,000	10,963	3,625	14,588
Subtotal	140,675	23,375	164,050	150,868	26,770	177,638
Level of Service Upgrades	22,545	7,455	30,000	22,545	7,455	30,000
Telemetry	3,760	1,240	5,000	3,760	1,240	5,000
Pumpstation	22,545	7,455	30,000	22,545	7,455	30,000
Scheme Review	2,250	750	3,000	2,250	1,737	3,987
Total	191,775	40,275	232,050	201,968	44,657	246,625
Havelock North	7,515	2,485	10,000	7,515	2,485	10,000
Beach Road, Tangoio	4,210	1,390	5,600	0	0	0
Total (HBRC funded)	203,500	44,150	247,650	209,483	47,142	256,625
				Crown Funding	CHBDC funded	Approved total
Waipawa Waste Water	0	0	0	3,457	1,143	4,600
Total (Incl Others)	203,500	44,150	247,650	212,940	48,285	261,225

NIWE Programme update

Summary

5. The NIWE Programme progressed well this month, with key milestones achieved in design, procurement preparations, and stakeholder engagement.
6. Key highlights are
 - 6.1. Completed tender evaluation and selected preferred contractor for the main construction works in Waiohiki.
 - 6.2. Following the Council decision, a scope-reduction exercise was completed for the Pump Stations project to align with budget, confirming Awatoto and Pākōwhai pump stations for construction.
 - 6.3. Enabling works completion in Waiohiki and Whirinaki (Pan Pac).
7. A new Senior Project Manager has been appointed for the Wairoa project in accordance with funding conditions.
8. Land access negotiations are advancing but not yet at the pace required, with particular focus on Wairoa, Pākōwhai, and Pōrangahau - projects where land access presents key construction timing and overall project risks.
9. Engagement with mana whenua, Local Authorities, community groups, and stakeholders remains strong, including workshops, presentations site visits, and public drop-in sessions.
10. Please refer to **Attachment 1** for our NIWE Programme Summary (July 2025), which includes financial summaries and an updated path-to-construction timeline, with a focus on the commencement of main works.

Programme progress highlights

11. **Waiohiki:** Tender evaluation has been completed, and the preferred contractor (Phoenix Contracting Limited) has been appointed. Enabling works are now fully complete. The project remains on schedule for construction commencement in August 2025 and is forecast to come in below budget.
12. **Whirinaki:** The design phase has progressed well, with preliminary design scheduled for completion in August. Some enabling works on the industrial site (including tree removal and silt stockpile removal), have been completed by Pan Pac. The project team is currently focused on finalising the tender packages for release to market and preparing the consent submission. To streamline the construction phase and ensure the best fit for purpose, the project has been divided into two subprojects: the State Highway 2 portion (in close collaboration with NZTA) and the stopbank portion.
13. **Wairoa:** Design, consent, and tender stages continue to progress, alongside ongoing development of the operational plan for the spillway. Engagement with whenua Māori owners, the Māori Land Court, and Māori trustees regarding land access continues, as this remains a critical risk. A new Senior Manager has been appointed to lead the project into the construction phase. Drop-in sessions for Wairoa residents seeking more information about the project were well attended.
14. **Ōhiti/Omāhu:** The project has progressed well and remains within budget, with the preliminary design delivered on time. The design has been provided to the QS to prepare an updated cost estimate. Land access is progressing positively, with all valuations completed and final agreements under review. Tender packages are being finalised for release to market in the week of 18 August 2025.
15. **Pākōwhai:** The project is focused on finalising the flood wall method and confirmed alignment. A mana whenua workshop was held to examine alignment options in greater detail. Preliminary design work has progressed. The QS report has been received and is under review. The project

team is assessing options for material supply, and this is likely to be river sourced silt and gravels. Land access is now a key focus with ongoing effort being made to secure the required land access.

16. **Pōrangahau:** The project is focused on advancing the design for the proposed solution. The cost forecast continues to present the greatest project risk. Construction designs are being updated for technical assessment review after the value engineering that has been completed. This review will enable a more detailed costing forecast for the project. Land access is also now a key focus with ongoing effort being made to secure the required land access.
17. **Pump Stations:** A preferred bidder has been identified, and contract negotiations are well advanced. The review of the current level of service against budget expectations has been completed. Following the presentation of the Council paper and the scope-reduction workshop, the Awatoto and Pākōwhai pump stations have been approved for construction. This amendment is being worked through with the preferred contractor with the objective of having a signed contract by the end of August.
18. **Telemetry, Scheme Reviews:** Good progress continues on both projects, with work remaining on schedule and within budget. All scheme models are now in development. The forecast to complete the Telemetry Upgrades has been updated, with the total project cost now estimated at \$3.5 million. Savings have been achieved through streamlined and uniform purchasing policies, as well as efficiencies in site installations.
19. **Levels of Service Upgrades (Rapid Repair):** Project planning is well underway, and the project schedule has been developed. Costing and design work are in progress, enabling a review of budgets once the reports are received. The project is advancing through the design phase for its three main components: Brookfields Lower, Waipawa Township, and Omāhu Lower. Multiple stakeholder meetings have been held with CHBDC, NZTA, Mana Whenua, and affected property owners.

Financial Position

20. The total spend to date across the programme to July 2025 is \$24.4 million (refer **Attachment 1**).
21. Project budgets remain a key focus as cost pressures on most projects continue. However, strong mitigation activities have ensured healthier forecast costs in July, with only Pōrangahau project tracking above budget. A revised QS update is now being worked on to assess the benefit of the value engineering completed but this will not bring the project within the original budget of \$13m.
22. Project schedules are being finalised between NIFF and HBRC to ensure all funding requirements are covered.
23. Individual property valuations are being completed which will assist with more accurate forecasting for land access costs.

Consenting and Procurement

24. The programme-wide consent register is now active, ensuring applications are lodged immediately following preliminary design, with all necessary supporting material included. The programme-wide consenting report is being developed to support workload allocation and improve visibility.
25. Procurement activities have been progressing well across the programme, with a key focus on leveraging the current competitive contractor market, particularly for the 2025/26 construction period. The programme-wide procurement schedule has been developed to assist with document preparation and to track project progress.
26. The procurement approach and timing within the design lifecycle are informed by risk assessments and the benefits of early contractor engagement during the design process,

including the ability to determine construction methodology.

27. Ōhiti and Whirinaki are scheduled to go to market following completion of preliminary design in August 2025.

Land access

28. The primary risk across the programme relates to securing land access in Wairoa, Pākowhai and Pōrangahau, which have numerous whenua Māori blocks as they require extensive engagement with Owners and in all cases the involvement of the Māori Land Court (MLC) and frequently the Māori Trustee. A Māori Land Court specialist lawyer continues to navigate Council through the required Court process and the Wairoa Crown Manager continues to play the lead and critical key role in securing land access for the Wairoa Project.
29. Land access to General Title land is proceeding with valuations being completed and negotiations continuing with property owners.
30. All required agreements for Waiohiki are in place, except for a non-critical easement.
31. Valuations are currently being completed in Wairoa, Pākowhai, Porangahau, Ōhiti, and Whirinaki.

Key Risks

32. Key areas of focus continue to be cost pressures, land access and programme timeframes, as these represent critical risk factors that could impact delivery and resource planning.
33. Following the recent risks workshop, a new reporting framework has been adopted to capture top programme-level uncertainties, providing greater alignment with the programme lifecycle as it moves closer to the construction phase.

Decision-making considerations

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

Recommendation

That Hawke's Bay Regional Council receives and notes the *Update on the North Island Weather Events (NIWE) resilience programme* staff report.

Authored by:

Andrew Caseley
Manager Regional Projects / Programme
Director IPMO

James Park
Programme Finance & Controls Manager

Approved by:

Chris Dolley
Group Manager Asset Management

Attachment/s

1  NIWE Programme Summary July 2025 Under Separate Cover [Available online only](#)

Hawke's Bay Regional Council

Wednesday 27 August 2025

Item 18

Subject: Confirmation of 30 July 2025 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 18 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	Grounds under section 48(1) for the passing of the resolution	Reason for passing this resolution
Confirmation of 30 July 2025 Public Excluded Minutes	s7(2)(i) Excluding the public is necessary to enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	The projects are subject to ongoing negotiations and tender processes that could be prejudiced by the release of sensitive pricing information.

Authored by:

Leeanne Hooper
Team Leader Governance

Approved by:

Desiree Cull
Strategy & Governance Manager

HAWKE'S BAY REGIONAL COUNCIL

Wednesday 27 August 2025

Item 19

Subject: CE Performance and Remuneration Review / New 2025 - 2026 KPI's

That *Hawke's Bay Regional Council* excludes the public from this section of the meeting, being Agenda Item 19 CE Performance and Remuneration Review / New 2025 - 2026 KPI's 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	Rationale
CE Performance and Remuneration Review / New 2025 - 2026 KPI's	<p>s7(2)(a) Excluding the public is necessary to protect the privacy of natural persons.</p> <p>s7(2)(f)(ii) Excluding the public is necessary to maintain the effective conduct of public affairs by protecting councillors and/or council employees and contractors/ consultants from improper pressure or harassment.</p> <p>s7(2)(i) Excluding the public is necessary to enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>Employee performance reviews and salary negotiations are private matters between the employer and employee only.</p> <p>The public interest is served by the CE's salary being declared in the Council's Annual Report each year.</p>

Authored by:

Greg Tims

Independent

Approved by:

Hinewai Ormsby

HBRC Chair