



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

Minutes of a meeting of the Corporate and Strategic Committee

Date: Wednesday 20 September 2023

Time: 1.00pm

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

Present: Cr N Kirton – Chair
Cr X Harding – Deputy Chair
Cr W Foley
Cr T Hokianga
Cr C Lambert
Cr H Ormsby
Cr D Roadley (*online*)
K Ropiha – RPC representative
Cr M Williams (*online*)

In Attendance: N Peet – Chief Executive
P Munro – Te Pou Whakarae (*online*)
S Young – Executive Officer Recovery
K Brunton – Group Manager Policy & Regulation
C Dolley – Group Manager Asset Management (*online*)
A Madarasz-Smith – Acting Group Manager Integrated Catchment Management
C Comber – Chief Financial Officer
A Siddles – Acting Group Manager Corporate Services
A Allan – Senior Business Partner
A Doak – Governance Advisor
M Moore – Harbourmaster
A Wright – Deputy Harbourmaster
D Druzianic – HBRIC Ltd Chairman
T Skerman – HBRIC Ltd Commercial Manager
B O’Keeffe – Napier Port Chairman

1. Welcome/Karakia /Apologies

The Chair welcomed everyone and councillor Charles Lambert opened the meeting with a karakia.

Resolution

CS19/23 That the apologies for absence from councillors Jock Mackintosh, Jerf van Beek, and Sophie Siers and Peter Eden be accepted.

Ormsby/Harding
CARRIED

2. Conflict of interest declarations

There were no conflicts of interest declared.

The Chair sought, and was given, the Committee's agreement to consider the agenda items out of order to accommodate external presenters' schedules.

3. Confirmation of Minutes of the Corporate and Strategic Committee meeting held on 14 June 2023

CS20/23 Resolution

Minutes of the Corporate and Strategic Committee held on Wednesday, 14 June 2023, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

Harding/Lambert
CARRIED

4. 2023 Navigation Safety Bylaw approval for consultation

Katrina Brunton introduced the item, which was taken as read, and Martin Moore, Harbourmaster, and Adrian Wright, Deputy Harbourmaster. Discussions covered:

- Bylaw last updated in 2018
- Significant new recreational activities and issues ,including hydrofoils, have been identified through engagement with the community
- It was agreed that rather than appointing a Hearing Panel, the Council will hear submissions at an extraordinary meeting if required.

CS21/23 Resolutions

1. That the Corporate and Strategic Committee Receives and considers the *2023 Navigation Safety Bylaw approval for consultation* staff report.
2. The Corporate and Strategic Committee recommends that Hawke's Bay Regional Council:
 - 2.1 Delegates authority to the Group Manager Policy and Regulation to make any required minor amendments or edits to the document prior to publication and the start of public consultation.
 - 2.2 Adopts the proposed 2023 Navigation Bylaw for public consultation 29 September to 29 October 2023.

Harding/Ormsby
CARRIED

5. 2022-2023 Carry forwards

Nic Peet introduced the item. Queries and discussions covered:

- Cyclone Gabrielle changed what was agreed with community through the Annual and Long Term plans, particularly through a significant number of projects that were delayed or weren't completed because the funding was used in response to the cyclone.

- Carry forwards are for where funding has not been spent in a financial year on activities that Council has committed to with the community for undertaking in the next financial year.
- Where external funding has been co-funded with Council funds, if the funding is not carried forward it is likely Council will have to pay back that contribution, e.g. biodiversity projects supported by external funding agreements with the Department of Conservation (DOC) and the Ministry for the Environment (MFE).
- CDEM disaster reserve will partially be rebuilt by NEMA and insurance recoveries however unlikely all the funding claimed will be recovered and any funding shortfall will be paid from the cyclone recovery targeted rate.
- If Kotahi and associated tangata whenua engagement budgets not carried forward, the total \$800k budget for 2023-2024 would need to be used to cover the PSGE technical plan development work that has already been negotiated and potentially scale back which would put HBRC even further behind than we are already. Proposing to have HBRC staff working 'at place' with Taiwhenua and PSGEs 2 days per week to mitigate capacity issues.
- If carry forward of Kotahi funding is only partially approved and the Kotahi work is completed faster than anticipated, staff could seek Council's agreement to a discrete item of overspend.
- It was agreed that staff will reconsider the budgets to be carried forward in light of work that can realistically be expected to be done for Council's consideration on 27 September.

CS22/23 **Resolution**

That the Corporate and Strategic Committee receives and notes the *2022-2023 Carry forwards* staff report.

Foley/Harding
CARRIED

6. Debt drawdown

Susie Young introduced the item, noting that the final decision is one for Council as recommended by this Committee.

CS23/23 **Resolution**

That the Corporate and Strategic Committee

1. Receives and considers the *Debt drawdown* staff report.
2. Recommends that Hawke's Bay Regional Council:
 - 2.1. Delegates borrowing up to the 2023-2024 Annual Plan total debt amount of \$134.6m to the Hawke's Bay Regional Council Chief Executive and Group Manager Corporate Services, noting that further delegation over and above this level, if required, will be a Council decision.

Foley/Ormsby
CARRIED

7. Annual Report 2022-2023 – Interim non-financial results

Sarah Bell introduced the item, which was taken as read. Queries and discussions covered:

- Consequences of lower consent monitoring numbers are less monitoring income recovery so more difficult for Compliance team to meet recovery levels required, however staff are working with consent holders on recovery to ensure that consent conditions are being met.
- Carbon footprint represents HBRC's carbon footprint not including external contractors such as Go Bus and Waste Recovery Taskforce and it was never intended they would be. Staff will investigate what the 'common accounting standards' are for carbon footprints.

Martin Williams left the meeting at 2.23pm

CS24/23 **Resolution**

That the Corporate and Strategic Committee receives and notes the *Annual Report 2022-2023 – Interim non-financial results* staff report.

**Harding/Hokianga
CARRIED**

10. HBRIC Ltd Quarterly update

Dan Druzianic, Chair, introduced the item, noting new appointments to re-shape the HBRIC Ltd and FoodEast Haumako boards of directors and lower Napier Port dividend which reflects the impacts of Cyclone Gabrielle on the region. Blair O’Keeffe provided an overview of the Port’s current operations and financial position.

CS25/23 **Resolution**

That the Corporate and Strategic Committee receives and considers the *HBRIC Ltd quarterly update*.

**Ormsby/Harding
CARRIED**

Councillor Neil Kirton left the meeting at 2.38pm and Councillor Xan Harding assumed the Chair.

8. Organisational Performance report for the period 1 April – 30 June 2023

Sarah Bell introduced the item, which was taken as read, highlighting the increase in LGOIMA requests and public enquiries and the impacts of the cyclone on activities being “off track”.

Councillor Neil Kirton re-joined the meeting and resumed the Chair at 2.43pm

- Budget is reported as red or off track if it is more than 10% over or under spent.

CS26/23 **Resolution**

That Hawke’s Bay Regional Council receives and notes the *Organisational Performance Report for the period 1 April – 30 June 2023*.

**Harding/Ormsby
CARRIED**

9. Hawke's Bay Tourism Annual report

Andrew Siddles introduced the item, which was taken as read, highlighting the first half of the year was looking good before Cyclone Gabrielle hit, resulting in an estimated \$50m loss to the region, and recognition of Hawke’s Bay as one of the world’s Great Wine Capitals.

CS27/23 **Resolution**

That the Corporate and Strategic Committee receives and notes the *HB Tourism Annual report* report.

**Foley/Harding
CARRIED**

11. HBRIC Chairperson appointment

Resolution

That the Corporate and Strategic Committee excludes the public from this section of the meeting, being Agenda Item 10 HBRIC Chairperson appointment 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:

CS28/23

General subject of the item to be considered

HBRIC Chairperson appointment

Reason for passing this resolution

s7(2)(a) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to protect the privacy of natural persons.

Grounds under section 48(1) for the passing of the resolution

The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

**Ormsby/Foley
CARRIED**

12. Cyclone financials update

Resolution

That the Corporate and Strategic Committee excludes the public from this section of the meeting, being Agenda Item 12 Cyclone financials update 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:

CS29/23

General subject of the item to be considered

Cyclone financials update

Reason for passing this resolution

s7(2)(i) That the public conduct of this agenda item would be likely to result in the disclosure of information where the withholding of the information is necessary to enable the local authority holding the information to carry out, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

Grounds under section 48(1) for the passing of the resolution

The Council is specified, in the First Schedule to this Act, as a body to which the Act applies.

**Ormsby/Foley
CARRIED**

The meeting went into public excluded session at 2.53pm and out of public excluded session at 3.20pm

Closure:

There being no further business the Chair declared the meeting closed at 3.20pm on Wednesday, 20 September 2023.

Signed as a true and correct record.

Date: by Corporate & Strategic Committee resolution 6 December 2023

Chairman: Xan Harding