

Meeting of the Hawke's Bay Regional Council

Date: 29 Jan 2025
Time: 1.30pm
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

Item	Title	Page
1.	Welcome/Karakia/Housekeeping /Apologies/Notices	
2.	Conflict of interest declarations	
3.	Confirmation of Minutes of the Hawke's Bay Regional Council meeting held on 18 December 2024	
4.	Public Forum	3
5.	Call for minor items not on the Agenda	5
Decision Items		
6.	Council officer delegations under the Resource Management Act WITHDRAWN	
7.	North Island Weather Events - Whirinaki flood mitigation	7
8.	Clifton to Tangoio Coastal Hazards Strategy implementation	15
9.	Affixing of Common Seal	21
Information or Performance Monitoring		
10.	Discussion of minor items not on the Agenda	
Decision Items (Public Excluded)		
11.	Confirmation of Public Excluded meeting held on 18 December 2024	23
12.	Heretaunga Water Storage Project	25

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 88359200 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:

Leeanne 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

29 January 2025

Item 5

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 10.

Topic	Raised by

Hawke's Bay Regional Council

29 January 2025

Subject: Council officer delegations under the Resource Management Act

WITHDRAWN

Item 6

Subject: North Island Weather Events - Whirinaki flood mitigation

Reason for report

1. This item seeks endorsement from Council to submit a funding application to the Ministry of Business, Innovation and Employment (MBIE) Regional Infrastructure Fund (RIF) for the difference between the current Whirinaki project funding envelope of \$11.05 million via the North Island Weather Events (NIWE) funding agreement and the current estimate of total project costs of \$26.942 million, a total of approximately \$15.9 million.
2. This report also provides an update to Council on the current total Whirinaki project cost estimates and the project team's journey from the initial estimate that made up the NIWE funding agreement with central government and the current proposed project value.

Staff recommendations

3. Staff recommend that the Council endorses the application to MBIE's RIF for the project shortfall (circa \$15.9m) and the Whirinaki project team's progressing with project scope should suitable funding be secured.

Executive summary

4. The Whirinaki NIWE project is a critical initiative aimed at enhancing flood resilience and infrastructure in the Whirinaki area. This was work committed to as part of the Future of Severely Affected Land (FOSAL) Agreement.
5. The project seeks to provide a level of protection to the Category 2C properties in the Pohutukawa Drive area, which currently face an intolerable risk to life from flooding as well as protection for the Pan Pac Whirinaki industrial site, and Trustpower and Contact Energy assets.
6. Initially estimated at \$11.05 million (which excluded the required works on the State Highway (SH) as they were assumed to be paid from Transport Rebuild East Coast Alliance (TREC) funding sources), the full project costs (including works on the SH) have now increased to \$26.942 million due to revised infrastructure assumptions and additional requirements identified in recent assessments.
7. This report seeks Council's endorsement to submit a funding application to MBIE's Regional Infrastructure Fund (RIF) to cover the funding shortfall of approximately \$15.9 million and to proceed with the project scope upon securing suitable funding due to the wider benefits to the community and Hawke's Bay region.
8. Should the MBIE application be unsuccessful, a reassessment of the design and affordability of this programme will need to be brought back to Council for consideration.

Discussion

9. The initial project estimate of \$11.05 million was based on providing a 1 in 100 year level of service for Pohutukawa Drive residents, an assumption that minimal work would be required to the existing 1 in 500 year level of service for the Pan Pac stopbank, and that any New Zealand Transport Authority (NZTA) SH asset upgrades required as a result would be met within the TREC rebuild budgets and, therefore, be paid from TREC funding sources.
10. Upon further assessment and following the release of the NIWA Report titled "*Flood frequency in the Hawke's Bay Region following Cyclone Gabrielle*" dated April 2024, the return period data for pre-Gabrielle and post-Gabrielle impacts in the Esk area had a much greater impact on the

proposed infrastructure assumptions made and the project value has now increased to \$26.942 million.

11. The primary reason for this increase in required funding is the impacts of the return periods in Esk Valley (requiring larger stop banks) , as well as the requirements for the NZTA SH asset upgrades which are no longer being funded from TREC sources given the substantial reduction in budget funding for this Alliance.
12. The upgrade of the level of service of the Pohutukawa Drive stopbank from 1 in 100 years to 1 in 500 years was requested by Pan Pac because the Pohutukawa Drive stopbank design was the normal 1 in 100 years, so an overdesign event beyond 1 in 100 years would cause overtopping on this coastal stopbank and therefore flooding to the industrial area of Whirinaki also.
13. The project team has investigated reduced scope, including removing elements from the proposed solution, and has assessed alternatives, such as an option to install floodgates rather than raising SH2, removal of the culvert upgrade, or to only build to the 1% AEP to protect the category 2C area. However:
 - 13.1. The floodgate alternative doesn't provide a significant saving and has additional operational risks.
 - 13.2. Removal of the culvert upgrade results in significant consequential flooding effects and cultural impacts to wahi tapu.
 - 13.3. Building only to 1% Annual Exceedance Probability or 1 in 100 year level of service has an estimated saving of approximately \$2.6 million, however, the cost-benefit ratio is much less than a 0.2% AEP or 1 in 500 year level of service.
14. The project team also have investigated value engineering options, which looks to reduce cost by down-grading some of the technical design elements, including: reducing the climate change planning horizon; reducing the level of service; and changing the stopbank geometry to make it narrower and steeper to reduce the total volume of earthworks.
 - 14.1. The design has been updated to reduce the batter slopes of the stopbank from 3:1 to 2:1; the climate change planning horizon has been reduced from 50 years to 20 years; and other value engineering approaches have been incorporated into the preliminary design with cost savings incorporated where possible. Efforts will continue to reduce costs while maintaining the required level of flood protection.
15. Pan Pac has been partnering with HBRC to find a suitable solution for funding the difference between the 1 in 100 years and 1 in 500 years levels of service. This is estimated to be approximately \$2.6 million in increased costs, hence the initial engagement with MBIE about alternative funding options.
16. The above cost difference, coupled with the TREC budget cuts in June 2024 which impacted the potential funding of 'rebuild' projects, has left the project with a significant shortfall of funding c\$15.9m and as a result, HBRC joined the conversations with MBIE regarding an application to Kanoa RIF funding.
17. The proposed flood mitigation will bring significant economic benefits to the industrial sector, which will, in turn, positively impact the Hawke's Bay region and contribute to the national Gross Domestic Profit (GDP).
18. Currently our HBRC 3-year Long Term Plan and Annual Plan have only budgeted a total project value of \$11.05m. If successful in securing suitable funding, it is intended to seek Council approval to progress this project based on the proposed works and the revised total project value of \$26.942 million.
19. Staff will continue to seek: \$8.3m of Crown funding via the Project Delivery Plan submission to New Zealand Infrastructure Funding and Finance (NIFF) (previously Crown Infrastructure Partners or CIP); a further \$15.9m from Kanoa RIF Application; with the balance \$2.75m

funding from HBRC rates as per previous Council approvals. *Refer to table following paragraph 24.*

20. The Kanoa RIF application is currently being finalised and currently potential funding options being considered are grant funding, concessionary loan and suspensory loan or commercial loan. HBRC will need to assess outcomes of all options before acceptance of any funding agreement, including whether the proposed funding mechanism has any impacted on proposed rates for beneficiaries.
21. Should non-preferred funding be offered (i.e., loan or suspensory loan) IPMO staff will need to come to Council for a further decision regarding the balance sheet and funding impacts, along with the viability of this project.
22. Council has committed and spent circa \$3.9 million on this project to date, which includes various land access agreements, design development, consenting requirements, site investigations and project management fees, to progress this flood mitigation work at pace.

Infrastructure components

23. The project comprises three main infrastructure components:
 - 23.1. **SH2 to Coast Stopbank:** This component includes the construction of a stopbank from SH2 to the coast, enhancing flood resilience for residential and industrial properties.
 - 23.2. **SH2 to Pan Pac Stopbank:** This component involves upgrading of the existing stopbank from SH2 to Pan Pac, providing critical flood resilience for the industrial area and the wider residential area.
 - 23.3. **NZTA SH Asset Upgrades:** This component covers the necessary upgrades to NZTA SH assets (eg the culvert and road alignment), ensuring that adjacent infrastructure components function cohesively as an integrated systems, enhancing overall efficiency and resilience.

Cost and Funding Summary

24. The below table outlines the current total cost estimates and proposed funding.

NIWE Whirinaki Project		Funding from NIWE Agreement			
Infrastructure Components	Total Cost Estimate	NIFF Funding	HBRC Funding	Total NIWE Funding	Proposed MBIE request
NZTA/Waka Kotahi assets					
Road Raising	6,397,572				6,397,572
Culvert	5,450,432				5,450,432
	11,848,004				11,848,004
Stopbanks - SH2 to Coast	6,686,807	3,456,797	1,143,203	4,600,000	2,086,807
Stopbanks - SH2 to Panpac	8,406,961	4,847,031	1,602,969	6,450,000	1,956,961
TOTAL	26,941,772	8,303,828	2,746,172	11,050,000	15,891,772

Options assessment

25. **Option 1 - Seek additional funding.** This option would require applying for additional funding of up to \$15.9m from MBIE's RIF fund, with options for supplemental funding from additional contributions from the industrial beneficiaries, or additional contribution from third party asset owner (NZTA).
 - 25.1. This staff's preferred and recommended option.
26. **Option 2 - Not proceed with project.** This option would see the project stop, and areas designated as category 2C being made category 3 and subject to voluntary buy out. Staff believe that it would be prudent to continue to exhaust all other funding options otherwise the community will not have adequate flood resilience, which could have major impacts on our Category 2C properties and the Whirinaki industrial sector, along with the social, economic and reputational impacts of not completing this project.

Strategic fit

27. The Whirinaki NIWE project aligns with the Strategic Plan 2020-2025 by enhancing flood resilience and infrastructure, contributing to the goal of protecting and enhancing Hawke's Bay's remarkable environment.

Significance and Engagement Policy assessment

28. The financial significance of this operational decision (should funding be received) is low according to Council's Policy. This is because no additional costs (funded by HBRC) would be required to complete the programme.
29. A contractual obligation has been given to the Crown to execute on proposed programmes. Should execution be unable to be completed, negotiation and redistribution of funds to HDC for Category 3 buy outs would be required.

Considerations of tangata whenua

30. A cultural impact assessment has been completed and the proposed solution will provide protection for a number of wahi tapu and sites of cultural significance, as well as opportunities for enhancement – this includes two urupa and an historic pa site.

Other considerations

31. LTP and Annual Plan impacts. On the assumption a grant or suspensory loan is approved this doesn't affect bottom line or rates.
32. There is potential for balance sheet impacts depending on the funding mechanism used for Kanoa RIF application, and this will require a further decision of Council should this be the offer made.

Decision-making considerations

33. 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:
 - 33.1. The decision does not significantly alter the service provision or affect a strategic asset, nor is it inconsistent with an existing policy or plan.
 - 33.2. The use of the special consultative procedure is not prescribed by legislation.
 - 33.3. The decision is not significant under the criteria contained in Council's adopted Significance and Engagement Policy.
 - 33.4. The persons affected by this decision are Whirinaki Category 2C property owners,

Whirinaki residents and Whirinaki industrial and commercial sectors.

- 33.5. 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 *North Island Weather Events - Whirinaki flood mitigation* 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 an application being made to the Ministry of Business, Innovation and Employment Regional Infrastructure Fund for \$15.9m shortfall required to progress the Whirinaki North Island Weather Events project.
4. Notes that a further update on the Whirinaki project will be provided once the outcome of the application to the Ministry of Business, Innovation and Employment Regional Infrastructure Fund is known

Authored by:

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Approved by:

Nic Peet
Chief Executive

Attachment/s

There are no attachments for this report.

Subject: Clifton to Tangoio Coastal Hazards Strategy implementation

Reason for report

1. Following the Council workshop on 27 November 2024, this item seeks confirmation from Council on the overall approach to progressing the Clifton to Tangoio Coastal Hazards Strategy (the Strategy).

Staff recommendations

2. Staff recommend that:
 - 2.1. Council confirms its ongoing commitment to leading Strategy implementation, subject to the outcome of future Local Government Act processes, while acknowledging that Strategy implementation costs are significant.
 - 2.2. in accordance with direction from Council provided through previous workshops, the Strategy's Technical Advisory Group commences community engagement in 2025 to test Strategy implementation costs, funding methods, and preferred options.
 - 2.3. options are explored to progress no or low regrets opportunities to respond to the ongoing risks posed by coastal hazards while the Strategy development process continues.

Background

3. The Strategy development process began in late 2014 as a collaborative project between HBRC, Maungaharuru-Tangitū Trust, Napier City Council, Mana Ahuriri, Hastings District Council and Tamatea Pōkai Whenua (at that time, He Toa Takitini).
4. The Clifton to Tangoio Coastal Hazards Strategy Joint Committee (Joint Committee) was formed to bring project partners together to guide Strategy development.
5. Initial work to better understand the long-term risks from coastal hazards and climate change was deliberately paced. Time was taken to communicate clearly, test and refine hazard and risk assessments with affected communities, and to start with information and communication, rather than regulation.
6. In 2017, the Strategy development process ramped up, with the formation of two community assessment panels (panels).
7. In 2018, the Panels delivered their final report, making a series of recommendations for long term adaptive pathways and other actions at the coast.
8. The Joint Committee has faced challenges with progressing the Strategy since the panels delivered their recommendations, with the most significant being the COVID-19 global pandemic and Cyclone Gabrielle. Each challenge required a major re-think on how best to progress work on the Strategy and how to engage with tangata whenua and communities deeply affected by these events.
9. One of the most time-consuming internal challenges was developing an approach to pay for Strategy implementation. Unlike most local government functions, there is no clear legislative direction on whether regional councils or territorial authorities should lead this type of work.

10. The Raynor Asher report¹ helped unlock this, and presented clear recommendations that led the councils to enter into a Memorandum of Transition in 2022. The Memorandum of Transition confirmed an in-principle position that HBRC would lead Strategy implementation.
11. To formalise this arrangement, a range of legislative and process matters required resolution. This includes the need for HBRC to consult with the community on a proposal to undertake a 'significant new activity' under s.16 of the Local Government Act.
12. HBRC commenced this process in 2022, including meeting a requirement that it must consult with all territorial authorities in the region, which was concluded successfully. However, HBRC were advised by the Office of the Auditor General that a s.16 consultation process required a full and functional funding model to be defined. As this was still in development, HBRC elected instead to undertake a more general consultation process to test community sentiment on the proposal that HBRC would lead Strategy implementation. HBRC's consultation process 'the future of our coastline'² concluded in July 2022, and showed good community support for HBRC as lead agency of the Strategy.
13. Since then, the Joint Committee has focused on finalising a proposed Strategy. This has included working out how the costs for Strategy implementation should be allocated between those properties and ratepayers with direct and indirect benefits.
14. On 9 August 2024, the Joint Committee received the final proposed Strategy document, compiled from all of the work undertaken by the Panels, Joint Committee and Councils to date.
15. The actions proposed in the Strategy are directly reflective of the long-term adaptive pathways recommended by the Panels. Additional actions are also proposed to ensure a comprehensive response, including further work under the Mātauranga Māori Workstream and a recommended regulatory response to both facilitate Strategy implementation, while addressing the risk of maladaptation.
16. The Strategy also includes proposed funding principles to guide and inform the development of a funding model for Strategy implementation. In order to prepare a fully functional funding model to test through community consultation, further refinement and development work is required by Section 101 (3) of the Local Government Act. The Joint Committee has been deliberate about leaving this work to HBRC, as the primary decision-maker and only agency that is able to consider the specific organisational and ratepayer implications from various funding model refinements.
17. At the **9 August 2024** meeting, the Joint Committee confirmed the proposed Strategy document and passed the following resolutions:

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee:

 1. *Receives and considers the Clifton to Tangoio Coastal Hazards Strategy and Long Term Plan Amendment recommendations to HBRC staff report.*
 2. *Recommends that Hawke's Bay Regional Council:*
 - 2.1 *Receives the proposed Clifton to Tangoio Coastal Hazards Strategy dated July 2024 and provided as Attachment 1*
 - 2.2 *Using the proposed funding principles included in the Strategy, refine and finalise a funding model for Strategy implementation*
 - 2.3 *Prepare a final Clifton to Tangoio Coastal Hazards Strategy for community consultation in in accordance with the requirements of the Local Government Act 2002.*
 - 2.4 *Commence community consultation no later than March 2025.*
18. With that decision, the work of the Joint Committee is largely concluded, although the Joint Committee remains in place should HBRC wish to seek any further support or clarification.

¹ Asher, R. (2021) *Review and recommendations for the Clifton to Tangoio Coastal Hazards Strategy Joint Committee*. Available from: <https://www.hbcoast.co.nz/assets/Uploads/Raynor-Asher-Hawkes-Bay-Review-06-5-21.pdf>

² <https://www.consultations.nz/hbrc/the-future-of-our-coastline/>

HBRC's consideration of the Joint Committee's recommendations

19. Prior to HBRC receiving the Joint Committee's recommendations, two workshops were held with Council earlier in the year.
 - 19.1. **10 April 2024** – provided an overall summary of the Strategy and its development process, summarised the Funding Review undertaken by Raynor Asher KC and the Memorandum of Transition that resulted from it, summarised the outcome of an HBRC internal review undertaken as due diligence prior to entering in to the Memorandum of Transition, presented the working draft funding model and presented updated financial analysis on the impact on HBRC from leading Strategy implementation.
 - 19.2. **19 June April 2024** – provided an update on the funding principles developed by the Joint Committee, presented a working draft funding model and initial rating analysis undertaken by HBRC staff.
20. On **28 August 2024**, Council formally received the Joint Committee's recommendations, and passed the following resolutions:

That Hawke's Bay Regional Council:

 - 20.1. *Receives and considers the Clifton to Tangoio Coastal Hazards Strategy 2120 staff report.*
 - 20.2. *Receives the Clifton to Tangoio Coastal Hazards Strategy 2120.*
 - 20.3. *Notes the recommendations from the Clifton to Tangoio Coastal Hazards Strategy Joint Committee.*
 - 20.4. *Instructs the Chief Executive to provide advice on the pathway to implementation taking into account all of HBRC's priorities.*
21. Since then, two further workshops have been held with Council:
 - 21.1. **25 September 2024** – provided an opportunity to discuss the outcome of the Joint Committee's work and to workshop process options for HBRC to take the Strategy through to community consultation and implementation.
 - 21.2. **27 November 2024** – workshop to consider options and approaches for community engagement in 2025.
22. From the September and November workshops, guidance from councillors is summarised as:
 - 22.1. People and communities are already significantly impacted by cost of living, rates increases and Cyclone recovery.
 - 22.2. As an organisation, HBRC has significant cost and resources pressures, and a clear and urgent focus on river flooding and Cyclone recovery.
 - 22.3. Strategy implementation costs are significant.
 - 22.4. Taking these matters into account, Councillors do not wish to proceed with implementation of the Coastal Hazards Strategy in its current form through a public consultation process in March 2025.
 - 22.5. However, it is acknowledged that some communities have been waiting a long time for the Strategy and remain exposed to coastal hazards risks.
 - 22.6. Councillors requested further community engagement to test the Strategy, in particular implementation costs and funding approaches.
 - 22.7. Councillors also sought options to progress "no or low regrets" opportunities to respond to the ongoing risks posed by coastal hazards while the Strategy development process continues.

Proposed 2025 engagement approach

23. With clear guidance from Councillors that the Strategy is not able to proceed to implementation at this time, an outline of proposed project activity in 2025 was prepared and workshopped with Councillors on 27 November 2024.
24. The key elements of the proposed approach are:
 - 24.1. Re-engaging with tangata whenua, coastal communities and ratepayers more broadly will be critical to the Strategy moving through to formal consultation and inclusion in Council's Long-term Plan in a way that meets community and Council requirements.
 - 24.2. Key elements to test through engagement include:
 - 24.2.1. the outcomes developed by Strategy to date
 - 24.2.2. implementation costs
 - 24.2.3. funding methods
 - 24.2.4. preferred options.
 - 24.3. Inviting former Panel Members and new members to form a Community Reference Group will allow broad options to be tested, and support targeted engagement efforts to be effective.
 - 24.4. In Bay View, Westshore, Haumoana and Te Awanga, where specific and urgent coastal hazards works are proposed, targeted engagement through focus groups or similar will be necessary to test specific options and funding methods.
 - 24.5. Maungaharuru-Tangitū Trust, Napier City Council, Mana Ahuriri, Hastings District Council and Tamatea Pōkai Whenua remain key partners in Strategy development.
 - 24.6. The engagement process will begin from early 2025, and continue in a steady and structured way using a variety of channels and methods.
 - 24.7. The Council is cognisant of consultation fatigue and capacity constraints, and aims to stage and time engagement activity accordingly.
 - 24.8. Wider community feedback will be collated by the Community Reference Group and developed as final advice to HBRC on options for progressing the Strategy.
25. This approach is represented graphically in **Figure 1** below.

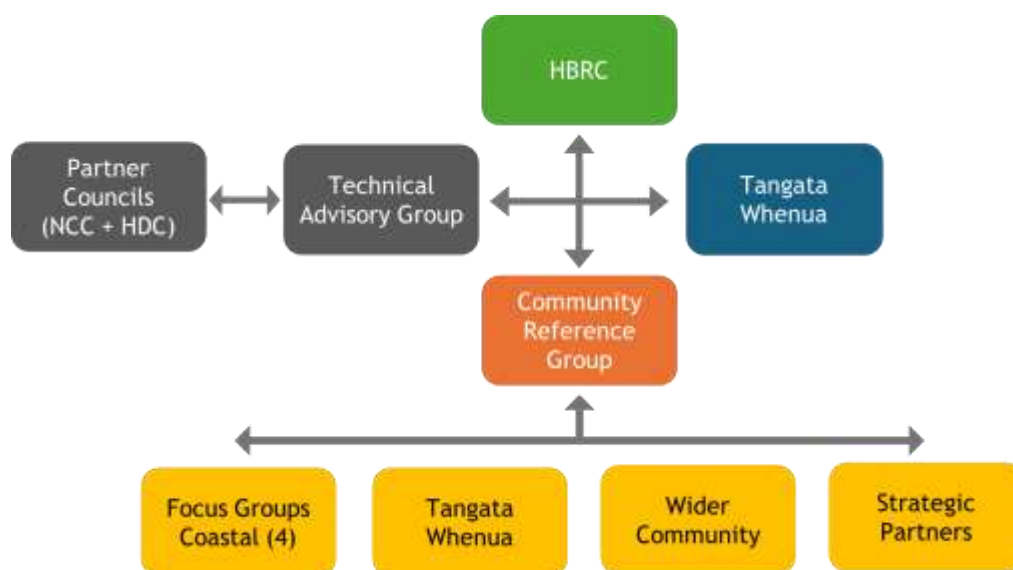


Figure 1: Coastal Strategy Engagement through 2025

Significance and Engagement Policy assessment

26. Future decisions on the timing and funding of Strategy implementation will be significant and require community consultation.
27. Council's decision proposed by this paper, to direct further community engagement on the Strategy, has low significance under Council's adopted Significance and Engagement Policy.
28. The greatest impact of directing further community engagement is that of delayed Strategy adoption. This is mitigated by the fact that Napier City Council and Hastings District Council continue to lead responses to urgent coastal hazards risks as they emerge (such as the coastal protection project currently being progressed by Hastings District Council at Te Awanga). This is consistent with the agreed approach between the councils to progress urgent works where required while the Strategy is developed. This agreed approach is captured in an Interim Response Plan developed through the Strategy.

Considerations of tangata whenua

29. It is noted that the Strategy has an established Mātauranga Māori Workstream which continues to engage with and seek input from tangata whenua.
30. Delaying formal consultation on the Strategy will create more time and space for this engagement to occur, and for outcomes to be reflected in the final Strategy.

Financial and resource implications

31. The project continues to be co-funded by HBRC, Napier City Council and Hastings District Council.
32. There is sufficient project budget available to June 2025.
33. Funding in the next financial year (from 1 July 2026) needs to be confirmed.

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 coastal communities between Clifton and Tangoio and the wider rate payers of Napier and Hastings.
 - 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 *Clifton to Tangoio Coastal Hazards Strategy implementation* 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. Reconfirms Council's commitment to the Memorandum of Transition signed with the Napier City Council and Hastings District Council in May 2022, which sets out that subject to the adoption of an amendment to its Long Term Plan in accordance with s.16 of the Local Government Act 2022, Hawke's Bay Regional Council will lead implementation of the Clifton to Tangoio Coastal Hazards Strategy.
4. Confirms that the Clifton to Tangoio Coastal Hazards Strategy Joint Committee has developed and presented a draft Strategy, which was received by Council on 28 August 2024.
5. Confirms that having considered the Joint Committee's draft Strategy, and taking into account the costs of implementation, the ability of households and communities to meet these costs alongside other financial pressures, and Council's current focus and priority on Cyclone Gabrielle recovery and flood resilience, that the Strategy in its current form is not progressed to implementation at this time.
6. Instructs the Technical Advisory Group for the Strategy to undertake community engagement through 2025 to test:
 - 6.1. the outcomes developed by Strategy
 - 6.2. implementation costs
 - 6.3. funding methods
 - 6.4. preferred options.
7. Instructs the Technical Advisory Group for the Strategy to report back to Council at the conclusion of 2025's community engagement.
8. Instructs the Chief Executive to work with Napier City Council and Hastings District Council to confirm project resourcing and progress no or low-regrets opportunities to respond to the ongoing risks posed by coastal hazards while the Strategy development process continues.

Authored by:

Simon Bendall
Project Lead - Traverse Environmental

Approved by:

Chris Dolley
Group Manager Asset Management

Attachment/s

There are no attachments for this report.

Hawke's Bay Regional Council

29 January 2025

Item 9

Subject: Affixing of 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
	Staff Warrants		
	1.2.1 G. Holder	4602	23 January 2025
	R. Tully	4603	23 January 2025
	<i>(Delegations under Resource Management Act 1991 (Sections 34A(1) and 38(1); Maritime Transport Act 1994 (Section 33G(a); Building Act 2004 (Section 317B); Biosecurity Act 1993 (Sections 103 and 105); Local Government Act 2002 (s.177))</i>		

Decision-making considerations

2. 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:
 - 2.1 Sections 97 and 88 of the Act do not apply.
 - 2.2 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.
 - 2.3 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:

**Vanessa Fauth
Finance Manager**

**Diane Wisely
Executive Assistant**

Approved by:

**Nic Peet
Chief Executive**

Attachment/s

There are no attachments for this report.

Hawke's Bay Regional Council

29 January 2025

Item 11

Subject: Confirmation of 18 December 2024 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 11 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	Rationale for excluding the public
Flood Resilience Financial Considerations	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 information relates to ongoing commercial negotiations that could be prejudiced if it was made public.

Authored by:

Leeanne Hooper
Team Leader Governance

Approved by:

Desiree Cull
Strategy & Governance Manager

Hawke's Bay Regional Council

29 January 2025

Item 12

Subject: Heretaunga Water Storage Project

That *Hawke's Bay Regional Council* excludes the public from this section of the meeting, being Agenda Item 12 *Heretaunga Water Storage Project* 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	Rationale for excluding the public
Heretaunga Water Storage Project	<p>s7(2)(b)(ii) Excluding the public is necessary to prevent the disclosure of information which would unreasonably damage the commercial position of the person or company who supplied or who is the subject of the information.</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>s7(2)(j) Excluding the public is necessary to prevent the disclosure or use of official information for improper gain or improper advantage.</p>	<p>Sensitive commercial and pricing information in the report has the potential to adversely impact commercial negotiations and, at this preliminary stage, may be misrepresented publicly and negatively impact the project's ongoing commercial discussions.</p>

Authored by:

Amanda Langley
Projecthaus

Approved by:

Richard Wakelin
Acting Group Manager Integrated Catchment
Management