HAWKE'S BAY
REGIONAL COUNCIL
TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI

Meeting of the Hawke's Bay Regional Council

Date: Wednesday 30 July 2025

Time: 11.00am

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

Attachments Excluded From Agenda

Available online only

ANNEXURE A

Key

- Grey coloured text – these provisions are included for context only and are not part of PC7

Environment Court decision version

Proposed Plan Change 7 to the Hawke's Bay Regional Resource Management Plan - Outstanding Water Bodies

Amend Chapter 3.1A of HB Regional Resource Management Plan

3.1 A Integrated Land Use and Freshwater Management

ISSUES

ISS LW1A E kore Parawhenua e haere ki te kore a Rakahore

Parawhenua (Water) would not flow if it were not for Rakahore (Rock)

He huahua te kai pai! He wai te kai pai!

Huahua (preserved birds) are a treasured delicacy. However water is a necessity.

Explanation: These two proverbs encapsulate the interrelationship between two significant elements – land and water. The Māori world is formed on the interconnectedness and interdependency of people to all living creatures and to the environments in which they live. The well-being of the whole is dependent on the well-being of its constituent parts.

ISS LW1 Multiple and often competing values and uses of fresh water can create conflict in the absence of clear and certain resource management policy guidance.

ISS LW2 Integration of the management of land use and water quality and quantity increases the ability to promote sustainable management of the region's natural and physical resources.

OBJECTIVES

OBJ LW 1 Integrated management of fresh water and land use and development

Fresh water and the effects of land use and development are managed in an integrated and sustainable manner which includes:

1. protecting the outstanding and significant values of outstanding water bodies identified in Schedule 25;[1]

1A. protecting wetlands, including their significant values;[2]

2. the maintenance of the overall quality of freshwater within the Hawke's Bay region and the improvement of water quality in water bodies that have been degraded to the point that they are over-allocated;

2B. establishing where over-allocation exists, avoiding any further over-allocation of freshwater and phasing out existing over-allocation;

[1] The significant values and their associated descriptions for each outstanding water body will be included after a catchment-based regional plan change has been made operative for the catchment.

[2] While significant values of wetlands can include nutrient filtering, flood flow attenuation, sediment trapping and cultural, spiritual, recreational, aesthetic and educational values, their values as habitat to fish, invertebrate, plant and bird life is likely to be significant for wetlands across the region.

3. recognising that land uses, freshwater quality and surface water flows can impact on aquifer recharge and the coastal environment;

4. safeguarding the life-supporting capacity and ecosystem processes of fresh water, including indigenous species and their associated freshwater ecosystems;

5. recognising the regional value of fresh water for human and animal drinking purposes, and for municipal water supply;

6. recognising the significant regional and national value of fresh water use for production and processing of beverages, food and fibre;

7. recognising the potential national, regional and local benefits arising from the use of water for renewable electricity generation;

8. recognising the benefits of industry good practice to land and water management, including audited self-management programmes;

8A. recognising the role of afforestation in sustainable land use and improving water quality;

9. ensuring efficient allocation and use of water;

12. recognising and providing for river management and flood protection activities;

13. recognising and providing for the recreational and conservation values of fresh water bodies; and

14. promoting the preservation of the natural character of the coastal environment, and rivers, lakes and wetlands, and their protection from inappropriate subdivision, use and development.

OBJ LW2 Integrated management of freshwater and land use development

The management of land use and freshwater use that recognises and balances the multiple and competing values and uses of those resources within catchments. Where significant conflict between competing values or uses exists or is foreseeable, the regional policy statement and regional plans provide clear priorities for the protection and use of those freshwater resources.

OBJ LW3 Tangata whenua values in management of land use and development and freshwater

Tangata whenua values are integrated into the management of freshwater and land use and development including:

a) recognising the mana of hapu, whanau and iwi when establishing freshwater values; and

b) recognising the cumulative effects of land use on the coastal environment as recognised through the Ki uta ki Tai ('mountains to the sea') philosophy; and

c) recognising and providing for wairuatanga and the mauri of fresh water bodies in accordance with the values and principles expressed in Chapter 1.6, Schedule 1 and the objectives and policies in Chapter 3.14 of this Plan; and

d) recognising in particular the significance of indigenous aquatic flora and fauna to tangata whenua.

Principal reasons and explanation

Objectives LW1, LW2 and LW3 (and associated policies) assist HBRC to give effect to the National Policy Statement for Freshwater Management by setting out a broad overall framework (in parallel with other objectives in the RPS) for improving integrated management of the region's freshwater and land resources. These RPS provisions only partly implement the NPS for Freshwater Management. Regional plan policies and methods (including rules) also assist in giving effect to the NPS for Freshwater Management.

In Hawke's Bay, the issues and pressures on land and water resources vary throughout the region. As a result, the urgency for clarity around water allocation and to maintain or improve water quality also varies. For example, the food and wine production Hawke's Bay is renowned for is focussed mostly on the Heretaunga Plains, while for example plantation forestry and wool growing is typically located on hill country. These catchment differences have influenced HBRC's decision to prioritise catchments where the issues, pressures and conflicts are most pressing.

Objectives LW1, LW2 and LW3 are intended to outline the broad principles for policy-making and regional plan preparation to improve integrated decisions being made about the way the region's land and freshwater resources are used, developed or protected

across the region's varying catchments and sub-catchments. Objective LW1.1 is consistent with the NPSFM which requires the regional councils to protect the significant values of outstanding water bodies.

As well as different pressures in different catchments, freshwater values in Hawke's Bay also vary spatially. In addition to the national values of fresh water identified in the NPSFM's Preamble, HBRC has undertaken a process to assess freshwater values in Hawke's Bay. This included beginning with a Regional Water Symposium in 2010, followed by a process involving stakeholder representatives to develop the Hawke's Bay Regional Land and Water Management Strategy and a second Land and Water Symposium in 2011. This process helped HBRC to understand how to prioritise and strengthen policy options and management decisions for the different catchments. HBRC has also applied the River Values Assessment System (RiVAS)[3] to assess some of the values of rivers in the region. The results of the RiVAS assessments for Hawke's Bay reinforced the values identified at the symposiums and by the stakeholder reference group.

The predominant view of Māori in Hawke's Bay is that water is the essential ingredient of life: a priceless treasure left by ancestors for their descendants' life-sustaining use. This Plan sets out iwi environmental management principles (see Chapter 1.6), matters of significance to iwi/hapū (see Chapter 3.14) and commentary about the Māori dimension to resource management (see Schedule 1).

POLICIES

POL LW1A Problem solving approach – Wetlands and outstanding freshwater bodies

1. To work collaboratively with iwi, territorial authorities, stakeholders and the regional community:
   a) to identify outstanding freshwater bodies at a regional level and include provisions in the Regional Policy Statement to list those waterbodies and guide the protection of the outstanding qualities of those water bodies; and
   b) to prepare a Regional Biodiversity Strategy and thereafter include provisions in the Regional Policy Statement and/or regional plans to (amongst other things) guide the protection of significant wetland habitat values identified by the Strategy;
   c) In relation to Policy LW1A.1, the identification of outstanding freshwater bodies will be completed and an associated change to the Regional Policy Statement will be publicly notified prior to public notification of any further[4] catchment-based plan changes[5] prepared in accordance with Policy LW1.

POL LW1 Problem-solving approach - Catchment-based integrated management

1. Adopt an integrated management approach to fresh water and the effects of land use and development within each catchment area, that:

   b) provides for *mātauranga a hapū* and local tikanga values and uses of the catchment;

   c) provides for the inter-connected nature of natural resources within the catchment area, including the coastal environment;

   cA) recognises and provides for the need to protect the integrity of aquifer recharge systems;

   cB recognises and manages the co-existing values of wetland habitat and agricultural production;

   d) protects the outstanding and significant values of those outstanding water bodies identified in Schedule 25.[6] Any conflicts between values are to be managed in accordance with the hierarchy of obligations in Te Mana o te Wai, prioritising (a) first, the health and well-being of water bodies and freshwater ecosystems; (b) second, the health needs of people (such as drinking water); (c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future, with priority given to outstanding values over significant values in cases where those values fall within the same Te Mana o te Wai category;

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3 RiVAS, developed by Lincoln University, provides a standardised method that can be applied to multiple river values. It helps to identify which rivers are most highly rated for each value and has been applied in several regions throughout the country.

4 Plan Change 6 for the Tukituki River catchment pre-dates this provision.

5 Notwithstanding Policy LW1A.2, a catchment-based regional plan change for the Mohaka River catchment may proceed in the meantime. For the avoidance of doubt, issue-specific regional plan changes (for example, urban stormwater or natural hazards and oil and gas resources) may also proceed in the meantime.

6 The significant values and their associated descriptions for each outstanding water body will be included after a catchment-based regional plan change has been made operative for the catchment.

dA) maintains, and where necessary enhances, the water quality of those outstanding water bodies identified in Schedule 25, and where appropriate, protects the water quantity of those outstanding water bodies;

e) promotes collaboration and information sharing between relevant management agencies, iwi, landowners and other stakeholders;

f) takes a strategic long term planning outlook of at least 50 years to consider the future state, values and uses of water resources for future generations;

g) aims to meet the differing demand and pressures on, and values and uses of, freshwater resources to the extent possible;

gA) involves working collaboratively with the catchment communities and their nominated representatives;

h) ensures the timely use and adaptation of statutory and non-statutory measures to respond to any significant changes in resource use activities or the state of the environment;

iC) avoids development that limits the use or maintenance of existing electricity generating infrastructure or restricts the generation output of that infrastructure;

iD) provides opportunities for new renewable electricity generation infrastructure where the adverse effects on the environment can be appropriately managed;

iE) recognises and provides for existing use and investment;

j) ensures efficient allocation and use of fresh water within limits to achieve freshwater objectives; and

k) enables water storage infrastructure where it can provide increased water availability and security for water users while avoiding, remedying or mitigating adverse effects on freshwater values.

2. When preparing regional plans:

a) use the catchment-wide integrated management approach set out in POL LW1.1; and

b) identify the values for freshwater and wetlands and their spatial extent within each catchment and for catchments identified in Policy LW2.1:

i) the values must include those identified in Table 2A; and

ii) may include additional values; and

bA) in relation to any relevant outstanding water bodies identified in Schedule 25:

i) Carry out an assessment which identifies the significant values of that outstanding water body. This assessment includes consideration of the values set out in Appendix 1a and Appendix 1b of the National Policy Statement for Freshwater Management 2020, and any other values that are determined to be relevant taking into account local and/or regional circumstances;

iA) Identify the spatial and the temporal extent of the outstanding values, and the significant values, where relevant;

ii) Establish how the outstanding and significant values of outstanding water bodies will be protected by regulatory methods and/or non-regulatory methods;

iii) Include regional plan provisions to manage new activities in a manner which avoids adverse effects that are more than minor on the outstanding and significant values of outstanding water bodies;

iv) Include regional plan provisions to manage existing activities in a manner which protects the outstanding and significant values of outstanding water bodies;

v) Include regional plan provisions to manage any conflicts between values in accordance with the hierarchy of obligations in Te Mana o te Wai, prioritising:

(a) first, the health and well-being of water bodies and freshwater ecosystems;

(b) second, the health needs of people (such as drinking water);

(c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future;

with priority given to outstanding values over significant values in cases where those values fall within the same Te Mana o te Wai category; and

c) establish freshwater objectives for all freshwater bodies for the values identified in clause (b) and clause (bA) above; and

d) so as to achieve the freshwater objectives identified under clause (c), set:

i) groundwater and surface water quality limits and targets; and

ii) groundwater and surface water quantity allocation limits and targets and minimum flow regimes; and

e) set out how the groundwater and surface water quality and quantity limits and targets will be implemented through regulatory or non-regulatory methods including specifying timeframes for meeting water quality and allocation targets.

3. When setting the objectives referred to in Policy LW1.2, ensure:

a) the life-supporting capacity, ecosystem processes and indigenous species including their associated ecosystems of fresh water are safeguarded; and

b) adverse effects on water quantity and water quality that diminish mauri are avoided, remedied or mitigated; and

c) the microbiological water quality in rivers and streams is safe for contact recreation where that has been identified as a value under Policy LW1.2 or Policy LW2 Table 2A.[7]

4. When identifying methods and timeframes in regional plans to achieve limits and targets required by Policy LW1.2(e) have regard to:

a) allowing reasonable transition times and pathways to meet any new water quantity limits or new water quality limits included in regional plans. A reasonable transition time is informed by the environmental and socio-economic costs and benefits that will occur during that transition time, and should include recognition of the existing investment; and

b) promoting and enabling the adoption and monitoring of industry-defined and Council approved good land and water management practices.

Principal reasons and explanation

Catchment-based resource management is promoted in Policy LW1 and is consistent with Objective C1 of the 2011 National Policy Statement for Freshwater Management. Policy LW1 provides a 'default' planning approach for all catchments and catchment areas

[7] NOTE: Policy LW1.3(c) applies to any values and uses identified in Table 2A which refer to "amenity for contact recreation", "amenity for water-based recreation" or "recreational trout angling."

across the region, irrespective of the catchment area's values being identified in Policy LW2. Many of the principles and considerations for catchment-based planning have emerged from the 2011 Hawke's Bay Land and Water Management Strategy.

National values of freshwater have been listed in the NPSFM preamble and values have also been identified in the Hawke's Bay LAWMS. Those water bodies in the region with outstanding values have been identified in Schedule 25. The NPSFM provisions prescribe a high level of protection for those water bodies with outstanding values.

Policy LW1.1(d) and (dA) inform future catchment-based plan changes, and the respective community discussions, which water bodies have outstanding values and directs the protection of their respective significant and outstanding values. Policy LW1.2(bA) ensures that the significant values of each outstanding water body are identified during the plan development phase and that any future plan provisions protect the outstanding water bodies' significant and outstanding values. Policy LW1.2(bA) differentiates between existing and new activities. In particular, Policy LW1.2(bA)(iii) requires new activities to be managed in a way that avoids any adverse effects, that are more than minor, on an outstanding water body's significant and outstanding values, while Policy LW1.2(bA)(iv) requires existing activities to be managed in a way that protects an outstanding water body's significant and outstanding values. Policy LW1.2(bA)(iv) recognises that existing activities are part of the existing environment in which these outstanding and significant values currently exist and should be able to continue in their current form providing the activity is not diminishing the outstanding nature of the water body.

Approaches to issues, values and uses of catchments will vary so Policy LW1.1, Policy LW1.2, Policy LW1.3 and Policy LW1.4 do not prescribe a one-size-fits-all approach for all catchments in Hawke's Bay. Each catchment-based process will need to be tailored for what is the most appropriate approach for that catchment (or grouping of catchments). Regional plans and changes to regional plans will be the key planning instrument for implementing catchment-based approaches to land use and freshwater resource management.

POLICY LW2 Problem-solving approach - Prioritising values

Subject to achieving Policy LW1.2 and Policy LW1.3:

1. Give priority to maintaining, or enhancing where appropriate, the primary values and uses of freshwater bodies shown in Table 2A for the following catchment areas[8] in accordance with Policy LW2.3:
    a) Greater Heretaunga / Ahuriri Catchment Area;
    b) Mohaka Catchment Area; and
    c) Tukituki Catchment Area.

1A. Policy LW2.1 applies:
    a) when preparing regional plans for the catchments specified in Policy LW2.1; and
    b) when considering resource consents for activities in the catchments specified in Policy LW2.1 when no catchment-based regional plan has been prepared for the relevant catchment.

2. In relation to catchments not specified in Policy LW2.1 above, the management approach set out in Policy LW1.1, Policy LW1.2, Policy LW1.3 and Policy LW1.4 will apply.

2A. In relation to values not specified in Table 2A, the management approach set out in Policy LW1.1, Policy LW1.2, Policy LW1.3 and Policy LW1.4 will apply.

3. When managing the freshwater bodies listed in Policy LW2.1:
    a) recognise and provide for the primary values and uses identified in Table 2A; and
    b) have particular regard to the secondary values and uses identified in Table 2A.

4. Evaluate and determine the appropriate balance between any conflicting values and uses within (not between) columns in Table 2A, using an integrated catchment-based process in accordance with Policy LW1.1, Policy LW1.2, Policy LW1.3 and Policy LW1.4 or when considering resource consent applications where no catchment-based regional plan has been prepared.

[8] A map illustrating the indicative location of these catchment areas is set out in Appendix A.

TABLE 2A:

Catchment Area	Primary Value(s) and Uses – in no priority order	Secondary Value(s) and Uses – in no priority order
Greater Heretaunga / Ahuriri Catchment Area	• any regionally significant native water bird populations and their habitats • Cultural values and uses for: ○ mahinga kai ○ nohoanga ○ taonga raranga ○ taonga rongoa • Fish passage • Individual domestic needs and stock drinking needs[9] • Industrial & commercial water supply • Native fish habitat in the Ngaruroro River and Tutaekuri River catchments • Recreational trout angling and trout habitat in: ○ the Mangaone River ○ the Mangatutu Stream ○ the Ngaruroro River and tributaries upstream of Whanawhana cableway ○ the Ngaruroro River mainstem between the Whanawhana cableway and confluence with the Maraekakaho River ○ the Tutaekuri River mainstem above the Mangaone River confluence • The high natural character values of the Ngaruroro River and its margins upstream of Whanawhana cableway, including Taruarau River • The high natural character values of the Tutaekuri River and its margins above the confluence of, and including, the Mangatutu Stream • Trout spawning habitat • Urban water supply for cities, townships and settlements and water supply for key social infrastructure facilities • freshwater use for beverages, food and fibre production and processing and other land-based primary production	• Aggregate supply and extraction in Ngaruroro River downstream of the confluence with the Mangatahi Stream • Amenity for contact recreation (including swimming)in lower Ngaruroro River, Tutaekuri River and Ahuriri Estuary • any locally significant native water bird populations and their habitats • Native fish habitat, notwithstanding native fish habitat as a primary value and use in the Tutaekuri River and Ngaruroro River catchments • Recreational trout angling, where not identified as a primary value and use • Trout habitat, where not identified as a primary value and use
Mohaka Catchment Area	• Amenity for water-based recreation between State Highway 5 bridge and Willow flat • any regionally significant native water bird populations and their habitats • Cultural values and uses for: ○ mahinga kai ○ nohoanga ○ taonga raranga ○ taonga rongoa • Fish passage • Individual domestic needs and stock drinking needs[9] • Long-fin eel habitat and passage • Recreational trout angling and trout habitat in the Mohaka River and tributaries upstream of, and including, the Te Hoe River	• Aggregate supply and extraction in Mohaka River below railway viaduct • any locally significant native water bird populations and their habitats • Native fish habitat below Willow flat • Recreational trout angling, where not identified as a primary value and use • Trout habitat, where not identified as a primary value and use • Water use associated with maintaining or enhancing land-based primary production • Water use for renewable electricity generation in areas not restricted by the Water Conservation Order

[9] In line with s14(3)(b)(ii) of the RMA, it is recognised that drinking water for stock is allowed, provided that it does not have an adverse effect on the environment.

Catchment Area	Primary Value(s) and Uses – in no priority order	Secondary Value(s) and Uses – in no priority order
	• Scenic characteristics of Mokonui and Te Hoe gorges • The high natural character values of the Mohaka River and its margins • Trout spawning habitat	
Tukituki Catchment Area	• any regionally significant native water bird populations and their habitats • Cultural values and uses for: ○ mahinga kai ○ nohoanga ○ taonga raranga ○ taonga rongoa • Fish passage • Individual domestic needs and stock drinking needs[8] • Industrial & commercial water supply • Native fish and trout habitat • Recreational trout angling and trout habitat in: ○ the Mangaonuku Stream ○ the Tukipo River ○ the Tukituki River mainstem downstream to Red Bridge ○ the Waipawa River • The high natural character values of: ○ the Tukituki River upstream of the end of Tukituki Road; and ○ the Waipawa River above the confluence with the Makaroro River, including the Makaroro River • Trout spawning habitat • Urban water supply for cities, townships and settlements and water supply for key social infrastructure facilities • freshwater use for beverages, food and fibre production and processing and other land-based primary production	• Aggregate supply and extraction in lower Tukituki River • Amenity for contact recreation (including swimming) in lower Tukituki River. • any locally significant native water bird populations and their habitats • Recreational trout angling, where not identified as a primary value and use • Trout habitat, where not identified as a primary value and use • Water use for renewable electricity generation in the Tukituki River (mainstem) and the Waipawa River above SH50 including the Mākaroro River.

Principal reasons and explanation

Policy LW2.1 and 2.3 prioritises values of freshwater in three Catchment Areas where significant conflict exists between competing values. Clearer prioritised values in 'hotspot' catchments where significant conflicts exist was an action arising from the 2011 Hawke's Bay Land and Water Management Strategy. Policy LW2 implements OBJ LW2 in particular insofar as explicit recognition is made of the differing demands and pressures on freshwater resources, particularly within the three nominated 'hotspot' catchment areas. In relation to the remaining catchment areas across the region, Policy LW2 does not pre-define any priorities, thus enabling catchment-based regional plan changes (refer Policy LW1) for those areas to assess values and prioritise those values accordingly. **Policy LW2 is subject to Policy LW1.2, which provides clear guidance that the outstanding and significant values of outstanding water bodies will need to be protected when developing future plans.**

The primary and secondary values in Table 2A are identified to apply to the catchment overall, or to sub-catchments or reaches where stated. Table 2A recognises that not all values are necessarily equal across every part of the catchment area, and that some values in parts of the catchment area can be managed in a way to ensure, overall, the water body's value(s) is appropriately managed. With catchment-based regional planning processes, it is potentially possible for objectives to be established that meet the primary values and uses at the same time as meeting the secondary values.

[Refer also:

- *OBJ1, OBJ2 and OBJ3 in Chapter 2.3 (Plan objectives);*
- *Objectives and policies in Chapter 3.4 (Scarcity of indigenous vegetation and wetlands);*
- *Objectives and policies in Chapter 3.8 (Groundwater quality);*
- *Objectives and policies in Chapter 3.9 (Groundwater quantity);*
- *Objectives and policies in Chapter 3.10 (Surface water resources); and*
- *Objectives and policies in Chapter 3.14 (Recognition of matters of significance to iwi/hapū)].*

POL LW3 Problem solving approach – Managing the effects of land use

1. To manage the effects of the use of, and discharges from, land so that:
   a) the loss of nitrogen from land to groundwater and surface water, does not cause catchment area or sub-catchment area limits for nitrogen set out in regional plans to be exceeded;
   b) the discharge of faecal matter from livestock to land, and thereafter to groundwater and surface water, does not cause faecal indicator bacteria water quality limits for human consumption and irrigation purposes set out in regional plans to be exceeded;
   c) the loss of phosphorus from production land into groundwater or surface water does not cause limits set out in regional plans to be exceeded.

1A. To provide for the use of audited self-management programmes to achieve good management of production land.

2. To review regional plans and prepare changes to regional plans to promote integrated management of land use and development and the region's water resources.

Principal reasons and explanation

Policy LW3 makes it clear that HBRC will manage the loss of contaminants (nitrogen, phosphorus and faecal indicator bacteria) from land use activities to groundwater and surface water in order to ensure that groundwater and surface water objectives and limits identified in specified catchment areas are achieved. Restrictions under section 15 of the RMA may also apply to land use activities. Phosphorus and nitrogen leaching and run-off will be managed by both regulatory and non-regulatory methods. This approach will be complemented by industries' implementation of good agricultural practices.

Most regional plan changes will be on a catchment-basis, although some changes may be prepared for specific issues that apply to more than one catchment. HBRC has prepared a NPSFM Implementation Programme that outlines key regional plan and policy statement change processes required to fully implement the NPSFM by 2030.

Policy LW3A Resource consent decision-making criteria – Outstanding water bodies identified in Schedule 25 (new activities)

1A. Policy LW3A applies where the activity does not meet Policy LW3B.1.

1. In relation to those types of activities identified in Policy LW3A.2 a consent authority must take into account:
   a) the extent to which the activity may on its own or cumulatively adversely affect the outstanding value(s) identified in Schedule 25 of the relevant outstanding water body; and
   b) the extent to which the activity may on its own or cumulatively adversely affect:
      i. the significant values (if any) identified in Schedule 25 of the relevant outstanding water body; and/or
      ii. any relevant values identified in Appendix 1A and 1B of the NPSFM 2020 and any other values that are determined to be relevant taking into account local and regional circumstances, where there is evidence that such values are present in the particular water body, prior to the operative date of the relevant catchment-based plan change; and
   c) whether, in order to protect the water body's outstanding values and significant values:
      i. the location of the proposed activity is appropriate;
      ii. if time limits, including seasonal, or other limits on the activity may be appropriate; and

d) The need to manage any conflicts between values in accordance with the hierarchy of obligations in Te Mana o te Wai, prioritising:

i) first, the health and well-being of water bodies and freshwater ecosystems;

ii) second, the health needs of people (such as drinking water);

iii) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future

with priority given to outstanding values over significant values in cases where those values fall within the same Te Mana o te Wai category.

2. Prior to the operative date of the relevant catchment-based plan change, Policy LW3A only applies to the following activities in a regional plan (but not a regional coastal environment plan):[10]

a) a take, use, damming, or diversion of water from an outstanding water body;

b) a discharge of a contaminant into an outstanding water body;

c) a discharge of a contaminant onto or into land in circumstances that may result in that contaminant (or, as a result of any natural process from the discharge of that contaminant, any other contaminant) entering an outstanding water body;

d) a land use consent for any new structure in, on, under or over the bed of an outstanding water body;

e) a land use consent for any new or increased disturbance of the bed of an outstanding water body that is not already authorised by a current land use consent.

3. Policy LW3A only applies in the following circumstances:

a. where the outstanding value(s) of the outstanding water body is identified in Part 2 of Schedule 25; or

b. where the significant value(s) of the outstanding water body is identified in Part 2 of Schedule 25.

Policy LW3B Resource consent decision-making criteria – Outstanding water bodies identified in Schedule 25 (existing activities)

1. Policy LW3B applies in the following circumstances:

a) The activity was a permitted activity in the regional plan as at 31 August 2019; or

b) The activity was authorised by a resource consent prior to 31 August 2019 and the holder of the consent applies for a new consent for the same activity or similar activity with effects that are the same or lesser in character, intensity, and scale to those arising from or associated with the existing activity.

2. In relation to those types of activities identified in Policy LW3B.3a consent authority must take into account:

a) The extent to which the outstanding value(s) of the relevant outstanding water body, identified in Schedule 25, are present in the same state as at 31 August 2019;

[10] In relation to a rule in a regional coastal plan, then Policy C2 applies.

b) If the outstanding value(s) of the relevant outstanding water body, identified in Schedule 25, are present in the same state as at 31 August 2019, the extent to which the activity, and any conditions imposed on it, results in effects that are the same or similar in character, intensity, and scale to those arising from or associated with the existing activity;

c) If the outstanding value(s) of the relevant outstanding water body, identified in Schedule 25, are in a worse state than as at 31 August 2019:

(i) the extent to which the activity is adversely affecting the outstanding value(s) either on its own or cumulatively; and

(ii) the extent to which conditions can be imposed to limit the adverse effects of the activity (if any) on the outstanding values of the relevant outstanding water body, identified in Schedule 25;

d) The extent to which the activity may, on its own or cumulatively adversely affect:

(i) the significant values identified in Schedule 25 (if any) of the relevant outstanding water body, while recognising that the significant values have been identified with the activity in operation; or

(ii) any relevant values identified in Appendix 1A or 1B of the NPSFM 2020 and any other values that are determined to be relevant taking into account local and regional circumstances, where there is evidence that such values are present in the particular water body, prior to the operative date of the relevant catchment-based plan change.

3. Prior to the operative date of the relevant catchment-based plan change, Policy LW3B only applies to the following activities in a regional plan (but not a regional coastal environment plan):[11]

a) a take, use, damming, or diversion of water from an outstanding water body;

b) a discharge of a contaminant into an outstanding water body;

c) a discharge of a contaminant onto or into land in circumstances that may result in that contaminant (or, as a result of any natural process from the discharge of that contaminant, any other contaminant) entering an outstanding water body;

d) a land use consent for a structure in, on, under or over the bed of an outstanding water body.

Principal reason and explanation

Policy LW3A provides guidance to resource consent applicants and decision-makers when assessing new activities which can potentially cause adverse effects, including cumulative adverse effects, on outstanding water bodies. In some cases the proposed activity may be inappropriate at that location or at certain times of the year. Those types of factors shall be taken into account by the Consent Authority when assessing resource consent applications to ensure the outstanding water body's significant and outstanding values are appropriately protected.

Policy LW3B provides guidance to resource consent applicants and decision-makers when assessing existing activities in or around outstanding water bodies. Policy LW3B provides for existing activities to continue in their current form providing the activity is not diminishing the outstanding nature of the water body. Policy LW3B recognises that activities occurring at or before 31 August 2019 were part of the existing environment at the time PC7 was publicly notified.-

[11] In relation to a rule in a regional coastal plan, then Policy C3 applies.

POL LW4 Role of non-regulatory methods

To use non-regulatory methods, as set out in Chapter 4, in support of regulatory methods, for managing fresh water and land use and development in an integrated manner, including:

a) **research, investigation and provision of information and services** – HBRC has in place a programme of research, monitoring and assessment of the state and trends of Hawke's Bay's natural resources. That programme will continue to be enhanced to assist HBRC implement the NPSFM and Hawke's Bay Land and Water Management Strategy;

b) **advocacy, liaison and collaboration** – HBRC will promote a collaborative approach to the integrated management of land use and development and the region's freshwater resources;

c) **land and water strategies** – the 2011 Hawke's Bay Land and Water Management Strategy contains a variety of policies and actions. A range of agencies and partnerships will be necessary to implement the actions and policies in the Strategy;

e) **industry good practice** – HBRC will strongly encourage industry and/or catchment-based good practices for production land uses along with audited self-management programmes as a key mechanism for achieving freshwater objectives at a catchment or sub-catchment level.

Principal reasons and explanation

Policy LW4 sets out the role of HBRC's non-regulatory methods in supporting regional rules and other regulatory methods to assist management of freshwater and land use and development in an integrated manner. This policy (and Policy LW1) recognises the need for a collaborative approach as an important means of minimising conflict and managing often competing pressures for the use and values of fresh water.

Anticipated Environmental Results

[Refer also anticipated environmental results in Chapters 3.3; 3.4; 3.7; 3.8; 3.9; 3.10; and 3.11]

Anticipated Environmental Results	Indicator(s)	Data Source(s)
1. Land and water management is tailored and prioritised to address the key values and pressures of each catchment	Freshwater objectives, targets and limits for catchments and/or groups of catchments are identified in regional plans for catchments Physical and biological parameters Social, cultural and economic indices	Regional plans and changes to regional plans HBRC's NPSFM Implementation Programme SOE monitoring and reporting Local authority records User surveys Catchment-specific monitoring programmes
2. Regional economic prosperity is enhanced	Regional GDP trends and unemployment trends for primary sector and associated manufacturing and processing	Statistics NZ Economic activity surveys Employment records by sector
3. Water is efficiently allocated	Level of allocation Catchment contaminant load modelling and monitoring Water use restriction timings and durations	SOE monitoring HBRC Consents records Compliance records Catchment-specific monitoring reports Water-supply management plans
4. Quality of fresh water in region overall is maintained or improved.	Catchment targets are met and limits in regional plans are not exceeded Catchment contaminant load modelling and monitoring	SOE monitoring Compliance records Catchment-specific monitoring reports

5. Water storage is developed to provide increased water availability and security for water users	Consents issued for water storage projects Improved security of supply of water for users in times and places of water scarcity	HBRC consent records Building consent authority records
6. Tikanga Māori and tangata whenua values are taken into account when managing freshwater	Cultural indices developed through cultural monitoring frameworks	Cultural health monitoring records
7. Outstanding and significant values of outstanding water bodies are protected	The outstanding and significant values for each outstanding water body identified in Schedule 25 are protected	Regional plans and changes to regional plans HBRC's NPSFM Implementation Programme SOE monitoring and reporting Specific monitoring programmes

Amend Chapter 3.2 of HB Regional Resource Management Plan

3.2 The Sustainable Management of Coastal Resources

ISSUE

3.2.1 *Integrated management of the region's coastal resources across a wide range of natural and physical conditions, administrative responsibilities cultural considerations, and matters of social and economic well being.*

OBJECTIVES

OBJ 4 Promotion of the preservation of the natural character of the coastal environment and its protection from inappropriate subdivision, use and development.

OBJ 5 The maintenance and where practicable and in the public interest, the enhancement of public access to and along the coast.

OBJ 6 The management of coastal water quality to achieve appropriate standards, taking into account spatial variations in existing water quality, actual and potential public uses, and the sensitivity of the receiving environment.

OBJ 7 The promotion of the protection of coastal characteristics of special significance to iwi, including waahi tapu, tauranga waka, taonga raranga, mahinga kai and mahinga mataitai.

OBJ 8 The avoidance of further permanent development in areas prone to coastal erosion or inundation, taking into account the risk associated with global sea level rise and any protection afforded by natural coastal features.

OBJ 9 Appropriate provision for economic development within the coastal environment, including the maintenance and enhancement of infrastructure, network utilities, industry and commerce, and aquaculture.

OBJ 10 Enabling safe and efficient navigation.

OBJ 11 Protection of the outstanding and significant values of those outstanding water bodies within the Coastal Environment identified in Schedule 25.

Explanation and Reasons

3.2.2 The coastal environment includes the coastal marine area (the area from mean high water springs to the outer limits of the territorial sea) and the adjacent land that is affected by maritime influences, the air above it, and coastal water.

3.2.3 People and communities in the region are aware of, and have concerns about, the sustainable management of the coastline.

3.2.4 The environment of the coastline contributes to the characteristics which give Hawke's Bay its unique identity. This environment provides a social, recreational, cultural and economic resource for the regional community and for visitors. Public use and enjoyment of the coastline are, in turn, dependent on the protection and maintenance of its physical and biological diversity, health and well-being. Areas of wildlife habitat, marine and land-based vegetation, and geomorphological features also have value. These contribute to the distinctive natural identity of New Zealand in general, and the region in particular.

3.2.5 Among the significant features of the region's coastline are the spiritual and cultural significance of the sea to tangata whenua, the recreational amenities of coastal areas, and the importance of the coastal waters as a way of transporting goods.

3.2.6 Integrated management of the coast requires special effort as the regional council and the territorial authorities in the region jointly manage the coastal environment area landward of the "Coastal Marine Area". This is achieved through district and (as appropriate) regional plans. However, the "Coastal Marine Area" is primarily the responsibility of the Hawke's Bay Regional Council, which must prepare a Regional Coastal Plan. HBRC has combined its regional coastal plan with other regional planning provisions applicable to the coastal environment into the Regional Coastal Environment Plan. The coastal environment includes the coastal marine area and an area of land immediately adjacent to the coast. The Minister of Conservation also retains some specific responsibilities over the coastal marine area.

3.2.7 The New Zealand Coastal Policy Statement (NZCPS) provides principles for, and guidance to, regional and territorial authorities in managing coastal resources. The NZCPS links matters of national importance, as set out in the Act, with the objectives, policies, rules and other provisions of regional and district plans, including the Regional Coastal Environment Plan. The Regional Coastal Environment Plan thus contains a greater level of detail for areas and activities within the coastal environment than the broad regional policy framework for coastal resources included in the Regional Policy Statement.

3.2.8 The preservation of the natural character of the coastal environment is specified as a matter of national importance in the Act. The natural character of the coast embraces ecological, physical, spiritual, cultural, intrinsic and aesthetic values. While it is a matter of national importance to preserve those values, the Act does not preclude appropriate use and development, particularly where natural character has already been compromised.

3.2.8A Objective 11 aligns with provisions relating to outstanding freshwater bodies (Chapter 3.1A of the RRMP), and ensures a consistent framework is in place to protect outstanding water bodies (such as estuaries) in coastal areas, in the same manner as outstanding freshwater bodies. The NPSFM specifically provides for the integrated management of the effects of use and development of land and freshwater on coastal water. Objective 11 assists in achieving integrated management between coastal and freshwater resources ensuring that outstanding and significant values that span both the freshwater and coastal environments are protected.

3.2.8 B Objective 11 assists in giving effect to Objectives 1 and 2 and Policies 11, 13, 15 and 17 of the NZ Coastal Policy Statement, which requires the protection of significant natural ecosystems, indigenous biodiversity, sites of biological importance, natural features, historic heritage, natural character and landscape values, which are some of the many significant values which can be associated with water bodies in the coastal environment. In some instances Policies 11, 13 and 15 of the NZCPS contain direction that is more stringent than that set out in the NPSFM. In those cases, the direction set out in the NZCPS applies (see Policies C1, C2 and C3). Objective 11 allows the national direction contained in the respective NZCPS and NPSFM documents to be taken into account in decision making.

3.2.9 Public access to and along the coast is an important issue for the residents of Hawke's Bay. It is also a matter of national importance in the RMA. In planning for the use, development and protection of the natural and physical resources in the coast, public access as far as possible should be maintained. In certain circumstances it may be desirable to enhance public access to and along the coast.

3.2.10 Good water quality is important for the sustainable management of natural and physical resources in the coastal environment and is an issue of prime concern to the residents of Hawke's Bay. However, water quality may vary over time and in different areas. An appropriate management framework includes achieving standards through management of discharge including point and non-point source discharges from land and to sea.

3.2.11 Tangata whenua of Hawke's Bay have strong traditional and cultural relationships with the sea. The identification and protection of coastal characteristics of special significance to iwi recognises the special relationships that iwi have with coastal resources.

3.2.12 Avoiding permanent development in areas prone to coastal erosion or inundation and taking into account the risk associated with global sea level rise is necessary to achieve the purpose of the Act. This approach enables people to provide for their safety and recognises the reasonably foreseeable needs of future generations. It also gives a clear indication to resource users that development in these areas is inappropriate and indicates that local authorities are accountable for any development that does occur in these areas.

3.2.13 The provisions of the Act do not relate solely to the control of environmental effects. Providing for economic development in the coastal environment within the region is necessary to achieve the purpose of the Act because the Act requires the Council to promote the sustainable management of both natural and physical resources. Physical resources include land and structures and includes the structures in the region which add to the present and future economic well-being of the region. The responsibility for providing for the social, economic, cultural, health and safety needs of the community lies in part with the Regional Council. The economic well-being of the people and communities of the region requires the continuation of an economic infrastructure.

3.2.14 There are a number of existing surface water activities in Hawke's Bay ranging from passive recreation to recreational use of boats, yachts and pleasure craft, to commercial fishing and port related shipping. New activities may occupy coastal marine space and may have the potential to enhance or conflict with navigational needs. Promoting safe and efficient navigation is necessary to promote the purpose of the Act because it enables people and communities to provide for their social, cultural and economic well-being and for their health and safety.

POLICIES

POLICY C1 Problem-solving approach – Outstanding water bodies in the coastal environment

1. When preparing regional plans, in relation to any relevant outstanding water bodies identified in Schedule 25:

   a) Apply Policy LW1.2(bA)(i), (iA) and (ii);

   b) Include provisions to manage new activities in a manner which:

      (i) avoids adverse effects on the outstanding and significant indigenous biological diversity (biodiversity) values of an outstanding water body, that are identified in Schedule 25 and meet the description(s) set out in Policy 11(a), of the New Zealand Coastal Policy Statement 2010; and

      (ii) avoids adverse effects on outstanding natural character, outstanding natural features and outstanding natural landscape values of an outstanding water body identified in

Schedule 25 to give effect to Policies 13.1(a) and 15(a) of the New Zealand Coastal Policy Statement 2010; and

(iii) avoids adverse effects that are more than minor on any other outstanding and significant values identified in Schedule 25;

c) Include provisions to manage existing activities in a manner which:

(i) avoids adverse effects on the outstanding and significant indigenous biological diversity (biodiversity) values of an outstanding water body, that are identified in Schedule 25 and meet the description(s) set out in Policy 11(a), of the New Zealand Coastal Policy Statement 2010; and

(ii) avoids adverse effects on outstanding natural character, outstanding natural features and outstanding natural landscape values of an outstanding water body identified in Schedule 25 to give effect to Policies 13.1(a) and 15(a) of the New Zealand Coastal Policy Statement 2010; and

(iii) protects any other outstanding and significant values of outstanding water bodies identified in Schedule 25.

Policy C2 Resource consent decision-making criteria – Outstanding water bodies identified in Schedule 25 in the coastal environment (new activities)

1A. Policy C2 applies where the activity does not meet Policy C3.

1. In relation to those types of activities identified in Policy C2.2, a consent authority must take into account:

a) the extent to which the activity may on its own or cumulatively adversely affect outstanding value(s) identified in Schedule 25 of the relevant outstanding water body;

b) the extent to which the activity may on its own or cumulatively adversely affect the significant values (if any) identified in Schedule 25 of the relevant outstanding water body;

c) whether, in order to protect the water body's outstanding values and significant values:

i. the location of the proposed activity is appropriate; and

ii. time limits, including seasonable or other limits on the activity may be appropriate;

d) the need to manage any conflicts between values in accordance with the hierarchy of obligations in Te Mana o te Wai, prioritising:

i. first, the health and well-being of water bodies and freshwater ecosystems;

ii. second, the health needs of people (such as drinking water);

iii. third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future

with priority given to outstanding values over significant values in cases where those values fall within the same Te Mana o te Wai category;

e) If adverse effects from the activity on the outstanding and significant value(s), of the relevant outstanding water body, can be avoided pursuant to Policies 11(a), 13.1(a) and 15(a) of the New Zealand Coastal Policy Statement 2010 in the following instances:

i) where the outstanding and/or significant values, identified in Schedule 25, meet the indigenous biological diversity (biodiversity) values description(s) set out in Policy 11(a) of the New Zealand Coastal Policy Statement 2010; and/or

ii) where the outstanding values, identified in Schedule 25, are outstanding natural character, outstanding natural features or outstanding natural landscape values.

2. Prior to the operative date of the relevant catchment-based plan change, Policy C2 only applies to the following activities in a regional coastal environment plan:

   a) a take, use, damming, or diversion of water from an outstanding water body;

   b) a discharge of a contaminant into an outstanding water body;

   c) a discharge of a contaminant onto or into land in circumstances that may result in that contaminant (or, as a result of any natural process from the discharge of that contaminant, any other contaminant) entering an outstanding water body;

   d) a land use consent for any new structure in, on, under or over the bed of an outstanding water body;

   e) a land use consent for any new or increased disturbance of the bed of an outstanding water body that is not already authorised by a current land use consent.

3. Policy C2 only applies in the following circumstances:

   a) where the outstanding value(s) of the outstanding water body is identified in Part 2 of Schedule 25; and/or

   b) where the significant value(s) of the outstanding water body is identified in Part 2 of Schedule 25.

Policy C3 - Resource consent decision-making criteria – Outstanding water bodies identified in Schedule 25 in the coastal environment (existing activities)

1. Policy C3 applies in the following circumstances:

   a) The activity was a permitted activity in the Regional Coastal Environment Plan as at 31 August 2019, or

   b) The activity was authorised by a resource consent prior to 31 August 2019 and the holder of the consent applies for a new consent for the same activity or similar activity with effects that are the same or lesser in character, intensity, and scale to those arising from or associated with the existing activity.

2. In relation to those types of activities identified in Policy C3.3 a consent authority must take into account:

   a) The extent to which the outstanding value(s) of the relevant outstanding water body, identified in Schedule 25, are present in the same state as at 31 August 2019;

   b) If the outstanding value(s) of the relevant outstanding water body, identified in Schedule 25, are present in the same state as at 31 August 2019 the extent to which the activity, and any conditions imposed on it, results in effects that are the same or similar in character, intensity, and scale to those arising from or associated with the existing activity, except in the case of Policy C3.2(d);

c) If the outstanding value(s) of the relevant outstanding water body, identified in Schedule 25, are in a worse state than as at 31 August 2019:

i) the extent to which the activity is adversely affecting the outstanding value(s) either on its own or cumulatively; and

ii) the extent to which conditions can be imposed to limit the adverse effects of the activity (if any) on the outstanding values of the relevant outstanding water body, identified in Schedule 25, except in the case of Policy C3.2(d);

d) If adverse effects from the activity on the outstanding and significant value(s), of the relevant outstanding water body, can be avoided pursuant to Policies 11(a), 13.1(a) and 15(a) of the New Zealand Coastal Policy Statement 2010 in the following instances:

i) where the outstanding and significant values, described in Schedule 25, meet the indigenous biological diversity (biodiversity) values description(s) set out in Policy 11(a) of the New Zealand Coastal Policy Statement 2010; and/or

ii) where the values, described in Schedule 25, are outstanding natural character, outstanding natural features or outstanding natural landscape values.

3. Prior to the operative date of the relevant catchment based plan change, Policy C3 only applies to the following activities in a regional coastal environment plan:

a) a take, use, damming, or diversion of water from an outstanding water body;

b) a discharge of a contaminant into an outstanding water body;

c) a discharge of a contaminant onto or into land in circumstances that may result in that contaminant (or, as a result of any natural process from the discharge of that contaminant, any other contaminant) entering an outstanding water body;

d) a land use consent for a structure in, on, under or over the bed of an outstanding water body.

Principal reasons and explanation

3.2.15 Policy C1, C2 and C3 are the only polices relating to the coastal environment part of this Plan. However, many of the other provisions within the Regional Policy Statement parts of this Plan apply within the coastal environment. Specific regional plan provisions (including policies) for the coastal environment are contained within the Regional Coastal Environment Plan.

3.2.16 The Hawke's Bay Regional Coastal Environment Plan is a combined Plan, incorporating the regional coastal plan that HBRC is required to prepare. It sets out in some detail objectives, policies and methods including rules which are the basis for management of the coastal environment. Thus the Regional Policy Statement of this Plan does not repeat or elaborate on the above objectives, and the Regional Coastal Environment Plan should be referred to for further detail.

3.2.17 Under the Act, HBRC has shared responsibility with the territorial authorities for management of activities and effects of activities within the coastal environment.

3.2.18 Some aspects of those activities are the sole responsibility of district councils – particularly managing the effects of land uses, development and subdivision in terms of the Act and in ways which are not inconsistent with this Regional Policy Statement or regional plans. District Plans should also be referred to as these may set out specific objectives, policies, methods and rules for the landward side of the coastal environment.

3.2.18A Policy C1 aligns with provisions relating to outstanding freshwater bodies (i.e. Policy LW1) in Chapter 3.1A of the RRMP, and ensures a consistent framework is in place to protect outstanding water bodies in coastal areas (such as estuaries) in the same manner as outstanding freshwater bodies. This is consistent with the NPSFM which specifically provides for the integrated management of the effects of use and development of land and freshwater on coastal water. Policy C1 informs future catchment-based plan changes, the respective community discussions, which water bodies have outstanding values, and directs the protection of their respective significant values. Policy C1.1(a) cross references Policy LW1.2(bA)(i) (iA) and (ii) to ensures that the significant values of each outstanding water body are identified during the plan development phase and that any future plan provisions protect the outstanding water bodies' outstanding and significant values.

3.2.18B Policy C2 and C3 aligns with Policies LW3A and LW3B, respectively, of the RRMP albeit applicable to decision making for activities affecting outstanding water bodies located in the coastal environment. Policy C2 provides guidance to resource consent applicants and decision-makers when assessing new activities which can potentially cause adverse effects including cumulative adverse effects, on outstanding water bodies. In some cases the proposed activity may be inappropriate at that location or at certain times of the year. Those types of factors shall be taken into account by the Consent Authority when assessing resource consent applications to ensure the outstanding water body's significant and outstanding values are appropriately protected. Policy C3 provides guidance to resource consent applicants

and decision-makers when assessing existing activities in or around outstanding water bodies. Policy C3 provides for existing activities to continue in their current form providing the activity is not diminishing the outstanding nature of the water body. Policy C3 recognises that activities occurring at or before 31 August 2019 were part of the existing environment at the time in which the outstanding value(s) set out in Schedule 25 were identified.

3.2.18C The New Zealand Coastal Policy Statement 2010 contains specific direction with respect to significant natural ecosystems, indigenous biodiversity, sites of biological importance, natural features, historic heritage, natural character and landscape values. These are some of the many significant values which can be associated with water bodies in the coastal environment. In some instances, Policies 11, 13 and 15 of NZCPS contain direction which is more stringent than that set out in the NPSFM. In those cases, Policies C1, C2 and C3 reflect the direction set out in the NZCPS.

Amendments to Chapter 9 (Glossary) of Hawke's Bay Regional Resource Management Plan

Amend Glossary by adding new definitions to read:

Outstanding water body means freshwater bodies, and estuaries and lagoons (or parts thereof), that have outstanding cultural, spiritual, recreational, landscape, natural form and character or ecological value(s) as identified in Schedule 25.

Outstanding for the purposes of an outstanding water body means conspicuous, eminent, or remarkable in the context of the Hawke's Bay Region.

Schedule 25: Outstanding Water Bodies

Part 1 Screening criteria for outstanding water bodies

Water bodies, and estuaries and lagoons (or parts thereof), must have outstanding values that are assessed as being conspicuous, eminent or remarkable in the Hawkes Bay Region to meet the definition of 'outstanding' set out in this plan, unless the water body, or part thereof is identified as having outstanding values in a water conservation order.

The values that are assessed are:

Ecology	habitat for native aquatic birds
Ecology	native fish habitat
Ecology	habitat for indigenous plant communities
Ecology	habitat for above-ground ecology values not otherwise provided for in the screening criteria.
Cultural or spiritual (tāngata whenua)	
Recreation	angling amenity (trout)
Recreation	rafting
Recreation	kayaking (including canoeing)
Recreation	jet boating
Landscape	wild and scenic
Karst system / subterranean waters	
Natural form and character	

Assessment of the values of each water body is carried out using **screening criteria** that include the thresholds the water body value(s) must meet to be accorded outstanding status. The screening criteria are set at a high threshold for all values and, unless otherwise expressed, are to be considered in the context of the Hawke's Bay Region.

The screening criteria contain a List A, of which the value must meet at least one criterion, and a List B, of which all the criteria must be met. List B always includes the requirement that evidence support the outstanding nature of the feature.

Both the values and screening criteria in PC7 have been developed via a plan change process.

Future assessment of water bodies that may be outstanding in the Hawkes Bay Region will also take place as part of a plan change or other statutory process. The assessment of the significant values of outstanding water bodies will follow the same process.

Assessment against the screening criteria relies on evidence and information obtained from a range of sources, some of which are listed for each value. Sources may include published reports and information held by HBRC on its website www.hbrc.govt.nz along with other relevant information."

Screening criteria for outstanding values of water bodies in the Hawkes Bay Region

Value	Sub values / Outstanding indicators	Evidential sources (can include but are not limited to the following)
Ecology	**Habitat for native aquatic birds**	
	An outstanding habitat for native aquatic birds: **List A** a) contains a native aquatic bird assemblage that is among the highest in terms of diversity, abundance, or distinctiveness. b) supports 15% or more of the regional population and 2% or more of the national population of a particular native aquatic bird species listed as Nationally Critical, Nationally Endangered or Nationally Vulnerable on the New Zealand Threat Classification List. **List B** a) is reliant on the water body's flows or levels, other aquatic characteristics, or is an integral part of the water body. b) is supported by evidence.	International Union for Conservation of Nature (IUCN) criteria. RAMSAR site criteria reports. New Zealand threat classification system. IUCN red list. Expert evidence.
Ecology	**Native fish habitat**	
	An outstanding habitat for native fish: **List A** a) contains a native fish assemblage that is among the highest in terms of diversity, abundance or distinctiveness. b) supports 15% or more of the regional population and 2% or more of the national population of a particular native fish species listed as Nationally Critical, Nationally Endangered or Nationally Vulnerable on the New Zealand Threat Classification List. c) is an outstanding customary fishery. **List B** a) is supported by evidence.	Waters of National Importance. New Zealand threat classification system. Expert evidence.
Ecology	**Habitat of indigenous plant communities**	
	An outstanding habitat for an indigenous plant community: **List A** a) contains special features rarely found. b) supports among the highest numbers of a national population of a particular indigenous plant species listed as Nationally Critical, Nationally Endangered or Nationally Vulnerable on the New Zealand Threat Classification List. **List B** a) is reliant on the river flows, other aquatic characteristics, or is an integral part of the water body. b) Is supported by evidence.	New Zealand Geopreservation Inventory. Protected Natural Area (PNA) surveys. New Zealand threat classification system. Expert evidence.

Value	Sub values / Outstanding indicators	Evidential sources (can include but are not limited to the following)
Ecology	**Habitat for above ground ecology values not otherwise provided for in the screening criteria**	
	An outstanding habitat for above ground ecology not otherwise provided for: **List A** a) contains distinctive features rarely found. b) supports among the highest numbers of a national population of a particular indigenous taxa listed as Nationally Critical Nationally Endangered or Nationally Vulnerable on the New Zealand Threat Classification List. **List B** a) is reliant on the water body's flows or levels, other aquatic characteristics, or is an integral part of the water body. b) Is supported by evidence.	New Zealand threat classification system. Expert evidence.
Cultural or spiritual	**Cultural or spiritual (tangata whenua)**	
	A water body that has outstanding cultural or spiritual values: **List A** a) is outstanding in accordance with te ao Māori values, mātauranga Māori and tikanga of a descendant group closely associated with the water body. **List B** a) is supported by evidence.	Waitangi Tribunal Reports. Statutory acknowledgements. Iwi members. Deeds of settlement. Customary use reports. Court cases. Expert evidence
Recreation	**Angling amenity (trout and salmon)**	
	Outstanding angling amenity (trout and salmon): **List A** a) supports among the highest numbers of trophy-sized trout (over 4 kilograms). b) supports among the highest numbers of large trout. **List B** - a) has a variety of high-quality angling experiences OR a specialised high quality angling experience. b) supports a wild trout population that is self-sustaining through natural replacement i.e., the fish population is not periodically restocked. c) is accessible to anglers and is suitable to fish (in high water quality and at suitable flows). d) has a regional, national or international reputation as an exceptional trout fishery or high non-local usage (high numbers of anglers come from outside of the area). e) is supported by evidence.	National Angling Survey. Published activity guides. User surveys. Headwater trout fisheries (NIWA). Testimonies from anglers. National Inventory of Wild and Scenic River. Expert evidence

Value	Sub values / Outstanding indicators	Evidential sources (can include but are not limited to the following)
Recreation	Rafting	
	An outstanding rafting experience (amenity): **List A** a) supports a variety of high-quality rafting experiences found in few other water bodies. b) is a specialised high quality rafting experience found in few other water bodies. **List B** a) provides a rafting experience which is reliable and predictable for most of the year under normal flows (i.e., the experience is not reliant on dam release water or high flows, or subject to low flows). b) has regional, national or international significance as an exceptional rafting experience. c) has high non-local usage (high numbers of participants come from outside of the area). d) is supported by evidence.	Published activity guides. User surveys. Testimonies from rafters and their local or national associations. Expert evidence.
Recreation	Kayaking (including canoes)	
	An outstanding kayaking experience (amenity): **List A** a) supports a variety of high-quality kayaking experiences found in few other water bodies. b) provides a specialised high quality kayaking experience found in few other water bodies. **List B** a) provides an outstanding kayaking experience which is reliable and predictable for most of the year under normal flows (i.e., the experience is not reliant on dam release water or high flows, or subject to low flows). b) has regional, national or international significance as an exceptional kayaking experience. c) has high non-local usage (high numbers of participants come from outside of the area). d) is supported by evidence.	Published activity guides. User surveys. Testimonies from kayakers and their local or national associations. Expert evidence.

Value	Sub values / Outstanding indicators	Evidential sources (can include but are not limited to the following)
Recreation	**Jet boating**	
	An outstanding jet-boating experience (amenity): **List A** a) supports a variety of high-quality jet boating experiences found in few other water bodies. b) provides a specialised high-quality jet boating experience found in few other water bodies. **List B** a) provides an outstanding jet boating experience which is reliable and predictable for most of the year under normal flows (i.e., the experience is not reliant on high flows or subject to low flows). b) has regional, national or international significance as an exceptional jet boating experience. c) has high non-local usage (high numbers of participants come from outside of the area). d) Is supported by evidence.	Published activity guides. User surveys. Testimonies from jet boaters and their local or national associations. Expert evidence.
Landscape	**Wild and scenic**	
	A water body with outstanding wild and scenic values: **List A** a) is an essential component of the landscape. b) has distinctive wild or scenic qualities which 'stand out' and are present in few other water bodies. **List B** a) Is supported by evidence.	A National Inventory of Wild and Scenic Rivers. A list of rivers and lakes deserving protection in a schedule of protected waters. 64 New Zealand Rivers: a scenic evaluation. New Zealand Recreational survey and the National Inventory of Wild and Scenic Rivers. Expert evidence.
Karst system or subterranean waters	**Karst system or subterranean waters**	
	An outstanding karst system or subterranean waters: **List A** a) provides a specialized, high-quality experience with international or national reputation or high non-local usage present in few other water bodies. b) displays distinctive wild and/or scenic qualities which 'stand out' and are present in few other water bodies. c) has distinctive scientific or ecological values present in few other water bodies. **List B** a) Is supported by evidence.	New Zealand Geopreservation Inventory. Expert evidence.

Value	Sub values / Outstanding indicators	Evidential sources (can include but are not limited to the following)
Natural form and character	Natural form and character	
	A water body that has outstanding natural form and character values: **List A** a) is highly natural with little or no human modification, including to the flow, bed and riparian margins, water quality, flora and fauna, within a largely indigenous landscape, except for braided rivers which can still hold outstanding natural form and character values where riparian margins and the surrounding landscape are modified, provided the water body is highly natural with no human modification in all other respects. b) is a braided river that is highly natural with little or no human modification, including to the flow, bed and riparian margins, water quality, flora and fauna. c) is classified as Class A in the New Zealand Geopreservation Inventory. **List B** a) has values that are dependent on the water body's condition and functioning. b) contains distinctive qualities that stand out among such water bodies. c) Is supported by evidence.	Expert evidence.

Part 2 – Outstanding Water Bodies in Hawke's Bay and their outstanding and significant value(s)

The following water bodies, (or parts thereof), have been identified as having outstanding value(s). An Indicative Location Map (included as Part 3) shows the general location and extent of the Outstanding Water Bodies listed in Table 1. The map is intended to assist plan users in identifying the approximate location of each outstanding water body and does not illustrate their precise boundaries.

* The significant values, and their associated descriptions, for each outstanding water body will be included after a catchment based regional plan change has been made operative for the relevant catchment (see Objective LW1, Policy LW1 and Policy C1).

Table 1: Outstanding Water Bodies in Hawke's Bay

Column 1	Column 2	Column 3	Column 4
ID #	**Outstanding water body**	**Outstanding characteristics or values**	**Significant values**
OWB 1A	**Heretaunga Plains Aquifer System** The Heretaunga Aquifer is the personification of Muriwaihou known as Heretaunga Muriwaihou – the womb and amniotic fluid of Papatūānuku. It is considered by iwi and hapū to be a unique and outstanding taonga. It is also referred to as Haukunui (the life-giving water) that manifests as mists, fogs and dew that contributes to an abundance and wealth in the soils, water bodies and people.	Cultural or spiritual values Whakapapa o te wai, wāhi taonga, wairua, mauri	
OWB 1B	**Lake Poukawa and Pekapeka Swamp** Lake Poukawa, also known as Te Wai-nui-a-Tara, is a small shallow lake with a surface area of 89 hectares. The lake has an adjoining margin of wetland vegetation which is intermittently covered in water depending on the time of year. The wetland area contains swamp nettle (Urtica linearifolia) and the acutely threatened aquatic liverwort (Ricciocarpos natans) which is nationally endangered. The Lake has been declared a non-commercial eel fishery, one of only a few lakes in New Zealand to have this designation. Lake Poukawa is a taonga of Heretaunga Tamatea, traditionally used for food gathering. The Lake is well known for its eel fishery which is of considerable cultural importance to the people of Te Hauke and their hapū Ngai Te Rangikoianake. The history of Lake Poukawa is directly related to the eels of the lake. The mana of each chief of Te Wheao is related to control of Lake Poukawa and its resources. Lake Poukawa has been the scene of many battles, with a number of wāhi tapu and wāhi taonga sites in the area. The origin of the name 'Poukawa' is said to have arisen because of a disagreement between two local chiefs Te Rangihirawea and Te Rangikawhiua over-fishing rights in the lake.	Cultural or spiritual values Ecology (habitat for aquatic native birds)	

Column 1	Column 2	Column 3	Column 4
ID #	Outstanding water body	Outstanding characteristics or values	Significant values
	Lake Poukawa supports a high diversity of bird species, with notably high numbers of the Australasian bittern, New Zealand dabchick, pied stilt, and shoveler ducks.		
OWB 1	**Lakes Rotoroa and Rototuna (the Kaweka Lakes)** These lakes are situated in the Kaweka Forest Park, with no sign of human modification and surrounded by indigenous vegetation.	Natural character (Lake Rotoroa and Lake Rototuna) Habitat for indigenous aquatic plant community (Lake Rototuna) Habitat for native fish community (Lake Rotoroa)	
OWB 2	**Lake Tūtira (including Lake Waikōpiro)** Lake Tūtira is located beside SH2 north of Napier. Water quality in the lake is degraded, and various attempts have been made to improve it. Two fortified pā stood beside the lake, which was a taonga, a highly valued source of kai and the scene of many battles.	Cultural or spiritual values	
OWB 3	**Lake Waikaremoana** Lake Waikaremoana is a debris-dammed lake located in Te Urewera. It is the deepest lake in the North Island, and the largest in the region. It has exceptional water quality, a high diversity of native aquatic plant species, is popular for recreational activities including angling and boating, and forms the focus of one of New Zealand's great walks.	Ecology, specifically habitat for aquatic native plant communities Landscape (wild and scenic) values Natural character Recreation (central focus of a Great Walk)	
OWB 4	**Lake Whakakī – Te Paeroa Lagoon – Wairau Lagoon and Wetlands** Whakakī Lake and its associated wetlands are located to the north of Wairoa township near the coast. Whakakī Lake is an intermittently closed and open lake (ICOLL) which is a rare habitat type. These water bodies support a significant number of threatened native aquatic birds.	Ecology (habitat for high natural diversity of aquatic native birds)	
OWB 5	**Lake Whatumā** Lake Whatumā is located southwest of Waipukurau. It covers about 160ha, with an adjacent wetland margin of around 75ha. It is a taonga to hapū of Heretaunga Tamatea, providing a major source of kai for those who resided nearby. The lake supports several threatened bird species, including the greatest numbers of Australasian bittern in the region.	Cultural or spiritual values Ecology (habitat for aquatic native birds, particularly Australasian bittern)	

Column 1	Column 2	Column 3	Column 4
ID #	Outstanding water body	Outstanding characteristics or values	Significant values
OWB 6	**Mangahouanga Stream** The Mangahouanga Stream is a small tributary on the north bank of Te Hoe River. It is the only site in New Zealand where dinosaur fossils have been found to date.	Geology (presence of dinosaur fossils)	
OWB 7	**The Mohaka River upstream of Willow Flat** The Mohaka River is 175km long and is in northern Hawke's Bay. The upper reaches of the river are in a near natural state with pristine water quality, and an impressive waterscape comprising deep gorges and fast flowing rapids. The river is already protected by a National Water Conservation Order for the following outstanding values: a) an outstanding trout fishery in the mainstem upstream of the State Highway 5 bridge and in the tributaries; and b) outstanding scenic characteristics in the Mokonui Gorge c) outstanding amenity for water-based recreation from the State Highway 5 bridge to Willow Flat.	Natural character Landscape (wild and scenic) values Recreation, including trout angling, kayaking and rafting Trout fishery (Mohaka River mainstem and in the tributaries upstream of State Highway 5 bridge)	
OWB 8	**Ngamatea East Swamp** The Ngamatea East Swamp is a 300ha largely unmodified wetland located in the headwaters of the Taruarau River. It is the largest intact wetland in Hawke's Bay, and contains high numbers of threatened indigenous plant species.	Natural character Ecology (habitat for indigenous plant populations)	
OWB 9	**Ngaruroro River and Waitangi Estuary** The Ngaruroro River is the largest river flowing across the Heretaunga Plains, rising on slopes of the Kaimanawa and Kaweka Ranges and flowing into the sea 160 km later. The upper reaches of the Ngaruroro River are surrounded largely by native vegetation and are highly valued for their scenic and recreational qualities; the latter include trout angling and whitewater boating. The Ngaruroro River provides an outstanding habitat for aquatic birds including the banded dotterel, black fronted dotterel, and whio. The Waitangi Estuary has outstanding cultural or spiritual values. Ngāti Kahungunu iwi and hapū traditions refer to Te Ūenukutanga, the ritual planting and placing of mauri on the Waitangi Estuary. Ruawharo, the high priest of the Takitimu waka married Hinewairakaia who had three sons: Matiu, Makoro, and Mokotuararo. To extend and establish the feeding grounds of the whales and	**Upstream of the Whanawhana cableway** • Natural character • Landscape (wild and scenic) values • Rainbow trout habitat • Recreation (trout angling, whitewater rafting, kayaking) • Habitat for native aquatic birds (particularly whio) **Downstream of the Whanawhana cableway** • Habitat for native aquatic birds (including banded dotterel, black fronted dotterel) **Downstream of the Whanawhana cableway to Fernhill** • Natural form and character (braided river)	

Column 1	Column 2	Column 3	Column 4
ID #	Outstanding water body	Outstanding characteristics or values	Significant values
	all kinds of fish, he planted his children along the coastline to generate and protect the mauri. Setting out in his waka, he placed Matiu near Waikokopu Harbour, then proceeding south he left Makoro at Aropaoanui and on reaching the mouth of Ngā Ngaru o ngā Upokororo at the Waitangi Estuary, he placed his last son Mokotuararo. All of them were turned into rocks, to project their mauri over these areas.	**Waitangi Estuary** • Cultural or spiritual values including wāhi taonga, mauri	
OWB 9A	**Ruataniwha Plains Aquifer System** The Ruataniwha Aquifer was, according to Ngāti Kahungunu iwi and hapū traditions, created from the outflow from a lake north of Takapau following a fight between two taniwha, Te Umu o Pua and Awarua o Porirua. They gouged the land and created a number of new flow paths for the water including the Tukituki and Waipawa.	Cultural or spiritual values including whakapapa o te wai	
OWB 10	**Taruarau River** The Taruarau River rises in the Kaimanawa Ranges flowing south across rolling tussock country for around 70 km before it drops into an enclosed gorge before flowing into the Ngaruroro River around 20 km upstream of Whanawhana. The river is in a near natural state, with some extensive pastoralism in the catchment. It has outstanding natural character and outstanding whitewater recreation opportunities.	Natural character, especially the gorge Recreation (whitewater rafting and kayaking)	
OWB 11	**Pōrangahau River and Estuary downstream of the Beach Road Bridge** The Pōrangahau River runs 35 km through southern Hawke's Bay. The river winds through rugged hill country reaching the sea close to the township of Pōrangahau. The Pōrangahau Estuary covers about 750ha and is one of the few large estuaries in Hawke's Bay. It is a long, narrow estuary formed behind a low, sandy longshore bar which runs for around 14 km. It is the largest and least modified estuary in Hawke's Bay and is listed as a Significant Conservation Area in the RCEP for its nationally significant wildlife habitat, and supports six threatened species. There is extensive evidence of early habitation of the estuary by tāngata whenua, and it would have been a major source of kai.	Cultural or spiritual values Ecology (habitat for native aquatic birds)	

Column 1	Column 2	Column 3	Column 4
ID #	Outstanding water body	Outstanding characteristics or values	Significant values
OWB 12	**Te Hoe River** Te Hoe River is a tributary of the Mohaka River. The gorge is already protected by the Mohaka Water Conservation Order for its scenic characteristics. It carries the second largest population of whio in the region.	Landscape (wild and scenic) values Habitat for aquatic native birds (particularly whio)	
OWB 12A	**Te Karamū River** Te Karamū is an iconic waterbody, the source of ancient stories and traditions. Ngāti Hori, Ngāti Hawea, Ngāti Hinemoa hapū traditions reference an iconic species of fish, the ūpokororo, a transparent small fish associated with Te Karamū. "Ngā-ngāru-o-ngā-ūpoko-roro" was one of the names given to the Ngaruroro River which previously flowed down through what we commonly call the Karamū today. Ngā-Ngaru-Ūpokororo o Te Ūenukutanga-o-Mokotuararo ki Rangatira – the splashing of waves of upokororo going up-river overseen by Ruawharo's son Mokotuararo is the fullness of the saying. There are many important settlements along the banks of the river including Tanenuiarangi Pā associated with Whatonga and ancestors of the Kurahaupō waka. Te Karamū is associated with the travels of important Takitimu waka ancestors, Tamatea, Kahungunu and others during their exploration and harvesting expeditions, when they named places on the river and inland areas. There has been continuous occupation of the lands around Te Karamū and it is associated with important ancestors, places sand events.	Cultural or spiritual values including wāhi taonga, whakapapa o te wai, nohoanga/pāhi	
OWB 13	**Te Whanganui-a-Orotū (Ahuriri Estuary)** Te Whanganui-a-Orotū, which lies between Napier Airport and Tamatea, is a large tidal estuary close to the city. In historical times it used to be the mouth of the Esk and Tūtaekurī Rivers, and about 1,300 ha of the estuary was lifted 1-2 metres by the 1931 Napier earthquake. Te Whanganui-a-Orotū has outstanding cultural or spiritual values to tāngata whenua, and provides diverse habitats that support the best aquatic bird habitat, and the best estuarine fish habitat and nursery in the region.	Cultural or spiritual values including wāhi taonga Aquatic bird habitat Native fish habitat	

Column 1	Column 2	Column 3	Column 4
ID #	Outstanding water body	Outstanding characteristics or values	Significant values
OWB 14	**Tukituki River downstream of SH50 bridge to the sea, including the estuary** The Tukituki River is 145km long, rising in the Ruahine Ranges and entering the sea at Haumoana. It is a tipuana awa, and there is evidence of 7-8 centuries of occupation by Māori. The lower river and estuary support the largest population of wading birds in the region.	Cultural or spiritual values including wāhi taonga for the estuary Ecology (habitat for native aquatic birds, particularly in the lower river)	
OWB 15	**Mainstem of the Tūtaekurī River upstream of the SH50 Bridge** The Tūtaekurī River rises in the Kaweka Ranges, around 50 kilometres northeast of Taihape. It is about 100 kilometres long and flows over the Heretaunga Plains where it now joins the Ngaruroro River and flows out to sea through the Waitangi Estuary. The reach upstream of the SH50 bridge has outstanding cultural or spiritual values, which include the presence of the "gateway" pā Otatara, and as passage between the volcanic plateau and the Hawke's Bay coast.	Cultural or spiritual values	

Descriptions

The following descriptions are provided to assist readers with understanding specific outstanding cultural or spiritual values in Table 1.

Mauri means the spiritual energy or life force that flows from io Matua Kore, to the Atua, and into all living things and natural resources. Universal soul, vitality.

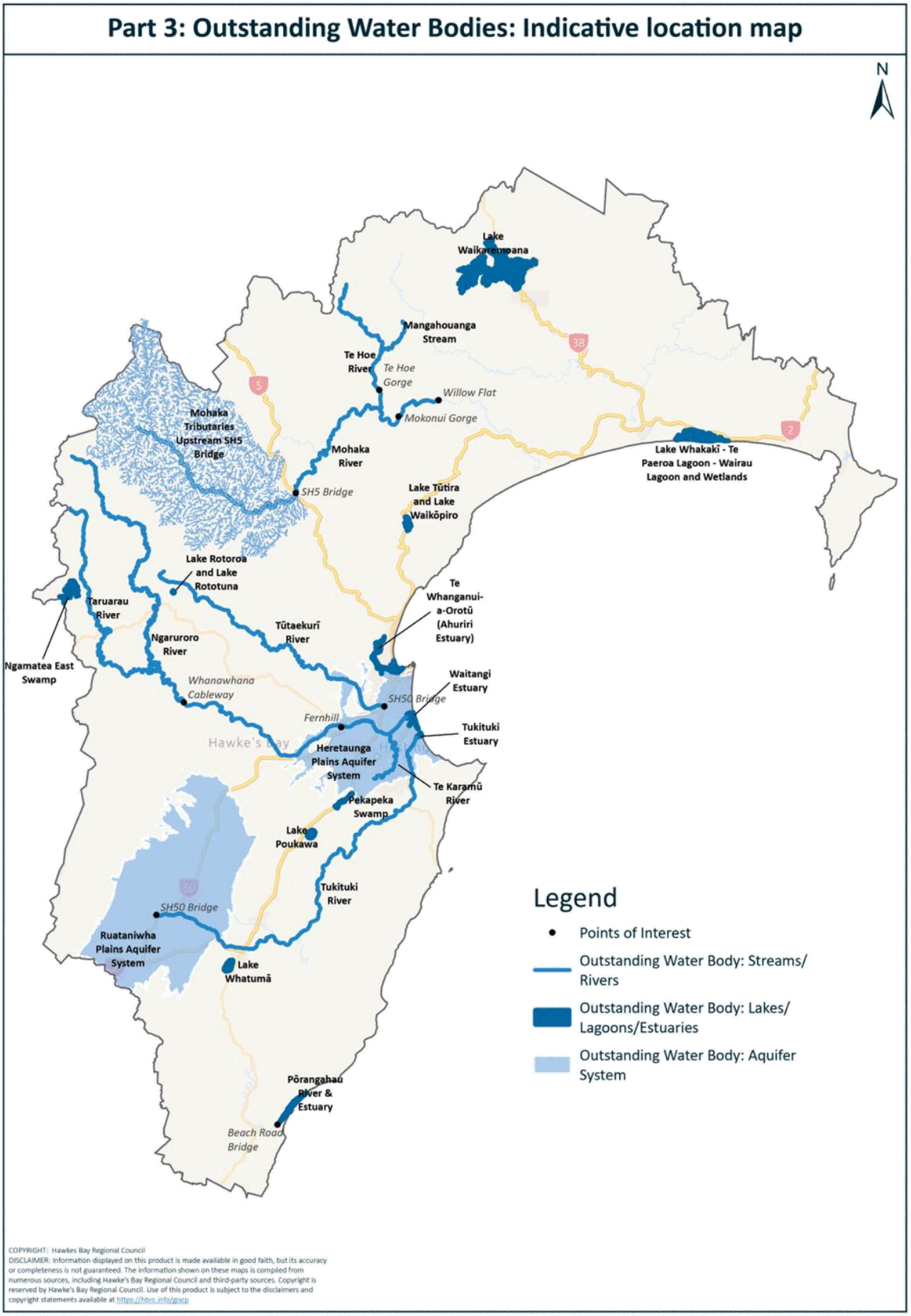
Human activities have the capacity to diminish or harm mauri; natural events do not. Mauri can also be transferred, flowing outwards from its source into animate or inanimate things. Tangata whenua can enable the transfer of mauri into mauri stones/rocks, taonga, personal effects etc., the pathway typically enabled through appropriate karakia and tikanga processes/protocols.

Nohoanga / pāhi means an area or site located alongside or within a riverbed, stream, lake, wetland or coastal area, and the cultural value from activities and practices associated with such sites. Traditionally nohoanga/pāhi are used for temporary occupation to undertake seasonal harvesting, the collection of kai or natural resources, for wānanga, and for training and instruction associated with the area and the natural resources available there.

Wāhi taonga is both a value and a place/area that is highly valued by tangata whenua. Wāhi tapu, and wai tapu are different categories of wāhi taonga, and encompass the cultural and spiritual value(s) of a sacred sites or areas due to the relationship of tangata whenua with them. For wai tapu, the values are spiritual and relate to baptism, blessing, cleansing, and historical use.

Whakapapa o te wai means the ancestral, traditional, customary and contemporary connections and relationships between hapū/marae and the waters they have mana over within their rohe, in accordance with tikanga Māori and mātauranga Māori. Whakapapa o te wai encapsulates the spiritual and physical origins and connections within the water cycle, including the kaitiaki role of the Atua and taniwha relating to water, and connections between tangata whenua as kaimahi, their traditional water resources and the taonga species they contain.

Part 3: Outstanding Water Bodies: Indicative location map




Hawkes Bay Regional Council
Fit for the Future Report.
July 2025
Alacrity Lab.

Hawkes Bay Regional Council

Fit for the Future Report

July 2025

Disclaimer: This report has been prepared based on information provided by third parties. While every effort has been made to ensure the accuracy and reliability of the data used, Alacrity Lab cannot guarantee its completeness or correctness. The findings and insights presented in this report should be considered in conjunction with independent verification where necessary. Alacrity Lab accepts no liability for any errors, omissions, or decisions made based on this report.

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Executive Summary

- The fact that that Hawke's Bay Regional Council has overcome enormous challenges in the last few years, is testament to its resilience and the quality of its people and processes.
- The scale of the shocks, particularly the storm event, was unprecedented, and the organisation and its people came through, though not without consequences.
- The recovery of the Hawke's Bay region after the cyclone has been a matter of great public concern. The recovery of Hawke's Bay Regional Council, perhaps less so. HBRC continues to operate successfully, but some significant 'repairs' are required.
- The efficiency and effectiveness challenges of HBRC while impacted by major events, also have other origins.
- With so much of Hawke's Bay's residential areas and productive agricultural land on flood plains and located on the eastern side of the divide and subject to severe drought conditions, it is vulnerable.
- In population terms, it is a small region with a modest ratepayer base, limiting the financial resources available to meet and prevent these impacts.
- There has been a lot going on for HBRC with regulatory and legislative changes arising from a change of government, changes to water management, talk of local government reform, a cost-of-living crisis, changes of organisation leadership and so it goes on.
- Furthermore, few challenges in a regional council environment are easy such as the broader issues of water quality, erosion control or climate adaption whether they be flood protection, water resilience for drought or managed retreat.
- This all adds up to a situation where expectations (external and internal) of the council are running well ahead of its resource base (both financial and human) making priority setting and expectation management vital.

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The problem

The immediate problem presented to us was pressure on the general rate. The solution was seen as improved efficiency and effectiveness. Our early conclusion was that pressure on the general rate was one of many symptoms, pointing to a core problem - an over-committed organisation.

Having tested this proposition, first through research and then in a lab-style environment, we made it the foundation on which we built this programme.

Shifts

Our problem definition and research led us to five shifts or changes for HBRC. The shifts are a careful selection of changes to solve the core problem. They are not intended to address every problem the organisation faces. The shifts were tested in a lab environment and some modifications were made.

Actions and Activities

We then considered the action programme flowing from these shifts. Some shifts translated straight into actions. Others required a bit of massaging. Some actions were more focused on reducing costs, others were designed to improve performance and ration resources carefully.

The key actions involve tightening priorities, easing back levels of service, improving decision making churn and integrating a very siloed organisation. The actions were pared right down to specific activities. Details of the activities will be contained in an Action Plan due at the end of August 2025.

A high-level list of activities includes:
Organisation wide:

- **Priority setting and decision making** – focusing priorities and reducing decision making churn.
- **Levels of service** – adjusting levels of service to available resources.

- **Tier 3 connection** – strengthening horizontal integration.
- **Finance** – deep diving in selected areas, problem and solution identification.

Business area specific:

- **Land and Environment** – reducing overlap and duplication.
- **Technology systems** – more immediate delivery support from technology platforms.
- **Works Group** – refined role/purpose and rightsizing accordingly.
- **Science Services** – more strategic contribution to the organisation.

Recalibration

Lying behind these shifts and actions is the idea of strategic rationing – the rationing of service to fit with resources. While there are opportunities for cost reduction from operational efficiency, most cost benefits will come from careful rationing.

Strategic rationing is done using two key processes:

1. Tightening priorities – fewer and sharper, flowing from a well worked Strategic Plan.
2. Constraining levels of service – tighter and more specific, based on the 24 service categories in the Annual Plan.

Within these is a series of operational changes we term 'recalibrations' which better align expectations and resources. These are fully explained in the report but involve adjustments on continuums such as vision v mission, encouraging demand v managing demand, passive v active response, sole responsibility v shared responsibility. (By sharing responsibilities with the community, the good news stories of council work can be demonstrated through official channels and through the people working closely with HBRC.)

It is this rationing through recalibration that will be the prime movers in shaping the organisation to its priorities and available resources. The resulting configuration would then flow through into LTP, Annual Plan and Business Plans. These two big rationing tasks could take up to a year, as they also involve careful financial modelling to make sure the anticipated savings are real.

Programme Implementation

Fit for the Future will only succeed if it is agreed and adopted not only by elected representatives, but throughout the whole organisation. To succeed it requires total commitment.

Elected representatives will have a key role in resetting strategic priorities and monitoring the progress of implementation. We are recommending that CEO and the Executive Leadership Team establishes a formal project - "Fit for the Future desk". This would be a leadership, coordinating, clearing house operation to monitor, support and report on progress.

This is a busy organisation with substantial business-as-usual commitments, so it is expected that the programme would be developed and rolled out over three years, with the first year being mostly set-up and getting ready and the second and third years, implementation. Some quick wins would be sought in the first year.

The resourcing of the programme itself needs to be considered. It is envisaged that each project within it will be managed and funded within the appropriate line, not offline.

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The Brief

Commissioning

This "Fit for the Future" review was initially commissioned by the CEO of Hawke's Bay Regional Council, Dr Nic Peet in response to a request by the Councillors in August 2024. Work started on the project in November 2024.

This involved the following:

- **Literature review and familiarisation:** Reviewing key documents related to the brief. Familiarisation discussions with the CEO.
- **Diagnostic workshop:** Exploratory workshop with ELT and councillors relating to the brief, including initial identification of the initial 'core problem'.

Two additional pieces of research then followed:

- **Comparative Report:** Comparing four regional councils - Northland, Horizons, Hawke's Bay and Otago - on a series of pre-selected criteria.
- **Dialogue Report:** Involving 28 interviews of people from within and external to the Hawke's Bay Regional Council.

These two reports were completed in March 2025 and from there through to July 2025 the organisation analysis stages were completed leading to the preparation of this Fit for the Future Report.

A further and thorough programme of information collection and analysis was undertaken in the latter stages of this project through a series of Precision Labs, which will be reported in an Action Plan due for completion towards the end of August 2025.

The brief

- To undertake an assessment of organisational efficiency and effectiveness in response to the concerns of elected members, community stakeholders and staff about rising operating costs and their impact on council rates.
- To identify where and how costs can be reduced, to move the council income and expenditure into better balance and help ease the growing debt burden.
- It was noted that HBRC has grown rapidly in recent years to meet community demand. The council was concerned to ensure that the community is getting added value commensurate with their increased rates investment.
- There is a tension between a desire to constrain rates and staff levels on the one hand, and the desire to deliver wide ranging projects and services on the other. This review will seek to identify where to constrain costs and, as much as possible, maintain or increase the value delivered.
- It is noted that these considerations have been severely impacted by external "shocks" such as COVID 19 and Cyclone Gabrielle, the latter devastating the region. While central government has made substantial contributions to the recovery, significant costs and obligations have also fallen on HBRC.
- Three success statements were identified:
    - To better enable elected representatives to identify realistic goals and future directions for HBRC.
    - To better enable the CEO and ELT to right-size the organisation, "shape" it for future demands and meet the goals and directions established by council.
    - To better enable the CEO and Executive Leadership Team to optimise the potential of the organisation.
- As the name of the report suggests – Fit for the Future – this is a future focused report involving particular attention to processes, systems and practices that will be most beneficial for future success and to get the organisation into better balance.

Efficiency and Effectiveness

How should we think about efficiency and effectiveness?

Effectiveness = Doing the right things:

- Things that make a difference and advance the interests of the region.
- Things that are priorities as against things that are not.
- Rationing services in terms of available resources – financial and people capabilities and capacity.
- Things that maintain the integrity and capability of the organisation.

Efficiency = Doing things right:

- Employing the best practices.
- Ensuring that processes, especially support processes, are sufficient to support good practice.

We have not seen this "Fit for the Future" review as a total organisation review, that is beyond the scope of the review and probably not even desirable because such reviews can be hight disruptive. Instead, we have seen it as a means of carefully recalibrating vital systems, processes and delivery practices to get as good performance out of the organisation as possible, going forward.

This is an organisation that has faced Cyclone Gabrielle and its aftermath, the most exacting examination of its metal that any similar organisations in New Zealand have ever faced. It was tested in the most profound way, and while not everything went right, it came through the test and was a major factor in the positive recovery that the region has experienced.

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This is an organisation in which a lot went right, that was able to adjust quickly and hold its collective nerve under trying conditions. Staff across the organisation responded admirably to what were overwhelming demands. There were mistakes. There was also learning and adaption, and there was notable success.

Transactional improvements

While transactional improvements, such as systems and processes, are vital to efficiency and effectiveness, so also are leadership improvements. These include such vital areas as priority setting, decision making, staff leadership and communication.

Organisation change

This effectiveness and efficiency review is intended to lead to changes in specific areas of the organisation and as changes in one part of an organisation inevitably affect others, these changes could have significant ramifications.

This is not intended as a "shock and awe" change management project that with significant structural change including job losses. Apart from the disruption that such a change process would have, it just isn't what is required. HBRC is a very successful organisation achieving a great deal of good for the community. This project is much more about rebalancing, recalibrating, performance improvement and re-energising an organisation that has been bent out of shape by the series of events in the last five years.

Methodology

On the following page is a step-by-step diagram of the methodology employed in this project.

The first five steps contribute to the content of this report – the Fit for the Future report. The next two steps contribute to the Action Plan. The Fit for the Future plan gives leadership and direction; the Action Plan details actions and activities to achieve the prescribed direction.

Problem solving approach

Alacrity Lab employs a problem-solving methodology. It does this for several reasons:

- Problems create blockages to the full expression of the capability of an organisation. Resolving problems releases positive energy.
- It provides a sharp focus on what has to be achieved – solving the problem. It is simple yet effective.
- It addresses issues that are pain points for clients and therefore clients are more likely to act on them to relieve the pain.
- Solutions are solutions because they involve a "win" for everyone concerned.
- It focuses on the job to be done – solving the problem - and doesn't need to have blame or judgement attached to it.
- Much of problem-solving is common sense and intuitive and it is therefore easy for participants to relate to.

The key to good problem solving is addressing the right problem. Often symptoms can be mistaken for the problem. Addressing symptoms is unlikely to get to grips with the problem. A lot of effort was put into defining the problem in this engagement.

Evidence-based

The Alacrity Lab approach is evidentially driven. By triangulating input from multiple sources, initially forming them into hypotheses and propositions, and then testing and refining them in a lab-styled environment, we are able to gain perspective on the problem…. and the solution.

The evidential sources we used were:

- **Comparative Report** – data from comparator regional councils
- **Dialogue interviews** – data, quantitative and qualitative from stakeholder interviews – internal and external
- **Analytical papers** – provided by the client (internally sourced)
- **Testing propositions** – in a series of in-depth, simulated lab environments with selected stakeholders (including staff).

Problem Tree / Solution Tree

- **Problem Trees x 2**: We used "problem trees" as a visual depiction of the proposed core problem, hypotheses. It took two iterations to define the high-level changes that could address the problem, symptoms and potential actions as they relate to the hypotheses.
- **Solution Trees x 2:** As we tested and refined the Problem Tree, it evolved into a Solution Tree. A Solution Tree has a refined core problem, the hypotheses evolved into "shifts" (agreed high level changes to address the core problem), "actions" (typically a key action with supporting actions), and a further level of detail is added – "activities" - being the specific activities that are required to achieve the actions and together, work to address the core problem. Solution Tree Mark II will be part of the Action Plan process.

In this mahi we are using two iterations of the Problem Tree and two iterations of the Solution Tree. We are evolving and testing these through research, labs and analysis. The evolution of the problem/solution tree is contained in this document for transparency.

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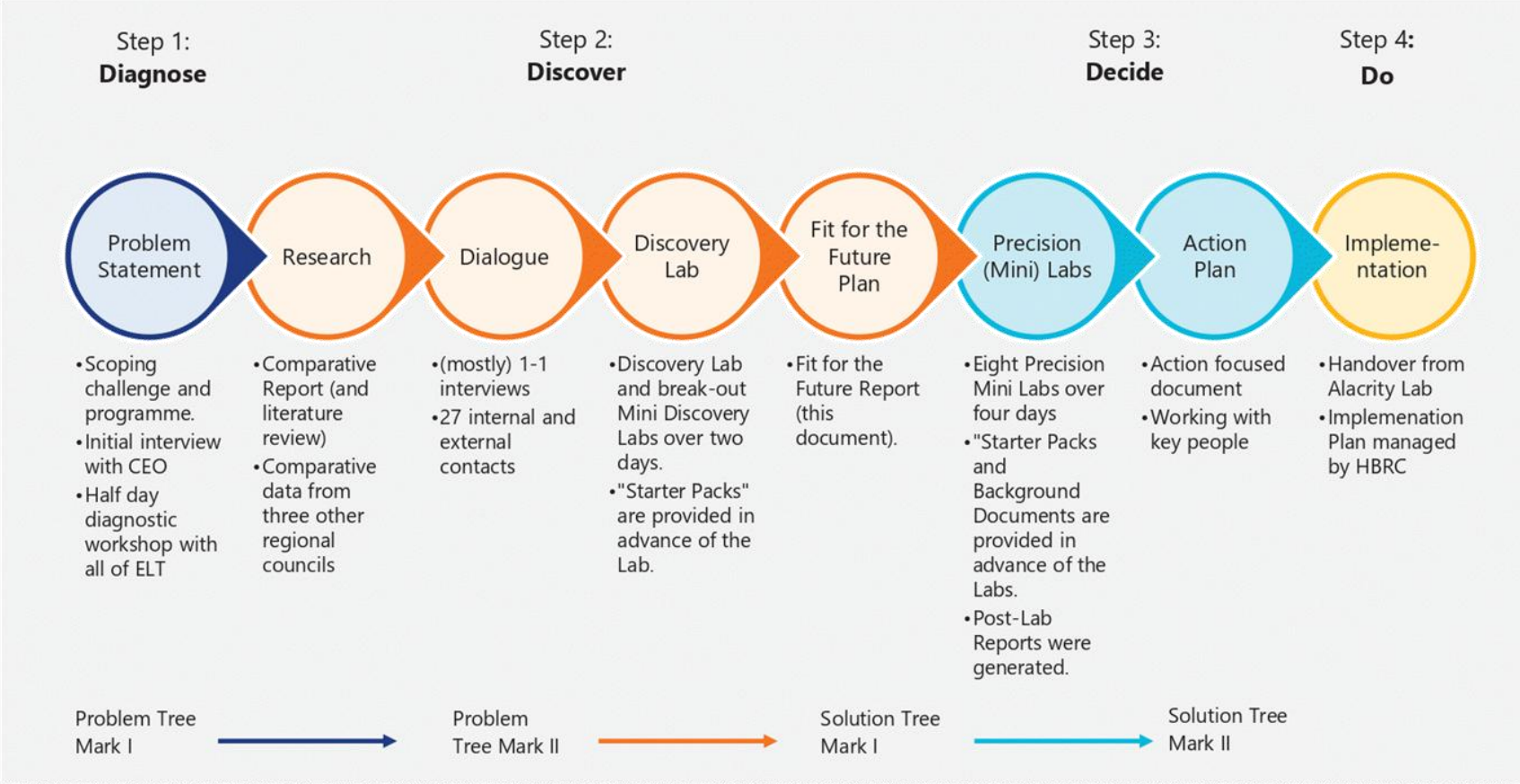
Figure 1: Methodology Graphic



Precision (Mini) Labs

As part of the Action Plan process (step 3), key areas are identified for a deeper dive. These were selected based on a number of considerations including:

- Evidence from comparative report and dialogue interviews.
- Indications from the Discovery Lab and Problem/Solution Trees.
- Opportunities which were likely to yield effective results and support, addressing the core problem.
- Opportunities where there was momentum and/or strong leadership which is likely to contribute to successful outcomes.
- Critical areas and/or structures across the organisation to support realisation of the work.

Eight areas identified for further 'deep dives'. Four were viewed as critical across the whole organisation to support its success. A further four related to particular business areas within HBRC. Over time (meaning as things inevitably change in years to come), further business areas could be added/transitioned in, also. These deep dive areas are described in more detail in the coming sections of this report.

Within each of the eight identified areas, relevant information was collected and brought together into a Background Paper (one for each lab) which was provided to participants. Each Precision (Mini) Lab was completed in 3-4 hours and attendees were carefully selected experts in and relating to the subject matter, from within the organisation.

Following the completion of each Precision Mini Lab, a Post-Lab Report was prepared for each area capturing the findings of the mini lab and detailing the activities decided upon within the Lab.

Each Mini Lab was supported by a Champion (a senior staff member of the council) whose job it was to liaise with Alacrity Lab in the management and set up of each of the Labs, and to connect with mini lab participants to provide feedback into the Post-Lab Reports to ensure they accurately reflected the conversation. Alacrity Lab facilitated the Precision Labs.

Only a high-level overview of the activities is included in this report, as the detail will be the subject of the Action Plan which will be presented at the end of August 2025.

Action Plan

The Action Plan will go into further detail relating to actions and activities over a three-year time period. It considers sequencing, resourcing and outcomes.

Key people, such as ELT, will be involved in the Action Plan process. The plan's content will be informed significantly by the Post Lab reports created after each Precision (Mini) Lab.

Implementation

Alacrity Lab undertakes a transition process which it calls a "springboard". This comprises meeting/s with key people to ensure a smooth handover - "springing" them out of the lab and into action.

A key activity directly following this will be the creation of Implementation Plan/s by HBRC staff who will then realise these plans over the next three years. Implementation Plan/s will be derived from the Action Plan.

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Initial findings

What did our early research in Step 2 tell us? Here we summarise our topline findings.

Topline **Comparative** findings:

- Hawke's Bay is a smaller region than the comparators. It has fewer rate payers, fewer km^2 of agricultural land and kms of major rivers, and yet its total revenue, expenditure, debt, asset value and workforce FTEs are higher than the average of its comparators. These comparisons exclude government contributions for flood recovery.
- The total of the general rate collected is somewhat lower than the comparators, but the rate per rating unit is higher.
- HBRC has a similar or larger head count than larger comparators.
- Its operations are more centralised than comparators.
- It has high rates of governance transactions and higher corporate costs than comparators.
- It has a higher debt profile.
- It has higher investment in environment and land management than its comparators.

Topline **Dialogue** findings:

- Protection for life and property and recovery from storm damage remain the highest priorities. Water resilience comes second, and erosion and water quality are further down the list.
- 78% believe HBRC has many or far too many priorities.
- There is a perceived lack of clarity around the organisation purpose.
- 48% believe HBRC has average efficiency and 47% believe it is inefficient.
- HBRC is seen as more labour than technology intensive.
- 69% believe HBRC is more focused on the urgent than the important. Only 50% believe the focus on urgent is born of necessity.
- 60% believe HBRC to be financially vulnerable.
- 57% rate HBRC as effective.
- 57% do not believe HBRC is a confident organisation.
- 52% believe there is a mood for change within the organisation. 38% don't.
- Decision making came through as a strong area of concern for effectiveness.
- A strongly siloed structure was noted leading to isolated decision making.

We have described these as the initial findings because they helped shape the project at the early stages. There were extensive findings from the Precision Labs about the actual operations of parts of the council. Some of these are in this report, but most will be in the Action Plan still to come.

Our Take

Here we outlined our take from the comparative data:

- **Rates are high**

  Rates are high per ratepayer in part because a smaller number of ratepayers are 'chasing' a similar level of rates to councils with many more ratepayers. The per head rate cost is higher in Hawke's Bay.

- **HBRC is a large operation**

  HBRC is somewhat outsized for its size of region if comparisons are used. Its income and expenditure are similar to regions that are physically larger. Its staff establishment is similar and has been higher in the recent past than councils in larger regions. The organisation has to be complimented for scoring significant granted money, but such monies often come with hidden obligations that create financial pressure.

- **Maxed out**

  Debt levels are high, whilst within guidelines. If the level of debt and the level of rates are seen together then the council is nearing the boundaries of its resource capacity. It has leveraged rates, external monies, its balance sheet and internal capital funds to the point where there is limited capacity available.

- **High asset demands**

  A very high proportion of the population and economic activity is on flood plains necessitating a high capital and maintenance spent on flood protection assets. These substantial assets are low maintenance until something suddenly changes, as it did.

All of these factors amount to pressure on the organisation. It could be concluded that Hawke's Bay is ambitious or is a well-oiled machine that can cope with these demands and therefore deliver more value to its region. However, the Dialogue interviews did not seem to corroborate these types of conclusions. Instead, they reinforced the diagnosis of excessive pressure on the organisation.

Here we outline our take from the dialogue data:

- **Uncertainty about purpose**

  There was evidence of uncertainty around purpose, or more particularly of the organisation transitioning in its purpose. The transition is from environmental protection and enhancement to community resilience. This uncertainty is reinforced by a strategic plan which no longer reflects the vital interests of the organisation and the region.

- **Brittle priorities**

  Priorities need to be strong and also flexible as matters arise in daily business that can alter priorities. Changing priorities or adding them requires adjustment, sometimes quite major adjustment. If additional or changed priorities land on top of business as usual and pressure means adjustments can't be made, then priorities are weakened. We observed brittleness in some priorities.

- **'Sniff test' for efficiency**

  A large proportion of our respondents, many of whom are in the organisation, rate efficiency in HBRC as at best moderate. The need for improvement is well accepted. How to do it is less well understood.

- **Change ready**

  There is a significant proportion of respondents who believe the organisation is change-ready. A well-motivated organisation is so much easier to deal with than one that is resistant. There are indications that the pressure of demand has delayed modernisation and updating of practice. Technology is just one example. Also, some areas of the business have not been reviewed in a long time, for the same reasons and regular updating is essential.

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Context

Looking back

- The challenges facing HBRC are not new and are a cumulation of circumstances over a number of years.
- As a progressive council, HBRC embarked on an ambitious programme of environmental enhancement and Integrated Catchment Management in the pre-COVID period. This was seen as an act of leadership in the sector at the time. The balance sheet was healthy. Ministry for the Environment and Ministry for Primary Industries were both seeding money into such ventures. The time was ripe.
- The first unforeseeable shock was COVID, which had impacts on costs, staff deployment and management practice. It was disruptive.
- Hard on the heels of COVID was Cyclone Gabrielle. HBRC found itself in the midst of a perfect storm, in more ways than one. While history has vindicated most of what the council did, it had to endure in-depth examination of its handling of the situation as well as the event itself and the aftermath.
- The organisation went into crisis mode. Urgent became important. Lesser priorities were cast aside to make room for what had to be done. As a result, the organisation got bent out of shape. Examples of this included senior managers getting deeply involved in operations out of necessity but then becoming unavailable for sufficient strategic duties. Vertical siloes became more rigid. Financial disciplines were less rigid. All totally understandable in a "needs must" situation, but not good for long term organisation resilience.
- While these things were playing out, there was a change of government. Where prior, councils had been rushing to be ready for the new statutes, the game changed overnight. And there was a cost-of-living crisis to add to the mix.

Looking forward

- Future regulatory and policy environment settings are uncertain.
- More permissive regulatory settings with more permitted activities, but also more monitoring responsibilities for the council, are likely.
- Greater direction from the centre is expected through NES's with less discretion for councils. There is also talk of folding regional councils into district councils and/or capping rates.
- The RMA will likely be replaced, with a change to a single regional plan containing the spatial and regional plan elements.
- Some current regional and local council functions may get transferred to a central agency.
- Changes to climate adaption policies are already being signalled.
- Hazard monitoring and identification will grow as a responsibility. Landowners will be expected to accept more risk and insure it themselves rather than the responsibility falling on government.
- Regearing the organisation to these changes without, at this point, any certainty around what they are, is a difficult assignment.
- A council of the future needs to be well managed, strategic, flexible and above all sufficiently robust to "think" and "do" simultaneously.

The overwhelming take-out from this back and forward look at HBRC is that for more than five years and five years hence, HBRC has, and will be, subject to change – much of it substantial, impactful and unpredictable. It is reminiscent of the famous statement of Heraclitus – "The only constant is change". While the mission of the organisation is vital, the integrity of the entity and its ability to maintain high standards of performance, despite change, is even more important. This review focuses on the idea of a high performing organisation able to respond effectively to these changes.

Evolving the Problem Tree

Core Problem

- The problem focus concluded from Step 1 – Diagnosis – was identified as "**pressure on the general rate**". This formed the basis of Problem Tree Mark I. (See page16).
- This focus was supported with a series of hypotheses which were specifically tested in the research phase. The research quickly identified other presenting problems such as debt levels, staff turnover and concerning staff and stakeholder confidence levels.
- Our conclusion was that this cluster of presenting problems was symptomatic of something deeper. The organisation was reaching out beyond its resource limits, whether purposefully (such as funding some operations from debt) or because circumstances (such as the weather event) left it no choice. It was an organisation in the grip of a vice.
- As a result, we reformulated the problem statement to **"A significantly overcommitted organisation"** and tested it in a lab environment to see how it stood up. This was the Discovery Lab.
- The changed problem statement in Problem Tree Mark II tested well in the lab environment, and resonated at a number of different levels with lab participants:
    - Staff and stakeholders were worried about the organisation's financial and debt position.
    - Staff felt stressed and knew they were cutting corners and looking for short cuts just to keep up.
    - Backlogs were building up in some areas.
    - Systems were not working as well as they should.
    - Some of the spirit that binds staff had dissipated.
    - Staff turnover was high and causing further stress.
- Most important of all, the changed problem statement provided a real focus for the Fit for the Future analysis. Subsequent to the Discovery Lab, participants in the Precision Labs found it useful to have a somewhat singular focus on what the Fit for the Future programme was trying to achieve.

Shifts

The changed problem statement also involved converting the hypotheses in Problem Tree I, to shifts. Shifts are the most important changes that need to take place in the organisation to resolve the problem. They were developed in response to the question how do we need to "shift the dial" to address the core problem?

Six shifts were chosen and five survived examination in the Discovery Lab, and they are explained below. By limiting ourselves to five shifts we forced ourselves to prioritise the most important shifts to address the problem. These shifts were distilled from a longer list.

Shift 1 – Refined organisational purpose

- Research respondents believed purpose was vitally important.
- When asked to state what they saw as the purpose a number of diverging purposes were stated. While environmental protection was most frequently given, themes such as community resilience were also strong.
- The need for a refreshed strategic plan was frequently highlighted with a purpose that "energised" the organisation.

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Shift 2 – Active organisation priorities

- Lack of clarity on priorities despite statements of priorities was brought up repeatedly – too many priorities and changes of priorities.
- As a result, there was a belief that organisational cohesion and integration was lacking, and expectations were blowing out.

Shift 3 – Confident decision-making

- Dialogue and Lab participants spoke of blockages, particularly at ELT level, with too many decisions being delegated up and getting bogged down, slowing the progress of the organisation.
- Concern was also expressed at the high level of governance transactions compared to some other larger regional councils. Apparent uncertainty and indecision at the governance level impacted through the organisation.

Shift 4 – Greater integration

- A strong theme from the research was vertical silos and lack of horizontal connection.
- This was expressed as "isolation" and even "tribal" behaviours.
- Stronger horizontal connection, especially at Tier 3 was highlighted as an important antidote to this problem.

Shift 5 – Declutter operationally, delegate externally

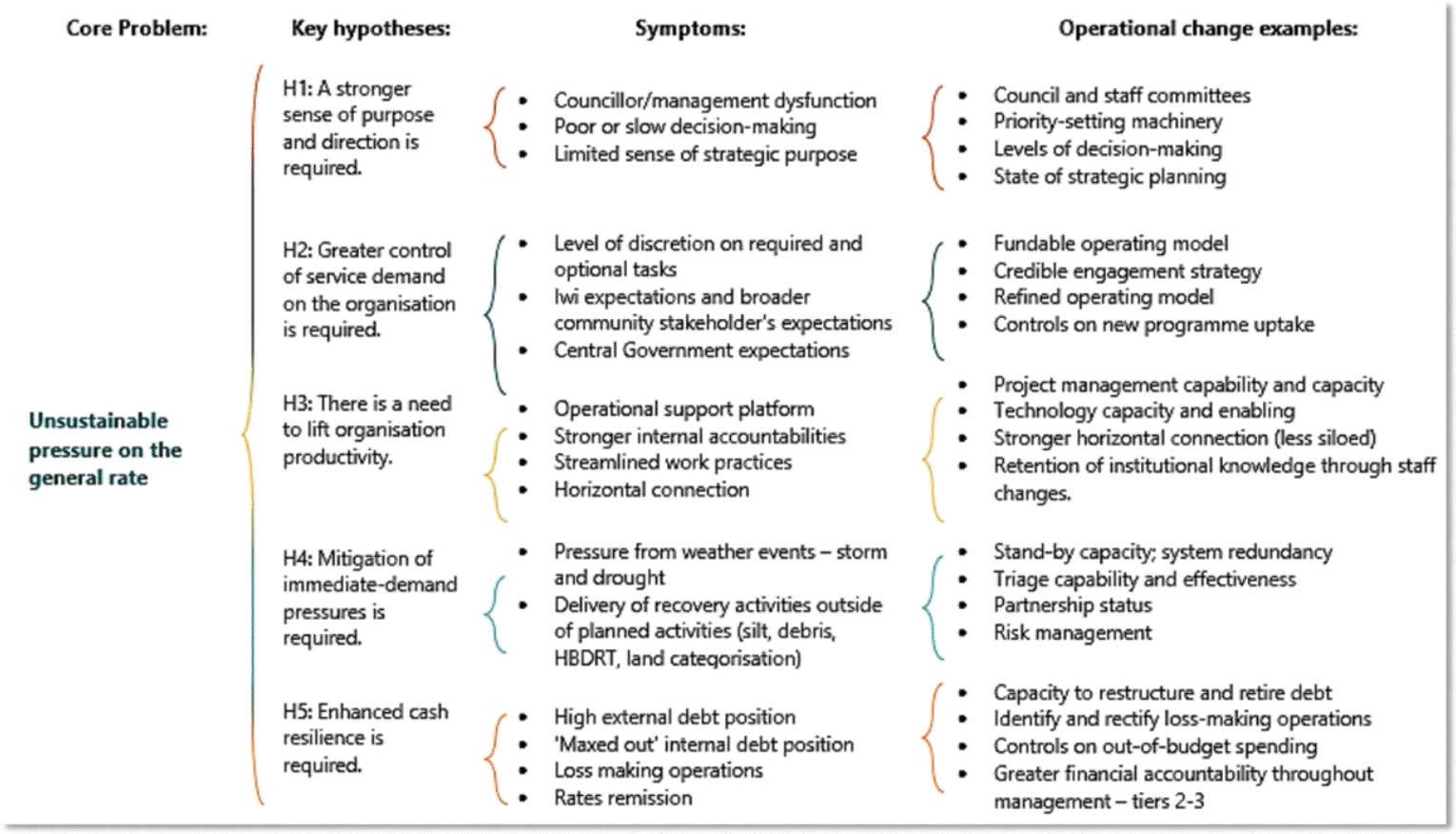
- It was recognised that priorities and tasks were being taken on without sufficient others being let go. This was having a cluttering effect causing managers to lose strategic clarity and experience difficulty controlling costs.
- Unhelpful and wasteful duplication and overlap of services was also highlighted.
- There was concern that the organisation has been taking on tasks that should really reside somewhere else.

While other shifts could have been selected, it was felt that these were potentially the most impactful in terms of addressing the agreed core problem.

The first problem tree, Problem Tree Mark I, is provided on the following page and the evolved Problem Tree Mark II is on page 17.

Problem Tree Mark I

Figure 2: Problem Tree Mark I



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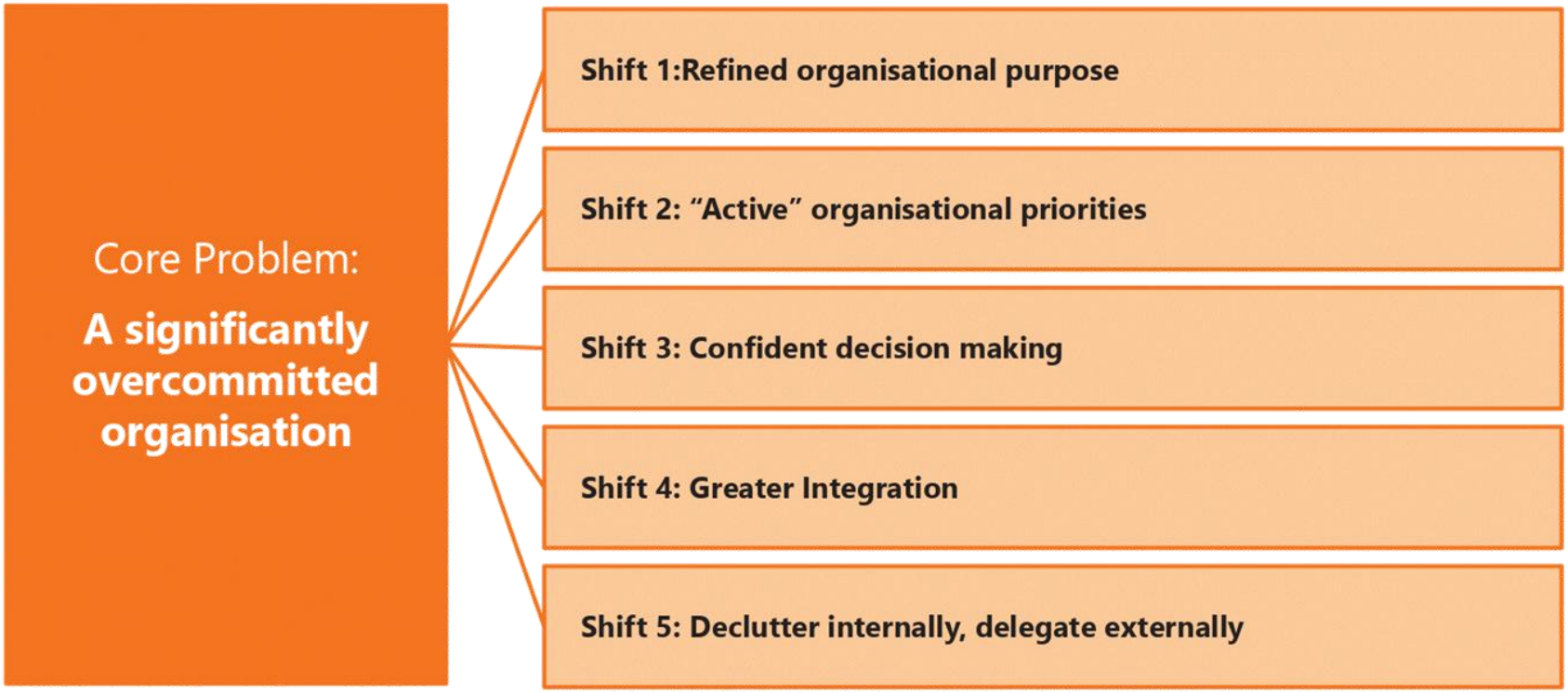
Problem Tree Mark II

Figure 3: Problem Tree Mark II



Actions

What are the high-level key actions that could give effect to the shifts?

These are listed in the diagram at the end of this section, which comprises the updating of the problem tree to a "solution" tree. Five major actions were identified.

Major Action 1 – Core purpose

- Relates to Shift 1 - Refined organisational purpose
- Major Action: Identify the integrating idea around which all levels of the organisation can coalesce.
- Supporting Actions:
    - Express it through a refreshed strategic plan.
    - Include a clear statement of priorities in the plan.
    - Flow it through to staff to energise them around purpose using communications, touchpoints and joint exercises.

Major Action 2 – Levels of Service

- Relates to Shift 2: "Active" organisational priorities (formulating and aligning the organisation around clear priorities).
- Major Action: Creating a "Levels of Service" tool
    - Tool for adjusting levels of service to better operate within resources across all operational areas of the organisation, with particular concentration on a few where some changes are clearly required.
    - Note that Levels of Service thinking is useful where priorities are obligatory but are high resource consumers.
- Supporting Actions:
    - Aligning Council, ELT and Management/Operational Priorities (alignment/refresh)
- Supporting Action:
    - Creating Business Unit Workplans which are aligned to priorities.

Major Action 3 – Streamline decision-making

- Relates to: Shift 3: Confident decision making
- Major Action: Implement proactive and streamlined decision making practices.
    - Evolving a good decision-making culture and practices, including training.
- Supporting Actions:
    - Accountabilities matrix – who decides what, levels of decision-making discretion
    - Embedding innovation into practices.

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Major Action 4 – Increased horizontal integration at Tier 3

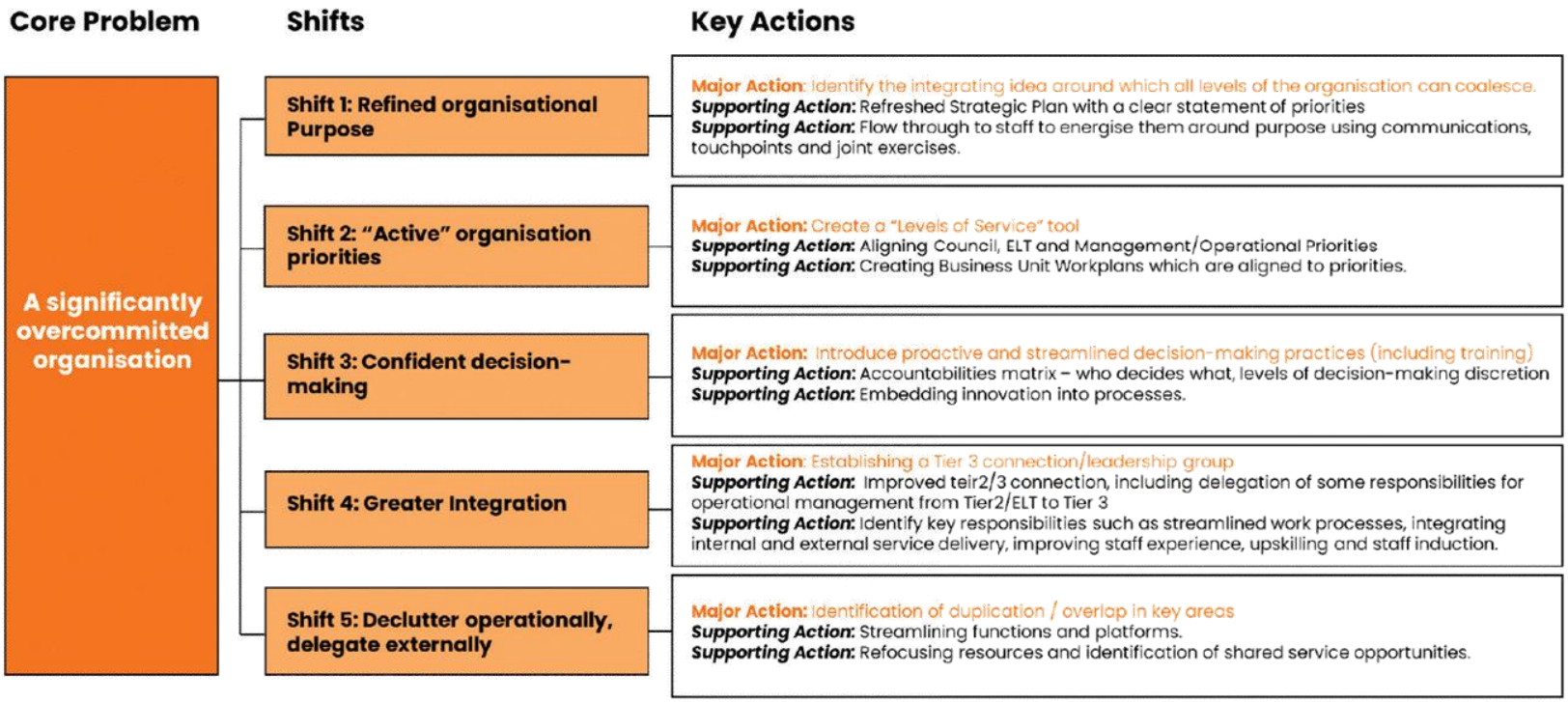
- Relates to: Shift 4: Greater Integration
- Major Action: Establishing a Tier 3 connection/leadership group
    - Improve across-organisational connection for improved decision making and better use of skills.
- Supporting Actions:
    - Improved teir2/3 connection, including delegation of some responsibilities for operational management from Tier2/ELT to Tier 3
    - Tier 3 streamlining: Identify key Tier 3 responsibilities such as streamlining work planning processes, upskilling staff and institutional knowledge retention, integrating internal and external service delivery, enhancing the staff experience – particularly improved induction processes. Better utilisation of skills and resources across HBRC.

Major Action 5 – Decluttering in key areas

- Relates to: Shift 5: Declutter internally, delegate externally
- Major Action: Identification of duplication.
    - Reducing duplication and overlap in key areas
- Supporting actions:
    - Streamlining functions and platforms
    - Refocusing resources and identification of shared service opportunities.

Solution Tree Mark I

Figure 4: Solution Tree Mark I



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Activities

Focus areas

Activities are another level of detail down from Actions and take us to the specifics of what needs to be done to solve the overcommitment problem. They emerge directly out of Actions. To do this, eight areas were chosen for deep dive analysis.

Four of these areas have impacts across the entire organisation and could be described as more strategic:

- **Priority Setting and Decision Making:** this affects all facets of HBRC. Decision making has flow-on impacts right through the organisation.
- **Levels of Service**: having clearly defined service levels is fundamental to delivering objectives within resources.
- **Tier 3 Connection:** is not as strong across HBRC as it could be. Improved connection could encourage greater delegation of operational decision making from ELT (tier 2) to tier 3, particularly responsibilities that are better suited to ownership by tier 3s who sit at the nexus of strategy and operations. Improved connection would also facilitate the reduction of 'silo'-related challenges within HBRC.
- **Finance:** there are opportunities for streamlining delivery and realising efficiency benefits as told by the finance data. Finance can both identify opportunities to business areas, and book-end efforts by providing initial financial analysis and subsequent information to support tracking of progress against financial measures. Deep dive papers provided when this work began also provided early indications of areas for further investigation.

Four further areas related to business areas are opportunities that contribute directly to efficiency and effectiveness, and could be described as tactical:

- **Land and Environment:** an area of HBRC with substantive rates investment and one where opportunities and potential solutions to address areas of overlap were already emerging. Strong leadership and strategic importance to HBRC were also key factors.
- **Science Services:** science services are pulled in many directions. With many business units being increasingly data-driven/supported and limited science budgets, the ability to support those who benefit from science information means a pointed focus on what's most important – of which around 80% is determined by one practice – the State of the Environment report.
- **Technology Systems:** the discovery process demonstrated a number of clear opportunities within technology systems. The future of the organisation is likely to rely increasingly on ICT, and it was not being leveraged into innovation or real-time problem solving due to lack of budget allocations and focus from key planning documents, resulting in many missed opportunities for improvement.
- **Works Group:** aside from its differences in structure from other regional councils, Works Group requires an almost rolling focus on right-sizing due to the shifting nature of the environment it operates within. Emerging internal disconnect around the strategic importance of Works Group and variable responsibilities and costs create opportunities to shine the light on works group in a way that leverages specialist skills and infrastructure more effectively.

Over time, other business areas within HBRC could phase in/out as priorities evolve and capacity allows.

Activities arising from Precision Labs

The eight Activity Areas went through an in-depth analysis process. Background papers were prepared to inform the Precision Labs conducted on each of the Activity Areas. Detailed post lab reports were prepared to capture the findings of the labs.

The Precision Labs are listed below with a precis of the shift and the action it relates to and the reasons why it was selected for more detailed treatment.

Priority Setting and Strategic Decision Making Lab

Relevant shift: Shift 1 – Organisational purpose; Shift 2 – Active organisation priorities; Shift 3 – Confident decision making

Relevant action: Action 1 – Clear purpose; Action 3 – Streamline decision-making

Concerns about priorities and the need for clear and consistent priorities tailored to the resources of the organisation has been previously explained. This is closely tied to effective decision making around priorities.

Levels of Service Lab

Relevant shift: Shift 1 – Organisation purpose; Shift 2 – Active organisational priorities.

Relevant Actions: Action 2 – Levels of Service

An important tool for pulling expenditure back from current unsustainable levels is to review levels of service across all programme areas. While levels of service are described in the LTP and Annual Plan, they are not particularly used as a method of resource rationing. That is what is being considered here. The main dimension for doing this is adjusting services along a number of continuums which are discussed in subsequent pages. This resource rationing helps enormously in right-sizing the organisation.

Tier 3 Connection Lab

Relevant Shift: Shift 4 – Greater integration

Relevant Action: Action 4 - Increase horizontal integration at Tier 3

Research and discussion indicated that Tier 3 at HBRC is significantly underutilised as a horizontal integrator and also as method of increasing the strategic capacity of ELT (by reducing their operational involvement). While this is not an easy thing to do and would take gradual culture change it could pay huge long-term dividends by reducing staff stress, expediting decision-making, better utilising skills across the organisation, and more effective operational management. It would also empower Tier 3's to have a more active role in leadership decision making for the organisation (currently managed within the Tier 2/Executive level).

Financial Services Lab

Relevant Shift: Shift 3 – Confident decision making; Shift 5 – Decluttering operationally.

Relevant Actions: Action 2 – Levels of Service; Action 3 – Confident decision making; Action 5 – Decluttering in key areas.

The finance team has a vital role to play in support of many of the changes that are proposed in this programme. It is necessary to position their role in the organisation so that they can have appropriate levels of influence in decision making and priority setting. They are also able to assist with decluttering activity, both identifying and remedying it.

Their contribution to financial modelling in the Levels of Service project will be major.

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Land and Environment Management Lab

Relevant shift: Shift 5 – Declutter operationally

Relevant action: Action 2 – Levels of Service; Action 5 – Declutter in key areas.

Investigations indicated that there is significant overlap and duplication across the various projects in the Land Management portfolio and that they could be more efficiently delivered together rather than separately. Some of this operation is debt funded which is creating pressure on the organisation. There is also potential to more to more passive delivery in some areas of the programme.

Science Services Lab

Relevant shift: Shift 5 – Declutter operationally

Relevant action: Action 5 – Declutter in certain areas

Environmental Science is closely related to Land Management, so it made sense to deep dive into science services in parallel with Land Management. In addition, there are some distortions in the science area, for example, the State of the Environment work represents something like 80% of cost in the portfolio, while some other science priorities are funded at or beneath a reasonable minimum. Added to which there needs to be a clear strategic rationale for the priorities in this portfolio and this needs to be refreshed in the light of changed demand and circumstances.

Technology Systems Lab

Relevant shift: Shift 2 – Active organisational priorities; Shift 3 – Confident decision-making; Shift 5 – Decluttering operationally.

Relevant action: Action 3 – Streamline decision-making; Action 5 – Declutter in certain areas.

Development and maintenance of the technology platform that lies behind operations like HBRC is a complex area. Evidence indicates that the is a need for some re-balancing. There are long term, big system developments in play which are sucking up resources but not necessarily easing the more immediate pressures on the organisation.

There are many shorter-term, tactical initiatives that could provide benefits, but cannot be realised. There is also a clutter problem with different systems, data silos, backlogs and so on. Improved use of resources to provide for real-time problem-solving using ICT solutions could significantly help ease the pressure of overcommitment.

Works Group Lab

Relevant shift: Shift 5 – Declutter operationally, delegate externally, Shift 3 – Confident decision-making.

Relevant action: Action 5 – Declutter in certain areas.

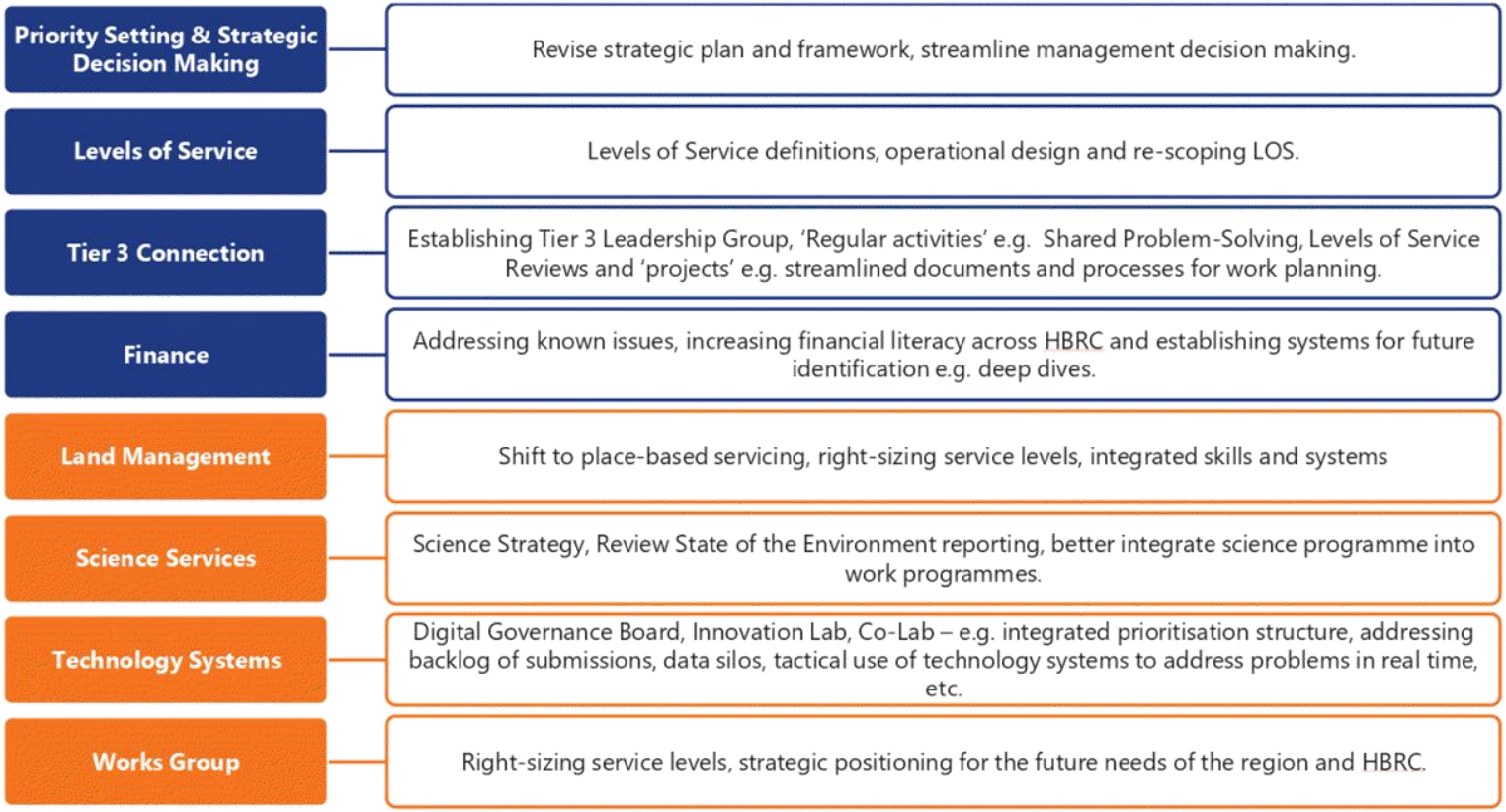
An inhouse works operation of this nature is an exception in local government with many councils opting to contract out much or part of what HBRC's Works Group delivers. HBRC's operations retain key expertise not easily located externally, and infrastructure which supports their operation and response times.

For this operation to continue in this way, there needs to be a clear strategic and financial rationale. For this reason, the microscope was applied to the Works operation to consider what right-sizing looks like in the current context. Indications are that there is an opportunity for Works Group to further improve its internal connection to leverage opportunities for efficiency-finding, implement processes to improve the understanding of its strategic rationale and showcase its work accordingly (internally and externally), and support 'right sizing' decision making over time.

Precision Lab Actions - examples

Insights into the types of actions considered are shared in the diagram below. Note that the actions listed are examples and are not the total list of actions derived from the Precision Labs. The full Action Programme will be confirmed in the Action Plan document following this Report at the end of August.

Figure 5: Precision Lab Action examples



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Recalibration

Recalibration is an important concept in the efficiency and effectiveness programme. The theory of change being used in this programme could better be described as "recalibration" than change. By making a series of adjustments to the operating settings of the organisation significant improvements in effectiveness and efficiency can be gained. Think of recalibration as resource rationing in action. There is a section on resource rationing further on in this report.

Think of recalibration as the adjustment of "levers" that can be moved to effect change. In fact, it is easier to think of them as "sliders" that can be adjusted like a volume control:

Vision vs. Mission Driven

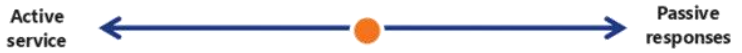
Regional councils have historically had wide sweeping visions about future states with a focus on environmental improvement. This has at times inadvertently created an erroneous public impression that everything in the vision is also in scope and that the regional council is responsible for all of it. This vision has come hard up against the reality that councils have limited resources and have to manage expectations. 'Sliding' to a more mission-led approach can narrow the focus and the expectations and encourage greater realism yet maintain inspiration and purpose.

Encouraging vs. managing demand

Historically regional councils have adopted a posture of being there to help "customers". That posture encourages expectations which drive demand.

Demand drives cost. The demand drivers in a regional council setting include elected representatives, staff, stakeholders and pressure groups (and government). It is not well understood just how much staff, for example, can inadvertently drive demand. Similarly, staff can control demand if they are shown how to. The same is true of elected representatives.

Personal vs. Technology services



Active service delivery usually involves a human or response in a council context and therefore drives cost. More passive responses such as technology-based solutions (information or self-service tools on websites or AI-driven 'customer' interfaces such as chat bots) require some development and management but are largely passive unless a human intervention is needed (e.g. information is not easily located). The key difference between passive and active is that active tends to be one-to-one and resource hungry, whereas passive is one-to-many (and often technology enabled), making these options less demanding on resources.

Sole vs. shared responsibility

Devolution of some responsibilities from councils to community or private sector providers recognises that the council's resources are finite. Shared responsibility is the order of the day. There is an emerging future with partnerships, joint ventures and shared responsibility, including multiple funding sources.

Family vs. corporate

HBRC is described by some within it as a "big family", though less familial than it used to be. It has now grown into a small corporate. Respondents talked about a shift taking place from values driven (family) to corporate driven (transactional). The ideal is a tightly managed, professional and disciplined corporate organisation with a strong shared value base. A savvy management can deal with the ambiguity this creates.

Fixed vs agile

The excessive workload pressure has meant that strategic thinking, learning and understanding have not received enough attention. For example, some of the deep dive analyses that Finance at HBRC has done recently have created new understanding and better practice. Technology can foster learning and improved practice and innovation can support real-time problem solving. Findings in some areas such as ICT indicate an organisational focus on substantial projects, but little-to-no budget allocation for realising innovation and quick wins (such as real time problem solving).

Recalibrating for Success

All these changes in the tone and method of service provision outlined on this page are subtle but important. Taken together they trend towards a more "enabler" and less "service provider" operating model for the council. This change of posture is fundamental for HBRC to be fit for the future.

These levers of change should be built into all solutions arising from the Fit for the Future review.

The diagram on page 27 illustrates which of the deep dive lab areas are going to contribute to efficiency and effectiveness and, in very broad terms, how much. This is where the levers will apply.

Recalibrating is a form of rationing resources so that demand is kept to priorities and within the resource envelope. The two major efficiency and effectiveness levers in this diagram are:

- **Priority setting**
  - widening/narrowing quantum and scope – tightening onto a more mission-focused approach.
  - scheduling early/later – moving projects further out on the timeline to ease pressure in the present.
- **Levels of Service**
  - Active/passive – changing aspects of the operating model in key areas to less active modes to protect resources
  - Sole/shared responsibility – where the costs and management inputs are shared by with other parties such as TLAs, community entities and commercial operators.
  - Managing demand – where the council actively controls the drivers of demand to manage demand pressures

Technology also has an element of recalibration in it. Technology can enhance the volume and quality of delivery. It can also streamline the cost. The technology activity area focuses on how technology can better streamline the cost and effectiveness of delivery, particularly in the shorter term.

The other activity areas such as Land Management, Science Services and Works Group will be recalibrated using a combination of priority setting and levels of service measures.

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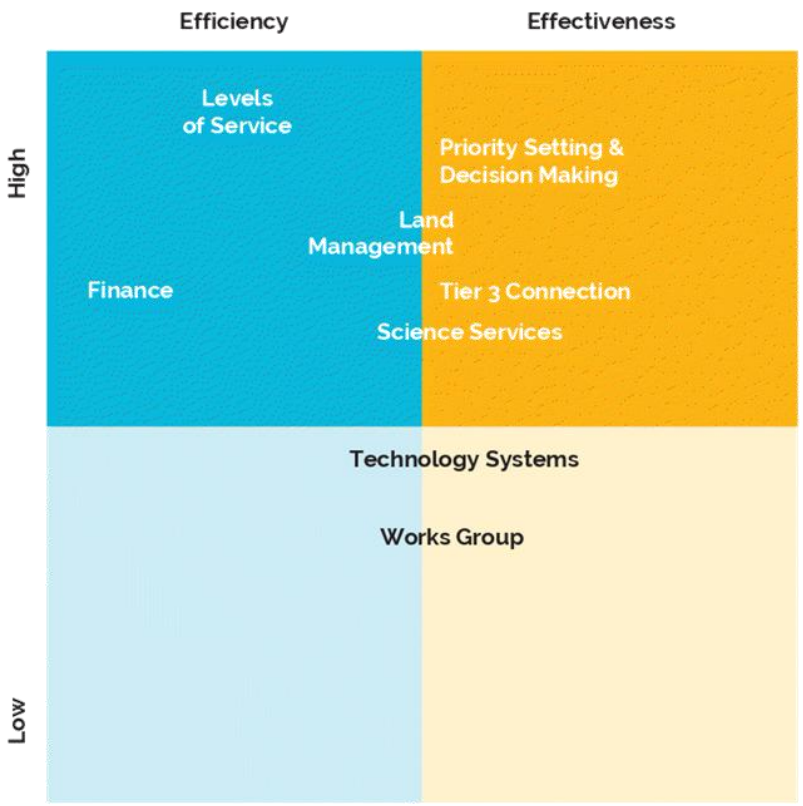
Anticipated Impacts

The figure (right) demonstrates the anticipated impact that each of the areas is likely to have on efficiency and effectiveness for HBRC.

For example, where the Levels of Service area is likely to have a high impact on efficiency, the Priority Setting and Decision Making area is likely to have a high impact on effectiveness, leaning into some efficiency-finding opportunities.

Figure 6: Anticipated Impacts Matrix



Rebalancing the Organisation

It is difficult to undertake the proposed recalibrations without also rebalancing some aspects of the management of the organisation.

Making the proposed changes has to be seen as a whole-of-organisation project, especially at the governance level and also the first, second and third tiers. The key to this is decision making and accountabilities.

This can be seen as a cascade:

1. **Governance**

   The research told us that governance decision making was at times slow and that the amount of resource required to make decisions was larger than some comparative larger councils.

   Respondents also told us that too many priorities at HBRC can be the result of insufficient triaging not only on the merit of the priority but the capacity of the organisation to deliver it given current workloads.

   Governance sets the tone for decision making in an organisation. They are role models.

2. **CEO/ELT**

   The research also told us that ELT can be a bottleneck for decisions and one of the reasons for this is the over-involvement of ELT in operational matters/decisions and their under-involvement in strategic direction and decision making. It was illustrated to us that too many decisions come up to ELT that don't need to.

3. **Tier 3**

   The research indicated that the organisation is strongly vertically structured. In terms of lines of accountability this is totally appropriate, but without a stronger horizontal dimension to accountability and decision making, the full resources and potential of the organisation are not being fully utilised.

   There is a substantial reservoir of talent and capability at Tier 3 which is not being sufficiently used to integrate the total effort of the organisation or to take on more operational decision making from ELT.

Why is this so important?

This goes back to the critical point earlier in this report, that much of the future is unknown, or at the very least, uncertain. The council could gain responsibilities and lose responsibilities. It could be required to perform different functions in a different context, with different stakeholders and partners.

What is most important is that the organisation needs to be agile and flexible. An overly vertical, top-heavy organisation, slow to make decisions, is generally heavy footed and not well coordinated.

An organisation that is overly distracted at senior management with operations and delivery, finds it difficult to do the strategic thinking required, to solve the complex problems that face the organisation.

This is what rebalancing means for HBRC. These involve "shifts" not wholesale change. Recalibration and rebalancing are adjustments that make the organisation more efficient and effective.

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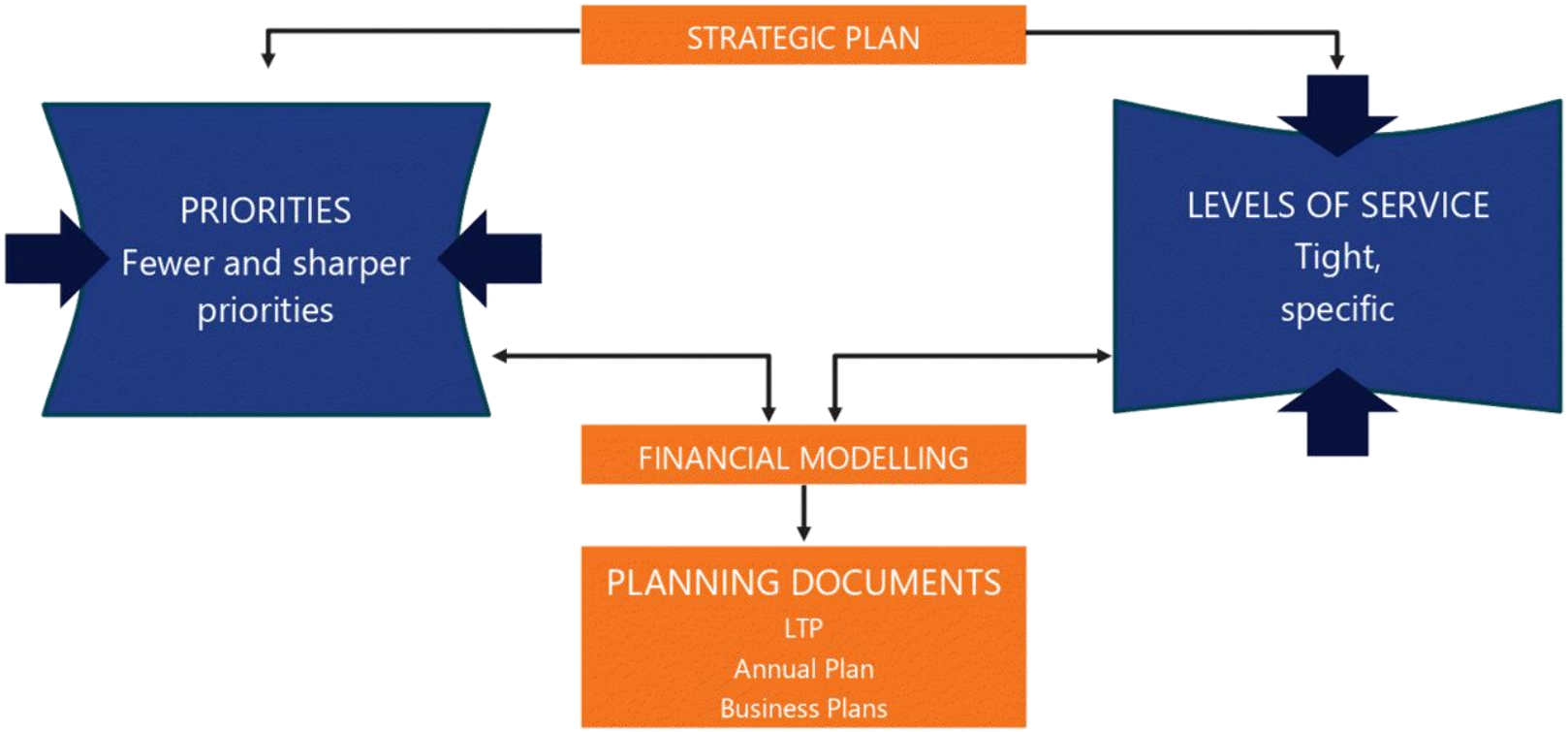
Strategic Rationing

References have been made to resource rationing throughout this report. A rebalanced organisation engages in well managed resource rationing, and while the idea of rationing may be slightly distasteful, it is the reality of what we are talking about. The diagram below provides a "barebones" view of the steps in the rationing process. Rationing is not being mean with money, it's being canny with money. Within a robust rationing model there is plenty of room for proactive actions such as investment, borrowing, active use of balance sheet assets, but within the total resource envelope available and providing for known or unknown contingencies. Rationing can also stimulate creativity and innovation as staff search for less resource-intensive ways to solve problems, but this will only happen if we have eased the pressure on them. It is anticipated that the process depicted below will be aligned with preparations for the upcoming 2027/37 LTP, so that it is incorporated into budgets and therefore into operations.



Programme Implementation

In thinking about the roll out and management of the Fit for the Future Programme we need to go back to first principles.

What were we as reviewers here to do? Answer: identify effectiveness and efficiency improvements that would enable HBRC to meet the expectations of ratepayers and Government within an affordable envelope.

External reviewers were engaged for three reasons:

- Diagnose – to quickly assess the viability challenges facing HBRC.
- Reform - to set in motion remedial action to meet these challenges.
- Third eye – to bring an independent perspective to the situation.

The brief was to diagnose the problems, design solutions and create a programme of reform. The scope of the brief was up to implementation but not into it.

To ensure a seamless and rapid transition into implementation, a clear programme of transfer is required. This section of the report details the proposed approach.

Implementation Options

Broadly there are two options or a combination of the two:

1. Externally driven
2. Internally driven

1. Externally driven

This would involve external parties coming into the organisation, setting up an implementation unit of some sort, establishing a project plan and working through it systematically over a prescribed period.

- Pros:
  - Externals can move quickly and maintain momentum.
  - Externals are less prone to being sidetracked, diverted or biased by forces within the organisation.
  - Specialist skills may be more readily available from externals.
  - Externals are less "bid-able" by forces opposed to change or seeking "sweetheart deals".
- Cons:
  - Externals may be very transactional and find it difficult to develop trust, potentially leading to disruption and generating internal resistance.
  - Externals may have a superficial understanding of the business (without a significant period of engagement and familiarisation).
  - Externals are expensive and costs can mount rapidly if there are the inevitable delays common in these types of projects.
  - Initial and final handovers can be messy.

2. Internally driven

This would involve the creation of an internal project management capacity operating an implementation unit, establishing a project plan and delivering it over a prescribed period.

- Pros:
  - Those involved would know the business and would have a significant corporate memory.
  - Those involved would share the values and culture of the organisation and have established relationships.
  - Those involved would likely be strongly motivated towards success.

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- The cost would be lower than externals, but there would be costs where staff seconded to the programme would have to be covered.

- Cons:
  - Internals could be prone to being influenced or biased because of established relationships.
  - An internally managed programme may lose momentum as other priorities intrude.
  - The project may lose its mana and distinctiveness and become another element of BAU, thereby limiting its ultimate effectiveness.

Our Advice

We believe the HBRC is entirely capable of running this programme internally and that staff have the will for it to succeed, but with a number of provisos:

- That there is a separate programme entity – "Fit for the Future Leadership Group" - comprising key personnel with relevant skills – senior management, experienced project management and senior financial analysis. That this group can augment itself periodically or take advice from specialists (internal and external) on such matters an HR, technical design and so on.
- Its role is coordination and facilitation, not management control which would remain in the line for each project.
- It would also be an overseer and watchdog to ensure adherence to briefs and timetables.
- It would operate on an estimated commitment of hours and would not comprise the fulltime position for any of the contributors.
- That this entity also comprises a virtual capacity – "Fit for the Future desk" - so that management and staff can immediately access project plans and schedules, programme reports and other relevant information.
- That a monthly dashboard of progress is published internally.
- That a quarterly programme oversight group meets to oversee the programme, including the CEO and an external person skilled in these types of processes.
- That elected representatives would receive a quarterly report comprising the dashboards and relevant commentary.
- Elected representatives have a critical role to play in priority setting and developing levels of service policies.

Operations

In terms of operations, the various projects would be led from within the appropriate functional line of authority, reporting through to either Tier 2 or 3, depending on the project. All projects would be resourced from within the functional group they are a part of.

This enabling entity could be referred to as the Fit for the Future desk to convey a central location, a coordinating and clearing house function and a virtual capacity. This desk would also be responsible for monitoring and measurement, including acknowledgement of success. Measurement would include tracking of outcomes (not just outputs).

Communication and engagement

Engaging people with the narrative

There will be opportunities for HBRC to connect to the region about this work and its progress. Part of this will include the narrative that HBRC can share around its goals and outcomes as they are pursued and realised. Engagement can also include specific engagement opportunities with affected people. Providing progress / milestone communications (such as the release of this document) are also part of the communications and engagement mix. Communications planning is underway to support this work and will be part of the implementation process.

Timeframe

The programme is scheduled over three years, aligned with the upcoming triennium. In broad terms the programme has the following milestones:

	Year 1: July 2025 – June 2026	Year 2: July 2026 – June 2027	Year 3: July 2027 -June 2028
Priority Setting and Decision Making:	Revision of strategic plan. Reduce governance transactions.	Cascade priorities into planning documents. Enhance senior decision making	Monitor, review and adjust
Levels of Service:	Develop LOS tool. Undertake trial LOS exercises in high priority areas	Roll out LOS across all services	Complete roll out of low priority areas. Monitor, review and adjust
Tier 3 Connection:	Group is established, TOR in place and key focus areas are underway.	'Projects' are underway and measures in place. Regular problem solving.	Reflection and improvements.
Financial Services:	Financial modelling and measurements for programme established.	Findings fed back and applied across organisation.	Continued identification of efficiency opportunities and realisation
Land Management:	Redefine mission and goals. Design transition plan, consult	Finalise detailed operating model and roll out revised programme.	Streamline technical support. Improve science integration and staff onboarding
Science Services:	TOR for Science Strategy. Define Levels of Service, Prepare draft strategy	Prepare value proposition for State of the Environment. Review SOE	Monitor, review and adjust. Deliver revised SOE
Technology Systems:	New initiatives are operational and work programme is identified, early priorities in motion.	Adjustments and measures in place, priorities underway.	Improvements and measurements reflected upon and implemented in work programme and planning.
Works Group:	Briefs created and supporting work underway. Quick wins realised.	Work begins to roll out; and adjustments made. Greater visibility of work and strategic rationale.	Findings and improvements reflected in practices.

Within this general timetable, each project will have its own timetable coordinated through the Fit for the Future desk. Where projects can be expedited to get earlier returns, they will be, taking account of BAU demands on the organisation, budgets and that adequate preparation has been done to ensure success.

Acknowledgements

Thank you to all who participated in and/or supported this mahi.

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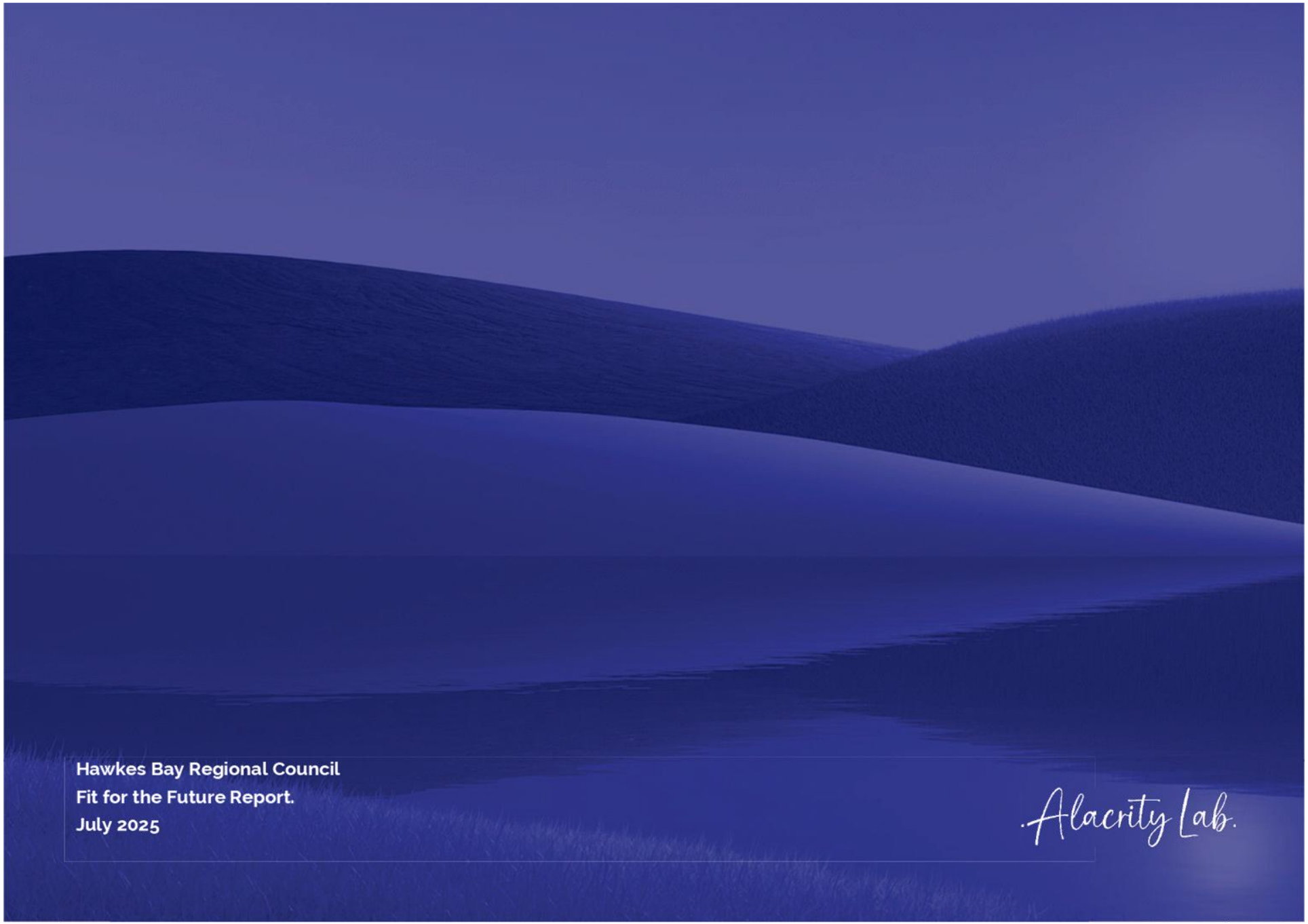
Table of Figures


Hawkes Bay Regional Council
Fit for the Future Report.
July 2025
Alacrity Lab.

23/06/2025
PCO 27420/11.0

Local Government Elected Members (2025/26) Determination 2025

This determination is made by the Remuneration Authority under the Remuneration Authority Act 1977 and clauses 6 and 7A of Schedule 7 of the Local Government Act 2002, after having regard to the matters specified in clause 7 of that schedule.

Contents

Determination

1 Title

This determination is the Local Government Elected Members (2025/26) Determination 2025.

2 Commencement

This determination comes into force on 1 July 2025.

3 Expiry

This determination expires at the close of 30 June 2026.

Interpretation

4 Interpretation

In this determination, unless the context otherwise requires,—

board means—

(a) a community board of a territorial authority other than the Auckland Council; or

(b) a local board of the Auckland Council

determination term means the period from the coming into force of this determination to its expiry

hearing has the meaning given to it by clause 5

hearing time has the meaning given to it by clause 6

local authority means a regional council or a territorial authority

member means, in relation to a local authority or a board, a person who is declared to be elected to that local authority or board under the Local Electoral Act 2001 or who, as the result of further election or appointment under that Act or the Local Government Act 2002, is an office holder in relation to the local authority or board (for example, a chairperson)

on local authority business includes on the business of any board of the local authority

regional council means a regional council named in Part 1 of Schedule 2 of the Local Government Act 2002

RMA means the Resource Management Act 1991

territorial authority means a territorial authority named in Part 2 of Schedule 2 of the Local Government Act 2002.

5 Meaning of hearing

In this determination, **hearing** means—

(a) a hearing arising from a resource consent application made under section 88 of the RMA; or

(b) a meeting for determining a resource consent application without a formal hearing; or

(c) a hearing arising from a notice of requirement (including one initiated by the local authority); or

(d) a pre-hearing meeting held under section 99 of the RMA in relation to a hearing referred to in paragraph (a) or (c); or

(e) a hearing as part of the process of the preparation, change, variation, or review of a district or regional plan or regional policy statement; or

(f) a mediation hearing in the Environment Court as part of an appeal from a decision of a local authority; or

(g) a hearing on an objection against a charge fixed by a local authority under section 36 of the RMA.

6 Meaning of hearing time

In this determination, **hearing time** means the time spent on any of the following:

(a) conducting a hearing:

(b) formal deliberations to decide the outcome of a hearing:

(c) participating in an official group site inspection related to a hearing:

(d) determining a resource consent application where a formal hearing does not take place:

(e) preparing for a hearing and participating in any inspection of a site for the purposes of a hearing (other than an official group site inspection under paragraph (c)):

(f) writing a decision arising from a hearing or communicating for the purpose of the written decision.

Transitional, savings, and related provisions

7 Transitional, savings, and related provisions

The transitional, savings, and related provisions set out in Schedule 1 have effect according to their terms.

Entitlement to remuneration, allowances, and hearing fees

8 Remuneration, allowances, and hearing fees payable

Remuneration

(1) For the period beginning on 1 July 2025 and ending on the close of the day on which the official result of the 2025 local election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority, a member of that local authority or a member of a board of that local authority is entitled to the applicable remuneration set out in Schedule 2 (adjusted under clause 10 if applicable).

(2) On and from the day after the date on which the official result of the 2025 election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority, a member of that local authority or a board of that local authority is entitled to the applicable remuneration set out in Schedule 3 (adjusted in accordance with clause 10 if applicable).

(3) If a member of a territorial authority is also elected or appointed to a board, the member is entitled only to the remuneration that is payable to the member as a member of the territorial authority.

Allowances and hearing fees

(4) A member of a local authority or a board may also be entitled to—

(a) the applicable allowances payable under clauses 11 to 15:

(b) the applicable hearing fees payable under clause 16.

9 Acting mayor or chairperson

(1) This clause applies to a member who acts as a mayor or chairperson during a period when, because of a vacancy or temporary absence, the local authority is not paying the remuneration or allowances that it would usually pay to the mayor or chairperson.

(2) While the member is acting as mayor or chairperson, the local authority must pay the member the remuneration and allowances usually payable to the mayor or chairperson, instead of the member's usual remuneration, allowances, and hearing fees.

10 Motor vehicles for mayors and regional council chairpersons

(1) A local authority may provide to the mayor or regional council chairperson of the local authority—

(a) a motor vehicle (which may be provided for restricted private use, partial private use, or full private use); or

(b) a vehicle-kilometre allowance under clause 11.

(2) If a local authority provides a motor vehicle to a mayor or regional council chairperson during the determination term, the maximum purchase price that the local authority may pay for the motor vehicle is,—

(a) in the case of a petrol or diesel vehicle, $60,000; and

(b) in the case of an electric or a petrol hybrid vehicle, $70,500.

(3) If a local authority provides a motor vehicle to a mayor or regional council chairperson for restricted private use, the local authority must not make a deduction from the annual remuneration payable to the mayor or regional council chairperson under Schedule 2 or 3 (as applicable) for the provision of that motor vehicle.

(4) If a local authority provides a motor vehicle to a mayor or regional council chairperson for partial private use or full private use,—

(a) the local authority must adjust the annual remuneration payable to the mayor or regional council chairperson under Schedule 2 or 3 (as applicable) in accordance with subclause (5) or (6) (as applicable); and

(b) the adjustment must take effect on and from—

(i) the date of commencement of this determination (in the case of a motor vehicle provided to the person before that date); or

(ii) the date of provision of the motor vehicle to the person (in the case of a motor vehicle provided during the determination term).

(5) If a local authority provides a motor vehicle to a mayor or regional council chairperson for partial private use, the local authority must deduct the amount calculated in accordance with the following formula from the remuneration payable to that person:

$$v \times 41\% \times 10\%$$

where v means the purchase price of the vehicle.

(6) If a local authority provides a motor vehicle to a mayor or regional council chairperson for full private use, the local authority must deduct the amount calculated in accordance with the following formula from the remuneration payable to that person:

$$v \times 41\% \times 20\%$$

where v means the purchase price of the vehicle.

(7) In this clause,—

full private use means that—

(a) the vehicle is usually driven home and securely parked by the mayor or regional council chairperson; and

(b) the vehicle is available for the mayor's or regional council chairperson's unrestricted private use; and

(c) the vehicle is used by the mayor or regional council chairperson for both local authority business and private use; and

(d) the vehicle may also be used by other local authority members or staff on local authority business, with the permission of the mayor or regional council chairperson

partial private use means that—

(a) the vehicle is usually driven home and securely parked by the mayor or regional council chairperson; and

(b) the vehicle is used by the mayor or regional council chairperson for both local authority business and private purposes; and

(c) the vehicle may also be used by other local authority members or staff on local authority business, with the permission of the mayor or regional council chairperson; and

(d) all travel in the vehicle is recorded in a logbook; and

(e) the use of the vehicle for private purposes accounts for no more than 10% of the distance travelled in the vehicle in a year

purchase price means the amount paid for the vehicle,—

(a) including goods and services tax and any on-road costs; and

(b) after deducting the amount of any rebate that applied under the former clean car discount scheme, which ended on 31 December 2023, in respect of the purchase of the vehicle

restricted private use means that—

(a) the vehicle is usually driven home and securely parked by the mayor or regional council chairperson; and

(b) the vehicle is otherwise generally available for use by other local authority members or staff on local authority business; and

(c) the vehicle is used solely for local authority business; and

(d) all travel in the vehicle is recorded in a logbook.

Allowances

11 Vehicle-kilometre allowance

(1) A local authority may pay to a member a vehicle-kilometre allowance to reimburse that member for costs incurred in relation to eligible travel.

(2) A member's travel is eligible for the allowance if—

(a) it occurs at a time when the member is not provided with a motor vehicle by the local authority; and

(b) the member is travelling—

(i) in a private vehicle; and

(ii) on local authority business; and

(iii) by the most direct route that is reasonable in the circumstances.

(3) The allowance payable to a member for eligible travel is,—

(a) for a petrol or diesel vehicle,—

(i) $1.04 per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and

(ii) 35 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term:

(b) for a petrol hybrid vehicle,—

(i) $1.04 per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and

(ii) 21 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term:

(c) for an electric vehicle,—

(i) $1.04 per kilometre for the first 14,000 kilometres of eligible travel in the determination term; and

(ii) 12 cents per kilometre after the first 14,000 kilometres of eligible travel in the determination term.

(4) However, if a member of a local authority travels from a place where the member permanently or temporarily resides that is outside the local authority area to the local authority area on local authority business, the member is only eligible for a vehicle-kilometre allowance for eligible travel after the member crosses the boundary of the local authority area.

(5) Subclause (4) does not apply to the payment of a vehicle-kilometre allowance by a local authority to a member who permanently or temporarily resides outside the local authority area if—

(a) the member's primary place of residence was outside the local authority area at the time of the local election, or an exceptional circumstance beyond the member's control requires them to move outside the local authority area; and

(b) the Remuneration Authority determines, on an application from the member and having considered the recommendation of the mayor or regional council chairperson, that subclause (4) does not apply.

12 Travel-time allowance

(1) A local authority may pay a member (other than a mayor, a regional council chairperson, a member of the governing body of the Auckland Council, the

Christchurch City Council, or the Wellington City Council, or a chairperson of a local board of the Auckland Council) an allowance for eligible travel time.

(2) A member's travel time is eligible for the allowance if it is time spent travelling within New Zealand—

(a) on local authority business; and

(b) by the quickest form of transport that is reasonable in the circumstances; and

(c) by the most direct route that is reasonable in the circumstances.

(3) The travel-time allowance is $41.30 for each hour (pro-rated in the case of a part of an hour) of eligible travel time after the first hour of eligible travel time travelled in a day.

(4) However, if a member of a local authority permanently or temporarily resides outside the local authority area and travels to the local authority area on local authority business, the member is only eligible for a travel-time allowance for eligible travel time—

(a) after the member crosses the boundary of the local authority area; and

(b) after the first hour of eligible travel time within the local authority area.

(5) Subclause (4) does not apply to the payment of a travel-time allowance by a local authority to a member who permanently or temporarily resides outside the local authority area if—

(a) the member's primary place of residence was outside the local authority area at the time of the local election, or an exceptional circumstance beyond the member's control requires them to move outside the local authority area; and

(b) the Remuneration Authority determines, on an application from the member and having considered the recommendation of the mayor or regional council chairperson, that subclause (4) does not apply.

(6) The maximum total amount of travel-time allowance that a member may be paid for eligible travel in a 24-hour period is 8 hours.

(7) Despite subclause (1), the Chatham Islands Council may pay the Mayor of the Chatham Islands Council an allowance for eligible travel time.

13 ICT allowances

Member uses local authority's ICT

(1) If a local authority supplies ICT to a member for use on local authority business and allows for its personal use, the local authority may decide what portion, if any, of the local authority's costs reasonably attributable to such personal use must be paid by the member.

Member uses own equipment and consumables

(2) If a local authority determines that a member requires particular ICT equipment to perform their functions and requests that the member use their own equipment for those purposes, the local authority may pay an allowance.

(3) The matters for which the local authority may pay an allowance, and the amounts that the local authority may pay for the determination term, are as follows:

(a) for the use of a personal computer, tablet, or laptop, including any related docking station, $400:

(b) for the use of a multi-functional or other printer, $50:

(c) for the use of a mobile telephone, $200:

(d) for the use of ICT consumables, up to $200.

Member uses own services

(4) If a local authority requests a member to use the member's own internet service for the purpose of the member's work on local authority business, the member is entitled to an allowance for that use of up to $800 for the determination term.

(5) If a local authority requests a member to use the member's own mobile telephone service for the purpose of the member's work on local authority business, the member is entitled, at the member's option, to—

(a) an allowance for that use of up to $500 for the determination term; or

(b) reimbursement of actual costs of telephone calls made on local authority business on production of the relevant telephone records and receipts.

Pro-rating

(6) If the member is not a member for the whole of the determination term, subclauses (3) to (5) apply as if each reference to an amount were replaced by a reference to an amount calculated in accordance with the following formula:

$$(a \div b) \times c$$

where—

a is the number of days that the member held office in the determination term

b is the number of days in the determination term

c is the relevant amount specified in subclauses (3) to (5).

(7) The Remuneration Authority may approve rules proposed by a local authority to meet the costs of installing and running special ICT where, because of distance or restricted access, normal communications connections are not available.

(8) In this clause, **ICT** means information or communication technology, including—

(a) ICT equipment (for example, a mobile telephone and a laptop computer); and

(b) ICT services (for example, a mobile telephone service and an internet service); and

(c) ICT consumables (for example, printer or photocopy paper and ink cartridges).

14 Childcare allowance

(1) A local authority may pay a childcare allowance to an eligible member as a contribution towards expenses incurred by the member for childcare provided while the member is engaged on local authority business.

(2) A member is eligible to be paid a childcare allowance for childcare provided for a child only if—

(a) the member is a parent or guardian of the child or is a person who usually has responsibility for the day-to-day care of the child (other than on a temporary basis); and

(b) the child is under 14 years of age; and

(c) the childcare is provided by a person who—

(i) is not a parent of the child or a spouse, civil union partner, or de facto partner of the member; and

(ii) does not ordinarily reside with the member; and

(d) the member provides evidence satisfactory to the local authority of the amount paid for childcare.

(3) A local authority must not pay childcare allowances to a member that total more than $7,500 per child during the determination term.

15 Home security system allowance

(1) Based on a security threat and risk assessment authorised by the local authority, a local authority may reimburse the expenses of having a security system installed and monitored at a member's primary place of residence within the local authority area up to a maximum of—

(a) $4,500 for installing the system; and

(b) $1,000 in any year for monitoring, call-outs, and repairs.

(2) A member may also be reimbursed for additional expenses for the provision of supplementary security measures at their primary place of residence within the local authority area if—

(a) the security threat and risk assessment recommends that those supplementary security measures be provided to the member; and

(b) the Remuneration Authority, on application from the local authority, approves reimbursement of the additional expenses arising from the provision of those supplementary security measures.

Hearing fees

16 Fees related to hearings

(1) A member of a local authority or member of a board who acts as the chairperson of a hearing is entitled to be paid a fee of up to $130 per hour of hearing time related to the hearing.

(2) A member of a local authority or member of a board who is not the chairperson of a hearing is entitled to be paid a fee of up to $104 per hour of hearing time related to the hearing.

(3) For any period of hearing time that is less than 1 hour, the fee must be apportioned accordingly.

(4) This clause does not apply to—

(a) a mayor or a member who acts as mayor and is paid the mayor's remuneration and allowances under clause 9(2); or

(b) a chairperson of a regional council or a member who acts as chairperson of a regional council and is paid the chairperson's remuneration and allowances under clause 9(2); or

(c) a member of the governing body of the Auckland Council, the Christchurch City Council, or the Wellington City Council; or

(d) a chairperson of a local board of the Auckland Council.

Revocation

17 Revocation

The Local Government Members (2024/25) Determination 2024 (SL 2024/124) is revoked.

Schedule 1
Transitional, savings, and related provisions

cl 7

Part 1
Provisions relating to this determination as made

1 Provisions that do not apply until day after official results of 2025 election are declared

(1) Despite the revocation of the Local Government Members (2024/25) Determination 2024, clause 12(1) of that determination continues to apply instead of clause 12(1) of this determination until the close of the day on which the official result of the 2025 local election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority.

(2) Clauses 15 and 16(4)(c) and (d) of this determination apply on and from the day after the date on which the official result of the 2025 election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority.

2 Commencement date of clause 15 and of Schedule 3 remuneration for members of Tauranga City Council

(1) A member of the Tauranga City Council is entitled to a home security system allowance under clause 15 on and from 12 October 2025.

(2) A member of the Tauranga City Council is entitled to the applicable remuneration set out in Schedule 3 (adjusted in accordance with clause 10 if applicable) on and from 12 October 2025.

Schedule 2
Remuneration before 2025 election of members

cl 8(1)

Part 1
Remuneration of members of regional councils

Bay of Plenty Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	164,175
Regional Council Deputy Chairperson	84,540
Committee Chairs (6)	73,969
Councillor with no additional responsibilities	65,013
Councillor (minimum allowable remuneration)	57,616

Guidance note

The governance remuneration pool for the Bay of Plenty Regional Council is $918,438. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Canterbury Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	193,753
Regional Council Deputy Chairperson	129,169
Councillor with no additional responsibilities	76,923
Councillor (minimum allowable remuneration)	69,385

Guidance note

The governance remuneration pool for the Canterbury Regional Council is $1,052,249. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Hawke's Bay Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	153,669
Regional Council Deputy Chairperson	71,815
Corporate and Strategic Committee Chairperson	71,815
Environment and Integrated Catchments Committee Chairperson	71,815
Regional Transport Committee Chairperson	71,815
Clifton to Tangoio Coastal Hazards Strategy Joint Committee Chairperson	71,815
Councillor appointed as director of Hawke's Bay Regional Investment Company Ltd	71,815
Councillor with no additional responsibilities	65,661

Office	Annual remuneration ($)
Councillor (minimum allowable remuneration)	62,672

Guidance note

The governance remuneration pool for the Hawke's Bay Regional Council is $693,531. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Manawatū–Whanganui Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	159,193
Regional Council Deputy Chairperson	66,335
Audit, Risk, and Investment Committee Chair	63,682
Audit, Risk, and Investment Committee Deputy Chair	53,069
Integrated Catchment Committee Chair	63,682
Integrated Catchment Committee Deputy Chair	61,029
Passenger Transport Committee Chair	63,682
Passenger Transport Committee Deputy Chair	53,069
Manawatū River Users' Advisory Group Chair	53,069
Councillor with no additional responsibilities	53,069
Councillor (minimum allowable remuneration)	52,756

Guidance note

The governance remuneration pool for the Manawatū–Whanganui Regional Council is $742,963. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Northland Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	144,122
Regional Council Deputy Chairperson	90,558
Chair of Regional Transport Committee	77,376
Chair of Whangarei Public Transport Working Party	77,376
Chair of Biosecurity and Biodiversity Working Party	76,753
Chair of Infrastructure Committee	76,753
Councillor with no additional responsibilities	75,507
Councillor (minimum allowable remuneration)	57,813

Guidance note

The governance remuneration pool for the Northland Regional Council is $625,339. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Otago Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	164,562
Regional Council Deputy Chairperson	98,355
Co-Chair Regional Leadership Committee (2)	76,963
Co-Chair Safety and Resilience Committee (2)	76,963
Co-Chair Environmental Implementation Committee	76,963
Co-Chair Public and Active Transport Committee (2)	76,963
Co-Chair Finance Committee (2)	76,963
Councillor (minimum allowable remuneration)	54,717

Guidance note

The governance remuneration pool for the Otago Regional Council is $791,017. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Southland Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	136,773
Regional Council Deputy Chairperson and Chair of Regional Transport Committee	66,853
Chair, Strategy and Policy Committee	62,078
Chair, Regulatory Committee	57,302
Chair, Regional Services Committee	57,302
Chair, Finance and Performance Committee	57,302
Councillor with no additional responsibilities	47,752
Councillor (minimum allowable remuneration)	39,931

Guidance note

The governance remuneration pool for the Southland Regional Council is $587,345. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Taranaki Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	118,590
Regional Council Deputy Chairperson	57,617
Chairperson of Policy and Planning Committee	57,617
Chairperson of Operations and Regulatory Committee	57,617
Chairperson of Executive, Audit and Risk Committee	57,617
Chairperson of Regional Transport Committee	46,643
Chairperson of Taranaki Solid Waste Management Committee	46,643
Chairperson of Yarrow Stadium Joint Committee	46,643
Taranaki Regional Council Agriculture Portfolio Holder	46,643
Councillor with no additional responsibilities	41,704

Office	Annual remuneration ($)
Councillor (minimum allowable remuneration)	39,619

Guidance note

The governance remuneration pool for the Taranaki Regional Council is $500,449. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Waikato Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	175,727
Regional Council Deputy Chairperson	88,340
Committee Chairperson A (Strategy and Policy Committee and Integrated Catchment Management Committee) (2)	81,546
Committee Chairperson B (Regional Transport Committee, Finance and Services Committee, Environmental Performance Committee, Climate Action Committee) (4)	78,147
Deputy Chairperson (Integrated Catchment Management Committee)	74,749
Deputy Chairperson—Single Committee (Strategy and Policy Committee, Climate Action Committee) (2)	69,993
Deputy Chairperson—Multiple Committees (Finance and Services Committee, Regional Transport Committee, and Future Proof Transport Committee)	72,032
Councillor with no additional responsibilities	67,954
Councillor (minimum allowable remuneration)	61,965

Guidance note

The governance remuneration pool for the Waikato Regional Council is $986,695. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Wellington Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	190,103
Regional Council Deputy Chairperson, with committee chairperson responsibilities	103,659
Chair, Environment Committee and Climate Committee	92,706
Chair, Te Tiriti o Waitangi Committee	92,706
Chair, Transport Committee	92,706
Chair, Chief Executive Employment Review Committee	88,997
Chair, Hutt Valley Flood Management Subcommittee	88,997
Co-Chair, Te Upoko Taiao–Natural Resources Plan Committee	88,997
Councillor with no additional responsibilities	74,164
Councillor (minimum allowable remuneration)	68,069

Guidance note

The governance remuneration pool for the Wellington Regional Council is $1,019,589. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

West Coast Regional Council

Office	Annual remuneration ($)
Regional Council Chairperson	104,047
Regional Council Deputy Chairperson and Chair of Resource Management Committee	67,630
Chair of Risk and Assurance Committee, Chair of Remuneration and Employment Committee, and Chair of Infrastructure Governance Committee	60,867
Councillor with no additional responsibilities	56,679
Councillor (minimum allowable remuneration)	39,947

Guidance note

The governance remuneration pool for the West Coast Regional Council is $355,214. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Part 2
Remuneration of members of territorial authorities and their community or local boards

Ashburton District Council

Office	Annual remuneration ($)
Mayor	142,829
Deputy Mayor	86,116
Councillor with no additional responsibilities	49,809
Councillor (minimum allowable remuneration)	32,122

Guidance note

The governance remuneration pool for the Ashburton District Council is $484,593. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Methven Community Board

Office	Annual remuneration ($)
Chairperson	6,218
Member	3,109

Auckland Council

Office	Annual remuneration ($)
Mayor	318,616
Deputy Mayor	175,303
Chair of a Committee of the Whole (3)	150,216
Deputy Chair of a Committee of the Whole	140,320
Chair of a Decision-making Committee (4)	140,993
Deputy Chair of a Decision-making Committee (4)	139,244
Chair of an Other Committee (2)	139,781
Deputy Chair of an Other Committee (2)	137,628
Councillor with no additional responsibilities	116,100
Councillor (minimum allowable remuneration)	116,030

Guidance note

The governance remuneration pool for the Auckland Council is $2,790,334. *See* the explanatory note to this determination for further information about the Remuneration Authority's methodology when fixing members' remuneration.

Albert–Eden Local Board

Office	Annual remuneration ($)
Chairperson	104,485
Deputy Chairperson	62,691
Member	52,243

Aotea / Great Barrier Local Board

Office	Annual remuneration ($)
Chairperson	64,649
Deputy Chairperson	38,789
Member	32,324

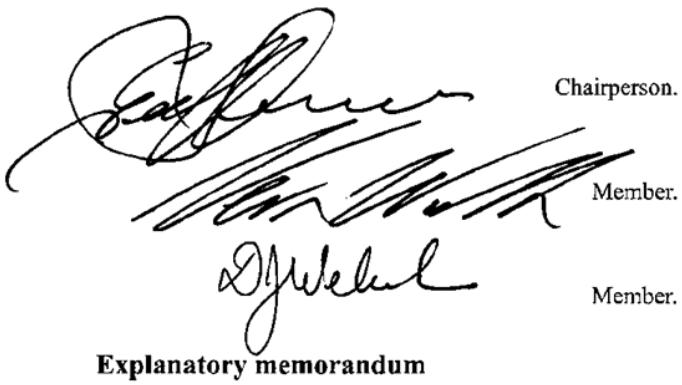
Devonport–Takapuna Local Board

Office	Annual remuneration ($)
Chairperson	98,328
Deputy Chairperson	58,997
Member	49,164

Franklin Local Board

Office	Annual remuneration ($)
Chairperson	102,762
Deputy Chairperson	61,657
Member	51,381

Dated at Wellington this 24th day of June 2025.



Chairperson.

Member.

Member.

Explanatory memorandum

This memorandum is not part of the determination but is intended to indicate its general effect.

This determination comes into force on 1 July 2025 and expires at the close of 30 June 2026.

Methodology review

Because the triennial local elections are scheduled for later this year, the Remuneration Authority (the **Authority**) recently completed a full review of the framework for determining local government remuneration. All councils were regularly consulted throughout the review process. The Authority found that the current approach is working well and no changes have been made to the framework.

As part of the review process, the Authority was interested in the time allocated by elected members to their local government roles. The Authority asked councils to complete a return giving an indication of time spent by councillors undertaking council-related duties. Although the response rate was disappointing, the Authority did note that workload had increased across some councils and this, together with updated size indices data and legislated criteria, has resulted in variable increases in councils' governance remuneration pools, which will take effect following the October 2025 local elections.

Remuneration

Councils and local boards

Since 2019, when setting remuneration for mayors, regional council chairpersons, councillors, and local board members, the Authority has used a group of size indices covering territorial, regional, and unitary authorities and Auckland Council local boards. The relevant workload and responsibilities of each council are assessed using several criteria, and each council is placed within the relevant index.

Those size indices were updated with the most recent publicly available demographic, statistical, and economic data, and the updated size indices will apply for the triennium following the local elections in October 2025.

The size index is also used to assign a governance remuneration pool to each council. It provides a total amount to be allocated and paid in remuneration to the councillors. Each council submits proposals to the Authority on how its individual pool should be allocated according to that council's intended governance structure. Roles to which differential remuneration can be attached include internal roles such as deputy mayor, committee chair, etc, as well as roles representing the council on outside groups. Councils submit their proposals to the Authority and the Authority may request further information or make changes to the proposals it receives before making its determination.

The governance remuneration pools are included in the guidance notes in the schedules for each council.

Schedule 2 sets out the remuneration for each position to apply from 1 July 2025 until the close of the day on which the official result of the 2025 election is declared, and *Schedule 3* sets out the remuneration for each position that will apply on and after the day on which the official result of the 2025 local election of members for an individual council is declared.

Community boards

Determining community boards' remuneration remains problematic because of the large variations in their number of members, the populations they represent, and their respective roles and powers. The Authority's 2019 review of community board remuneration concluded that, because of those variations, a workable ranking of community boards or a robust and intuitively sensible size index could not be developed. Therefore, the fixing of individual councils' community board members' remuneration over the past 6 years was informed, in part, by the population of each community board and by their individual current remuneration settings.

The Authority has decided to continue with its existing practice for determining the remuneration of community board members for this determination and during the next triennium. The Authority continues to communicate its concerns to the Community Board Executive Committee of Local Government New Zealand, the Department of Internal Affairs, and the Local Government Commission about the structural variances and inconsistencies surrounding the establishment and operations of community boards that are impacting the Authority's ability to formulate a sound and consistent methodology for determining remuneration that can be applied across all community boards

Motor vehicles for mayors and regional council chairpersons (*clause 10*)

Clause 10 provides that a local authority may provide a motor vehicle to the mayor or regional council chairperson for restricted private use, partial private use, or full pri-

vate use. If the vehicle is provided for partial private use or full private use, an adjustment must be made to the remuneration of the mayor or regional council chairperson.

The maximum purchase price that may be paid for a petrol or diesel vehicle purchased by a local authority for its mayor or regional council chairperson has been increased to $60,000 (including goods and services tax and on-road costs), and the maximum purchase price that may be paid for an electric or a petrol hybrid vehicle has been increased to $70,500 (including goods and services tax and on-road costs). This new rate is based on an assessment of the current motor vehicle market rates and takes into account the vehicle being fit for purpose, the safety of the driver and passengers, and fairness to ratepayers.

Allowances

This determination also makes changes to the level and conditions of some allowances, based on the Authority's analysis of market information and feedback received in the submissions from councils, while taking into account the Authority's legislated criteria.

Travel-time allowance (*clause 12*)

The travel-time allowance has been increased from $40.00 to $41.30 for each hour of eligible travel time after the first hour of time travelled in a day.

The Authority has also reviewed the entitlements for the payment of the travel-time allowance and has decided to, in addition to a mayor or a regional council chair, exclude the members of the governing bodies of Auckland Council, Christchurch City Council, and Wellington City Council, plus the chairpersons of Auckland Council local boards, from this entitlement because these are deemed to be full-time roles. This change will apply on and from the day after the date on which the official result of the 2025 election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority.

Vehicle-kilometre and ICT allowances (*clauses 11 and 13*)

The vehicle-kilometre and ICT allowances remain unchanged from the previous determination.

Childcare allowance (*clause 14*)

The childcare allowance has been increased from $6,000 per year for each child to $7,500 per year for each child. The eligibility and criteria are unchanged from the previous determination.

Home security system allowance (*clause 15*)

This year, the Authority has introduced a new home security system allowance as it has become increasingly evident that public officials, including local government elected members, are less safe and are experiencing threatening behaviour.

The Authority has based this reimbursement allowance on a similar provision for members of Parliament.

Councils may reimburse their elected members for installation, monitoring, call-outs, and repairs subject to the criteria set out under *clause 15* of this determination.

Clause 15 will apply on and from the day after the date on which the official result of the 2025 election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority (or, in the case of Tauranga City Council, on and from 12 October 2025).

Hearing fees

The fee paid to a chairperson of a hearing has been increased from $116 to $130 per hour, and the fee paid to a member of a hearing has been increased from $93 to $104 per hour (*see clause 16*).

The Authority has also reviewed the entitlements for the payment of hearing fees and has decided to exclude, in addition to a mayor or a regional council chair, the members of the governing bodies of Auckland Council, Christchurch City Council, and Wellington City Council, plus the chairpersons of Auckland Council local boards, from this entitlement because these are deemed to be full-time roles. This change will apply on and from the day after the date on which the official result of the 2025 election is declared under section 86 of the Local Electoral Act 2001 in relation to a local authority.

In making this determination for the remuneration of elected members of local authorities, local boards, and community boards listed in clause 6 of Schedule 7 of the Local Government Act 2002, the Authority had regard to the mandatory criteria listed in clause 7 of that schedule and the applicable criteria listed in sections 18 and 18A of the Remuneration Authority Act 1977.

Issued under the authority of the Legislation Act 2019.
Date of notification in *Gazette*:

Elected Members' Expenses and Allowances Policy

Adopted by resolution of Hawke's Bay Regional Council on 30 July 2025

Rationale

This policy sets out the rules for remuneration, reimbursement of expenses and payment of allowances for councillors.

Policy

1. Authentication of Expense Reimbursement and Allowances

The principles and processes under which Hawke's Bay Regional Council ensures that expense reimbursements and allowances are payable:

Principles

1.1. Are in line with Council policies.

1.2. Have a justified business purpose.

1.3. Are payable under clear rules communicated to all claimants.

1.4. Are approved by a person able to exercise independent judgement.

1.5. Are adequately documented.

1.6. Are reasonable and conservative in line with public sector norms.

1.7. Are, in respect of allowances, a reasonable approximation of expenses incurred on behalf of Council by the councillor.

1.8. Support administrative efficiency by the payment, where possible, of standard allowances based on fair and reasonable value of costs incurred.

Processes

1.9. Councillors are issued with an explanatory memorandum explaining their entitlements and how they should claim them.

1.10. Councillors are required to make expenditure claims for all allowances, other than agreed regular payments, which are approved by the Chief Executive prior to payment.

1.11. All reimbursement costs will be based on actual and reasonable expenditure with claims to be supported by appropriate invoices to substantiate the claim and will be approved as part of the Council's normal creditor payment process.

2. Vehicle Provided

Where the Chairperson decides to take up the entitlement to a Council vehicle then the terms and conditions for the supply of a vehicle will be determined by the Chief Executive in line with policies set out by the Remuneration Authority as follows.

2.1 The maximum purchase price, in the case of a petrol or diesel vehicle, ~~$55~~60,000 (including GST and any on-road costs); and in the case of an electric or a hybrid vehicle, ~~$68,500~~70,500 (including GST and any on-road costs).

2.2 Where the motor vehicle is provided to the Chairperson for partial private use or full private use, the annual remuneration payable to Chairperson must be adjusted by the local authority, and the adjustment must take effect on and from the date of commencement of the relevant determination (in the case of a motor vehicle provided to the person before that date); or the date of provision of the motor vehicle to the person (in the case of a motor vehicle provided during the determination term).

2.2.1 If a motor vehicle is provided to the chairperson for partial private use, the amount calculated in accordance with the following formula must be deducted from the remuneration payable to that person:

$$v \times 41\% \times 10\%$$

2.2.2 If a motor vehicle is provided to the chairperson for full private use, the amount calculated in accordance with the following formula must be deducted from the remuneration payable to that person:

$$v \times 41\% \times 20\%$$

where v means the actual purchase price of the vehicle, including goods and services tax and any on-road costs.

3. Vehicle Mileage Allowance

A vehicle mileage allowance is payable to a councillor for travel by that councillor each day, but only if:

3.1 The councillor is not otherwise provided with a vehicle by the Council; and

3.2 The travel is:

3.2.1 In a private vehicle; and

3.2.2 On Council business; and

3.3 By the most direct route that is reasonable in the circumstances, and the maximum vehicle mileage allowance payable in any one twelve month period is the rate per kilometre as set out in the current Remuneration Authority determination.

Allowance	1 July 2025
Mileage Allowance – petrol or diesel	$1.04 per km (no change)
Mileage Allowance - Hybrid	$1.04 per km (no change)
Mileage Allowance – Electric Vehicle	$1.04 per km (no change)
Mileage Allowance – E-bike	$0.29 per km (no change)
Mileage Distance on Higher Rate	14,000 km per year (no change)
Mileage Allowance (after Higher Rate distance)	$0.35/km petrol/diesel (no change) $0.21 /km hybrid (no change) $0.12/km electric including e-bike (no change)

3.4 "Council business" is defined as *"Official Council business whereby Councillors are invited or required to attend both informal or formal meetings or events related to Council. These do not include meetings with constituents, or the councillor's own initiatives to familiarise or better inform themselves in any way with Council business, or where a Council function is primarily entertainment".*

4. Travel Time Allowance

4.1 Council may pay a councillor a travel time allowance if the role of the councillor cannot be properly regarded as a full-time position.

4.2 An allowance may be paid to a councillor for each day within the period of this determination that:

4.2.1 The councillor is travelling on Council business and by the quickest form of transport reasonable in the circumstances; and

4.2.2 The travel time of the councillor exceeds one hour.

4.3 The allowance is payable, in relation to each day for which the councillor qualifies as follows.

Allowance	1 July 2025
Threshold time on daily travel	8 hours in a 24 hour period
Travel Time Allowances	$41.30 per hour (after the first hour of eligible travel) (was $40)

* travel by e-bike not eligible for travel time allowance

4.4 In this clause, on the Council's business includes:

4.4.1 Travel between a councillor's residence and the Council's Head Office.

5. Travel and Accommodation - *(Mileage Claims – refer Section 3)*

Taxis and Other Transport

5.1 Councillors will be reimbursed for the actual and reasonable cost of any expenditure on taxis and other transport incurred where such expenditure is considered reasonable and necessary for the attendance at conferences, seminars and business-related meetings attended at the request of Council or approved by the Chairperson.

Carparks

5.2 Individual carparks are allocated to each councillor for use on Council and committee meeting days only. In addition, the Chairperson has a permanent carpark and one other carpark is permanently available for any other councillor to attend Council business at the Council's Dalton Street office.

Use of Rental Cars

5.3 Councillors will be reimbursed for the actual and reasonable cost of any expenditure on rental cars where this is considered necessary to attend conferences, courses and business meetings attended at the request of Council or approved by the Chairperson. If rental cars are used they are to be cheaper than mileage allowance or air fare.

Air Travel – Domestic

5.4 All domestic travel is to be approved in advance by the Chairperson or Chief Executive and booked through the Chief Executive's Executive Assistant or the Governance Team.

Air Travel – International

5.5 All international travel is to be approved in advance by the Chairperson or Chief Executive and booked through the Chief Executive's Executive Assistant or the Governance Team.

5.6 Council will meet the cost only of economy class airfares unless specifically approved otherwise by the Chairperson or Chief Executive.

5.7 Stopovers for long distance flights will be at the discretion of the Chairperson or Chief Executive, and where approved, will be paid or reimbursed.

Airline Clubs/Airpoints/Airdollars

5.8 The Chairperson is provided with a Koru Club membership on the basis of frequency of air travel. Airpoints or Airdollars earned on travel, accommodation etc, paid for by the Council are available for the private use of members.

Accommodation Costs While Away at Conferences, Seminars, etc

5.9 Councillors will be reimbursed for the actual and reasonable cost of any expenditure incurred where this expenditure is incurred for attendance at the request of Council or approved by the Chairperson or Chief Executive. Travel is to be approved in advance and all bookings are to be made through the Chief Executive's Executive Assistant. This provision also applies to councillors who normally live at a distance from Napier who stay overnight prior to or between Council or committee meetings.

Meals and Sustenance, Incidental Expenses

5.10 The reasonable cost of meals and sustenance will be paid or reimbursed where such expenditure is incurred for attendance at conferences, courses and business meetings attended at the request of Council or approved by the Chairperson or Chief Executive. A light lunch is generally provided to councillors on Council and committee meeting days.

Private Accommodation Paid for by Local Authority

5.11 An allowance of $50 per night can be claimed by councillors where they decide to stay privately when attending a conference, course or business meeting where their attendance is at the request of the Council or approved by the Chairperson or Chief Executive. Reasonable additional costs associated with staying privately can be claimed only if the prior approval of the Chairperson or Chief Executive has been received.

6. Entertainment and Hospitality

6.1 There are no hospitality or entertainment allowances paid to councillors. Where entertainment or hospitality is required at the request of the Council, or on the approval of the Chairperson or Chief Executive, reimbursement can be claimed on an actual and reasonable basis.

7. Equipment and Technology Provided to Councillors

7.1 The following allowances are paid to councillors to assist with the costs of equipment and technology provided by the councillor. Where Council requires members to use the following equipment the allowances below will be paid.

Item	Annual Allowance
Use of a mobile phone	$200
Mobile phone services	$500
Internet services	$800
Use of a printer	$50
TOTAL	$1550 pa

7.2 Councillors will be limited to a total payment of $1,550 per annum.

7.3 All equipment provided by the Council continues to be the property of the Council.

7.4 Councillors are given the option to join the HBRC monthly mobile phone plan. If councillors take up this option, the associated allowances ($500) will not be paid.

7.5 Councillors are given the option to be provided with a cellphone on the HBRC monthly mobile phone plan. If councillors take up this option, the associated allowances ($700) will not be paid.

8. Professional Development, Clubs and Associations

8.1. Council pays for the cost of professional development courses, seminars, etc approved by Council or the Chairperson, within a specified annual budget.

8.2. No expenses or allowances in respect of subscriptions to Clubs or associations are paid other than professional bodies specific to their role with Council.

9. Childcare Allowance

9.1. Councillors are eligible to be reimbursed for childcare in circumstances where:

9.1.1. the councillor is a parent or guardian of the child, or is a person who usually has responsibility for the day-to-day care of the child (other than on a temporary basis), and

9.1.2. the child is aged under 14 years of age; and

9.1.3. the childcare is provided by a person who-

- is not a parent of the child or a spouse, civil union partner, or de facto partner of the member; and
- does not ordinarily reside with the member; and
- the member provides evidence satisfactory to the local authority of the amount paid for childcare.

9.2. A local authority must not pay childcare allowances to a member that total more than $~~6,000~~7,500 per child during the determination term.

10. Other Expense Reimbursements and Allowances

The following are reimbursed or provided to councillors:

Clothing

10.1. Councillors will be supplied with a rain jacket bearing the Council's logo.

Stationery

10.2. Stationery and printer cartridges are available on request for use on Council business.

Councillors' Office

10.3. Councillors are entitled to use the Councillors' Lounge, located next to the Council Chamber on the ground floor of the Dalton Street office. The office is equipped with desks, phone and a computer.

Chair's Office

10.4. The Chairperson is provided with an office at the Council's offices on Dalton Street in Napier. This office includes a direct dial telephone extension, a mobile phone with associated costs and a networked computer. Full secretarial assistance is also provided.

11. Signature

11.1. In relation to the electoral tenure commencing 15 October 2022, the expense reimbursement rules and payments of allowances applicable to councillors as set out in this document were adopted by Council on 30 August 2023.

11.2. The approved document and any attachments will be available for public inspection in accordance with the Remuneration Authority's determination.

HBRC Chief Executive, Nic Peet *Date*